

# Board of Supervisors



**SMYTH**  
**COUNTY, VA**

**Thursday, January 23, 2025**

**#SMYTHSTRONG**





Atkins District  
Chilhowie District  
North Fork District  
Park District  
Royal Oak District  
Rye Valley District  
Saltville District

Charles E. Atkins  
Michael L. Sturgill  
Rick A. Billings  
Kristopher S. Ratliff, DPh  
S. Courtney Widener  
W. Jason Parris  
Roscoe D. Call

County Administrator  
Asst. County Administrator – Operations  
Asst. County Administrator – Development

Shawn M. Utt  
Lisa Richardson  
Clegg Williams

## MEETING AGENDA SMYTH COUNTY BOARD OF SUPERVISORS

Thursday, January 23, 2025  
5:00 PM

- |     |   |                             |
|-----|---|-----------------------------|
| 1)  | <b>CALL MEETING TO ORDER</b>  | Board Chair                 |
| 2)  | <b>AMENDMENTS TO AGENDA</b>   | Board Chair                 |
| 3)  | <b>MINUTES OF PREVIOUS MEETINGS</b><br><i>Minutes of the January 9th, 2025 meeting</i>  | Board Chair                 |
| 4)  | <b>PRESENTATIONS</b><br><i>None.</i>  | Board Chair                 |
| 5)  | <b>PUBLIC HEARINGS</b><br><i>None.</i>  | Board Chair                 |
| 6)  | <b>CITIZENS TIME</b><br><i>The Board welcomes your input. You may address the Board using the sign-in sheet located in the rear of the room. At this time, you may address the Board on items that may or may not be on the agenda. Time limit is <u>three (3)</u> minutes.</i> | Board Chair                 |
| 7)  | <b>OLD BUSINESS</b><br>a. Committee Reports/ Recommendations<br>i. Budget Committee<br>ii. Building and Grounds Committee<br>iii. Ordinance Committee<br>iv. Public Safety Committee  | Board Chair                 |
| 8)  | <b>NEW BUSINESS</b><br><i>None.</i>   | Board Chair                 |
| 9)  | <b>REPORT FROM COUNTY ATTORNEY</b>  | Scot Farthing, County Att'y |
| 10) | <b>REPORT FROM COUNTY ADMINISTRATOR / STAFF</b>   | County Admin. / Staff       |
| 11) | <b>SUPERVISOR COMMENT TIME</b>  | Board Members               |
| 12) | <b>CLOSED SESSION</b><br><i>None.</i>   | Board Chair                 |





*Atkins District  
Chilhowie District  
North Fork District  
Park District  
Royal Oak District  
Rye Valley District  
Saltville District*

*Charles E. Atkins  
Michael L. Sturgill  
Rick A. Billings  
Kristopher S. Ratliff, DPh  
S. Courtney Widener  
W. Jason Parris  
Roscoe D. Call*

*County Administrator  
Asst. County Administrator – Operations  
Asst. County Administrator – Development*

*Shawn M. Utt  
Lisa Richardson  
Clegg Williams*

January 17, 2025

To: Members, Smyth County Board of Supervisors  
CC: Smyth County Leadership Team  
From: Shawn M. Utt, Smyth County Administrator  
RE: Packet summary –January 23<sup>rd</sup>, 2025, Board meeting

---

Below are summaries related to specific agenda items. Should additional information become available, we will provide as quickly as possible:

1. **Call to Order, Pledge of Allegiance & Invocation** – The pledge of allegiance will be led by Director of Human Resources, Christy Bise. The invocation will be provided by a local pastor.
2. **Amendments to the Agenda** – if any are necessary, they will be presented at the meeting.
3. **Minutes of Previous Meeting(s)** – a draft copy of the minutes of the January 9th, 2025 meeting are **enclosed** (**Att. 1, Pg 4-36**) for the Board’s review and approval.
4. **Presentations** – None.
5. **Public Hearings** – None.
6. **Citizen’s Time** – Time has been set aside for citizens to provide comments to the Board on general items of interest or concern.
7. **Old Business Items:**
  - a. **Committee Reports/ Recommendations:**
    - i. **Budget Committee**– minutes of the meeting are **enclosed** for your review and information (**Att. 2, Pg 37-46**). In addition, items related to committee recommendations are also **enclosed** for your review
    - ii. **Buildings and Grounds Committee**– minutes of the meeting are **enclosed** for your review and information (**Att. 3, Pg 47-59**). In addition, items related to committee recommendations are also **enclosed** for your review.
    - iii. **Ordinance Committee** minutes of the meeting are **enclosed** for your review and information (**Att. 4, Pg 60-74**). In addition, items related to committee recommendations are also **enclosed** for your review.

- iv. *Public Safety Committee* – minutes of the meeting are **enclosed** for your review and information (**Att. 5, Pg 75-81**). In addition, items related to committee recommendations are also **enclosed** for your review.

8. **New Business:** - None.

9. **Report from County Attorney:** Time has been reserved on the agenda to allow the County Attorney to provide input and various updates as needed.

10. **Report from County Administrator/Staff:** Time has been reserved on the agenda to allow the County Administrator and/or staff to provide input and various updates as needed.

11. **Supervisor Comment Time:** Roundtable discussion for individual Board members.

12. **Closed Session** – None.

13. **Adjournment**

The Smyth County Board of Supervisors held its regular meeting on Thursday, January 11, 2024 at 5:00 p.m. The location of the meeting was in the First Floor Board Room of the County Office Building, 121 Bagley Circle, Suite 100, Marion, Virginia.

**PRESENT:** Atkins District Supervisor Charles Atkins; Rye Valley District Supervisor Jason Parris; Park District Supervisor Kristoper Ratliff; Chilhowie District Supervisor Michael Sturgill; Royal Oak District Supervisor Courtney Widener; Saltville District Supervisor Roscoe Call; North Fork District Supervisor Rick Billings

**ABSENT:** None.

**STAFF:** County Administrator Shawn Utt; Assistant County Administrator – Operations Lisa Richardson; Assistant County Administrator – Development Clegg Williams; Executive Assistant Auna Louthian; County Attorney Scot Farthing

**OTHERS:** Smyth County News & Messenger; Smyth County Sheriff's Deputy and citizens

**1/9/2025 5:00 PM** County Administrator Shawn Utt called the meeting to order and welcomed everyone.

**1/9/2025 5:01 PM** Chilhowie District Supervisor Michael Sturgill led the Pledge of Allegiance and Director of Community and Economic Development, Kendra Hayden gave the invocation.

**1/9/2024 5:02 PM** Mr. Utt opened the floor for discussion and nominations for Board Chairperson for calendar year 2025.

- *Royal Oak District Supervisor Courtney Widener made a motion to nominate Atkins District Supervisor Charles Atkins as Chairperson for calendar year 2025 and close the floor for additional nominations. The motion was seconded by North Fork District Supervisor Rick Billings.*

*After consideration, the motion PASSED by the following vote:*

**AYES:** Rye Valley District Supervisor Jason Parris,  
Royal Oak District Supervisor Courtney Widener,  
Saltville District Supervisor Roscoe Call,  
North Fork District Supervisor Rick Billings,

*Chilhowie District Supervisor Michael Sturgill, and  
Park District Supervisor Kris Ratliff*

**NAYS:** *None.*

**ABSTAINERS:** *Atkins District Supervisor Charles Atkins*

**ABSENT:** *None.*

**1/9/2025 5:03 PM** After thanking the other Board members for their support, Chair, Atkins District Supervisor Charles Atkins opened the floor for nominations for Vice Chairperson for calendar year 2025.

- *Saltville District Supervisor Roscoe Call made a motion to nominate Chilhowie District Supervisor Michael Sturgill as Vice Chairperson for calendar year 2025 and close the floor for nominations. Royal Oak District Supervisor Courtney Widener seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

**AYES:** *Chair, Atkins District Supervisor Charles Atkins,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor, Jason Parris, and  
Park District Supervisor Kristoper Ratliff*

**NAYS:** *None.*

**ABSTAINERS:** *Chilhowie District Supervisor Michael Sturgill*

**ABSENT:** *None.*

Chair, Atkins District Supervisor Charles Atkins opened the floor for nominations for Clerk and Deputy Clerk(s) for calendar year 2025.

- *Saltville District Supervisor Roscoe Call made a motion to nominate Shawn Utt, County Administrator, as Clerk for calendar year 2025 and Lisa Richardson, Assistant County Administrator and Auna Louthian, Executive Assistant to each serve as Deputy Clerks for calendar year 2025 and to close the floor for nominations. Rye Valley District Supervisor Jason Parris seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

**AYES:** *Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,*



*Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

**1/9/2025 5:05 PM** *A motion was made by Saltville District Supervisor Roscoe Call to approve the adoption of the Board of Supervisors meeting schedule for calendar year 2025 as presented. Vice Chair, Chilhowie District Supervisor Michael Sturgill seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

**Smyth County Board of Supervisors  
Meeting Schedule – 2025**

|   |   |
|---|---|
| January –<br><br>Legislative Meeting January 9 <sup>th</sup><br>Second Meeting January 23 <sup>rd</sup> | February –<br><br>Legislative Meeting February 13 <sup>th</sup><br>Second Meeting February 27 <sup>th</sup> |
| March –<br><br>Legislative Meeting March 13 <sup>th</sup><br>Second Meeting March 27 <sup>th</sup>      | April –<br><br>Legislative Meeting April 10 <sup>th</sup><br>Second Meeting April 24 <sup>th</sup>          |
|   |   |

|  |  |
|--|--|
| May –<br><br>Legislative Meeting May 8 <sup>th</sup><br>Second Meeting May 22 <sup>nd</sup>                    | June –<br><br>Legislative Meeting June 12 <sup>th</sup><br>Second Meeting June 26 <sup>th</sup>              |
| July –<br><br>Legislative Meeting July 10 <sup>th</sup><br>Second Meeting July 24 <sup>th</sup>                | August –<br><br>Legislative Meeting August 14 <sup>th</sup><br>Second Meeting August 28 <sup>nd</sup>        |
| September –<br><br>Legislative Meeting September 11 <sup>th</sup><br>Second Meeting September 25 <sup>th</sup> | October –<br><br>Legislative Meeting October 09 <sup>th</sup><br>Second Meeting October 23 <sup>rd</sup>     |
| November –<br><br>Legislative Meeting November 13 <sup>th</sup><br>*Second Meeting November 20 <sup>th</sup>   | December –<br><br>Legislative Meeting December 11 <sup>th</sup><br>*Second Meeting December 18 <sup>th</sup> |

\* Subject to the needs of the Planning Commission – if they do not have a public hearing scheduled for either meeting, we will likely cancel the 2<sup>nd</sup> November meeting and the 2<sup>nd</sup> December meeting.

**1/9/2025 5:06 PM** Chair, Atkins District Supervisor Charles Atkins opened the floor for discussion on any necessary updates to the Board's *Rules of Procedures*. Mr. Utt noted there were no proposed changes as far as he knew.

- *A motion was made by Royal Oak District Supervisor Roscoe Call to adopt the Smyth County Board of Supervisors Rules of Procedures as presented. Vice Chair, Chilhowie District Supervisor Michael Sturgill seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

**AYES:**           *Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff*

**NAYS:**           *None.*

*ABSTAINERS: None.*

*ABSENT: None.*

**1/9/2025 5:07 PM** *A motion was made by Royal Oak District Supervisor Courtney Widener to adopt the state holiday schedule for 2025 as approved by the Governor and amended throughout the year with the addition of Friday, April 18, 2025, as an additional paid holiday. Rye Valley District Supervisor Jason Parris seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

**1/9/2025 5:07 PM** Jimmy Moss, Director of Housing with Mt. Rogers Planning District Commission, provided an update on the Smyth County Housing Development Program (aka, *SmythGrow*). The goal is to develop 100 new housing units using the \$3,000,000 seed funding provided by Smyth County. MRPDC has made significant progress, with 14 houses completed, 13 under construction, and 9 more under agreement. Partner agreements with several construction companies are in place, including C.W. Pruitt, Totton Construction, Williams Construction, and Royal Oak Town Homes. MRPDC has also secured funding through Virginia Housing, offering homebuyers reduced interest rates. Additionally, MRPDC is exploring new development opportunities in partnership with local developers. The program is on track to add over 30 more homes over the coming months, and MRPDC has been successful in negotiating agreements to reduce costs and improve efficiency. The housing development efforts are helping to address housing shortages in Smyth County.

**1/9/2025 5:27 PM** *A motion was made by Saltville District Supervisor Roscoe Call to approve the minutes from December 12, 2025, meeting as amended. Vice Chair, Atkins District Supervisor Michael Sturgill seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,*

*Royal Oak District Supervisor Courtney Widener,  
 North Fork District Supervisor Rick Billings,  
 Saltville District Supervisor Roscoe Call,  
 Rye Valley District Supervisor Jason Parris, and  
 Park District Supervisor Kristoper Ratliff.*

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

**1/9/2025 5:28PM** Assistant County Administrator, Lisa Richardson, reviewed the County financial information.

**SMYTH COUNTY BOARD OF SUPERVISORS  
 THURSDAY, JANUARY 9, 2025**

ACCOUNTS PAYABLE LISTING  
December 2024

Request approval of the following payables:

|                                      |              |
|--------------------------------------|--------------|
| General County                       | 1,986,133.62 |
| Fund 004 EDA                         | 341,158.80   |
| Fund 302 Public Safety Radio         | 1,508.42     |
| Fund 501 Water Deposit Refunds       | -            |
| Fund 505 Transfer Station            | 1,200.00     |
| Fund 748 E-Summons                   | 1,480.63     |
| Fund 749 Recovery Court              | 972.58       |
| Regular Checks Total:                | 2,332,454.05 |
|                                      |              |
| <u>Fund Accounts - Manual Checks</u> |              |

|   |                     |
|---|---------------------|
| Fund 747 Sheriff State Asset Forfeiture           | -                   |
| Fund 760 Commonwealth Attorney Federal Drug Asset | -                   |
| Fund 770 Circuit Court Clerk - Holding Account    | 253.71              |
| Manual Checks Total:                              | 253.71              |
|   |                     |
| <b>TOTAL ACCOUNTS PAYABLE - December 2024</b>     | <b>2,332,707.76</b> |

**1/9/2025 5:30 PM** A motion was made by Vice Chair, Chilhowie District Supervisor Michael Sturgill to approve the accounts payable listing as presented. Rye Valley District Supervisor Jason Parris seconded the motion.

*After consideration, the motion PASSED by the following vote:*

**AYES:** Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.

**NAYS:** None.

**ABSTAINERS:** None.

**ABSENT:** None.

**1/9/2025 5:31 PM** Chair, Atkins District Supervisor Charles Atkins opened citizen's time.

Tom Bishop, a Smyth County developer and neighbor of the Waddle family, addressed the family's request for a conservation easement. Mr. Bishop explained that the Waddles lease property from him for farming purposes and expressed his belief that it is unlikely the property in question will ever be suitable for development.

Dr. Wassum, a resident of Wassona Drive, expressed his gratitude for the prayer and praised the kindness present at Board meetings. He conveyed his appreciation for Library Director Rose Likins and her dedication to the library. Additionally, Dr. Wassum emphasized his commitment to upholding constitutional rights and encouraged the Board to continue safeguarding these rights.

**9/9/2025 5:34PM** With no one else wishing to speak, Chair, Atkins District Supervisor Charles Atkins closed citizen's time.

**9/9/2025 5:34PM** Mr. Williams provided a summary of the conservation easement request, explaining that for the Waddle property to be placed into a conservation easement, a change to the County's recently adopted comprehensive plan would be required to align with this request. Mr. Waddle, the property owner, emphasized that the request is of great importance to his family and that the property is far better suited for agriculture than any other use. Tommy Oravetz, Project Specialist with Virginia Outdoors Foundation, mentioned that the property has been awarded funding through Department of Conservation and Recreation's Land Conservation Grant Fund. Royal Oak District Supervisor Courtney Widener

acknowledged that there has been much to learn throughout this process. Vice Chair, Chilhowie District Supervisor Michael Sturgill thanked Mr. Waddle for the tour of his farm, which helped clarify matters.

- *Royal Oak District Supervisor Courtney Widener made a motion to approve the Planning Commission's recommendation to amend the Future Land Use Map in the Comprehensive Plan to identify the following parcels as Agricultural instead of Commercial/ Industrial and Village Residential: 64-A-20, 64-A-5A, 64-A-6, and 64-A-7. Saltville District Supervisor Roscoe Call seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

**1/9/2025 6:00 PM** Chair, Atkins District Supervisor, Charles Atkins recessed the meeting to allow for a brief break.

**1/9/2025 6:12 PM** Chair, Atkins District Supervisor, Charles Atkins called the meeting back to order.

**1/9/2025 6:12 PM** Mr. Utt presented the following lease agreement with the Appalachian Center for Hope for the Board's review and consideration:

**GROUND LEASE**

between

SMYTH COUNTY, VIRGINIA,

a political subdivision of the Commonwealth of Virginia, as Landlord

and

APPALACHIAN CENTER FOR HOPE, INC., a Virginia corporation, as Tenant

SECTION

PAGE

|   |    |
|---|----|
| SECTION 1. DEFINITIONS.....                                     | 11 |
| 1.1. Specific .....   | 11 |
| 1.2. General.....   | 14 |
| SECTION 2. TERM.....  | 14 |
| 2.1. Lease .....  | 14 |
| 2.2. Holding Over .....   | 14 |
| 2.3. Title to and Alterations of Improvements .....             | 15 |
| SECTION 3. RENT. ....   | 15 |
| 3.1. Amount .....   | 15 |
| 3.2. Security Deposit.....                                      | 15 |
| 3.3. Leasehold Obligations .....                                | 15 |
| 3.4. Assignment of Rents .....                                  | 16 |
| SECTION 4. USE OF PROPERTY.....                                 | 16 |
| 4.1. Nature of Use.....   | 16 |
| 4.2. Compliance with Environmental Laws.....                    | 16 |
| 4.3. Representations, Warranties and Covenants of Landlord..... | 16 |
| SECTION 5. OPERATING EXPENSES. ....                             | 18 |
| 5.1. Operating Expenses .....                                   | 18 |
| SECTION 6. INSURANCE AND INDEMNIFICATION. ....                  | 19 |
| 6.1. Insurance to be maintained by Tenant .....                 | 19 |
| 6.2. Insureds.....  | 19 |
| 6.3. Insurer .....  | 19 |
| SECTION 7. IMPROVEMENTS TO PREMISES. ....                       | 19 |
| 7.1. Rehabilitation of Improvements.....                        | 19 |
| 7.2. Joinder.....   | 19 |
| SECTION 8. REPAIRS AND MAINTENANCE. ....                        | 20 |
| 8.1. Repairs .....  | 20 |
| 8.2. Maintenance.....   | 20 |
| SECTION 9. LANDLORD’S RIGHT OF ENTRY.....                       | 20 |
| 9.1. Inspection and repair.....                                 | 20 |
| SECTION 10. FIRE AND OTHER CASUALTIES.....                      | 20 |
| 10.1. Damages or Destruction to Premises .....                  | 20 |
| 10.2. Distribution of Insurance Proceeds .....                  | 20 |
| SECTION 11. CONDEMNATION. ....                                  | 21 |
| 11.1. Notice of Taking .....                                    | 21 |

|   |    |
|---|----|
| 11.2. Special Account .....   | 21 |
| 11.3. Total Taking.....   | 21 |
| 11.4. Partial Taking; Procedures and Criteria for Course of Action..... | 21 |
| 11.5. Restoration .....   | 22 |
| 11.6. Termination upon Non-Restoration .....                            | 22 |
| 11.7. No Waiver.....  | 22 |
| SECTION 12. ASSIGNMENT AND SUBLETTING .....                             | 22 |
| 12.1. Transfer by Tenant.....   | 22 |
| 12.2. Transfer by Landlord .....  | 22 |
| SECTION 13. DEFAULT. ....   | 23 |
| 13.1. Definition .....  | 23 |
| 13.2. Notice; Grace Period.....   | 23 |
| SECTION 14. CONDITION OF TITLE AND PREMISES.....                        | 23 |
| 14.1. Quiet Enjoyment .....   | 23 |
| SECTION 15. NOTICES.....  | 24 |
| 15.1. Provision of Notices.....   | 24 |
| SECTION 16. [Intentionally Omitted].....                                | 24 |
| SECTION 17. GENERAL. ....   | 24 |
| 17.1. Effectiveness .....   | 24 |
| 17.2. Complete Understanding .....                                      | 24 |
| 17.3. Amendment.....  | 24 |
| 17.4. Waiver.....   | 24 |
| 17.5. Applicable Law .....  | 24 |
| 17.6. Time of Essence.....  | 24 |
| 17.7. Headings .....  | 25 |
| 17.8. Construction.....   | 25 |
| 17.9. Exhibits .....  | 25 |
| 17.10. Severability .....   | 25 |
| 17.11. Disclaimer of Partnership Status.....                            | 25 |
| 17.12. Commissions.....   | 25 |
| 17.13. Prevailing Party.....  | 25 |
| 17.14. Benefit and Burden .....   | 25 |

## Exhibits



- A Property Description
- B Notice Addresses
- C Initial Sublease

## GROUND LEASE

THIS GROUND LEASE (together with Exhibits hereto, which are incorporated herein by this reference, this “**Lease**”) is made effective as of September 1, 2024, notwithstanding the fact that execution of this document may be accomplished by the Parties at a later date, by and between SMYTH COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia, having an address at 121 Bagley Circle, Suite 100, Marion, Virginia 24354 (“**Landlord**”), and APPALACHIAN CENTER FOR HOPE, INC., a Virginia corporation, having an address *in care of* Southwest Virginia Legal Aid Society, Inc. at 227 West Cherry Street, Marion, Virginia 24354 (“**Tenant**”).

## RECITALS

**WHEREAS**, Landlord is the owner in fee simple title of certain Land (as defined herein), which it has agreed to lease under the terms and conditions hereof to Tenant for Tenant’s development, rehabilitation and construction upon the Land of an historic building.

**NOW THEREFORE, IN CONSIDERATION** of the covenants and agreements of the parties hereto, as are hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each party hereto, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord all of that tract of land (the “**Land**”), in the Town of Marion, Virginia, which is more particularly described in Exhibit A attached hereto,

**TOGETHER WITH** any and all rights, alleys, ways, waters, privileges, roads, appurtenances and advantages, to the same belonging or in any way appertaining (all of which, together with the Land, are hereinafter referred to collectively as the “**Premises**”), but not including the existing and future Improvements on or under the Land,

**TO HAVE AND TO HOLD** the Premises unto Tenant, its successors and permitted assigns, for and during the Term set forth herein,

**ON THE TERMS AND SUBJECT TO THE CONDITIONS** which are hereinafter set forth:

## SECTION 1. DEFINITIONS.

1.1. Specific. As used herein, the following terms have the following meanings:

“**Annual Rent**” has the meaning given it in subsection 3.1.

“**Bankruptcy**” shall be deemed, for any person, to have occurred either

(a) if and when such person (i) applies for or consents to the appointment of a receiver, trustee or liquidator of such person or of all or a substantial part of its assets, (ii) files a voluntary petition in bankruptcy or admits in writing its inability to pay its debts as they come due, (iii) makes an assignment for the benefit of its creditors, (iv) files a petition or an answer seeking a reorganization or an arrangement with its creditors or seeks to take advantage of any insolvency

law, or (v) files an answer admitting the material allegations of a petition filed against such person in any bankruptcy, reorganization or insolvency proceeding; or

(b) if (i) an order, judgment or decree is entered by any court of competent jurisdiction adjudicating such person a bankrupt or an insolvent, approving a petition seeking such a reorganization, or appointing a receiver, trustee or liquidator of such person or of all or a substantial part of its assets, or (ii) there otherwise commences with respect to such person or any of its assets any proceeding under any bankruptcy, reorganization, arrangement, insolvency, readjustment, receivership or similar law, and if such order, judgment, decree or proceeding continues unstayed for any period of one hundred twenty (120) consecutive days after the expiration of any stay thereof.

**“Business Day”** means any day other than a Saturday, Sunday or a legal holiday on which banks are authorized or required to be closed for the conduct of commercial banking business in the Commonwealth of Virginia.

**“Commencement Date”** has the meaning given it in subsection 2.1.1.

**“Environmental Laws”** shall mean any and all Federal, State or local laws, pertaining to health, safety, or the environment now or at any time hereafter in effect and any judicial or administrative interpretation thereof (including, but not limited to, any judicial or administrative order, consent decree or judgment relating to the environment or hazardous substances (as such term is defined in any such law), or exposure to hazardous substances) including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Superfund Amendments and Reorganization Act of 1986, as amended, the Resource, Conservation and Recovery Act of 1976, as amended, the Clean Air Act, as amended, the Federal Water Pollution Control Act, as amended, the Oil Pollution Act of 1990, as amended, the Safe Drinking Water Act, as amended, the Hazardous Materials Transportation Act, as amended, the Toxic Substances Control Act, as amended, the federal Clean Water Act of 1977, all regulations and laws adopted by the Occupational Safety and Health Administration, and any other environmental or health conservation or protection laws.

**“Event of Default”** has the meaning given it in subsection 13.1.

**“Force Majeure”** means any (a) strike, lock-out or other labor troubles, (b) governmental restrictions or limitations, (c) failure or shortage of materials, electrical power, gas, water, fuel oil, or other utility or service, (d) riot, war, insurrection or other national or local emergency, (e) accident, flood, fire or other casualty, (f) adverse weather condition, (g) other act of God, or (h) other cause similar or dissimilar to any of the foregoing and beyond the reasonable control of the person in question.

**“Fee Estate”** means Landlord’s fee simple interest in all the Land and the appurtenances included with the Land.

**“Improvements”** mean the historic building located on the Land, and all fixtures and personal property, all off-street parking areas on the Property; all common areas at the Property, and all replacements, additions and alterations thereto.

**“Institutional Lender”** means any commercial bank, savings bank, savings and loan institution or insurance company authorized to do business in Virginia, or any governmental entity.

**“Landlord”** means Smyth County, Virginia, a political subdivision of the Commonwealth of Virginia, and its successors and assigns as holder of the Fee Estate.

**“Land Records”** means the Land Records of the County of Smyth, Virginia.

**“Lease”** means this Ground Lease, including amendments thereto and extensions thereof, if any.

**“Lease Year”** means (a) the period commencing on the Commencement Date and terminating on the first (1<sup>st</sup>) anniversary of the last day of the calendar month containing the Commencement Date, and (b) each successive period of twelve (12) calendar months thereafter during the Term.

**“Leasehold Estate”** means the leasehold estate in the Premises held by Tenant under this Lease and its fee interest in the Improvements and any fee or other interest in the Property acquired by Tenant hereafter.

**“Leasehold Mortgage”** means any mortgage encumbering Tenant’s Leasehold Estate.

**“Legal Requirements”** has the meaning given it in subsection 4.3.8.

**“Mortgage”** means any mortgage or deed of trust at any time encumbering any or all of the Property, and any other security interest therein existing at any time under any other form of security instrument or arrangement used from time to time in the locality of the Property (including but not limited to any such other form of security arrangement arising under any deed of trust, sale-and-leaseback documents, lease-and-leaseback documents, security deed or conditional deed, or any financing statement, security agreement or other documentation used pursuant to the Uniform Commercial Code or any successor or similar statute), provided that such mortgage, deed of trust or other form of security instrument, and an instrument evidencing any such other form of security arrangement, has been recorded among the Land Records or in such other place as is, under applicable law, required for such instrument to give constructive notice of the matters set forth therein.

**“Mortgagee”** means the Person secured by a Mortgage.

**“Permitted Encumbrances”** means any and all encumbrances of record existing as of the date hereof and any Leasehold Mortgage.

**“Person”** means a natural person(s), a trustee, a corporation, a partnership, a limited liability company and any other form of legal entity.

**“Premises”** means the Land more particularly described on Exhibit A attached hereto and incorporated herein by this reference and all rights, alleys, ways, waters, privileges, roads, appurtenances and advantages, to the same belonging or in any way appertaining to the Land.

**“Property”** means collectively the Premises and the Improvements.

**“Restoration”** means the repair, restoration or rebuilding of any or all of the Property after any damage thereto or destruction thereof, with such alterations or additions thereto as are made by Tenant in accordance with this Lease, together with any temporary repairs or improvements made to protect the Property pending the completion of such work.

**“Sublease”** means any sublease of all or any portion of the Property, including the Initial Sublease.

**“Tenant”** means Appalachian Center for Hope, Inc., a Virginia corporation and its successors and permitted assigns as holder of the Leasehold Estate.

“**Term**” has the meaning given it in subsection 2.1.1.

“**Termination Date**” has the meaning given it in subsection 2.1.1.

1.2. General. Any other term to which meaning is expressly given in this Lease shall have such meaning.

## SECTION 2. TERM.

2.1. Lease. Landlord agrees to lease the Premises to Tenant on the terms and conditions set forth in this Lease.

2.1.1 Original Term. This Lease shall be for a term (“**Term**”) commencing on the effective date hereon (“**Commencement Date**”), and (b) terminating on the fifty-fifth (55<sup>th</sup>) anniversary of the Commencement Date (the “**Termination Date**”, except that if the date of such termination is hereafter advanced to an earlier date or postponed pursuant to any provision of this Lease, or by express, written agreement of the parties hereto, or by operation of law, the date to which it is advanced or postponed shall thereafter be the “**Termination Date**” for all purposes of this Lease). Possession shall be delivered on the Commencement Date.

2.1.2 Surrender. Tenant shall, at its expense, at the expiration of the Term or any earlier termination of this Lease, promptly yield up to Landlord the Premises, any of the Improvements and personal property which remains at the Premises as of the Termination Date, in reasonable order and repair, ordinary wear and tear and damage by casualty or condemnation excepted. Upon such expiration or termination (whether by reason of an Event of Default or otherwise), (a) Tenant shall thereafter have no right at law or in equity in or to any or all of the Property (including the Improvements) and shall be conclusively deemed to have abandoned same, and Landlord shall automatically be deemed immediately thereupon to have succeeded to all of the same, free and clear of the right, title or interest therein of Tenant (but subject to the rights of any person then holding any lien, right, title or interest in or to the Fee Estate and to the lien of all Permitted Encumbrances then outstanding), and (b) Tenant hereby waives any and all rights of redemption which it may otherwise hold under any applicable law.

2.2. Holding Over.

2.2.1 Nothing in this Lease shall be deemed in any way to permit Tenant to use or occupy the Premises after the expiration of the Term or any earlier termination of this Lease. If and only if Tenant continues to occupy the Premises after such expiration or termination after obtaining Landlord’s express, written consent thereto;

(a) such occupancy shall (unless the parties hereto otherwise agree in writing) be deemed to be under a month-to-month tenancy, which shall continue until either party hereto notifies the other in writing, by at least thirty (30) days before the end of any calendar month, that the party giving such notice elects to terminate such tenancy at the end of such calendar month, in which event such tenancy shall so terminate; and

(b) subject to the provisions of subsection 2.2.2, but anything in the remaining provisions of this Section to the contrary notwithstanding, the monthly rent payable with respect to each such monthly period shall equal one-twelfth (1/12) of the Annual Rent (such amount being the “**Monthly Rent**”) for the Lease Year during which such expiration or termination occurred, as aforesaid.

2.2.2 If Tenant continues to occupy the Premises after the expiration of the Term or any earlier termination of this Lease without having obtained Landlord's express written consent thereto, then without altering or impairing any of Landlord's rights under this Lease or applicable law, (a) Tenant hereby agrees to pay to Landlord immediately on demand by Landlord as monthly rent for the Premises, for each calendar month or portion thereof after such expiration of the Term or such earlier termination of this Lease, as aforesaid, until Tenant surrenders possession of the Premises to Landlord, a sum equaling One Hundred and 00/100 Dollars (\$100.00) per each day of such holdover occupancy, and (b) Tenant shall surrender possession of the Premises to Landlord immediately on Landlord's having demanded the same. Nothing in this Lease shall be deemed in any way to give Tenant any right to remain in possession of the Premises after such expiration or termination, regardless of whether Tenant has paid any such rent to Landlord.

2.3. Title to and Alterations of Improvements. Notwithstanding any provision in this Lease to the contrary, at all times during the Term of this Lease, the Improvements and all alterations and additions shall be owned by Tenant and Tenant alone shall be entitled to all of the tax attributes of ownership, including, without limitation, the right to claim depreciation or cost recovery deductions and the right to claim the federal historic rehabilitation tax credits pursuant to Section 47 of the Internal Revenue Code of 1986, as amended (the "**Code**") and the right to amortize capital costs and to claim any other federal or state tax benefits attributable to the Improvements. At the expiration or earlier termination of the Term of this Lease, or any portion thereof, in accordance herewith, Tenant shall peaceably leave, quit and surrender the Premises in the manner required under subsection 2.1.2. Upon such expiration or termination, the Premises and any Improvements remaining (other than personal property and equipment owned by tenants) shall become the sole property of Landlord at no cost to Landlord in "as is" condition, and subject to all matters of record.

2.4. Conveyance of the Premises. At any time after the Commencement Date, the Landlord will, upon the written request of the Tenant, convey the Premises to Tenant, with said conveyance to be accomplished for consideration from Tenant in the amount of Ten Dollars (\$10.00). Such conveyance will be free and clear of all liens and encumbrances.

### SECTION 3. RENT.

3.1. Amount. As rent for the Premises, Tenant shall pay to Landlord:

3.1.1 Annual Rent. Annual rent ("**Annual Rent**") shall be paid in annual installments of [One Dollar (\$1.00)] for a period of fifty-five (55) years commencing on the Commencement Date.

3.2. Security Deposit. None.

3.3. Leasehold Obligations.

3.3.1 Net Lease. Other than as is expressly set forth in this Lease, all costs, expenses, liabilities, charges or other deductions whatsoever with respect to the Premises and the construction, ownership, leasing, operation, maintenance, repair, rebuilding, use, occupation of, or conveyance of any or all of Tenant's Leasehold Estate in the Property, or this Lease generally shall be the sole responsibility of and payable by Tenant, including, but not limited to any cost, expenses, liabilities, charges or other sums, in connection with the closing of the Leasehold Mortgage. Landlord shall be and remain liable for all obligations respecting the Property incurred by Landlord as well as any property tax liability pursuant to subsection 3.3.2.

3.3.2 Property Tax Exemption. The Tenant shall be solely responsible for, and shall pay, all general and special ad valorem property taxes, if any. If applicable, Landlord, at its expense, may attempt to obtain a lowering of the assessed valuation of the Property for any year for the purpose of reducing taxes thereon. In such event, upon Landlord's request, Tenant shall use its reasonable efforts to cooperate with Landlord in such endeavor, at Landlord's expense.

3.4. Assignment of Rents. In order to secure unto Landlord Tenant's prompt, faithful, full and complete payment and performance of the rents, additional rents, obligations, agreements and covenants to be paid, kept and performed by Tenant under this Lease, Tenant hereby assigns, transfers and sets over to Landlord all of the right, title and interest of Tenant in, to and under Tenant's right to rents under any Subleases. If requested by Landlord, Tenant shall execute an Assignment of Rents (the "**Rent Assignment**") in favor of Landlord to further effectuate the foregoing assignment of such Sublease and rents. Notwithstanding the foregoing, Tenant shall have a license to receive, collect and enjoy the rents, income, profits and benefits accruing from any Subleases until a default by Tenant has occurred under this Lease that is not cured within the applicable cure periods, and upon such default, such license shall cease automatically, without need of notice, possession, foreclosure, or any other act or procedure, and all rents, income, profits and benefits assigned hereby shall thereafter be payable directly to Landlord; except that such license shall be reinstated automatically by acceptance by Landlord of any cure of any such default by Tenant.

#### SECTION 4. USE OF PROPERTY.

4.1. Nature of Use. Tenant shall throughout the Term continuously use and operate the Premises and the Improvements for the following uses and such other uses as are reasonably and customarily attendant to such uses: rehabilitation, construction, development, marketing for lease and leasing of space in the Property for use as a residential treatment facility for persons suffering with substance use disorder, with parking and all other uses permitted by applicable law.

4.2. Compliance with Environmental Laws. Tenant, throughout the Term and at its sole expense, in its rehabilitation, possession and use of the Improvements, shall not (a) cause or permit the escape, disposal or release of any biologically or chemically active or other Hazardous Substances brought onto the Property by Tenant or its agents or contractors, or (b) allow the storage or use of such Hazardous Substances in any manner not sanctioned by law or by the standards prevailing in the industry for the storage and use of such substances or materials, or (c) allow any Hazardous Substances to be brought onto the Property except to use in the ordinary course of Tenant's business, and then only after written notice is given to Landlord of the identity and intended use of such substances or materials. For purposes of this Lease, "**Hazardous Substances**" shall include those substances and materials subject to regulation under any applicable Environmental Law. If any lender or governmental agency reasonably requires testing to ascertain whether or not there has been any release of hazardous materials on the Premises for which Tenant is responsible hereunder while this Lease is in effect, then the costs thereof shall be paid by Tenant if such requirement applies to the Property. Tenant shall execute affidavits, representations and the like from time to time at Landlord's request concerning Tenant's best knowledge and belief regarding the presence of hazardous substances or materials on the Premises.

4.3. Representations, Warranties and Covenants of Landlord. As an inducement to Tenant to enter into and proceed under this Lease, Landlord warrants and represents to Tenant as follows, which warranties, representations and covenants are true and correct as of the date of this Lease:

4.3.1 Landlord has good and marketable, fee simple title to the Premises, subject only to (i) matters of record as set forth on Tenant's title insurance commitment and (ii) such approximate amounts as evidenced by the certain line(s) of credit, if any, at Institutional Lender(s) and any of

its successors or assigns, free and clear of all other liens and encumbrances, and has the right, power and authority to enter into this Lease, to lease the Premises to Tenant in accordance with the terms, provisions and conditions contained in this Lease, and to convey fee title to all existing Improvements, has received all applicable governmental consents and approvals in connection therewith, and no other party has any right or option to or in connection with the Premises;

4.3.2 There is no litigation proceeding, or other action pending or, to the best knowledge and belief of Landlord, threatened, affecting the Property or Landlord's estate therein;

4.3.3 Landlord has received no written notice, and has no knowledge, nor has Landlord been otherwise advised, of any pending or threatened condemnation, building or zoning code violation relating to all or any part of the Property;

4.3.4 Landlord has received no written notice and has no knowledge of the intention of any party holding an easement affecting the Property or any part thereof to expand the exercise of any such easement beyond the scope of the present exercise thereof (as by replacing or expanding existing facilities, conduits (including underground or overhead wires, cables or pipes) or systems for sewers, water, electric, gas, cable and other utilities);

4.3.5 The entry by Landlord into this Lease with Tenant and the performance of all of the terms, provisions and conditions contained herein will not, or with the giving of notice or the passage of time, or both, would not, violate or cause a breach or default under any other agreement relating to the Property to which Landlord is a party or by which it is bound;

4.3.6 The Property is unoccupied and vacant, and there is no tenant, lessee or other occupant of the Property having any right or claim to possession or use of the Premises; and possession of the Premises is hereby delivered free of the rights or claims of any tenants, occupants or other parties in possession of, or claiming any right to possession or use of the Premises;

4.3.7 There are no unpaid special assessments of which Landlord has received notice for sewer, sidewalk, water, paving, gas, electrical or utility improvements or other capital expenditures, matured or unmatured, affecting the Property;

4.3.8 There are no outstanding notices of, nor, to Landlord's knowledge, any violations of any applicable laws, ordinances, notices, orders, rules, regulations and requirements of applicable federal, state and municipal governments, public or quasi-public authorities and all departments, commissions, bureaus, boards, and officers thereof affecting any portion of the Property (collectively the "**Legal Requirements**");

4.3.9 Landlord is not obligated under any contract, lease or agreement, oral or written, with respect to the ownership, use, operation or maintenance of the Property;

4.3.10 To the best of Landlord's actual knowledge, neither the Property nor any part thereof has been used for the disposal of refuse or waste, or for the generation, processing, manufacture, storage, handling, treatment, transportation or disposal of any Hazardous Substances and no Hazardous Substances have been installed, used, stored, handled or located on or beneath the Property, which Hazardous Substances, if found on or beneath the Premises, or improperly disposed of off of the Premises, would subject Tenant, any subtenant, the owner or occupant of the Property to damages, penalties, liabilities or an obligation to perform any work, cleanup, removal, repair, construction, alteration, demolition, renovation or installation in or in connection with the Property ("**Environmental Cleanup Work**") in order to comply with any environmental law or

Legal Requirements applicable to Hazardous Substances. No notice from any governmental authority or any Person has ever been served upon Landlord, its agents or employees, claiming any violation of any Legal Requirement pertaining to Hazardous Substances or any liability thereunder, or requiring or calling any attention to the need for any Environmental Cleanup Work on or in connection with the Premises, and neither Landlord, its agents or employees has ever been informed of any threatened or proposed serving of any such notice of violation or corrective work order; and

4.3.11 Landlord hereby consents to Tenant encumbering its interest in the Property with Leasehold Mortgages.

## **SECTION 5. OPERATING EXPENSES.**

### **5.1. Operating Expenses.**

5.1.1 Tenant's Obligation. Tenant will pay (or cause to be paid) directly to the providers of such services all costs and expenses attributable to or incurred in connection with the development, construction, completion, marketing, leasing and occupancy of the Premises and the Improvements (collectively, "***Operating Expenses***") including without limitation (a) all energy sources for the Improvements, such as propane, butane, natural gas, steam, electricity, solar energy and fuel oil; (b) all water, sewer and trash disposal services; (c) all rehabilitation, maintenance, repair, replacement and rebuilding of the Improvements including, without limitation, all landscaping, maintenance, repair and striping of all parking areas; (d) all insurance premiums relating to the Premises and the Improvements, including fire and extended coverage, public liability insurance, rental insurance and all risk insurance; and (e) the cost and expenses of all capital improvements or repairs (whether structural or non-structural) required by any governmental or quasi-governmental authority having jurisdiction over the Premises or the Improvements.

5.1.2 Permits and Licenses. Tenant shall procure, or cause to be procured, at Tenant's sole cost and expense, any and all necessary permits, licenses, or other authorizations required for the rehabilitation, construction and occupancy of the Improvements and the lawful and proper installation and maintenance upon the Premises of wires, pipes, conduits, tubes, and other equipment and appliances for use in supplying any such service to the Improvements and upon the Premises. Landlord agrees to use Landlord's best reasonable efforts, at Tenant's sole cost and expense, to cooperate with Tenant in obtaining any and all permits, licenses, easements and other authorizations required by any governmental authority with respect to any construction or other work to be performed on the Premises and grant (or cooperate in processing as regards third party providers), all permits, licenses, easements and other governmental authorizations that are necessary or helpful for electric, telephone, gas, cable television, water, sewer, drainage, access and such other public or private utilities or facilities as may be reasonably necessary or desirable in connection with the construction or operation of the Improvements. Landlord shall use Landlord's reasonable efforts, at Tenant's sole cost and expense, to cooperate in the relocation or termination of easements currently encumbering the Premises to the extent that same may be reasonably necessary or desirable in connection with the Improvements. Tenant shall be entitled, without payment to Landlord, for tap or connection fees, to tap into the existing lines, facilities and systems of applicable electric, gas, cable, water, sewer, sewer treatment and other utilities serving the Premises. Landlord agrees to use Landlord's reasonable efforts to assist Tenant to obtain waiver, reduction or deferral, as applicable, of all fees and other charges otherwise payable in connection with obtaining any permits, licenses, easements and other authorizations required by any governmental authority with respect to any construction or other work to be performed on the Premises in connection with the Improvements.



## **SECTION 6. INSURANCE AND INDEMNIFICATION.**

6.1. Insurance to be maintained by Tenant. Tenant shall maintain at its expense throughout the Term casualty and commercial general liability insurance as referenced under Tenant's Operating Agreement. The provisions of Tenant's Operating Agreement pertaining to insurance shall not be modified or amended without Landlord's prior written consent.

6.2. Insureds. Each such policy shall name Landlord as an additional insured thereon.

6.3. Insurer. All insurance required and all renewals of insurance shall be issued by companies of recognized responsibility licensed to issue such policies and otherwise transact business in the Commonwealth of Virginia. All insurance policies will expressly provide that such policies will not be cancelled or altered without thirty (30) days' prior written notice to Landlord.

## **SECTION 7. IMPROVEMENTS TO PREMISES.**

7.1. Rehabilitation of Improvements.

7.1.1 Alterations. Landlord agrees that Tenant owns the Improvements and shall have the right to make such alterations, additions and changes thereto as Tenant deems necessary or appropriate, including, without limitation, replacement and disposal thereof.

7.1.2 Estoppel Certificates. Landlord and Tenant agree that at any time and from time to time upon not less than twenty (20) days' prior written notice by the other party, or upon request from a permitted assignee or other interested party, Landlord or Tenant will execute, acknowledge and deliver to the other party a statement in writing certifying: (a) that this Lease is unmodified (or if modified, stating such modifications) and in full force and effect; (b) the date through which the Rents have been paid; and (c) that, to the knowledge of the Landlord or Tenant, as applicable (if such be the case), there is no default, set-off, defense or other claim against Landlord or Tenant, as applicable, other than those, if any, so specified under the provisions of this Lease. It is intended that any such statement may be relied upon by any such persons.

7.1.3 Mortgage of Landlord's Fee Estate. Landlord shall not sell, transfer, assign, convey, or otherwise encumber all or any portion of its interest in the Property, without the prior written consent of the Tenant.

7.1.4 Leasehold Mortgages. Tenant shall provide written notice to Landlord of the name and address of each Leasehold Mortgagee under this Lease.

7.2. Joinder. Without limiting Landlord's obligations under any other provision of this Lease, Landlord shall, promptly at Tenant's request and expense at any time during the Term (and provided that Landlord thereby assumes no liability or obligation), join in any and all applications for building permits, subdivision plat approvals or certificates of dedication thereon, public works or other agreements and permits for sewer, water or other utility services, other instruments of dedication or other permits or approvals, the granting of or entry into which by any governmental or quasi-governmental authority having jurisdiction over the Property is necessary to permit (a) the development, rehabilitation, improvement, use and occupancy of the Property for the purposes permitted by this Lease, without violating applicable law; and (b) the dedication to the Town of Marion and/or the Commonwealth of Virginia after the Commencement Date of such title to or easements for utility, roadway and slope or storm drainage areas or facilities as are, in Tenant's opinion, necessary or desirable in connection therewith.

## **SECTION 8. REPAIRS AND MAINTENANCE.**

8.1. Repairs. Tenant shall, throughout the Term and at its expense,

8.1.1 keep the Premises in good order and condition (ordinary wear and tear excepted) and in compliance with applicable building and health and safety codes; and

8.1.2 promptly make any and all repairs, ordinary or extraordinary, foreseen or unforeseen, to the Property (including but not limited to the landscaping thereon) as are necessary to maintain it in good condition, subject, in the event of casualty or condemnation to receipt of applicable insurance and/or condemnation proceeds therefor, and Landlord shall have no obligation hereunder as to the same.

8.2. Maintenance. Tenant shall keep and maintain all of the Property in a clean and orderly condition, free of accumulation of dirt, rubbish, snow and ice.

## **SECTION 9. LANDLORD'S RIGHT OF ENTRY.**

9.1. Inspection and repair. Subject to the rights of any tenant under any lease of space in the Premises, Landlord shall be entitled to enter the Property during Tenant's normal business hours to (a) inspect the Property at any time, upon forty-eight (48) hours' advance written notice and (b) make any repairs thereto and/or take any other action therein which is required by applicable law, or which Landlord is permitted to make by any provision of this Lease, after giving Tenant at least twenty (20) Business Days' prior written notice of Landlord's intention to take such action; provided that Tenant doesn't timely cure same. Landlord may, while taking any such action upon the Property, store therein any and all necessary materials, tools and equipment, and Tenant shall have no liability to Landlord for any damage to or destruction of any such materials, tools and equipment, except if and to the extent that such damage or destruction is proximately caused by the gross negligence of Tenant. Landlord shall use its best efforts to not disrupt the rights of tenants at the Property.

## **SECTION 10. FIRE AND OTHER CASUALTIES.**

10.1. Damages or Destruction to Premises. Tenant shall give prompt notice to Landlord after the occurrence of any fire, earthquake, act of God or other casualty to or in connection with the Premises, the Improvements or any portion thereof (hereinafter sometimes referred to as a "**Casualty**"). Subject to Section 10.2 below, if during the Term the Improvements shall be damaged or destroyed by Casualty, Tenant shall repair or restore the Improvements, so long as Tenant reasonably determines that it is feasible to do so, and provided that sufficient insurance proceeds are available to do so. In the event that Tenant shall determine by notice to Landlord given within thirty (30) days after receipt by Tenant of any such insurance proceeds, that it is not economically practical to restore the Improvements and/or the Premises to substantially the same condition in which they existed prior to the occurrence of such Casualty, then Tenant may terminate this Lease as of a date that is not less than thirty (30) days after the date of such notice.

10.2. Distribution of Insurance Proceeds. In the event that this Lease is terminated pursuant to Section 10.1 hereof, the insurance proceeds received as the result of such Casualty shall be distributed as follows: (a) first, if the Property is subject to a deed of trust securing any obligation or guarantee of Landlord, to the Mortgagee thereof and (b) second, the balance, if any, of such insurance proceeds shall be paid to Landlord.

## SECTION 11. CONDEMNATION.

11.1. Notice of Taking. Forthwith upon receipt by either Landlord or Tenant of notice of the institution of any proceedings for the taking or condemnation of all or a portion of the Property or Improvements by the government of the United States, Commonwealth of Virginia, Town of Marion, or any other governmental authority, or any corporation under the right of eminent domain (a “**Taking**”), the party receiving such notice shall promptly give notice thereof to the other, and such other party may also appear in such proceeding and be represented by counsel, who may be counsel for the party receiving such notice.

11.2. Special Account. If a Total Taking (as defined in Section 11.3), the full amount of any award for any Taking (the “**Award**”) shall, notwithstanding any allocation made by the awarding authority, be paid and allocated as set forth below provided that there shall first be deducted from the Award in the order stated (A) first, any outstanding amounts secured by any deed of trust on the Property; (B) second, any outstanding amounts secured by Leasehold Mortgages, which shall be paid to the Mortgagees thereof in their respective recording order of priority, and (C) any Rent outstanding prior to the Taking owed by the Tenant, which shall be paid to the Landlord. If a Total Taking, or a Partial Taking (pursuant to Section 11.4), the remainder of the Award (the “**Remainder**”) shall be allocated (x) to the Landlord, an amount equal to the product of the amount allocated to the Property multiplied by the Landlord’s Percentage (hereafter defined), and (v) to the Tenant, an amount equal to the product of the amount allocated to the Premises multiplied by the Tenant’s Percentage (hereafter defined). The “**Landlord’s Percentage**” shall equal the fair market value, at the time of the Taking of the Premises encumbered by this Lease, plus the residual fair market value of the Improvements as of the expiration of the Term (the “**Land Value**”) divided by the sum of the Land Value and the Improvements Value. The “**Improvements Value**” shall be the fair market value of the Improvements, as of the date of the Taking, taking into account the then remaining Term of this Lease. The “**Tenant’s Percentage**” shall equal the Improvements Value divided by the sum of the Land Value and the Improvements Value. The portion of the Award so allocated to the Landlord shall be known herein as the “**Landlord’s Award**,” and the portion so allocated to the Tenant shall be known herein as the “**Tenant’s Award**.”

11.3. Total Taking. In the event of a permanent Taking of the fee title to or of control of the Premises or of the entire Leasehold Estate hereunder (a “**Total Taking**”), this Lease shall thereupon terminate as of the effective date of such Total Taking, without liability or further recourse to the parties, provided that any Rent payable or obligations owed by the Tenant to the Landlord as of the date of said Total Taking shall be paid or otherwise carried out in full.

11.4. Partial Taking; Procedures and Criteria for Course of Action. In the event of a permanent Taking of all or less than all of the Premises (a “**Partial Taking**”),

11.4.1 if Tenant reasonably determines that the continued use and occupancy of the remainder of the Premises by the Tenant is or can reasonably be made to be economically viable, structurally sound, and otherwise feasible based upon the amount of eminent domain proceeds available for the purpose of paying for such restoration (the “**Restoration Criteria**”), then, upon receipt of the consent of the Leasehold Mortgagees, the entire Award shall be applied to restoration of the Premises and the Premises shall be restored pursuant to Section 10.1; or

11.4.2 if the continued use and occupancy of the remainder of the Premises by the Tenant is not or cannot, in Tenant’s reasonable judgment, be made to be economically viable, structurally sound, and otherwise feasible, then this Lease may be terminated by Tenant pursuant to Section 10.1 and the Award applied pursuant to Section 11.2.

11.5. Restoration. If a decision is made pursuant to Section 10.1 to restore the remainder of the Premises following receipt of the Award, the Tenant shall promptly proceed, at its expense, to commence and complete the restoration pursuant to the provisions of SECTION 10, using the Award for such restoration, with any excess remaining after the completion of the restoration being payable to Tenant and Landlord, using the calculation set forth in such Section 11.2. If Tenant has decided pursuant to Section 10.1 to restore the remainder of the Premises, and if the cost of the restoration shall exceed the amount of the entire Award, the deficiency shall be paid by the Tenant. Tenant's obligation hereunder shall be subject to receipt of the entire Award of funds and approval of all Leasehold Mortgagees.

11.6. Termination upon Non-Restoration. Following a Partial Taking, if a decision is made pursuant to Section 11.4.2 that the remaining portion of the Premises is not to be restored, the Tenant shall surrender the Premises to the Landlord and this Lease shall thereupon be terminated without liability or further recourse to the parties hereto.

11.7. No Waiver. No provisions in this Lease limit the rights of either the Landlord or Tenant to seek compensation from a condemning authority as provided by statute, common law, or the United States Constitution.

## **SECTION 12. ASSIGNMENT AND SUBLETTING.**

### **12.1. Transfer by Tenant.**

#### **12.1.1 [Intentionally left blank]**

12.1.2 In order to secure its obligations under this Lease, Tenant hereby assigns to Landlord all of its right, title and interest in and to (i) all of the rents, revenues, issues, profits, proceeds, receipts, income, accounts and other receivables arising out of or from the Property, including, without limitation, sublease termination fees, purchase option fees and other fees and expenses payable under any lease; (ii) all subleases, now or hereafter existing, of all or any part of the Premises together with all guaranties of any of such subleases and all security deposits delivered by subtenants thereunder, whether in cash or letter of credit; (iii) all rights and claims for damage against subtenants arising out of defaults under any such subleases, including rights to termination fees and compensation with respect to rejected leases pursuant to Section 365(a) of the Federal Bankruptcy Code or any replacement Section thereof; and (iv) all subtenant improvements and fixtures located on the Premises.

12.1.3 Tenant shall perform all of its obligations under all subleases, if any. Landlord consents to the Tenant entering into a Sublease and/or a series of Subleases as may be advisable in the exercise of Tenant's sole discretion in furtherance of the Parties' shared objective of providing residential treatment upon the Premises. By execution of this Lease, Landlord hereby evidences its consent to Tenant entering into such Sublease agreement(s).

### **12.2. Transfer by Landlord.**

12.2.1 Subject to the provisions of subsection 12.2.2 below, Landlord may assign this Lease or Landlord's reversion hereunder without the necessity of obtaining Tenant's consent or permission.

12.2.2 Notwithstanding anything herein to the contrary, Landlord shall not assign or transfer this Lease to a person or entity that would cause a recapture or loss of all or any portion of the Historic Tax Credits.

## SECTION 13. DEFAULT.

13.1. Definition. As used in this Lease, each of the following events shall constitute an “**Event of Default**” by Tenant or Landlord, as applicable, unless such Event of Default is caused, in full or in part, by Force Majeure:

13.1.1 if Tenant fails (a) to pay any Annual Rent or other sum which it is obligated to pay under this Lease, when and as it is due and payable hereunder, or (b) to perform any of its obligations under this Lease, in each case not cured within the grace period set forth below;

13.1.2 if Landlord (a) fails to pay any sum which it is obligated to pay under this Lease when and as it is due and payable hereunder, or (b) if Landlord fails to perform any of its obligations under this Lease, in each case not cured within the grace period set forth below; or

13.1.3 if a Bankruptcy of Landlord or Tenant occurs.

13.2. Notice; Grace Period. Anything in this Section to the contrary notwithstanding, if an Event of Default occurs neither Landlord nor Tenant shall exercise any right or remedy on account thereof which it holds under this Lease or applicable law unless and until:

13.2.1 The non-defaulting party gives written notice thereof to the defaulting party;

13.2.2 If such Event of Default consists of a failure to pay money, within ten (10) days after the non-defaulting party gives such written notice, the defaulting party fails to pay all of such money, or if such Event of Default consists of something other than a failure to pay money, within sixty (60) days after the non-defaulting party gives such written notice such Event of Default is not cured, or if such Event of Default is not reasonably curable within such period, the defaulting party has not commenced to proceed within such period actively, diligently and in good faith to begin to cure such Event of Default and to continue thereafter to do so until it is fully cured; and

13.2.3 Following the grace periods set forth in this Section 13.2, the non-defaulting party shall be entitled, upon notice to the defaulting party, to pursue its available remedies at law or in equity, including without limitation the right for the non-defaulting party to intervene to ensure that the default is eliminated by the defaulting party; provided, that if the default is a default by Tenant and is caused, directly or indirectly, by a default by a subtenant of Tenant, Tenant shall be given such additional grace period as reasonably necessary to cause its subtenants to cure such default.

## SECTION 14. CONDITION OF TITLE AND PREMISES.

14.1. Quiet Enjoyment. Landlord hereby

14.1.1 covenants and agrees that, at the time of the execution and delivery of this Lease by the parties hereto, it (i) is the owner of a fee simple estate in and to the Premises, subject to the operation and effect of and only of the Permitted Encumbrances, and (ii) has the full right, power and authority to enter into this Lease and, thereby to lease the Premises; and

14.1.2 warrants that Tenant will have quiet and peaceful possession of the Premises during the Term so long as all of Tenant’s obligations hereunder are timely performed, except if and to the extent that such possession is terminated pursuant to SECTION 10, SECTION 11 or SECTION 13 or any other provision of this Lease.

## **SECTION 15. NOTICES.**

### **15.1. Provision of Notices.**

15.1.1 Any notice, demand, consent, approval, request or other communication or document to be provided hereunder to Landlord or Tenant (a) shall be in writing, and (b) shall be deemed to have been provided on the earlier of (i) (1) forty-eight (48) hours after being sent as certified or registered mail in the United States mails, postage prepaid, return receipt requested, or (2) the next Business Day after having been deposited (in time for delivery by such service on such Business Day) with Federal Express or another national courier service, or (3) (if such party's receipt thereof is acknowledged in writing) upon having been sent by telefax or another means of immediate electronic communication, in each case to the address of such party set forth hereinabove or to such other address in the United States of America as such party may designate from time to time by notice to each other party hereto, or (ii) (if such party's receipt thereof is acknowledged in writing) its having been given by hand or other actual delivery to such party.

15.1.2 All notices required or permitted to be given under this Lease shall be deemed given in accordance with the foregoing paragraph of this Section 15.1, and addressed as set forth in Exhibit B. Any party may change its address by timely notice to the other party.

## **SECTION 16. [Intentionally Omitted].**

## **SECTION 17. GENERAL.**

17.1. Effectiveness. This Lease shall become effective on and only on its execution and delivery by each party hereto.

17.2. Complete Understanding. This Lease represents the complete understanding between the parties hereto as to the subject matter hereof.

17.3. Amendment. This Lease may be amended by and only by an instrument executed and delivered by each party hereto. Notwithstanding the foregoing, any such amendment shall require the consent of Tenant's members.

17.4. Waiver. No party hereto shall be deemed to have waived the exercise of any right which it holds hereunder unless such waiver is made expressly and in writing (and, without limiting the generality of the foregoing, no delay or omission by any party hereto in exercising any such right shall be deemed a waiver of its future exercise). No such waiver made in any instance involving the exercise of any such right shall be deemed a waiver as to any other such instance, or any other such right.

17.5. Applicable Law. This Lease shall be given effect and construed by application of the law of the Commonwealth of Virginia, and any action or proceeding arising hereunder shall be brought in the courts of the Commonwealth of Virginia or the United States District Court for the Western District of Virginia.

17.6. Time of Essence. Time shall be of the essence of this Lease, except that, whenever the last day for the exercise of any right or the discharge of any obligation hereunder falls on a Saturday, Sunday or statutory holiday, the party having such right or obligation shall have until 5:00 p.m. on the next succeeding day which is not a Saturday, Sunday or statutory holiday to exercise such right or discharge such obligation.

17.7. Headings. The headings of the Sections, subsections, paragraphs and subparagraphs hereof are provided herein for and only for convenience of reference, and shall not be considered in construing their contents.

17.8. Construction. As used herein, all references made (a) in the neutral, masculine or feminine gender shall be deemed to have been made in all such genders, (b) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, and (c) to any Section, subsection, paragraph or subparagraph shall be deemed, unless otherwise expressly indicated, to have been made to such Section, subsection, paragraph or subparagraph of this Lease.

17.9. Exhibits. Each writing or plat referred to herein as being attached hereto as an exhibit or otherwise designated herein as an exhibit hereto is hereby incorporated herein and made a part hereof.

17.10. Severability. No determination by any court, governmental or administrative body or agency or otherwise that any provision of this Lease or any amendment hereof is invalid or unenforceable in any instance shall affect the validity or enforceability of (a) any other such provision, or (b) such provision in any circumstance not controlled by such determination. Each such provision shall remain valid and enforceable to the fullest extent allowed by, and shall be construed wherever possible as being consistent with, applicable law.

17.11. Disclaimer of Partnership Status. Nothing in this Lease shall be deemed in any way to create between the parties hereto any relationship of partnership, joint venture or association, and the parties hereto hereby disclaim the existence of any such relationship.

17.12. Commissions. Each party hereto hereby represents and warrants to the other that, in connection with the leasing of the Premises hereunder, the party so representing and warranting has not dealt with any real estate broker, agent or finder, and there is no commission, charge or other compensation due on account thereof. Each party hereto shall defend, indemnify and hold harmless the other against and from any liability, claim of liability or expense arising out of any inaccuracy in such party's representation.

17.13. Prevailing Party. In the event either party hereunder initiates judicial action against the other in order to enforce the terms, covenants and provisions of this Lease, the non-prevailing party in such judicial action shall reimburse the prevailing party in such judicial action for all expenses, fees, costs, including reasonable attorneys' fees incurred by the prevailing party in connection with such judicial action.

17.14. Benefit and Burden. This Lease shall be binding on and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

[SIGNATURES – NEXT PAGE]

**IN WITNESS WHEREOF**, each party hereto has caused this Ground Lease to be executed on its behalf by its duly authorized representatives, the day and year first above written.

**LANDLORD**

**SMYTH COUNTY, VIRGINIA,**  
a political subdivision of the Commonwealth  
of Virginia

By: \_\_\_\_\_  
Name: Charles E. Atkins  
Title: Chairperson of Board of Supervisors

**TENANT**

**APPALACHIAN CENTER FOR HOPE,  
INC.,** a Virginia corporation

By: \_\_\_\_\_  
Name: John H. Graham  
Title: President/Chair of Board of Directors



## **EXHIBIT A**

### **Property Description**

All that certain 2.91 acres± of land, together with all improvements thereon, located in the Town of Marion, Smyth County Virginia, identified as a Tax ID 211-130-1L among the land records of Smyth County, Virginia, and more particularly shown and described as “2.91 AC +/- 126,594 SQ FT +/- NEW TAX PARCEL 211-130-1L” on that certain plat entitled “PLAT SHOWING A PART OF THE SOUTHWESTERN VIRGINIA MENTAL HEALTH DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENT SERVICES PROPERTY BEING REFERENCED IN DB 16 PG 110 PORTION OF TAX PARCEL 211-130-1 LOCATED IN THE TOWN OF MARION, VIRGINIA,” dated April 2, 2024, prepared by Robbins Land Surveying, and recorded in the Clerk’s Office of the Circuit Court of Smyth County, Virginia as Slide 439, Page 9 (the “Plat”).

Being the same real estate conveyed to Smyth County, Virginia by that deed dated April 22, 2024, and recorded in the Clerk’s Office of the Circuit Court of Smyth County, Virginia, in Deed Book 1110, Page 5337.

## **EXHIBIT B**

### Notice Addresses

**Landlord:**

Smyth County, Virginia  
121 Bagley Circle, Suite 100  
Marion, Virginia 24354  
Attn: County Administrator

**Tenant:**

Appalachian Center for Hope, Inc.  
c/o Southwest Virginia Legal Aid Society, Inc.  
227 West Cherry Street  
Marion, Virginia 24354

With copies to the following parties:

Spencer Fane LLP  
1 N. Brentwood Blvd., Suite 1200  
St. Louis, MO 63105  
Attn: Carl Desenberg, Esq.

and

Brian Wishneff & Associates  
30 W. Franklin Road, Suite 503  
Roanoke, VA 24011  
Attn: Erik Wishneff

- *Royal Oak District Supervisor Courtney Widener made a motion to approve the Lease agreement as presented with the Appalachian Center for Hope. Saltville District Supervisor Roscoe Call seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

**1/9/2024 6:14 PM** Mr. Utt presented the draft deed transferring Steel Park to the Town of Marion and highlighted the changes, including a contingency that the property would revert back to the County if it is used for purposes other than recreation. After review and consideration, the following action was taken:

- *Royal Oak District Supervisor Courtney Widener made a motion to approve the deed of gift for Steel Park, tax map number 210-127-16, 17, 18, and 19 to the Town of Marion as presented and allow the Chairman to execute the documents. Park District Supervisor Kristopher Ratliff seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

*NAYS: Saltville District Supervisor Roscoe Call.*

*ABSTAINERS: None.*

*ABSENT: None.*

**1/9/2024 6:24 PM** Mr. Utt presented the following Resolution authorizing the application for a Community Improvement Grant application:

### **RESOLUTION**

#### **AUTHORIZING THE PREPARATION AND FILING OF AN APPLICATION FOR COMMUNITY IMPROVEMENT GRANT FUNDS THROUGH THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**WHEREAS**, The Virginia Department of Housing and Community Development (DHCD) is soliciting applications for the 2025 Community Development Block Grant (CDBG) program to fund local community improvement projects, and

**WHEREAS**, the Smyth County Board of Supervisors and the Housing Management Team has determined that there is a need and community support for a CDBG project to address the Scattered Site Housing needs of the Smyth County associated with Hurricane Helene recovery response, and

**WHEREAS**, the Board of Supervisors has met the citizen participation requirements of the program by conducting two public hearings that were properly advertised in the newspaper as required by the CDBG program guidelines, and

**THEREFORE BE IT RESOLVED**, that the Board of Supervisors wishes to apply for up to \$1,250,000 in CDBG funds to address county wide housing needs, and

**BE IT FURTHER RESOLVED**, that the Board of Supervisors authorizes the County Administrator to sign and submit all appropriate documents for submittal and administration of any CDBG applications/projects.

**ADOPTED** this 9<sup>th</sup> day of January 2025.

**ATTEST:**

**SMYTH COUNTY  
BOARD OF SUPERVISORS**

\_\_\_\_\_  
Shawn M. Utt, Clerk of the Board

\_\_\_\_\_  
Charles Atkins, Chair

- *Royal Oak District Supervisor Courtney Widener made a motion to approve Resolution Authorizing the Preparation and Filing of an Application for Community Improvement Grand Funds Through the Community Development Block Grant Program. Saltville District Supervisor Roscoe Call seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

**AYES:**           *Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

**NAYS:**           *None.*

**ABSTAINERS:** *None.*

**ABSENT:**       *None.*

**1/9/2025 6:26 PM** Mr. Utt presented the draft budget calendar for the Board's information and asked for consideration of adopting it for the FY25/26 calendar year.

|  |                          |
|--|--------------------------|
| <i>Budget forms distributed to Departments</i>                                   | <i>January 10, 2025</i>  |
| <i>Budget request notification published in newspaper/websites</i>               | <i>January 10, 2025</i>  |
| <i>Budget requests due to County Administrator's Office from Departments</i>     | <i>February 14, 2025</i> |
| <i>Budget requests due to County Administrator's Office from Agencies</i>        | <i>February 21, 2025</i> |
| <i>Revenue Projections (County Admin., Treasurer, Commissioner)</i>              | <i>February 28, 2025</i> |
| <i>First Budget Draft to Budget Committee / Budget Committee Work Session</i>    | <i>March 6, 2025</i>     |
| <i>Budget Committee Work Session (with SCSB Budget Comm./Superintendent)</i>     | <i>March 20, 2025</i>    |
| <i>Budget Committee Work Session (with Department Heads to Discuss Requests)</i> | <i>April 3, 2025</i>     |
| <i>Present Full Budget to Board of Supervisors</i>                               | <i>April 10, 2025</i>    |
| <i>Budget Committee Work Session</i>   | <i>April 17, 2025</i>    |

|   |                       |
|---|-----------------------|
| <i>Budget Committee Work Session (if needed)</i>                                  | <i>April 24, 2025</i> |
| <i>Budget Committee Work Session (if needed)</i>                                  | <i>May 1, 2025</i>    |
| <i>Public Hearing(s) – (draft budget and any potential rate/tax adjustments?)</i> | <i>May 8, 2025</i>    |
| <i>Adopt County Budget for FY25/26 (tentative)</i>                                | <i>May 22, 2025</i>   |
| <i>Adopt Tax Levies for FY25/26 (tentative)</i>                                   | <i>May 22, 2025</i>   |
| <i>Adopt CIP for FY25/26 (tentative)</i>  | <i>May 22, 2025</i>   |

- *Chilhowie District Supervisor Michael Sturgill made a motion to adopt the budget calendar for FY25/26 as presented. Saltville District Supervisor Roscoe Call seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

**1/9/2024 6:28 PM** Mr. Utt presented 3<sup>rd</sup> Quarter appropriations as follows:

|                                 |                  |                 |
|---------------------------------|------------------|-----------------|
| • General County                | \$ 10,500,000    | Fund 001        |
| • General EDA Expenses          | \$ 725,000       | Fund 004        |
| • Schools – Operating Fund      | \$ 16,517,117    | Fund 009        |
| • Department of Social Services | \$ 1,757,300     | Fund 013        |
| • Public Safety Radio Bond*     | \$ 5,350,000     | Fund 302        |
| • Transfer Station Const.       | \$ 100,000       | Fund 505        |
| • Recovery Court                | <u>\$ 44,625</u> | <u>Fund 749</u> |

**Total for 3<sup>RD</sup> Qtr. – FY24/25               \$ 34,994,042**

- *Saltville District Supervisor Roscoe Call made a motion to approve 3<sup>rd</sup> Quarter appropriations in the total amount of \$34,994,042 as presented. Chilhowie District Supervisor Michael Sturgill seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

NAYS: None.  
ABSTAINERS: None.  
ABSENT: None.

#### **1/9/2025 6:31 PM County Attorney Report -**

County Attorney, Scot Farthing shared he has completed the updates to the County Administrator's Employment Contract but does need formal action to complete.

- *Royal Oak District Supervisor Courtney Widener made a motion to approve the County Administrator Contract as discussed in closed session. Chilhowie District Supervisor Michael Sturgill seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.

NAYS: None.  
ABSTAINERS: None.  
ABSENT: None.

#### **1/9/2025 6:32 PM County Administrator Report -**

Mr. Utt updated the Board on various upcoming dates as well as a letter from America First regarding illegal aliens and sanctuary cities. It was noted that while the Board has no control over law enforcement, the Sheriff has clarified that Smyth County is not considered a sanctuary, contrary to previous reports.

#### **1/9/2024 6:37 PM Supervisor Comment Time -**

Rye Valley District Supervisor Jason Parris thanked the staff and expressed his hope that more citizens would attend Board meetings if they wish to see change, encouraging participation.

North Fork District Supervisor Rick Billings thanked the Waddles for their attendance and his appreciation for the family's work. Mr. Billings also made the following motion:

- *North Fork District Supervisor Rick Billings made a motion to appoint Rebecca Reynolds to the Economic Development Authority as the North Fork District Representative to fill Hal Campbells unexpired term to expire 6/30/2028. Royal Oak District Supervisor Courtney Widener seconded the motion.*

*After consideration, the motion PASSED by the following vote:*

AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,

*Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

Royal Oak District Supervisor Courtney Widener thanked the Waddles for their attendance. Mr. Widener shares he looks forward to a productive year.

Park District Representative Kristopher Ratliff requested data for recent I-81 wrecks, and possibly VDOT investigation on the matter.

Saltville District Supervisor Roscoe Call thanked everyone for their attendance and looks forward to seeing everyone again.

Chilhowie District Supervisor Michael Sturgill shared his condolences for Ron Blevins' (a former Member of the County Board of Supervisors) family. Mr. Sturgill also shared the possibility of a minor league baseball team coming to Marion Senior High School, then offered the following motion:

- Chilhowie District Supervisor Michael Sturgill made a motion to show support of the minor league baseball team coming to the town of Marion and utilizing Marion Senior High School field. Royal Oak District Supervisor Michael Sturgill seconded the motion.

*After consideration, the motion PASSED by the following vote:*

*AYES: Chair, Atkins District Supervisor Charles Atkins,  
Vice Chair, Chilhowie District Supervisor Michael Sturgill,  
Royal Oak District Supervisor Courtney Widener,  
North Fork District Supervisor Rick Billings,  
Saltville District Supervisor Roscoe Call,  
Rye Valley District Supervisor Jason Parris, and  
Park District Supervisor Kristoper Ratliff.*

*NAYS: None.*

*ABSTAINERS: None.*

*ABSENT: None.*

Chair, Atkins District Supervisor Charles Atkins thanked the Board for continuing to work together.

**1/9/2025 6:55 PM** With no further business to discuss, the meeting was adjourned.

A meeting of the Smyth County Budget Committee was held at the County Office Building on Thursday, January 16th, 2024, at 8:30 a.m.

Committee Members Present:

Chilhowie District Supervisor Michael Sturgill  
Atkins District Supervisor Charles Atkins  
Royal Oak District Supervisor Courtney Widener

Staff Members:

County Administrator, Shawn Utt  
Assistant County Administrator – Operations, Lisa Richardson  
Assistant County Administrator- Development, Clegg Williams  
Executive Assistant/ Deputy Clerk, Auna Louthian

Guests:

Clerk of the Court, John Graham  
Commissioner of Revenue, Bradley Powers  
Locus Finance (Virtual)

Atkins District Supervisor Charles Atkins called the meeting to order at 8:30a.m.

Mr. Graham introduced representatives from Locus Finance and other stakeholders. He shared a request for a moral obligation from the County to support a bridge loan for the Appalachian Center for Hope (ACH) project. Mr. Graham emphasized that securing the moral obligation would provide greater flexibility regarding appraisals and potentially improve loan terms. He also noted that Locus Finance is considering adjusting the loan terms to 18 months of interest-only payments to allow sufficient time for the project's completion. He requested the Board's continued support to move forward with the moral obligation. After discussion, the following action was taken:

- *Royal Oak District Supervisor Courtney Widener made a motion to recommend a Moral Obligation with Appalachian Center for Hope in support of a bridge loan. Chilhowie District Supervisor Michael Sturgill seconded the motion, and it was unanimously approved by the Committee.*

Mr. Utt next discussed Budget Amendment number 6. This amendment is tied back to operational expenses for Hurricane Helene recovery as well as pass through grant funding for various departments. After discussion, the following action was taken:

- *Royal Oak District Supervisor Courtney Widener made a motion to recommend the approval of Budget Amendment #6 in the amount of \$398,018.00. Chilhowie District Supervisor Michael Sturgill seconded the motion, and it was unanimously approved by the Committee.*

The Commissioner of Revenue, Mr. Powers, spoke regarding a request he received from the Lincoln Theater to become tax-exempt due to their status as a 501(c)(3) organization. After discussion, the following action was taken:

- *Royal Oak District Supervisor Courtney Widener made a motion to recommend denying the request of tax exemption for the Lincoln Theater and to consider accepting additional funding requests through budget season. Chilhowie District Supervisor Michael Sturgill seconded the motion. Atkins District Supervisor Charles Atkins Declined the motion.*



Mr. Powers next discussed a tax overpayment by Rock Bottom Express and the owner's request to apply the credits towards other accounts that are currently due, as well as use it as a credit on his accounts. After further discussion, the following action was taken:

- *Chilhowie District Supervisor Michael Sturgill made a motion to recommend crediting Rock Bottom Express tax accounts as requested by the taxpayer. Royal Oak District Supervisor Courtney Widener seconded the motion, and it was approved by the Committee.*

Mr. Powers then requested guidance on the taxation of untagged vehicles and the status of volunteer firefighters and EMS personnel. Atkins District Supervisor Charles Atkins noted that changes need to be made to the ordinance to address these issues. After further discussion, the following action was taken:

- *Chilhowie District Supervisor Michael Sturgill made a motion to recommend sending untagged vehicle taxes and first responder personal property tags to the Ordinance Committee. Royal Oak District Supervisor Courtney Widener seconded the motion, and it was approved by the Committee.*

With no further business to discuss, the meeting was adjourned at 9:27 a.m.



## Non-Binding Term Sheet

November 20, 2024

John Graham  
Appalachian Center for Hope, Inc.  
227 West Cherry Street  
Marion, VA 24354

Re: Term Sheet – HTC Bridge - Appalachian Center for Hope, Inc.

I am pleased to express our interest in the Bridge loan for the Appalachian Center for Hope, Inc. This proposal is being offered as an indication of our interest in working with you. The following terms are preliminary and should not be construed as a commitment for financing. **A commitment of financing will come after acceptance of this proposal and a formal underwriting process with loan approval by the relevant committee in our organization.**

**Borrower:** Appalachian Center for Hope, Inc.

**Moral Obligation:** Smyth County

**Loan Amount:** Estimated HTC Bridge Loan \$1,803,770. The loan cannot exceed 90% of the net tax credit equity available.

Federal HTC Bridge Loan Amount estimated at  $(90\% * \$838,861 - \$167,000 @ \text{closing}) = \$604,675$ . (assumes a 72-cent purchase price)

State HTC Bridge Loan Amount estimated at  $(90\% * \$1,333,328 - \$1,000 @ \text{closing}) = \$1,199,095$  (assumes an 88-cent purchase price)

Locus advance rate is 90% of the net sale proceeds less funds provided at closing.

**Purpose:** The construction of the property located at: 281 Bagley Circle Marion, VA, 24354

**Interest Rate:** The interest rate will be calculated 5 business days prior to the established loan closing date and will be equal to the Locus Bank 1-year borrowing index + 5.00%, and this rate shall be fixed through the maturity date of the loan, subject to certain provisions that may be imposed by the lender in the event of default. If the loan closed today the interest rate would 8.55%. The final interest

rate may be higher than the rate stated if closed today and that could reduce your loan amount.

|                              |  |
|------------------------------|--|
| <b>Interest Reserve:</b>     | A TBD interest reserve amount funded from loan proceeds shall be used to pay monthly interest payments during the construction phase.  |
| <b>Terms:</b>                | 12-month term - Locus will allow for a 12-month interest only period.  |
| <b>Commitment Fee:</b>       | 1.00% of the loan amount.  |
| <b>LTV:</b>                  | The loan amount cannot exceed the lesser of 1) 80% of the total project costs plus 90% of the net tax credit equity or 2) 80% of appraised value plus 90% of the tax credit equity available. But will not exceed 95% of the construction costs.   |
| <b>Construction Funding:</b> | <p>Construction advances will be predicated on an executed fixed-price construction contract on an AIA form with your general contractor. Each loan will be funded under a construction draw process. Construction draws will be submitted on AIA G702-703 certified and signed by the general contractor and project architect. The Bank will require, before each disbursement, that an independent architectural or engineering firm approved by the Bank complete AIA Application and Certificate of Payment forms for each draw. The Bank will collect a 10% retainage on all construction draws through 50% completion. Copies of invoices for work completed by third party contractors may be requested by the Bank. The Bank requires that Borrower's equity in the project be injected prior to any draw disbursements and that the loan continually remains in balance subject to the Bank's LTV limitations.</p> <p>The general contractor must obtain a Payment and Performance Bond or 10% Letter of credit if the project costs are over \$2 million.</p> |
| <b>Third Party Reports:</b>  | New appraisal and environmental review paid by borrower.   |
| <b>Prepayment Penalties:</b> | N/A  |
| <b>Collateral:</b>           | Loan will be secured by a first priority assignment of all equity from the syndication of Federal and or State Historic Tax Credits associated with the Project. This loan will also be secured by a second deed of trust and assignment of plans, specifications,   |

permits, contracts, leases, rents and profits on the Collateral Property.

**Closing Condition:**

Building permits, Appraisal, new Phase I ESA, tax credit investor admitted into the partnership, approved construction budget, signed GC contract and loan officer to visit the property

**Closing Costs:**

Borrower shall pay all out-of-pocket costs and expenses, if any, incurred by Lender in connection with the Loan (pre- and post-closing), including, but not limited to, all costs associated with documenting, recording, closing; and all fees and expenses of Locus's outside legal counsel and borrower's legal counsel and the cost of any other reports deemed necessary by Lender, whether or not the Loan closes. Locus will charge a \$1,250 loan closing fee and hire outside legal counsel to close the loan- at borrower's expense.

**To move forward with loan underwriting, please acknowledge your acceptance of these terms by signing below along with a deposit of \$5,000 before close of business on December 23<sup>rd</sup>, 2024.**

We are very pleased to work with you on this project and look forward to hearing from you soon. Please give me a call at 540.250.0055 if you have questions.

Sincerely,

*Cindy Green*

Name

Title

**For the Borrower:**

By:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date



# ***SMYTH COUNTY BOARD OF SUPERVISORS***

## **RESOLUTION SMYTH COUNTY BUDGET FISCAL YEAR 2024/25 – AMENDMENT #6**

**WHEREAS**, the Smyth County Board of Supervisors, on June 20th, 2024, adopted the Fiscal Year 2024/25 Budget in the original amount of \$146,646,737; and

**WHEREAS**, in the meeting of August 22nd, 2024, the Smyth County Board of Supervisors adopted an amended budget (Budget amendment #1) for Fiscal Year 2024/25 in the amount of \$151,588,158; and

**WHEREAS**, in the meeting of August 22nd, 2024, the Smyth County Board of Supervisors adopted an amended budget (Budget amendment #2) for Fiscal Year 2024/25 in the amount of \$151,603,158; and

**WHEREAS**, in the meeting of September 26th, 2024, the Smyth County Board of Supervisors adopted an amended budget (Budget amendment #3) for Fiscal Year 2024/25 in the amount of \$151,917,704; and

**WHEREAS**, in the meeting of October 24th, 2024, the Smyth County Board of Supervisors adopted an amended budget (Budget amendment #4) for Fiscal Year 2024/25 in the amount of \$151,702,704; and

**WHEREAS**, in the meeting of November 14th, 2024, the Smyth County Board of Supervisors adopted an amended budget (Budget amendment #5) for Fiscal Year 2024/25 in the amount of \$152,950,165; and

**WHEREAS**, the aggregate amount of budget amendment #6 is \$398,018 which would increase the Fiscal Year 2024/25 budget to a total of \$153,348,183 as shown in greater detail on Exhibit A attached hereto.

**NOW, THEREFORE, BE IT RESOLVED**, the Smyth County Board of Supervisors sets forth and approves the amended Smyth County Budget for the Fiscal Year 2024/25 in the amount of \$153,348,183.

**BE IT FURTHER RESOLVED**, the approval of this budget amendment #6 shall indeed constitute an appropriation of the same funds.

**Adopted** this the 23rd day of January, 2025

**ATTEST:**

**SMYTH COUNTY  
BOARD OF SUPERVISORS**

---

Shawn M. Utt, Clerk of the Board

---

Charles Atkins, Chair

Exhibit A  
FY2024/25  
Budget Amendment #6 (01-23-2025)

Part 1. REVENUES

| Fund                                 | Department               | Line Item Number | Account Title                         | Adopted Budget          | Amount of Amendment | Budget with Amendment   | Notes   |
|--------------------------------------|--------------------------|------------------|---------------------------------------|-------------------------|---------------------|-------------------------|---|
| Fund 001                             | Expenditure Refunds      | 001-018030-0040  | FLOCK Grant-Sheriff                   | \$ -                    | \$ (12,500)         | \$ (12,500)             | Grant funds for camera systems                          |
| Fund 001                             | Expenditure Refunds      | 001-018030-0035  | Sheriff Relocation Financing Proceeds | \$ -                    | \$ (104,450)        | \$ (104,450)            | Recaptured revenue                                      |
| Fund 001                             | Miscellaneous            | 001-019010-0014  | Hurricane Recovery Donations          | \$ -                    | \$ (204,201)        | \$ (204,201)            | Donation from United Way                                |
| Fund 001                             | Categorical Aid - Other  | 001-024040-0044  | OAA Individual Distribution           | \$ (53,050)             | \$ (7,147)          | \$ (60,207)             | Roll-over OAA grant funding                             |
| Fund 004                             | AFID Grant Pass-through  | 004-010000-0028  | AFID Grant - Waller Dairy             | \$ -                    | \$ (20,000)         | \$ (20,000)             | State Grant for farm project                            |
| Fund 399                             | Courthouse Bond Proceeds | 399-010001-0002  | Interest                              | \$ -                    | \$ (49,720)         | \$ (49,720)             | Final payout of bond proceeds - painting exterior of CH |
| <b>Total Revenues With Amendment</b> |                          |                  |                                       | <b>\$ (152,950,165)</b> | <b>\$ (398,018)</b> | <b>\$ (153,348,183)</b> |   |

Part 2. EXPENDITURES

| Fund                                     | Department                            | Line Item Number    | Account Title              | Adopted Budget        | Amount of Amendment | Amended Budget        | Notes   |
|--|---------------------------------------|---------------------|----------------------------|-----------------------|---------------------|-----------------------|---|
| Fund 001                                 | Sheriff                               | 001-021070-8888-26  | FLOCK Grant                | \$ -                  | \$ 12,500           | \$ 12,500             | Grant funds for camera systems                          |
| Fund 001                                 | Sheriff School Resource Officer Grant | 001-021090-1001     | Salaries & Wages           | \$ 194,592            | \$ 104,450          | \$ 299,042            | Local Match Requirement for grant funds                 |
| Fund 001                                 | Hurricane Disaster Response           | 001-035060-8888-002 | United Way-Helene Donation | \$ -                  | \$ 204,201          | \$ 204,201            | Donation from United Way - to be sent to SCCF           |
| Fund 001                                 | OAA Grant Funded Position             | 001-052400-1001     | Wages and Salaries         | \$ 63,207             | \$ 7,147            | \$ 70,354             | Roll-over grant funding allocation                      |
| Fund 004                                 | Smyth Co. EDA - General Expenses      | 004-012010-5511     | AFID Grant - Waller Dairy  | \$ -                  | \$ 20,000           | \$ 20,000             | State Grant for farm project                            |
| Fund 399                                 | Courthouse Construction B88T          | 399-010001-0002     | Transfer to General Fund   | \$ -                  | \$ 49,720           | \$ 49,720             | Final payout of bond proceeds - painting exterior of CH |
| <b>Total Expenditures With Amendment</b> |                                       |                     |                            | <b>\$ 152,950,165</b> | <b>\$ 398,018</b>   | <b>\$ 153,348,183</b> |   |

|                     |                  |              |                  |
|---------------------|------------------|--------------|------------------|
| <b>Revenues</b>     | \$ (152,950,165) | \$ (398,018) | \$ (153,348,183) |
| <b>Expenditures</b> | \$ 152,950,165   | \$ 398,018   | \$ 153,348,183   |
| <b>Difference</b>   | \$ -             | \$ -         | \$ -             |



Smyth County Economic Development Authority  
121 Bagley Circle, Suite 100  
Marion, Virginia 24354

Atkins District  
Chilhowie District  
North Fork District  
Park District  
Royal Oak District  
Rye Valley District  
Saltville District


James McNeil  
Tara French  
Hal Campbell  
Julus Winebarger  
Karen Copenhaver  
Montie Flesman  
Amy McVey

County Administrator  
Assistant County Administrator, Development  
Assistant County Administrator, Operations  
Director of Community & Economic Development

Shawn M. Utt  
Clegg Williams  
Lisa Richardson  
Kendra Hayden

## MEMO

**To:** Shawn Utt, County Administrator  
Charlie Atkins, Chair – Budget Committee

**From:** Kendra Hayden, Director of Community & Economic Development 

**Date:** December 19, 2024

**Subject:** Request for Budget Amendment for Agriculture and Forestry Industries Development (AFID) Infrastructure Grant

The purpose of this memo is to request a budget amendment for the Agriculture and Forestry Industries Development (AFID) infrastructure grant awarded to the EDA on behalf of Waller Dairy. The total award amount is \$20,000, which will support critical infrastructure improvements at the dairy to enhance its operations and contribute to the economic development of Smyth County.

This grant aligns with our strategic goals to support the agricultural sector and drive economic growth within our community. The budget amendment will ensure proper allocation of funds for this project and compliance with grant reporting requirements.

### Proposed Budget Amendment:

- Expense Line Item 004-012010-5511 Amount: \$20,000
- Revenue Line Item 004-010000-0028 Amount: \$20,000

Please let me know if additional documentation or further discussion is required. I appreciate your prompt attention to this matter to ensure timely disbursement and implementation of the grant.

Thank you for your support.





**Smyth County**  
**Bradley A. Powers**  
*Commissioner of the Revenue*



Phone: (276) 782-4040  
Fax: (276) 782-4041  
Email: [commissioner@smythcounty.org](mailto:commissioner@smythcounty.org)

P.O. Box 985  
109 West Main Street, Suite G011  
Marion, Virginia 24354

January 15, 2024

Smyth County Board of Supervisors  
Budget Committee  
121 Bagley Circle, Suite 100  
Marion, VA 24354

The Honorable Charlie Atkins, Mike Sturgill, Courtney Widener

Bob Watkins, Director, has requested that the Lincoln Theater receive designation to be exempt from real and personal property taxes in Smyth County. Under the Virginia Constitution, the local governing body may exempt organizations by designation. This amendment does require that a public hearing be held, and the exemption be performed by ordinance. In addition to those requirements, the locality must consider specific questions outlined in the code which includes: 501(c) status of the organization, whether the organization provides services for the common good of the public, and what the revenue impact to the locality and its taxpayers will be if exempted.


As Mr. Watkins came to myself for this designation, I advised I would take his request before the governing body. As Commissioner of the Revenue, part of duties are to inform the board of the revenue implications of exempting the organization.

The organization currently holds \$81,084.00 in Personal Property for a levy of \$1,864.93 (\$2.30/\$100). In Real Property, the organization holds \$1,400,400.00 for a levy of \$8,262.36 (\$0.59/\$100). Under current assessments, the total financial impact of exempting this organization would be a total of \$10,127.29 at current tax rates and property assessments.

I have confirmed that the organization is a 501(c) organization. The organization also receives funding from multiple governing bodies, including the Board of Supervisors to promote the public good.

If it is the pleasure of the Board, I have enclosed a sample ordinance to exempt The Lincoln Theater organization from Real and Personal Property Taxation.

Respectfully,



Bradley Powers  
Commissioner of the Revenue



**Sec. 23-47. Tax exempt status of The Lincoln Theater.**

- (a) The Board of Supervisors has determined, after a public hearing, that the The Lincoln Theater is presently exempt from taxation under section 501(c) of the Internal Revenue Code of 1954, and because of its unique operational procedures, qualifies as a benevolent organization pursuant to the requirement Code of Virginia, § 58.1-3651.
- (b) The county hereby designates The Lincoln Theater as exempt from taxation by the county on its real and personal property by designation, and not by classification.
- (c) Beginning January 1, 2003, the real and personal property of The Lincoln Theater, 586 Thomas Bridge Road, Marion, Virginia 24354, shall be exempt from real and personal property taxation by the county.
- (d) Unless modified or repealed, the provisions of this section shall be effective upon the adoption of the ordinance from which this section is derived, and shall further exempt the real and personal property of The Lincoln Theater from such taxes for subsequent tax years.

A meeting of the Smyth County Building and Grounds Committee was held at the County Office Building on Thursday, January 16th, 2024, at 10:30 a.m.

Committee Members Present:

Chilhowie District Supervisor Michael Sturgill  
Royal Oak District Supervisor Courtney Widener

Staff Members:

County Administrator, Shawn Utt  
Assistant County Administrator – Operations, Lisa Richardson  
Assistant County Administrator- Development, Clegg Williams  
Executive Assistant/ Deputy Clerk, Auna Louthian

Atkins District Supervisor Charles Atkins called the meeting to order at 10:30 a.m.

Mr. Utt provided an update on the construction bonds, including the balance and interest for each project. He updated the committee on the time frames for the relocation of the Sheriff's Office and Dispatch, providing an overview of the projected schedule for these projects. He then discussed the HVAC design needs for the Morrison building, noting that only small repairs are currently keeping the system operational. Mr. Utt presented two proposals for architectural and engineering services, recommending the lower-cost option from Thompson and Litton for \$67,000, as opposed to the higher AECOM proposal of \$225,000. After discussion, the following action was taken:

- *Royal Oak District Supervisor Courtney Widener made a motion to recommend accepting the Thompson and Litton proposal for architectural and engineering services for HVAC in the Morrison Building. Chilhowie District Supervisor Michael Sturgill seconded the motion, and it was unanimously approved by the Committee.*

With no further business to discuss, the meeting was adjourned at 10:49 a.m.



**THOMPSON  
& LITTON** EST.  
1984  
ENGINEERS ARCHITECTS

November 27, 2024

Mr. Shawn M. Utt  
121 Bagley Circle, suite 100  
Marion, Virginia 24354  
(Via e-mail)

Re: Review and Update Plans, Project Manual, and Cost Estimate  
T&L Project No. 718703 (previously 015763)

Dear Mr. Utt:

Thank you for the opportunity to submit our proposal for the review and updating of the plans and project manual for the Smyth County Morison Building HVAC Improvements and development of an updated estimate of probable construction cost.

**Background and Understanding:**

T&L prepared plans and project manual for the Smyth County Morison Building HVAC Improvements in 2021. Smyth County requests that we review the plans and project manual for changes in code and equipment, make changes to the plans and project manual accordingly, and develop an estimate of probable construction cost.

Additionally, Smyth County request T&L provide a fee for Bidding Assistance, and Construction Contract Administration Assistance as optional activity.

**Scope and Deliverables:**

T&L's Mechanical and Electrical Engineers will review the plans and project manual for compliance with the current applicable codes and current manufacturers' equipment. Based upon T&L's code and equipment review, changes to the plans and project manual will be made accordingly by our Mechanical, Electrical, and Architectural teams. Each T&L discipline will work together to build an estimate of probable construction cost for the project as part of the Design phase.

During the Bid Phase, T&L would:

- Administer the bid process, distribute bid documents, respond to bidder's inquiries, and issue addenda (if necessary) to document responses to bidders.
- Receive and tabulate bids.
- Request and confirm contractor insurance coverage meets specification requirements.
- Assist in recommendation for contract award.



During the Construction Contract Administration Phase, estimated to be 16-months, T&L would:

- Assemble for execution owner and contractor construction agreement.
- Conduct pre-construction conference.
- Review contractor's monthly payment requests.
- Attend sixteen monthly progress meetings.
- Review submittals and (shop drawings) for compliance with construction documents.
- Conduct substantial completion inspection and provide a "punch list" of items to be corrected.
- Conduct final completion inspection with the owner.

T&L will provide the following deliverables:

- Updated plans
- Updated project manual
- Estimate of probable construction cost
- Advertisement for construction bids *(if required)*
- Addenda(s) *(if required)*
- Reviewed shop drawings *(if required)*
- Change orders *(if required)*
- Substantial completion "punch list" *(if required)*

**Assumptions and Exclusions:**

- No site visits are included in updating the plans and project manual phase.
- Public (newspaper) advertising costs associated with bidding are the owner's responsibility.
- No prebid conference is to be provided.
- Record drawings would not be provided.

**Schedule:**

|                                      |   |
|--------------------------------------|---|
| Updated Plans and Project Manual     | 90-days from notice to proceed.           |
| Address Comments                     | as required up to two rounds of comments. |
| Bidding Assistance                   | 60-days from authorization to advertise.  |
| Construction Contract Administration | 480 days (16 months).                     |

**Compensation**

Compensation for T&L's consultant services shall be a lump sum amounts based on the following:

|    |           |   |
|----|-----------|---|
| \$ | 20,700.00 | Update Plans and Project Manual                             |
| \$ | 6,800.00  | Bidding Assistance  |
| \$ | 39,500.00 | Construction Contract Administration – 480 days (16 months) |



If T&L's proposal is acceptable, we will prepare an agreement that captures what has been described in this proposal for signature. Do not hesitate to contact me if you have any questions or need any additional information.

Sincerely,

**Robert Cornett**  
Senior Project Manager

December 20, 2024

Shawn M. Utt  
Smyth County Administrator  
121 Bagley Circle, Suite 100  
Marion, VA 24354

**Architectural & Engineering Services – Smyth County Administration Building HVAC Renovation Design Services**

Dear Shawn,

It has been a pleasure collaborating with you and the Smyth County team. Please find below the scope and fee proposal for the design services for the HVAC Renovation Design of the Administration Building. This proposal references information included in the two recent feasibility studies done for the County, one by T&L in January of 2021 and one submitted by AECOM in October of 2022.

**General Information and Scope of Services**

The Smyth County Administration Building is located at 121 Bagley Circle #200, Marion, VA. The building was built in the 1950's and is currently heated utilizing steam from a central utility plant feeding a radiant floor heating system for each floor level. The cooling system for the building was renovated in 1995 and these components are at the end of their useful life. The existing steam supply is schedule to be turned off to this building by the State soon and that combined with the excessive age of the existing cooling system are the two main factors driving the need for an updated HVAC system for the entire building. This will be a first step in renovating the building to bring it up to the standards that the County needs to have a comfortable and fully functioning building for years to come.



Figure 1 Smyth County Administration Building

The design for the renovation of the HVAC system will include the following:

- Preliminary site investigations will be conducted to establish the distribution routing options for the piping and the outside air delivery method. Preliminary floor plans will be developed utilizing this information to explain the overall concepts.
- Once a schematic level approach is approved, the design will progress to developing Working Drawings and then move on to the Construction Documents that will be ready for advertisement. Additional site visits for final determination of routing and electrical capacity may be required during the Working Drawing Phase.
- Major components for the design include the following:
  - Replace the centralized makeup air units to provide outside air with air cooled DX heating and cooling units for dehumidification.
  - Transition from the existing steam supply to new gas fired boiler or heat pump system.
  - Air cooled chiller with condensing boilers or 4-pipe heat recovery chiller (heat pump system).
  - Replace failed centralized exhaust fans, fans will be sized in coordination with the new makeup air units to maintain a slightly positive air pressure within the building.
  - Any required ceiling grid replacement.
  - Electrical upgrades to supply new HVAC units, exhaust fans, and required pumping systems.
  - Limited fire alarm revisions due potential changes in the ceiling grid.
  - Limited structural engineer required for any new penetrations or equipment support and any new equipment pads required.

AECOM proposes to provide the basic design services required for this project from schematic design through completion of construction administration activities. The areas of discipline expertise included are as follows.

Architecture (limited)  
Mechanical Engineering  
Electrical Engineering  
Fire Protection Engineering (limited)  
Structural Engineering (limited)  
Cost Estimating (Order of Magnitude Level)

The following list outlines the key activities. PDF versions of drawings will be available at each submission.

### **Schematic Design Phase**

1. Develop schematic level Floor Plans.
2. Basis of Design and Engineering approach defined by narrative with drawings showing equipment locations and approximate sizes.
3. Initial Cost Estimate (Order of Magnitude Level).
4. Following incorporation of comments by Smyth County on the Schematic Design and approval, AECOM will proceed to the Design Development Stage.

### **Design Development and Working Drawing Phase**

1. During this stage of work detailed layouts of equipment and spaces will be developed, building systems will be shown on drawings.



2. Develop HVAC, including floor plans, system distribution, and major equipment selection.
3. Develop electrical power plans.
4. Develop draft specifications.

**Construction Document Phase**

5. Prepare construction bid package, total project will be in one package.
6. Complete the architectural plans and details to support HVAC renovations.
7. Complete the structural plans, including details to support HVAC renovations.
8. Complete HVAC floor plans, details, and equipment schedules.
9. Complete electrical power design to support HVAC renovations.
10. Technical specifications based on AIA Masterspec, utilizing County Standard Specifications where appropriate. The County Procurement Department will include all General Conditions and attachments in the bid documents.
11. Provide final cost estimate (Order of Magnitude Level).
12. Provide signed and sealed construction documents for use in obtaining building permits.

**Bidding Phase**

1. Facilitate the pre-bid meeting.
2. Preparation of addendums as required.
3. Assist Smyth County in review and evaluation of bids.
4. Assist in contractor selection upon request of owner.

**Construction Administration (Option)**

1. Facilitate the pre-construction meeting.
2. Respond to contractor questions and RFIs.
3. Attend virtual monthly progress meetings.
4. Review the contractor's schedule of values.
5. Review shop drawing/submittal register.
6. Prepare a substantial/final completion report.
7. A final punch list visit is included.
8. Provide a certificate of completion.
9. Record drawings will be provided upon receipt of marked-up drawings by contractor.

**Deliverables**

1. AECOM will provide all drawings and specifications in PDF format. Hard copy drawings can be provided at cost plus 10%.
  - a. Schematic Design (30% design)
  - b. Design Development and Working Drawings (65%)
  - c. Construction Documents (100% design)
2. Cost estimate (Order of Magnitude).

**Schedule**

1. Kick-off meeting, site visit and data gathering – 3 weeks after NTP
2. Schematic Design Site and Floor Plan with Smyth Co. sign off – 4 weeks after site visit
3. Design Development & Working Drawings with Smyth Co. sign off - 4 weeks after site visit
4. Construction Document Submission – 10 weeks after client sign- off on Design Development Submission



**Assumptions**

1. The project will be executed with a continuous schedule without any significant delays (greater than 14 days). Delays beyond this may impact the project schedule, project cost and design fees.
2. Architectural floor plans will be created with enough clarity to illustrate equipment locations and system installations, plans will be preliminary in nature.
3. Existing electrical source utilities and existing panelboards within the space are adequate to supply the renovated areas and new utility infrastructure design is not required.
4. The electrical feed and transformer are adequate to supply the renovated building.
5. The County's gas supplier will provide the natural gas mainline and regulator to a predetermined location on the exterior of the building.
6. No major modifications to existing building structural systems will be required, and that existing structure is adequate.
7. The existing ducting from the cooling system can be reused to supply heat and cooling to the spaces without installing new duct. Some new transition duct is expected at the new air handlers.
8. Phasing plans will be included as part of this proposal and coordinated with the County, it is anticipated that temporary boilers and chillers may be required to support the phasing process.
9. The County's Project Manager will provide confirmation to AECOM that all review comments on drawings and specifications have been received prior to AECOM revising and issuing the permit set of construction documents. This proposal does not include time for additional revisions to permit documents due to receiving late comments from reviewers.

**Limits and Exclusions**

Any work not explicitly stated is excluded from the Scope of Services. It is assumed that the following tasks are not required for successful completion of the project. Should these tasks be required, AECOM will provide a scope and fee to Smyth County for approval of additional services:

1. Hazardous Materials Survey: A hazardous materials survey of the existing facility and surrounding site is not included. Hazardous materials abatement plans are not included.
2. Sustainable Design: Sustainable concepts will be incorporated into the design, but not captured in the on-line USGBC tool. The project will not be designed to any specific level of LEED. LEED registration and documentation can be provided as an additional service.
3. Life Safety Plans are not included as part of this proposal.
4. Fire Flow Test will not be conducted as part of this proposal.
5. Emergency generator system design or upgrade is not included as part of this proposal.
6. Value Engineering, Energy Modeling or development of Energy Cost Budgets are not included but may be provided as additional services.
7. Destructive or non-destructive testing to determine the size or capacities of utility systems and structural components which are not directly observable is not included.
8. Design of new utility feed for electrical is not included and connection to existing systems will be utilized for all systems.

9. Swing space planning is not included in this proposal and required staff accommodations will be provided and coordinated by the County.
10. Any Public engagement.
11. Special Inspections.
12. Commissioning, necessary commissioning services to be provided by the selected contractor.

**Fee**

AECOM will provide the above-described services for the lump sum fee as follows:

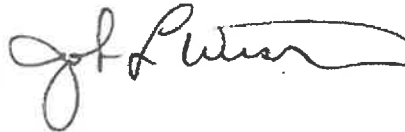
- |  |                      |
|--|----------------------|
| • Full Design and Bid Support          | \$ 205,000 (Dollars) |
| • Unforeseen Conditions                | \$ 20,000 (Dollars)  |
| • Construction Administration (Option) | \$ 50,100 (Dollars)  |

The project will utilize the AECOM and Smyth County Annual Services Agreement as a contracting means. We are eager to continuing to serve you on this project.

Yours sincerely,



Allen Crocker  
Vice President  
AECOM  
M: +1-540-857-3305  
E: allen.crocker@aecom.com



John Wissinger  
Principal, Design Director  
AECOM  
M: +1-540-613-9381  
E: john.wissinger@aecom.com

cc: Shane Powers  
Michael Lauman

**ACCEPTED FOR: Smyth County**

Signature: \_\_\_\_\_

Printed Name: Shawn Utt

Title: County Administrator

Date: \_\_\_\_\_

## Adriauna Louthian

---

**From:** Clegg Williams  
**Sent:** Wednesday, January 15, 2025 2:48 PM  
**To:** Adriauna Louthian  
**Subject:** FW: Sheriff's Office Update

---

**From:** Nolan Dye <Noland@hswilliams.com>  
**Sent:** Wednesday, January 15, 2025 9:57 AM  
**To:** Clegg Williams <cwilliams@smythcounty.org>  
**Cc:** Kenneth Pennington <kpennington@smythcounty.org>; Shawn Utt <sutt@smythcounty.org>; Gabriel Dempsey <gdempsey@smythcounty.org>  
**Subject:** Re: Sheriff's Office Update

Clegg,

Here is where we stand on the project as of today. We received three of the five RTU's yesterday. The two remaining are assembled at the manufacturer but are waiting for heat exchangers before they can be shipped. These units serve the new addition and the briefing room. We are hopefully these units will ship in the coming days, but I believe the temperature in the briefing room will still be maintained decent if the doors are left open. We are actively working to finish the setup of the units we do have and plan to fire the boiler on Friday. I have coordinated with all of our subcontractors to make a big push over the next two weeks and still be able to allow the move in February. As previously mentioned, we have some door hardware that doesn't ship until the end of the month and a few light fixtures that are outstanding. I would like to get together in the coming days to discuss the move in process as we will likely still have several items we are still addressing. My biggest concern is having the flooring complete by the end of the month. Since we last discussed the delivery, we have lost two weeks waiting on the units. It'll be tight to get all the flooring laid, but we will push to get as much in place as possible.

As mentioned above I would like to sit down with you to discuss the move in process/what areas need to be secured if we haven't received the last of our hardware and cores. I spoke with Gabe earlier this week, but I need a contact with your access control vendor to discuss locating the AC door power supplies and the low voltage wiring for these doors. Please let me know if there are any questions, and when you have availability to discuss the move in process.

Thank you,

Nolan Dye

Project Manager

Phone: (276) 783-3185 x 1112  
Mobile: (276) 608-9071  
Email: [noland@hswilliams.com](mailto:noland@hswilliams.com)

PO Box 888-1320 Highway 16  
Marion, VA 24354  
[www.hswilliams.com](http://www.hswilliams.com)



**HS WILLIAMS**  
COMPANY Celebrating 60 Years



This message and any attached file or content is intended only for the use of the Addressee and may contain information that is PROPRIETARY, PRIVILEGED and/or CONFIDENTIAL. This email is intended only for the personal and confidential use of the recipients(s) named above and may only be further distributed with the express consent of the author of such material. If the reader of this email is not an intended recipient, you have received this email in error and any review, dissemination, distribution or copying is strictly prohibited. If you have received this email in error, please notify the sender immediately.

---

**From:** Clegg Williams <[cwilliams@smythcounty.org](mailto:cwilliams@smythcounty.org)>  
**Sent:** Thursday, January 9, 2025 9:18 AM  
**To:** Nolan Dye <[Noland@hswilliams.com](mailto:Noland@hswilliams.com)>  
**Cc:** Kenneth Pennington <[kpennington@smythcounty.org](mailto:kpennington@smythcounty.org)>; Shawn Utt <[sutt@smythcounty.org](mailto:sutt@smythcounty.org)>; Gabriel Dempsey <[gdempsey@smythcounty.org](mailto:gdempsey@smythcounty.org)>  
**Subject:** RE: Sheriff's Office Update

Nolan – Sorry to hear about the tree. I hope there wasn't too much damage. Thank you for the update. As you know, we are on a tight deadline. I would appreciate you keeping us updated on anything that may prevent us from moving the Sheriff the first part of February.

Thanks.

Clegg

**From:** Nolan Dye <[Noland@hswilliams.com](mailto:Noland@hswilliams.com)>  
**Sent:** Monday, January 6, 2025 10:11 AM  
**To:** Clegg Williams <[cwilliams@smythcounty.org](mailto:cwilliams@smythcounty.org)>  
**Cc:** Kenneth Pennington <[kpennington@smythcounty.org](mailto:kpennington@smythcounty.org)>; Shawn Utt <[sutt@smythcounty.org](mailto:sutt@smythcounty.org)>; Gabriel Dempsey <[gdempsey@smythcounty.org](mailto:gdempsey@smythcounty.org)>  
**Subject:** Re: Sheriff's Office Update

Clegg,

I apologize for the delayed response; I had a tree come down on the house late last week and I got a little behind sorting that out. As for the RTU's they have still not arrived on site. They were supposed to call and confirm the delivery time early last week and so far, we have yet to hear anything or receive any updates. I am hopeful they will have some news for me today and I will send a follow up. As far as the timeline is concerned, I am hopeful for the end of the month, but I just don't know what to expect on the units. Everyone is ready to move on everything else, we just need to get those units. With the back and forth with AECOM on the lighting package we do still have some outstanding fixtures, but they are scheduled to arrive in the next week. The only other area that would conflict with delivery at the end of the month is

door hardware. Most of which are scheduled to arrive before the end of the month, but I do have some items that don't ship until the 31st. Any locations that need secured that are part of the delayed hardware we can put something temporary on. Please let me know if there are any questions or concerns.

Thank you,

Nolan Dye

Project Manager

Phone: (276) 783-3185 x 1112  
Mobile: (276) 608-9071  
Email: [noland@hswilliams.com](mailto:noland@hswilliams.com)

PO Box 888-1320 Highway 16  
Marion, VA 24354  
[www.hswilliams.com](http://www.hswilliams.com)



This message and any attached file or content is intended only for the use of the Addressee and may contain information that is PROPRIETARY, PRIVILEGED and/or CONFIDENTIAL. This email is intended only for the personal and confidential use of the recipients(s) named above and may only be further distributed with the express consent of the author of such material. If the reader of this email is not an intended recipient, you have received this email in error and any review, dissemination, distribution or copying is strictly prohibited. If you have received this email in error, please notify the sender immediately.

---

**From:** Clegg Williams <[cwilliams@smythcounty.org](mailto:cwilliams@smythcounty.org)>

**Sent:** Thursday, January 2, 2025 9:12 AM

**To:** Nolan Dye <[Noland@hswilliams.com](mailto:Noland@hswilliams.com)>

**Cc:** Kenneth Pennington <[kpennington@smythcounty.org](mailto:kpennington@smythcounty.org)>; Shawn Utt <[sutt@smythcounty.org](mailto:sutt@smythcounty.org)>; Gabriel Dempsey <[gdempsey@smythcounty.org](mailto:gdempsey@smythcounty.org)>

**Subject:** Sheriff's Office Update

Nolan – I hope you had a chance to enjoy the holidays. We are working on a schedule to move the dispatch center over the next few weeks and then the Sheriff's Office. I would appreciate you giving me an update on your schedule. Is the HVAC installed and working? If so, when do you think the flooring will be complete? I am not trying to rush you; I just need a realistic timeline for planning purposes.

Thanks.

Clegg

## 2024-A Construction Bond (VRA Bond)

|                           |           |                      |
|---------------------------|-----------|----------------------|
| <b>Original Bond</b>      | \$        | 12,950,978.23        |
| Interest - May 2024       | \$        | 32,993.00            |
| Interest - June 2024      | \$        | 58,256.00            |
| Interest - July 2024      | \$        | 33,071.00            |
| Interest - August 2024    | \$        | 57,159.53            |
| Interest - September 2024 | \$        | 53,989.50            |
| Interest - October 2024   | \$        | 48,988.13            |
| Interest - November 2024  | \$        | 47,375.02            |
| Interest - December 2024  | \$        | 42,406.16            |
| Interest - January 2025   | \$        | -                    |
| Interest - February 2025  | \$        | -                    |
| Interest - March 2025     | \$        | -                    |
| Interest - April 2025     | \$        | -                    |
| Interest - May 2025       | \$        | -                    |
| Interest - June 2025      | \$        | -                    |
| Interest - July 2025      | \$        | -                    |
| Interest - August 2025    | \$        | -                    |
| Interest - September 2025 | \$        | -                    |
| Interest - October 2025   | \$        | -                    |
| Interest - November 2025  | \$        | -                    |
| Interest - December 2025  | \$        | -                    |
| Interest - January 2026   | \$        | -                    |
| Interest - February 2026  | \$        | -                    |
| Interest - March 2026     | \$        | -                    |
| Interest - April 2026     | \$        | -                    |
| Interest - May 2026       | \$        | -                    |
| Interest - June 2026      | \$        | -                    |
| <b>TOTAL</b>              | <b>\$</b> | <b>13,325,216.57</b> |

|                             |    |              |
|-----------------------------|----|--------------|
| <b>Projects</b>             |    |              |
| Bond Closing Costs          | \$ | 170,891.21   |
| Dispatch/Magistrate         |    |              |
| AECOM                       | \$ | 172,345.00   |
| SIMCON                      | \$ | 1,290,005.25 |
| Dispatch Bullpen Equipment  | \$ | 108,757.00   |
| IT Related Equipment        | \$ | 400,000.00   |
| Sheriff's Office Relocation |    |              |
| AECOM                       | \$ | 562,083.00   |
| HS Williams                 | \$ | 4,549,730.00 |
| IT Related Equipment        | \$ | 350,000.00   |
| Transfer Station            |    |              |
| Hopper Replacement          | \$ | 535,203.00   |
| Concrete Work               | \$ | 114,151.68   |
| Annex Building              | \$ | 350,000.00   |
| Morison (HVAC/Windows)      | \$ | 3,500,000.00 |
| Station 2                   | \$ | 800,000.00   |
| Atkins EMS (Station 6)      | \$ | 200,000.00   |
| Saltville EMS (Station 4)   | \$ | 200,000.00   |

**TOTAL \$ 13,303,166.14**

Remaining Balance \$ 22,050.43

ACTUAL in black

PROPOSED BUDGET figures in red

A meeting of the Smyth County Ordinance Committee was held at the County Office Building on Thursday, January 16th, 2025, at 9:30 a.m.

Committee Members Present:

Chilhowie District Supervisor Michael Sturgill  
Royal Oak District Supervisor Courtney Widener

Staff Members:

County Administrator, Shawn Utt  
Assistant County Administrator – Operations, Lisa Richardson  
Assistant County Administrator- Development, Clegg Williams  
Executive Assistant/ Deputy Clerk, Auna Louthian

Guests:

Commissioner of Revenue, Bradley Powers

Chilhowie District Supervisor Charles Atkins called the meeting to order at 9:30 a.m.

Mr. Powers spoke about a natural disaster-related ordinance in accordance with Code of Virginia § 58.1-3222, which addresses the abatement of levies on buildings razed, destroyed, or damaged by fortuitous events. The committee discussed the need to have a ordinance in place to address such situations, noting the need for a public hearing:

- *Royal Oak District Supervisor Courtney Widener made a motion to recommend scheduling a public hearing on February 13<sup>th</sup>, 2025 at 5pm or thereafter to gain comments on a proposed ordinance to address the abatement of levies on building damaged by fortuitous events. Chilhowie District Supervisor Michael Sturgill seconded the motion, and it was unanimously approved by the Committee.*

Mr. Powers then discussed the need to update Smyth County Code of Ordinance, Chapter 23, Article VII, Tax Exemptions for Certain Elderly Disabled Persons. The Committee discussed income limit increases due to Social Security increases and additional adjustments to income for others living in the home that are enrolled as full time students. After discussion, the following action was taken:

- *Royal Oak District Supervisor Courtney Widener made a motion to recommend scheduling a public hearing on February 13<sup>th</sup>, 2025 at 5pm or thereafter to gain comments on a proposed update Smyth County Code 23-VII Tax Exemptions for Certain Elderly and Disabled Persons. Chilhowie District Supervisor Michael Sturgill seconded the motion, and it was unanimously approved by the Committee.*

With no further business to discuss, the meeting was adjourned at 10: 19 a.m.

## ARTICLE VII. TAX EXEMPTIONS FOR CERTAIN ELDERLY AND DISABLED PERSONS<sup>1</sup>

### Sec. 23-211. Authority.

This article is adopted pursuant to the authority of Code of Virginia, § 58.1-3210 et seq., as amended.  
(Code 1978, § 8-20; Code 1995, § 34-151)

### Sec. 23-212. Applicability.

The provisions of this article shall apply to all persons residing in the county, including the incorporated municipalities therein.  
(Code 1978, § 8-21; Code 1995, § 34-152)

### Sec. 23-213. Purpose.

The purpose of this article is to provide a real estate exemption for qualified property owners of the county who are not less than 65 years of age and for those persons determined to be permanently and totally disabled and who are eligible according to the terms of this article.  
(Code 1978, § 8-22; Code 1995, § 34-153)

### Sec. 23-214. Rules of construction.

In the construction of this article, the rules contained in this section shall be observed and applied. The term "lot" includes the words "plat" and "parcel." The term "approve" shall be considered to be followed by the words "or disapprove," except when the context clearly indicates otherwise.  
(Code 1978, § 8-23; Code 1995, § 34-154)

### Sec. 23-215. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Affidavit* means the real estate tax exemption or deferral affidavit, which shall be a sworn statement in writing.

*Disabled* means a person who is certified disabled by the Social Security Administration, the department of veterans affairs or the railroad retirement board, or if such person is not eligible for certification by any of these agencies, a sworn affidavit by two medical doctors who are either licensed to practice medicine in the commonwealth or are military officers on active duty who practice medicine with the United States Armed Forces,

---

<sup>1</sup>State law reference(s)—Tax exemption for certain elderly persons and handicapped persons, Code of Virginia, § 58.1-3210.



---

to the effect that the person is permanently and totally disabled, as defined in Code of Virginia, § 58.1-3217; however, a certification pursuant to 42 USC 423(d) by the Social Security Administration so long as the person remains eligible for such social security benefits shall be deemed to satisfy such definition in Code of Virginia, § 58.1-3217. The affidavit of at least one of the doctors shall be based upon a physical examination of the person by such doctor. The affidavit of one of the doctors may be based upon medical information contained in the records of the civil service commission which is relevant to the standards for determining permanent and total disability as defined in Code of Virginia, § 58.1-3217.

*Dwelling* means the full-time residence of the head of the household occupying such residence and owning title or partial title thereto, such head of the household being at least 65 years of age or disabled at the time application is filed.

*Exemption* means exemption from the county real estate tax, according to the provisions of this article.

*Property* means real property only.

*Taxable year* means the calendar year, from January 1 until December 31, for which exemption or deferral is claimed.

*Title or title to real property* means record of property title ascertainable from the records of the clerk of the circuit court of the county, and shall not include leasehold or life estates.

(Code 1978, § 8-24; Code 1995, § 34-155)

State law reference(s)—"Permanently and totally disabled" defined, Code of Virginia, § 58.1-3217.

## **Sec. 23-216. Violations and penalties.**

Any person falsely claiming an exemption under this article shall be guilty of a Class 4 misdemeanor.

(Code 1978, § 8-30; Code 1995, § 34-156)

## **Sec. 23-217. Administration.**

The exemption provided by this article shall be administered by the commissioner of the revenue, according to the provisions of this article. The commissioner of the revenue shall require of any applicant a copy of the previous year's federal income tax return. If the applicant did not file a federal income tax return for the previous year because of insufficient income, then the commissioner is further authorized and empowered to prescribe, adopt, promulgate and enforce rules and regulations in conformance with the provisions of this article. Such requirement shall include the answers to questions thereon to be under oath and as may be reasonably necessary to qualify for exemption as specified in this article. The commissioner may further require copies of appraisal reports to establish financial worth.

(Code 1978, § 8-25; Code 1995, § 34-157)

## **Sec. 23-218. Requirements for exemption.**

The exemption authorized by this article shall be granted to persons subject to the following provisions:

- (1) The title to the property for which an exemption is claimed is held or is partially held on January 1 of the taxable year by the person claiming the exemption, but such title shall not include leasehold interests or life estates.

- (2) The head of the household occupying the dwelling and owning title or partial title thereto is 65 years of age or older on December 31 of the year immediately preceding the taxable year, or is totally and permanently disabled as defined by this article.
- (3) The gross combined income of the owner during the year immediately preceding the taxable year shall be determined by the commissioner of the revenue to be in an amount not to exceed \$25,000.00. The term "gross combined income" shall include all income from all sources of the owner and of the owner's relatives living in the dwelling for which claimed; provided that the first \$1,500.00 of income of each relative other than the spouse of the owner who is living in the dwelling shall not be included in such total.
- (4) The total combined financial worth of the owners as of December 31 of the year immediately preceding the taxable year in which application is made shall be determined by the commissioner of the revenue to be in an amount not to exceed \$65,000.00. Total financial worth shall include the value of all assets including equitable interests of the owner and the owner's spouse, but shall exclude the fair market value of the dwelling and the land upon which it is situated, not exceeding one acre, for which the exemption is claimed.

(Code 1978, § 8-26; Code 1995, § 34-158; Ord. of 10-11-2005; Amend. of 4-13-2010; Ord. of 10-8-2013(4) )

State law reference(s)—Restrictions and exemptions, Code of Virginia, § 58.1-3211; local restrictions and exemptions, Code of Virginia, § 58.1-3212.

#### **Sec. 23-219. Claiming exemption.**

- (a) Annually, beginning March 1 and not later than May 31 of each taxable year, the person claiming an exemption under this article must file a real estate exemption certificate with the commissioner of the revenue, together with a copy of the previous year's federal income tax return, if filed.
- (b) The affidavit shall set forth in the manner prescribed by the commissioner of the revenue the names of the related persons occupying the dwelling for which an exemption is claimed, their gross combined income and their total combined net worth.
- (c) If, after audit and investigation, the commissioner of the revenue determines that the person is qualified for exemption, he shall certify the same to the county treasurer, who shall deduct the amount of the exemption from the claimant's real estate tax liability. Such amounts shall be determined by the commissioner of the revenue in accordance with the terms of this article.

(Code 1978, § 8-27; Code 1995, § 34-159; Ord. of 2-12-1991)

#### **Sec. 23-220. Amount of exemption.**

- (a) The person qualifying for and claiming exemption under this article shall be relieved of that portion of real estate tax levied on the qualifying dwelling and land in the amount calculated as set forth in accordance with the following schedule:

| <b>If gross combined income as described in section 23-218 is:</b> | <b>Tax exemption or relief that may be claimed is:</b> |
|--|--|
| \$10,000.00 or less  | 80%  |
| \$10,001.00 to \$14,000.00   | 70%  |
| \$14,001.00 to \$18,000.00   | 55%  |
| \$18,001.00 to \$25,000.00   | 40%  |

Created: 2023-08-01 15:05:16 [EST]

(Supp. No. 7)

This amount shall be adjusted, if necessary, by net worth as follows:

| If the income is:          | And net worth is:          | The percentage is: |
|----------------------------|----------------------------|--------------------|
| \$0.00 to \$10,000.00      | 0 to \$28,500.00           | 80                 |
|                            | \$28,501.00 to \$41,000.00 | 64                 |
|                            | \$41,000.00 to \$65,000.00 | 56                 |
|                            |                            |                    |
| \$10,001.00 to \$14,000.00 | 0 to \$28,500.00           | 70                 |
|                            | \$28,501.00 to \$41,000.00 | 55                 |
|                            | \$41,000.00 to \$65,000.00 | 40                 |
|                            |                            |                    |
| \$14,001.00 to \$18,000.00 | 0 to \$28,500.00           | 55                 |
|                            | \$28,501.00 to \$41,000.00 | 40                 |
|                            | \$41,000.00 to \$65,000.00 | 30                 |
|                            |                            |                    |
| \$18,001.00 to \$25,000.00 | 0 to \$28,500.00           | 40                 |
|                            | \$28,501.00 to \$41,000.00 | 25                 |
|                            | \$41,000.00 to \$65,000.00 | 15                 |

(b) The maximum relief permitted under this section shall be \$200.00.

(Code 1978, § 8-28; Code 1995, § 34-160; Ord. of 10-11-2005; Amend. of 4-13-2010; Ord. of 10-8-2013(4) )

### **Sec. 23-221. Changes in income, financial worth, other assets during taxable year.**

Changes in respect to income, financial worth, ownership of property or other factors occurring during the taxable year for which the affidavit is filed, and having the effect of exceeding or violating the limitations and conditions provided in this article, shall nullify any relief of real estate tax liability for the then current taxable year and the taxable year immediately following.

(Code 1978, § 8-29; Code 1995, § 34-161)

### **Secs. 23-222—23-250. Reserved.**

## ARTICLE VII. TAX EXEMPTIONS FOR CERTAIN ELDERLY AND DISABLED PERSONS<sup>1</sup>

### Sec. 23-211. Authority.

This article is adopted pursuant to the authority of Code of Virginia, § 58.1-3210 et seq., as amended.  
(Code 1978, § 8-20; Code 1995, § 34-151)

### Sec. 23-212. Applicability.

The provisions of this article shall apply to all persons residing in the county, including the incorporated municipalities therein.  
(Code 1978, § 8-21; Code 1995, § 34-152)

### Sec. 23-213. Purpose.

The purpose of this article is to provide a real estate exemption for qualified property owners of the county who are not less than 65 years of age and for those persons determined to be permanently and totally disabled and who are eligible according to the terms of this article.  
(Code 1978, § 8-22; Code 1995, § 34-153)

### Sec. 23-214. Rules of construction.

In the construction of this article, the rules contained in this section shall be observed and applied. The term "lot" includes the words "plat" and "parcel." The term "approve" shall be considered to be followed by the words "or disapprove," except when the context clearly indicates otherwise.  
(Code 1978, § 8-23; Code 1995, § 34-154)

### Sec. 23-215. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Affidavit* means the real estate tax exemption or deferral affidavit, which shall be a sworn statement in writing.

*Disabled* means a person who is certified disabled by the Social Security Administration, the department of veterans affairs or the railroad retirement board, or if such person is not eligible for certification by any of these agencies, a sworn affidavit by two medical doctors who are either licensed to practice medicine in the commonwealth or are military officers on active duty who practice medicine with the United States Armed Forces,

---

<sup>1</sup>State law reference(s)—Tax exemption for certain elderly persons and handicapped persons, Code of Virginia, § 58.1-3210.

---

to the effect that the person is permanently and totally disabled, as defined in Code of Virginia, § 58.1-3217; however, a certification pursuant to 42 USC 423(d) by the Social Security Administration so long as the person remains eligible for such social security benefits shall be deemed to satisfy such definition in Code of Virginia, § 58.1-3217. The affidavit of at least one of the doctors shall be based upon a physical examination of the person by such doctor. The affidavit of one of the doctors may be based upon medical information contained in the records of the civil service commission which is relevant to the standards for determining permanent and total disability as defined in Code of Virginia, § 58.1-3217.

*Dwelling* means the full-time residence of the head of the household occupying such residence and owning title or partial title thereto, such head of the household being at least 65 years of age or disabled at the time application is filed.

*Exemption* means exemption from the county real estate tax, according to the provisions of this article.

*Property* means real property only.

*Taxable year* means the calendar year, from January 1 until December 31, for which exemption or deferral is claimed.

*Title or title to real property* means record of property title ascertainable from the records of the clerk of the circuit court of the county, and shall not include leasehold or life estates.

(Code 1978, § 8-24; Code 1995, § 34-155)

State law reference(s)—"Permanently and totally disabled" defined, Code of Virginia, § 58.1-3217.

### **Sec. 23-216. Violations and penalties.**

Any person falsely claiming an exemption under this article shall be guilty of a Class 4 misdemeanor.

(Code 1978, § 8-30; Code 1995, § 34-156)

### **Sec. 23-217. Administration.**

(a) The exemption authorized in this subdivision shall be administered by the Commissioner of the Revenue according to the general provisions contained in this division. The Commissioner of the Revenue is hereby authorized and empowered to prescribe, adopt, promulgate and enforce rules and regulations in conformity with the general provisions of this subdivision, including the requirements of answers under oath, as may be reasonably necessary to determine qualifications for exemption as specified by this subdivision. The Commissioner of the Revenue may require the production of certified tax returns and appraisal reports to establish income or financial worth.

(b) The treasurer shall provide notice of the exemption in accordance with Code of Virginia, § 58.1-3213.1.

(Code 1978, § 8-25; Code 1995, § 34-157)

### **Sec. 23-218. Requirements for exemption.**

The exemption authorized by this article shall be granted to persons subject to the following provisions:

- (1) The title to the property for which an exemption is claimed is held or is partially held on January 1 of the taxable year by the person claiming the exemption, but such title shall not include leasehold interests or life estates.

(2) The head of the household occupying the dwelling and owning title or partial title thereto is 65 years of age or older on December 31 of the year immediately preceding the taxable year, or is totally and permanently disabled as defined by this article.

(3) The gross combined income of the owner during the year immediately preceding the taxable year shall be determined by the Commissioner of the Revenue to be in an amount not to exceed \$35,000.00. The term "gross combined income" shall include all income from all sources of the owner and of all person's living in the dwelling for which claimed; provided that all income of individuals below the age of 18, and the first \$12,000.00 of income for relatives below the age of 23 and enrolled full-time in a college or technical school shall not be included in the total. The first \$1,500.00 of income of each relative other than the spouse of the owner who is living in the dwelling shall not be included in such total. Income of non-relatives living in the dwelling shall be included in such total.

(4) The total combined financial worth of the owners as of December 31 of the year immediately preceding the taxable year in which application is made shall be determined by the Commissioner of the Revenue to be in an amount not to exceed \$100,000.00. Total financial worth shall include the value of all assets including equitable interests of the owner and the owner's spouse, but shall exclude the fair market value of the dwelling and the land upon which it is situated, not exceeding one acre, for which the exemption is claimed.

(Code 1978, § 8-26; Code 1995, § 34-158; Ord. of 10-11-2005; Amend. of 4-13-2010; Ord. of 10-8-2013(4) )

State law reference(s)—Restrictions and exemptions, Code of Virginia, § 58.1-3211; local restrictions and exemptions, Code of Virginia, § 58.1-3212.

### **Sec. 23-219. Application for exemption, Annual Certification.**

(a) In the first year for which exemption is sought, every person claiming an exemption under this article shall file an application with the commissioner of revenue of the county setting forth the basis for their claim of exemption. In each of the two (2) years between their filing of such applications, if no circumstances relevant to determination of eligibility for the exemption has changed, the applicant shall certify that with the Commissioner of the Revenue on forms provided by the Commissioner; however, if an applicant's circumstances have changed to affect their eligibility for exemption, the applicant will need to file a new application. The date for filing such an application or certification shall begin after January 1 of the taxable year and must be submitted no later than December 5 of the taxable year, but may be extended by the commissioner of revenue to December 15 of a taxable year for a first-time applicant and to December 15 of each taxable year in a hardship case in which the commissioner of revenue determines that the applicant was unable to file by December 5 of the particular taxable year because of illness of the applicant, confinement of the applicant in a nursing home, hospital, or other medical facility or institution, or other case as determined by the Commissioner.

(b) The application shall set forth the names of the related persons occupying the real property for which exemption is claimed, the name of any other person who is an owner of and resides in the dwelling on the property, and the combined household income of all such persons. The form of such application or certification shall be determined by the commissioner of revenue, and shall contain such other information as may be required adequately to determine compliance with the provisions of section 23-218.

(c) If the person filing an application for exemption under this section is under sixty-five (65) years of age, the application shall have attached thereto proper documentation by the Social Security Administration, Veteran's Administration or the Railroad Retirement Board that the person has been certified as being permanently or totally disabled as defined by those agencies, or if such person is not eligible for

Created: 2023-08-01 15:05:16 [EST]

(Supp. No. 7)



---

certification by any of these agencies, a sworn affidavit by two (2) medical doctors licensed to practice medicine in the commonwealth, to the effect that the person is permanently and totally disabled, as defined in section 30-96. The affidavit of at least one (1) of the doctors shall be based upon a physical examination of the person by such doctor. The affidavit of one (1) of the doctors may be based upon medical information contained in the records of the civil service commission which is relevant to the standards for determining permanent and total disability as defined in section 30-96.

- (d) In addition, the commissioner of revenue may make such further inquiry of persons seeking to claim exemptions requiring answers under oath and/or the production of tax returns or other information, as may be deemed reasonably necessary to determine eligibility for an exemption.
- (e) If, after audit and investigation, the Commissioner of the Revenue determines that the person is qualified for exemption, such amounts shall be determined by the Commissioner of the Revenue in accordance with the terms of this article. (Currently this is in the ordinance, but the Commissioner enters the discount amount in the system that will go on the real estate relief book, that includes veterans and other discounts provided. This discount is essentially applied by the COR)

(Code 1978, § 8-27; Code 1995, § 34-159; Ord. of 2-12-1991) – original in ordinance

Code 1976, § 10-39; 11-21-94; 10-7-19(1) (this was pulled from Charlottesville Ordinance)

#### **Sec. 23-220. Amount of exemption.**

- (a) The person qualifying for and claiming exemption under this article shall be relieved of the portion of real estate tax levied on the qualifying dwelling and land in the amount not to exceed \$ 200.
- (b) The maximum relief permitted under this section shall be \$ 200.00.

(Code 1978, § 8-28; Code 1995, § 34-160; Ord. of 10-11-2005; Amend. of 4-13-2010; Ord. of 10-8-2013(4))

#### **Sec. 23-221. Changes in income, financial worth, other assets during taxable year.**

Changes in respect to income, financial worth, ownership of property or other factors occurring during the taxable year for which the affidavit is filed, and having the effect of exceeding or violating the limitations and conditions provided in this article, shall nullify any relief of real estate tax liability for the then current taxable year.

(Code 1978, § 8-29; Code 1995, § 34-161)

#### **Secs. 23-222—23-250. Reserved.**

WG

PART I - CODE  
Chapter 58 - TAXATION  
ARTICLE II. - AD VALOREM  
DIVISION 3. - REAL PROPERTY

Subdivision II. Exemption from Taxation of Certain Elderly and Handicapped Persons

---

**Subdivision II. Exemption from Taxation of Certain Elderly and Handicapped Persons<sup>1</sup>**

**Sec. 58-81. Exemption authorized.**

- (a) Real estate and manufactured homes, as defined in Code of Virginia, § 36-85.3, owned by and occupied as the sole dwelling by qualified property owners at least 65 years of age or by qualified property owners found to be "permanently or totally disabled," as that term is defined by Code of Virginia, § 58.1-3217, shall be exempt from taxation subject to the conditions and restrictions provided in this subdivision.
- (b) Code of Virginia, § 58.1-3214, shall be applicable for determination of the sole dwelling of a person who is otherwise qualified for tax exemption.
- (c) Notwithstanding any other provision of this subdivision, a real estate tax exemption in the minimum amount of \$100.00 is provided for qualified property owners claiming exemption who are members of the Disabled American Veterans or who are eligible for membership in the Disabled American Veterans and who are permanently or totally disabled.
- (d) For purposes of this subdivision, any reference to real estate shall include manufactured homes as defined in Code of Virginia, § 36-85.3.
- (e) For purposes of this subdivision, eligibility for tax exemption shall be as established in Code of Virginia, §§ 58.1-3210 and 58.1-3211.1, as such sections are amended or recodified from time to time.

(Code 1997, § 58-76; Ord. No. 2006-05, § 1, 3-28-2006; Ord. No. 2015-002, § 4, 2-25-2015)

**Sec. 58-82. Administration of exemption.**

- (a) The exemption authorized in this subdivision shall be administered by the commissioner of the revenue according to the general provisions contained in this division. The commissioner of the revenue is hereby authorized and empowered to prescribe, adopt, promulgate and enforce rules and regulations in conformity with the general provisions of this subdivision, including the requirements of answers under oath, as may be reasonably necessary to determine qualifications for exemption as specified by this subdivision. The commissioner of the revenue may require the production of certified tax returns and appraisal reports to establish income or financial worth.

- (b) The treasurer shall provide notice of the exemption in accordance with Code of Virginia, § 58.1-3213.1.

(Code 1997, § 58-77)

State law reference(s)—Similar provisions, Code of Virginia, § 58.1-3213.

---

<sup>1</sup>State law reference(s)—Authority of county to adopt exemption, Code of Virginia, § 58.1-3210.



---

## **Sec. 58-83. Requirements for exemption.**

- (a) Exemption under this subdivision shall be granted for real estate taxes on the qualifying dwelling and land, not exceeding one acre, subject to the following provisions:
- (1) The title of the property for which exemption is claimed is held, or partially held, on January 1 of the taxable year by the person claiming exemption. Nothing in this section shall be interpreted or construed to provide for an exemption from tax for any dwelling jointly held by non-individuals.
  - (2) The person occupying the dwelling and owning title or partial title thereto is 65 years of age or older or is permanently and totally disabled on December 31 of the year immediately preceding the taxable year. Such dwelling must be occupied as the sole dwelling of the person not less than 65 years of age or permanently and totally disabled and of all joint owners, if any. A dwelling jointly held by a husband and wife, with no other joint owners, may qualify if either spouse is 65 or over or is permanently and totally disabled.
  - (3) The person qualifying for and claiming exemption shall have income no greater than the maximum income amount specified in the schedule of net worth, income, and amount of exemption set forth in this subdivision. In the event of joint ownership, the total combined gross income received from all sources during the preceding calendar year by owners of the dwelling who use it as their principal residence and owners' relatives and non-relatives who live in the dwelling shall not exceed the county's median household income in the county as reported in the most recent U.S. Census data and adjusted for annual cost of living fluctuation; provided that the first portion, in amount as specified in Appendix C, of income of each individual who is not the spouse of an owner living in the dwelling and who does not qualify for the exemption shall not be included in such total.
  - (4) The applicant shall be eligible only if the net combined financial worth of the applicant; joint owners, if any; and of the spouse of the applicant, as of December 31 of the immediately preceding calendar year, excluding the value of the dwelling and the land not exceeding five acres upon which it is situated, and including equitable interests, does not exceed \$100,000.00.
  - (5) For purposes of this division, "income" shall mean total gross income from all sources, without regard to whether a tax return is actually filed. Income shall not include life insurance benefits or receipts from borrowing or other debt.
- (b) *Prorated tax exemption.*
- (1) The provisions of this subsection that require prorating of the exemption shall not apply to dwellings jointly held by a husband and wife, with no other joint owners.
  - (2) The tax exemption shall be prorated as provided in this section if the dwelling is jointly owned by two or more individuals not all of whom are at least age 65 or permanently and totally disabled and the dwelling is occupied as the sole dwelling by all such joint owners.
  - (3) The tax exemption shall be prorated by multiplying the amount of the exemption by a fraction that has as a numerator the percentage of ownership interest in the dwelling held by all such joint owners who are at least age 65 or permanently and totally disabled, and as a denominator, 100 percent. As a condition of eligibility for such tax exemption, the joint owners of the dwelling shall be required to furnish to the relevant local officer sufficient evidence of each joint owner's ownership interest in the dwelling.
- (c) *Change in circumstances.*
- (1) In the event of changes in income, financial worth, ownership of property or other factors occurring during the taxable year for which an affidavit is filed that have the effect of exceeding or violating the

WC

limitations and conditions provided herein, the exemption shall be prorated to apply only for the portion of the taxable year during which the taxpayer qualified for such exemption.

- (2) In the event of a change in ownership to a spouse or a non-qualifying individual, when such change resulted solely from the death of the qualifying individual, or a sale of such property, the exemption shall be prorated to apply only for the portion of the taxable year during which the taxpayer qualified for such exemption. The proceeds of the sale which would result in the prorated exemption shall not be included in the computation of net worth or income as provided in subsection (a). Such prorated portion shall be determined by multiplying the amount of the exemption by a fraction wherein the number of complete months of the year such property was properly eligible for such exemption is the numerator and the number 12 is the denominator.
- (3) An individual who does not qualify for the exemption under this article based upon the previous year's income limitations and financial worth limitations, may nonetheless qualify for the current year by filing an affidavit that clearly shows a substantial change of circumstances, that was not volitional on the part of the individual to become eligible for the exemption and that will result in income and financial worth levels that are within the limitations of the ordinance. The exemption shall be prorated from the date the affidavit is submitted.
- (4) Any exemption affected by change in circumstances as presented in this subsection shall be conditioned upon the individual filing an affidavit no later than July 1 of the taxable year affected by change in circumstances showing that the actual income and financial worth levels were within the limitations set by this subdivision.

(Code 1997, § 58-78; Ord. No. 97-3, § 1(7-18), 6-10-1997; Ord. No. 2006-05, § 1, 3-28-2006; Ord. No. 2007-03, § 1, 2-13-2007; Ord. No. 2008-03, § 1, 2-12-2008; Ord. No. 2009-002, § 1, 4-14-2009; Ord. No. 2010-001, 1-26-2010; Ord. No. 2014-002, § 3, 2-25-2014; Ord. No. 2015-002, § 4, 2-25-2015; Ord. No. 2022-06, § 3, 7-12-2022)

State law reference(s)—Restrictions and exceptions authorized, Code of Virginia, § 58.1-3212.

### **Sec. 58-84. Application for exemption.**

- (a) The person or persons claiming an exemption must file with the commissioner of the revenue an application for such real estate tax exemption that includes an affidavit or written statement setting forth in a manner prescribed by the commissioner of the revenue:
  - (1) The location, assessed value, and tax on the real estate;
  - (2) The names of the related and non-relative persons occupying the real estate;
  - (3) The combined gross income from all sources of the persons specified in subsection 58-83(a)(3); and
  - (4) The total combined net worth of the persons specified in subsection 58-83(a)(4).
- (b) The application shall be filed either annually or on a three-year cycle as prescribed by the commissioner of the revenue. If the commissioner of the revenue prescribes a three-year cycle to apply for exemption, those taxpayers who apply for such exemption shall also file an annual certification that no information contained on the last preceding affidavit or written statement filed has changed to violate the limitations and conditions provided in this subdivision. Such affidavit, written statement, or certification shall be filed after January 1 and no later than November 20 for the current tax year assessments. The commissioner may establish a rolling basis schedule for acceptance throughout the year of affidavits, written statements, or certifications in support of applications for the exemption authorized by this subdivision.

- (c) If the person claiming exemption is under 65 years of age, such affidavit or written statement shall have attached thereto proof of permanent or total disability in the manner prescribed by Code of Virginia, § 58.1-3213(D).
- (d) If after audit and investigation the commissioner of the revenue determines that the person or persons are qualified for exemption, he shall issue to the person a certificate that shall show the amount of the exemption from the claimant's real estate tax liability upon the qualifying dwelling and land, not exceeding one acre.
- (e) Changes in respect to income, financial worth, ownership of property or other factors occurring during the taxable year for which the affidavit or written statement is filed and having the effect of exceeding or violating the limitations and conditions provided in this subdivision shall nullify any exemption for the then current taxable year and the taxable year immediately following.
- (f) The commissioner of revenue may require submittal of certified tax returns to establish the income and financial worth of any applicant for tax relief.

(Code 1997, § 58-79; Ord. No. 2009-002, § 1, 4-14-2009; Ord. No. 2015-002, § 4, 2-25-2015; Ord. No. 2020-05, § 3, 8-11-2020; Ord. No. 2022-06, § 3, 7-12-2022)

State law reference(s)—Similar provisions, Code of Virginia, § 58.1-3213.

### **Sec. 58-85. Amount of exemption.**

The person qualifying for and claiming exemption shall be relieved of that portion of the real estate tax levied on the qualifying dwelling and land, not exceeding five acres, in the amount calculated in accordance with the following schedule:

Table inset:

| If income is:              | and net worth is:  | the percentage: |
|----------------------------|--------------------|-----------------|
| \$-0- to \$25,000.00       | Under \$100,000.00 | 80%             |
| \$25,001.00 to \$30,000.00 | Under \$100,000.00 | 60%             |
| \$30,001.00 to \$38,000.00 | Under \$100,000.00 | 40%             |
| \$38,001.00 to \$44,000.00 | Under \$100,000.00 | 20%             |

(Code 1997, § 58-80; Ord. No. 97-3, § 1(7-20), 6-10-1997; Ord. No. 2006-05, § 1, 3-28-2006; Ord. No. 2007-03, § 1, 2-13-2007; Ord. No. 2008-03, § 1, 2-12-2008; Ord. No. 2009-002, § 1, 4-14-2009; Ord. No. 2010-001, 1-26-2010; Ord. No. 2011-014, § 3, 12-13-2011; Ord. No. 2012-003, § 3, 11-27-2012; Ord. No. 2014-002, § 3, 2-25-2014; Ord. No. 2015-002, § 4, 2-25-2015; Ord. No. 2024-01, § 3, 3-12-2024)

State law reference(s)—County may specify lower income levels, etc., Code of Virginia, § 58.1-3212.

### **Sec. 58-86. Forfeiture of exemption.**

Failure to pay the difference between the exemption and the full amount of taxes levied on the property for which the exemption is issued by the tax collection date of the semi-annual tax period for which such exemption is issued shall constitute a forfeiture of the exemption for the past-due period and subsequent semi-annual tax periods until all past-due taxes are paid in full.

(Code 1997, § 58-81; Ord. No. 2009-001, § 3, 2-10-2009; Ord. No. 2014-002, § 3, 2-25-2014)

WG

---

**Sec. 58-87. False claims.**

The false claiming of the exemption authorized in this subdivision shall constitute a class 2 misdemeanor, punishable as provided in section 1-15.

(Code 1997, § 58-82)

State law reference(s)—Similar provisions, Code of Virginia, § 58.1-3916.1.

**Secs. 58-88—58-105. Reserved.**

WG

PART I - CODE  
Chapter 58 - TAXATION  
ARTICLE II. - AD VALOREM  
DIVISION 3. - REAL PROPERTY  
Subdivision I. In General

---

**Subdivision I. In General**

**Sec. 58-66. Abatement of levies on buildings razed, destroyed or damaged by fortuitous happenings.**

- (a) Buildings that are razed, destroyed, or damaged due to natural or accidental events beyond the control of the owner shall receive abatement for tax levies for the year in which the event occurs, computed according to the ratio which the portion of the year the building was fit for use, occupancy, or enjoyment bears to the entire calendar year. No such abatement shall occur unless:
  - (1) The destruction or damage to such building occurred in the course of an event that resulted in a declaration of local and state emergency;
  - (2) The destruction or damage to such building decreased its value \$500.00 or more;
  - (3) The destruction or damage to such building rendered it unfit for use and occupancy for 30 or more days during the calendar year; and
  - (4) The owner of such building (or the owner's agent) makes application to the commissioner of the revenue for the abatement within six months of the date on which the building was razed, destroyed, or damaged.
- (b) In the following tax year, the provisions of the Code of Virginia, § 58.1-3293, shall determine the proper assessment and levy.

(Ord. No. 2011-007, § 4, 6-14-2011)

**Secs. 58-67—58-80. Reserved.**

A meeting of the Smyth County Public Safety Committee was held at the County Office Building on Thursday, January 16, 2025, at 11:00 a.m.

Committee Members' Present:

Rye Valley District Supervisor, Jason Parris  
Royal Oak District Supervisor Courtney Widener, Chair  
Chilhowie District Supervisor Michael Sturgill

Staff Members:

County Administrator, Shawn Utt  
Assistant County Administrator- Operations, Lisa Richardson  
Assistant County Administrator – Development, Clegg Williams  
Emergency Services Coordinator, Curtis Crawford  
Assistant to the Chief/Billing, Paula Clark

Royal Oak District Supervisor, Courtney Widener called the meeting to order at 10:50 a.m. due to scheduling.

*Mt. Rogers Planning District's Pre-disaster Hazard Mitigation Plan*

Mr. Crawford briefly discussed the MRPD's Hazard Mitigation Plan and stated the plan must be updated and adopted periodically and is the plan that provides each county's hazards and possible projects to mitigate each. Mr. Crawford advised this was also the plan linked to FEMA funding after Tropical Storm Helene. The Board of Supervisors would need to adopt the plan for it to become active. Mr. Crawford said he thinks that the plan meets FEMA standards, but other discussion would be needed prior to the next planning process due to the prolonged and poor plan that was produced. Mrs. Richardson noticed a few grammatical and a few date errors that will need to be amended. Mr. Crawford advised he would submit the changes to the MRPD for amendment.

After further discussion, the following recommendation was made.

- *Chilhowie District Supervisor, Mike Sturgill made a recommendation to authorize the approval of the Mount Rogers Planning District Hazard Mitigation Plan as amended. Rye Valley District Supervisor, Jason Parris seconded the motion, and it was unanimously approved.*

*Radio Project/Edgewood Tower Update:*

Mr. Crawford discussed a letter that was received in regard to the Edgewood communications tower with the requirements from the FAA, stating that the Edgewood Tower would need to be marked and/or lighted in accordance with FAA standards. Mr. Crawford stated that he thinks installing a beacon light on the tower should be adequate as the SBA tower that is less than 100 yards away, received the same letter and did not mark the tower, only lite it. Mr. Crawford also discussed the cost associated with painting a tower of this size and the committee agreed with moving forward with the lighting of the tower only. No action was taken, discussion only.

*OEMS Update/VCU Study:*

Mr. Crawford advised that we received a grant for a county-wide oxygen concentrator. Mr. Crawford stated that the grant was in the amount of \$37,000 and was 50/50. He thinks that we are good to move forward with this.

Mr. Crawford discussed a recent study from Virginia Commonwealth University referencing Smyth County with EMS expenses and response times. Mr. Crawford stated that he does not agree with the data that was portrayed and the factors that go into those statistics. Mr. Crawford advised that he was involved in an e-mail chain with the authors, owners, and other locals, such as the City of Norton, regarding the incorrect data and the skewed image is provides of response times in Southwest Virginia. Mr. Crawford advised the committee he would continue to dispute the report's data along with other localities but wanted the committee to know that the data was not correct and response times in Smyth County were not exceeding 60 minutes as suggested.

*Helene Long Term Recovery Committee:*

Mr. Crawford shared that the first meeting would be on January 29<sup>th</sup> and stated that the meetings will be public and open to all. He also stated that they are already providing some assistance. Discussion continued.

The committee requested that Chief Rusty Hamm of Marion Fire/EMS be present in an upcoming meeting to discuss achievements from the first year in his position. Mr. Utt advised that he would provide him with the invitation.

There were discussions on other EMS issues including funding and upcoming budget meetings.

With no further business to discuss, the meeting was adjourned at 11:25 a. m.



# SMYTH COUNTY

## BOARD OF SUPERVISORS

### **RESOLUTION ADOPTING THE MOUNT ROGERS PLANNING DISTRICT HAZARD MITIGATION PLAN UPDATE**

WHEREAS the Smyth County Board of Supervisors recognizes the threat that natural hazards pose to people and property within Smyth County; and

WHEREAS Smyth County, in partnership with the Mount Rogers Planning District Commission, has prepared a multi-hazard mitigation plan, hereby known as *MOUNT ROGERS PLANNING DISTRICT PRE-DISASTER HAZARD MITIGATION PLAN UPDATE - 2025* in accordance with federal laws, including the [Robert T. Stafford Disaster Relief and Emergency Assistance Act](#), as amended; the [National Flood Insurance Act of 1968](#), as amended; and the [National Dam Safety Program Act](#), as amended; and

WHEREAS the *MOUNT ROGERS PLANNING DISTRICT PRE-DISASTER HAZARD MITIGATION PLAN UPDATE - 2025* identifies mitigation goals and actions to reduce or eliminate long-term risk to people and property in Smyth County from the impacts of future hazards and disasters; and

WHEREAS adoption by the Smyth County Board of Supervisors demonstrates its commitment to hazard mitigation and achieving the goals outlined in the *MOUNT ROGERS PLANNING DISTRICT PRE-DISASTER HAZARD MITIGATION PLAN UPDATE - 2025*.

NOW THEREFORE, BE IT RESOLVED BY THE SMYTH COUNTY, VIRGINIA BOARD OF SUPERVISORS:

Section 1. In accordance with Rules of Procedures, the Smyth County Board of Supervisors hereby adopts the *MOUNT ROGERS PLANNING DISTRICT PRE-DISASTER HAZARD MITIGATION PLAN UPDATE - 2025*. While content related to Smyth County may require revisions to meet the plan approval requirements, changes occurring after adoption will not require Smyth County to re-adopt any further iterations of the plan. Subsequent plan updates following the approval period for this plan will require separate adoption resolutions.

**ADOPTED** this 23<sup>rd</sup> day of January 2025.

**ATTEST:**

**SMYTH COUNTY  
BOARD OF SUPERVISORS**

---

Shawn M. Utt, Clerk of the Board

---

Charles E. Atkins, Chair





Mail Processing Center  
Federal Aviation Administration  
Southwest Regional Office  
Obstruction Evaluation Group  
10101 Hillwood Parkway  
Fort Worth, TX 76177

Aeronautical Study No.  
2024-AEA-7615-OE

Issued Date: 08/22/2024

Curtis Crawford  
Smyth County Virginia  
121 Bagley Circle  
Suite 100  
Marion, VA 24534

**\*\* DETERMINATION OF NO HAZARD TO AIR NAVIGATION \*\***

The Federal Aviation Administration has conducted an aeronautical study under the provisions of 49 U.S.C., Section 44718 and if applicable Title 14 of the Code of Federal Regulations, part 77, concerning:

|            |   |
|------------|---|
| Structure: | Antenna Tower Edgewood  |
| Location:  | Saltville, VA   |
| Latitude:  | 36-52-07.97N NAD 83   |
| Longitude: | 81-44-35.12W  |
| Heights:   | 2530 feet site elevation (SE)<br>170 feet above ground level (AGL)<br>2700 feet above mean sea level (AMSL) |

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

As a condition to this Determination, the structure is to be marked/lighted in accordance with FAA Advisory circular 70/7460-1 M, Obstruction Marking and Lighting, paint/red lights-Chapters 3(Marked),4,5(Red),&15.

Any failure or malfunction that lasts more than thirty (30) minutes and affects a top light or flashing obstruction light, regardless of its position, should be reported immediately to (877) 487-6867 so a Notice to Air Missions (NOTAM) can be issued. As soon as the normal operation is restored, notify the same number.

It is required that FAA Form 7460-2, Notice of Actual Construction or Alteration, be e-filed any time the project is abandoned or:

☐ At least 10 days prior to start of construction (7460-2, Part 1)  
☒ Within 5 days after the construction reaches its greatest height (7460-2, Part 2)

While the structure does not constitute a hazard to air navigation, it would be located within or near a military training area and/or route.

This determination expires on 02/22/2026 unless:

- (a) the construction is started (not necessarily completed) and FAA Form 7460-2, Notice of Actual Construction or Alteration, is received by this office.
- (b) extended, revised, or terminated by the issuing office.
- (c) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.

NOTE: REQUEST FOR EXTENSION OF THE EFFECTIVE PERIOD OF THIS DETERMINATION MUST BE E-FILED AT LEAST 15 DAYS PRIOR TO THE EXPIRATION DATE. AFTER RE-EVALUATION OF CURRENT OPERATIONS IN THE AREA OF THE STRUCTURE TO DETERMINE THAT NO SIGNIFICANT AERONAUTICAL CHANGES HAVE OCCURRED, YOUR DETERMINATION MAY BE ELIGIBLE FOR ONE EXTENSION OF THE EFFECTIVE PERIOD.

This determination is based, in part, on the foregoing description which includes specific coordinates, heights, frequency(ies) and power. Any changes in coordinates, heights, and frequencies or use of greater power, except those frequencies specified in the Colo Void Clause Coalition; Antenna System Co-Location; Voluntary Best Practices, will void this determination. Any future construction or alteration, including increase to heights, power, or the addition of other transmitters, requires separate notice to the FAA. This determination includes all previously filed frequencies and power for this structure.

If construction or alteration is dismantled or destroyed, you must submit notice to the FAA within 5 days after the construction or alteration is dismantled or destroyed.

This determination does include temporary construction equipment such as cranes, derricks, etc., which may be used during actual construction of the structure. However, this equipment shall not exceed the overall heights as indicated above. Equipment which has a height greater than the studied structure requires separate notice to the FAA.

This determination concerns the effect of this structure on the safe and efficient use of navigable airspace by aircraft and does not relieve the sponsor of compliance responsibilities relating to any law, ordinance, or regulation of any Federal, State, or local government body.

A copy of this determination will be forwarded to the Federal Communications Commission (FCC) because the structure is subject to their licensing authority.

If we can be of further assistance, please contact our office at (404) 305-6430, or [kelly.r.nelson@faa.gov](mailto:kelly.r.nelson@faa.gov). On any future correspondence concerning this matter, please refer to Aeronautical Study Number 2024-AEA-7615-OE.

**Signature Control No: 627187054-630882390**

( DNE )

Kelly Nelson  
Specialist

Attachment(s)  
Frequency Data  
Map(s)

### Frequency Data for ASN 2024-AEA-7615-OE

| LOW<br>FREQUENCY | HIGH<br>FREQUENCY | FREQUENCY<br>UNIT | ERP  | ERP<br>UNIT |
|------------------|-------------------|-------------------|------|-------------|
| 6                | 7                 | GHz               | 55   | dBW         |
| 10               | 11.7              | GHz               | 55   | dBW         |
| 698              | 806               | MHz               | 1000 | W           |
| 806              | 824               | MHz               | 500  | W           |
| 806              | 901               | MHz               | 500  | W           |

Sectional Map for ASN 2024-AEA-7615-OE

