

**REPORT ON THE
CITY OF MANASSAS PARK - COUNTY OF PRINCE WILLIAM
SETTLEMENT AGREEMENT**



**COMMISSION ON LOCAL GOVERNMENT
COMMONWEALTH OF VIRGINIA**

OCTOBER 1989

**Report on the
City of Manassas Park - County of Prince William
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PROCEEDINGS OF THE COMMISSION

On May 19, 1989 the City of Manassas Park and Prince William County formally submitted to the Commission for review a proposed settlement agreement which had been negotiated under the authority of Section 15.1-1167.1 of the Code of Virginia. Consistent with the Commission's Rules of Procedure, the notice was accompanied by data and materials supporting the proposed agreement.¹ Further, in accordance with statutory requirement, the City and County concurrently gave notice of the proposed agreement to nine other localities with which they were contiguous or with which they shared functions, revenues, or tax sources.² The proposed agreement contains provisions which would (1) grant the City an annexation of 462.6 acres of territory in the County, (2) compel the City to reject all citizen-initiated annexations for a period of 25 years, (3) require the City to improve or participate in the construction of certain public thoroughfares serving the area proposed for annexation, (4) mandate the City to construct certain public facilities, and (5) insure the development of the area proposed for annexation in accordance with provisions contained in the settlement agreement.³ The proposed settlement agreement represents the culmination of negotiations which had been initiated by the parties in

¹City of Manassas Park and County of Prince William, Voluntary Settlement of Annexation and Immunity, May 9, 1989. Data and materials supporting the proposed agreement were filed with the Commission on July 5, 1989. [City of Manassas Park and County of Prince William, Voluntary Settlement Proceedings, Petition for Affirmation of the Voluntary Settlement of Annexation and Immunity, (hereinafter cited as Petition), as Amended June 29, 1989.

²Sec. 15.1-945.7(A), Code of Va.

³See Appendix A for full text of the proposed settlement agreement as amended by the City and the County on June 29, 1989.

1987.⁴

Following its receipt of the notice filed by the City and the County, the Commission met with representatives of the two jurisdictions on May 22, 1989 for the purpose of establishing a schedule for its review of the proposed agreement. Consistent with the schedule adopted at that meeting, the members of the Commission toured relevant areas and facilities in the City and the County and received oral presentations from the parties in support of the proposed agreement of July 10, 1989. In addition to its receipt and consideration of materials from the

⁴On October 31, 1986 the Signal Hill Development Corporation (SHDC) filed notice with the Commission, pursuant to the provisions of Sec. 15.1-1034, Code of Va., of its intent to petition for the annexation of 404 acres of territory located in the County. [See Signal Hill Development Corporation, City of Manassas Park Annexation Notice and Supporting Data (hereinafter cited as Signal Hill Notice), Oct. 1986.] That section of the Code of Virginia permits voters or owners of real estate to petition the circuit court for the annexation of property adjacent to municipalities. Such petitions must contain the signatures of 51% of the qualified voters or 51% of the owners of real estate in number and land area in the area to be annexed. The property petitioned to be annexed to the City, which is known as the Bobby Tract, was formerly owned by the City and was sold by Manassas Park to SHDC on August 6, 1986. In December 1986, the Commission scheduled its review of the petition filed by SHDC, but the County filed a motion in the Circuit Court of Prince William County challenging the legality of SHDC's use of the provisions of Sec. 15.1-1034, Code of Va. The County, in its motion to the court, contended that the City's contract for the sale of the Bobby Tract to SHDC did not convey sufficient ownership interest to the corporation so that it could initiate a property owners' petition for annexation to Manassas Park. Due to the County's motion, the Commission deferred its review of the annexation until the court addressed the legal issue. On December 30, 1986, the Prince William County Circuit Court granted the County's motion for a temporary restraining order delaying the Commission's review of the petition filed by SHDC and subsequently issued a permanent restraining order in April 1987 suspending further action on the annexation petition. The Bobby Tract is a component of the area to be annexed under the terms of the proposed settlement agreement currently under review by the Commission. At the request of the City, the material filed by SHDC with the Commission in October 1986 was incorporated as a supplement to the data and material submitted by Manassas Park and the County in support of the proposed agreement. (Charles S. Perry, Special Counsel, City of Manassas Park, letter to staff of Commission on Local Government, June 23, 1989.)

parties, the Commission solicited comment from other potentially affected political subdivisions and the public. Each political subdivision receiving notice of the proposed agreement from the parties was invited by this Commission to submit testimony on the agreement for consideration. Further, the Commission held a public hearing, advertised in accordance with the requirements of Section 15.1-945.7(B) of the Code of Virginia, on the evening of July 10, 1989 in Manassas Park. The public hearing was attended by approximately twelve persons and produced testimony from one individual. In order to receive additional public comment, the Commission agreed to keep open its record for receipt of written submissions through August 11, 1989.

SCOPE OF REVIEW

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

It is evident that the General Assembly encourages local governments to attempt to negotiate settlements of interlocal boundary change and transition issues. Indeed, one of the foremost statutory responsibilities of this Commission is to assist Virginia localities in

⁵Sec. 15.1-945.7(A), Code of Va.

such endeavors. In view of this apparent legislative intent, the Commission believes that proposed interlocal agreements, such as that negotiated by the City of Manassas Park and Prince William County, should be approached with respect and a presumption of their compatibility with applicable statutory standards.

As we have noted in other reports, however, the General Assembly has decreed that interlocal agreements negotiated under the authority of Section 15.1-1167.1 of the Code of Virginia must be reviewed by this Commission prior to their final adoption by local governing bodies. We are required to conclude, therefore, that while interlocal agreements negotiated for purposes of resolving boundary change issues are due respect and should be approached with a presumption of their consistency with statutory requirements, such respect and presumption cannot be permitted to render our review a pro forma endorsement of any proposed settlement. Our responsibility to the Commonwealth and to the affected localities mandates more.

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

CITY OF MANASSAS PARK

Manassas Park, which was originally established as a residential subdivision developed to meet the housing needs of veterans returning from the Second World War, was incorporated as a town in 1957 and was granted independent city status in 1975.⁶ Demographic data indicate that unlike most of the jurisdictions in the fast growing Northern Virginia region of the Commonwealth, the City of Manassas Park experienced a population loss during the decade of the 1970's, with its populace decreasing between 1970 and 1980 from 6,844 to 6,524 persons,

⁶Petition, p. 15.

or by 4.7%.⁷ Demographic estimates for 1987, however, placed the City's population at 7,200, an increase of 10.4% since the preceding decennial census.⁸ Based on its estimated 1987 population and its current land area of 1.8 square miles, the City has a population density of approximately 4,000 persons per square mile.⁹

With respect to the nature of its population, the evidence indicates that the City's populace is younger and has a higher average income than the State overall. Data reveal that, as of 1980 (the most recent year such data are available), the median age of Manassas Park residents was 24.0 years, a statistic less than that for the State collectively (29.8 years).¹⁰ Further, the percentage of the City's 1980 population age 65 and over was 2.5%, while the comparable figure for the State generally was 9.5%.¹¹ In terms of earnings, data reveal that, as of 1986, the estimated median family income in Manassas Park was \$32,957, or 105.8% of the median family income figure for the Commonwealth as a whole (\$31,148).¹²

⁷U. S. Department of Commerce, Bureau of the Census, 1980 Census of Population, Number of Inhabitants, Virginia, Table 2. The City's last annexation, which was initiated by citizens under the authority of Section 15.1-1034, Code of Va. in 1975, brought 620 acres and 270 persons within Manassas Park's boundaries. (See Final Order, Manassas Park Village v. County of Prince William and Town of Manassas Park, Dec. 31, 1974.) See Appendix B for a map of the City and the area proposed for annexation.

⁸Julia H. Martin, Estimates of the Population of Virginia Counties and Cities: 1986 and 1987 (Charlottesville: Center for Public Service, University of Virginia, Sep. 1988).

⁹Petition, p. 30.

¹⁰U. S. Department of Commerce, Bureau of the Census, 1980 Census of Population, General Population Characteristics, Virginia, Table 14.

¹¹Ibid.

¹²John L. Knapp and Robert W. Cox, Projected 1986 Median Family and Median Household Income in Virginia's Counties, Cities, MSAs and Planning Districts (Charlottesville: Tayloe Murphy Institute, University of Virginia, 1986.)

In terms of fiscal growth, the data indicate that between 1977 and 1987 the total true value of real estate and public service corporation property in the City of Manassas Park increased from \$71.3 million to \$191.5 million, or by 168.6%.¹³ It should be noted, however, that as of the latter date, the City had a per capita balance of unfunded debt of \$1,474, a figure significantly in excess of the State average for all cities (\$914).¹⁴ These data indicate that while the City has experienced considerable growth in its real property tax base, its residents bear a significant debt burden in support of the City's municipal services.

With respect to Manassas Park's physical development, 1988 land use data revealed that of the City's total area (1.8 square miles), 34.0% was used for residential purposes, 3.3% was committed to commercial enterprise, 18.5% was engaged in industrial activity, 20.5% was devoted to public or semi-public usage, with 13.2% (149 acres) remaining vacant.¹⁵ Of the 149 undeveloped acreage, however, approximately 45 acres were situated on extreme slopes or were located in the 100-year floodplain which limited their development potential.¹⁶ Exclusive of this land affected by environmental constraints, the City retained

¹³Virginia Department of Taxation, 1977 Virginia Assessment/Sales Ratio Study, Feb. 1979; and 1987 Virginia Assessment/Sales Ratio Study, Mar. 1989. It is significant to note that during the same period, the percentage increase in the total true value of real estate and public service corporation property in all Virginia cities was 154.2%. (Ibid.)

¹⁴Auditor of Public Accounts, Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1987, Exh. G. As of 1987, the City had the third highest per capita balance of unfunded debt of the Commonwealth's cities. "Unfunded" debt represents the amount required to fund the outstanding balance of the general obligation indebtedness of a locality and does not include indebtedness to be retired by the proceeds of revenue producing activities. (Ibid.)

¹⁵Petition, p. 30. In 1988, 10.5% of the land within the City of Manassas Park was utilized for public thoroughfare rights-of-way.

¹⁶Ibid.

approximately 104 acres, or only 9.2% of its total area, vacant and generally amenable to development. Thus, the data indicate that the City of Manassas Park has an extremely limited amount of vacant property suitable for future development.

COUNTY OF PRINCE WILLIAM

The County of Prince William was created in 1731 from territory formerly a part of Stafford and King George Counties.¹⁷ Located in the burgeoning Washington Metropolitan Statistical Area (MSA), the County has experienced significant growth in recent years. As of 1980 Prince William County had a population of 144,703 persons, reflecting a growth in its populace of 30.2% since 1970.¹⁸ The official population estimate for 1987 placed the County's population at 184,700 persons, an increase of 27.6% since the preceding decennial census.¹⁹ As of 1987, Prince William County was the third most populous county in the State. Based on its land area of 357 square miles and the 1987 population estimate, the County has an overall population density of 517 persons per square mile.

With respect to the nature of its population, various statistical indices disclose that the County's population is younger and has a higher average income than that of the State overall. Data indicate that, as of 1980 (the most recent year such data are available), the median age of residents of Prince William County was 26.0 years, while

¹⁷J. Deveareux Weeks, Dates of Origin of Virginia Counties and Municipalities (Charlottesville: Institute of Government, University of Virginia, 1967). At the time of its formation, the County included territory that later became Fairfax, Loudoun, Arlington, and Fauquier Counties.

¹⁸1980 Census of Population, Number of Inhabitants, Virginia, Table 2. Located in the County are three towns which in 1980 collectively contained 4,176 persons. In addition, the City of Manassas is contiguous to the County.

¹⁹Estimates of the Population of Virginia Counties and Cities: 1986 and 1987. Prince William County estimates that by 1989 its population has increased to 223,705 persons. (Petition, p. 31.)

that for the State as a whole was 29.8 years.²⁰ Further, statistics reveal that, as of 1980, only 2.4% of the County's population was age 65 or over, while the percentage of that category for the State generally was 9.5%.²¹ In terms of earnings, the estimated median family income for County residents in 1986 was \$42,501, or 136.5% of the comparable figure for the State overall (\$31,148).²²

Employment data for recent years reveal that the County also has experienced a significant increase in its economic base. Statistics indicate that between March 31, 1978 and March 31, 1988 the number of nonagricultural wage and salary positions in the County grew from 23,325 to 45,135, or by 93.5%.²³ Despite the significant number of employment opportunities within Prince William County, however, statistics suggest that a major component of the County's labor force is employed outside its boundaries. As of 1980 (the latest date for which such information is available), approximately 73% of County residents age 16 and over were employed beyond the territorial limits of Prince William County.²⁴ In sum, while an increase in the number of employment opportunities in Prince William County has certainly occurred since 1980, it is reasonable to conclude that a major segment of County residents continue to work in other portions of the Washington MSA.

²⁰1980 Census of Population, General Population Characteristics, Virginia, Table 14.

²¹Ibid.

²²Projected 1986 Median Family and Median Household Income in Virginia's Counties, Cities, MSAs and Planning Districts.

²³Virginia Employment Commission, Population and Labor Force Data, 1979; and Covered Employment and Wages in Virginia by 2-Digit SIC Code for Quarter Ending December 31, 1988, Prince William County.

²⁴Michael A. Spar, Transportation and Commuting in Virginia, 1980 (Charlottesville: Tayloe Murphy Institute, University of Virginia, 1984), Appendix 2.

In terms of its fiscal growth, the data indicate that between 1977 and 1987 the total true value of real estate and public service corporation property in the County increased from \$2,554.3 million to \$8,018.0 million, or by 213.9%.²⁵ Further, by the latter date, the County had a per capita balance of unfunded debt of \$455, or 88.9% of the per capita debt burden of Virginia counties overall (\$512).²⁶ These data suggest that the County has experienced a significant increase in its assessed property values subject to local taxation and has managed to provide a level of urban services without imposing an inordinate debt burden on County residents.

With respect to Prince William County's physical development, 1988 land use data indicate that 19.6% of the County's total area was then devoted to residential development, 0.54% to commercial enterprise, 0.66% to industrial activity, 22.0% to public and semi-public uses, with 57.2% (204 square miles) remaining agricultural, wooded or vacant.²⁷ Although Prince William County has experienced significant growth during the past decade, agricultural and forestal operations remain a notable component of the County's industrial base. As of 1987 there were 272 farms in Prince William County occupying a total of 36,926 acres, with the value of the County's agricultural products then totaling approximately \$6.1 million.²⁸ Moreover, 1986 data disclose that 121,061

²⁵1977 Virginia Assessment/Sales Ratio Study; and 1987 Virginia Assessment/Sales Ratio Study.

²⁶Comparative Report of Local Government Revenues and Expenditures, Year Ended June 30, 1987, Exh. G.

²⁷Petition, p. 29.

²⁸U. S. Department of Commerce, Bureau of the Census, 1987 Census of Agriculture, Virginia, July 1989, Ch. 2, Tables 1, 2. The Commission notes, however, that the population growth in Prince William County has reduced the magnitude of agricultural operations in the County. In 1982, the County contained 314 farms which collectively occupied 51,172 acres, with the market value of agricultural products then totaling \$7.3 million. These statistics reflect a loss of more than 14,000 acres (22 square miles) of farmland. (U. S. Department of Commerce, Bureau of the Census, 1982 Census of Agriculture, Virginia, Ch. 2, Tables 1, 3.)

acres in Prince William County were considered "forest" land.²⁹ These statistics suggest that while Prince William County has experienced significant population and employment growth over the past decade, it retains considerable undeveloped territory.

AREA PROPOSED FOR ANNEXATION

The area proposed for annexation under the terms of the agreement, consists predominantly of property formerly owned by the City of Manassas Park, embraces 462.6 acres of land containing approximately 20 persons and \$3.2 million in assessed real property values based on the County's 1988 assessment.³⁰ Accordingly, the area includes 0.01% of the County's population, 0.2% of its land area and 0.04% of its 1988 assessed property values subject to local taxation.

With the exception of six single-family dwellings, the area to be annexed under the terms of the proposed agreement is undeveloped or is in agricultural or forestal uses.³¹ The area proposed for annexation,

²⁹U. S. Department of Agriculture, Forest Service, Forest Statistics for the Northern Piedmont of Virginia, 1986. The Forest Service defines "forest" land as property being at least 16.7% stocked by forest trees of any size, or land formerly having had such tree cover and not currently developed for nonforest use. Such property may also be included in the Census Bureau's definition of "farm" land.

³⁰Petition, pp. 10, 21; and Testimony of John Schofield, Senior Assistant to the County Executive, Prince William County, Transcript of the Voluntary Settlement Proceedings Before the Commission on Local Government (hereinafter cited as Transcript), July 10, 1989, pp. 91-2. By 1989 the real estate assessed values in the area proposed for annexation had risen to \$5.8 million. (Petition, p. 21.)

³¹The largest portion of the area proposed for annexation is a 404-acre vacant parcel of property known as the Bobby Tract. The City, which formerly owned the Bobby Tract for more than 20 years, transferred the title to the property to Signal Hill Development Corporation (SHDC) in August 1986. [See Voluntary Settlement Proceedings, Manassas Park/Signal Hill Development Corporation Agreement, (hereinafter cited as Manassas Park/Signal Hill Agreement), Supplemental Exhibit 1.] Under the terms of the agreement between the City and SHDC, however, the sale of the property will not be completed until the agreement between Manassas Park and the County is approved by the special three judge court. (Jerry W. Davis, City Manager, City of Manassas Park,

however, is currently scheduled for mixed use development containing residential areas with single-family, multi-family and town house dwelling units, offices and retail establishments.³² While the general development plan for the area has been approved by the City and the County as part of the proposed settlement agreement, the developers must submit the final development plans for the property to the Manassas Park City Council for approval following the effective date of the annexation.³³ In sum, while predominantly vacant, the area proposed for annexation contains properties which are scheduled to undergo intensive development in the years immediately ahead.

communication with staff of Commission on Local Government, Aug. 8, 1989.) The balance of the area proposed for annexation contains 10 discrete parcels collectively comprising approximately 60 acres. The property owners of all but one of the parcels have entered into contracts with developers for the purchase of their respective properties following the effective date of the annexation.

³²The area proposed for annexation is scheduled to be developed over the next five to eight years and will ultimately include between 1,200 and 1,500 dwelling units and approximately 200,000 square feet of office and commercial space. (Davis, communication with staff of Commission on Local Government, Aug. 8, 1989; and Schofield, letter to C. Richard Cranwell, Special Counsel, County of Prince William, July 18, 1989.) According to County estimates, the development proposed for the area to be annexed will contain between \$159 and \$198 million in real estate assessed values when completed. (Schofield, letter to Cranwell, July 18, 1989.)

³³See Agreement, Sec. 2.04.02. The Commission notes, however, that Sec. 3.02 of the proposed agreement requires the City to conduct an extensive archaeological investigation of the area proposed for annexation prior to the approval of any rezoning, or site or subdivision plans for the area. If the investigations reveal the presence of previously unknown sites of historical or cultural significance which would be affected by the development proposed for the area to be annexed, the agreement requires the City to preserve the sites identified by the investigation and to incorporate such sites into the development plans for the area if possible. Further, in the event Manassas Park determines that, based on the archaeological investigation, the development of the area proposed for annexation in accordance with the general development plan is not economically feasible, the City can terminate the agreement. [See Agreement, Sec. 3.02.01(b).]

STANDARDS FOR REVIEW

As previously indicated, the Commission on Local Government is charged with reviewing proposed interlocal agreements negotiated under the authority of Section 15.1-1167.1 of the Code of Virginia for the purpose of determining whether such settlements are "in the best interest of the Commonwealth." In our judgment, the State's interest in this and other proposed interlocal agreements is fundamentally the preservation and promotion of the general viability of the affected localities. In this instance, the Commission is required to review an interlocal agreement which provides principally for (1) an annexation by the City of approximately 462.6 acres of territory, (2) the rejection by Manassas Park of all citizen-initiated annexations for a period of 25 years, (3) the City's improvement or participation in the construction of certain public thoroughfares serving the area proposed for annexation, (4) the construction by the City of certain public facilities to serve the general area, and (5) the development of the area proposed for annexation in accordance with the provisions contained in the settlement agreement. A proper analysis of the proposed City of Manassas Park - Prince William County settlement agreement, as mandated by statute, requires consideration of the ramifications of these provisions with respect to the future viability of the two jurisdictions.

INTERESTS OF THE CITY

While the annexation authorized under the terms of the proposed agreement will initially have an inconsequential impact on the population of the City of Manassas Park, it will provide the City with 462.6 acres of territory and \$3.2 million in current assessed property values subject to local taxation. Although the territory to be annexed is predominantly vacant and undeveloped at the current time, it is scheduled to undergo significant residential and commercial development in the near future. Under the terms of the settlement agreement, the area proposed for annexation will be developed according to a general

development plan approved by the City and the County and ultimately will contain between 1,200 and 1,500 dwelling units and approximately 200,000 square feet of commercial space.³⁴ The City officials estimate that, based on current tax rates, Manassas Park will receive approximately \$6.6 million annually in additional local tax revenues from the area to be annexed when the proposed development is completed, a statistic more than 30% larger than the City's total local-source revenue in FY1987-88 (\$5.0 million).³⁵ In addition, Manassas Park will benefit from certain contractual obligations accepted by the developers of the area proposed for annexation which require the construction or improvement of various public facilities which will serve that property as well as the general area.³⁶

³⁴Schofield, letter to Cranwell, July 18, 1989. Based upon the net densities contained in the approved general development plan for the area proposed for annexation, the County has estimated that the area will contain between 576 and 768 single-family residences, between 256 and 320 townhouse units, and between 336 and 432 multi-family dwellings when fully developed.

³⁵Perry, letter to staff of the Commission on Local Government, Sep. 7, 1989. In addition, the City estimates that it will receive an additional \$2.0 million yearly in revenue from the State as a result of the annexation. The estimate of the revenues the City would derive from the area proposed for annexation assumes completion of the development scheduled for that area by FY 1994-95. (Davis, communication with staff of the Commission on Local Government, Sep. 11, 1989.) Further, the City's estimate is based on an analysis of the densities delineated on the general development plan and the average value of new single-family residences, townhouses and multi-family units in the Manassas Park environs.

³⁶Under the terms of the contract for the City's sale of the Bobby Tract to Signal Hill Development Corporation (SHDC), the corporation will be responsible for improving Manassas Drive (Blooms Road) to a four-lane divided thoroughfare, contributing to the improvement of three intersections in areas adjacent to the area to be annexed, extending Quarry Road, developing an active recreational facility on a tract of City-owned land known as Signal Hill, conducting specific water quality and environmental protection measures in the area proposed for annexation, conveying to Manassas Park sufficient land in the area to permit the City to construct a water tank, bearing the cost of the archaeological studies to be conducted in the area to be annexed, building and equipping a fire station for the City in the area, and constructing a commuter rail station in Manassas Park, if requested.

Although the proposed annexation will initially place upon the City few additional public service responsibilities, Manassas Park will be required to provide a broad range of urban services to the annexed area as it develops in the future. Because of contractual commitments by the developers, certain services, such as sewage collection and treatment, water treatment and distribution, roads, recreational facilities and fire protection, will be extended to that area in the future without necessitating any major capital expenditure by Manassas Park. The City's operational and maintenance costs for those services will, however, increase with the development of the annexed area.³⁷ Moreover, the Commission notes that the development scheduled for the area proposed for annexation will require the provision of other services to its residents, with the costs being borne solely by the municipality.³⁸ In our view, however, the City should be able to respond properly to the service needs of the area proposed for annexation.

(See Manassas Park/Signal Hill Agreement, Sec. 4.) Collectively, these commitments by SHDC will cost between \$7 and \$8 million. The City has required SHDC to post a \$7.5 million performance bond to insure the completion of the projects in question. (Testimony of Melanie Jackson, Mayor, City of Manassas Park, Transcript, p. 27; and Manassas Park/Signal Hill Agreement, Sec. 5.)

³⁷According to City Officials, Manassas Park has sufficient excess capacity in its public utility systems to accommodate the development proposed in the area to be annexed. (Testimony of Davis, Transcript, pp. 38-40.)

³⁸Upon completion of the development planned for the area proposed for annexation, the City estimates that it will incur approximately \$7.9 million annually in expenses to provide services to that area. Included in that amount is approximately \$0.8 million in debt service expenditures. (Perry, letter to staff of the Commission on Local Government, Sep. 7, 1989.)

INTERESTS OF THE COUNTY

The proposed annexation sanctioned by the agreement between the City and the County will have minimal adverse fiscal impact on Prince William County. The proposed transfer of territory to Manassas Park will result in the County's loss of only 0.2% of its land area, 0.01% of its 1988 estimated population, and only 0.04% of its 1988 assessed real estate property values.³⁹ Further, the proposed agreement contains provisions by which the City of Manassas Park acknowledges the annexation immunity granted the County by the 1982 Order issued by the Circuit Court of Prince William County and waives any right to institute annexation proceedings as a property owner.⁴⁰ Furthermore, under the terms of the proposed agreement, the City has agreed to oppose all annexations initiated by voters or property owners and to reject any court ordered citizen-initiated annexations for a period of 25 years from the effective date of the agreement.⁴¹

Aside from these elements, there are other provisions in the proposed interlocal agreement which are of significance to Prince William County. First, the agreement contains provisions whereby the City of Manassas Park will be responsible for improving or constructing certain public facilities serving the general area. Such commitments by the City include the improvement or extension of five roads adjacent to the area to be annexed and the construction of a park and commuter rail facilities. Second, the proposed agreement contains provisions by which the City agrees to permit the development of the area proposed for annexation in accordance with a general development plan which has been approved previously by the County and to require the developers of the area to undertake certain activities to mitigate the environmental

³⁹Petition, pp. 10, 21; and testimony of Schofield, Transcript, pp. 91-92.

⁴⁰See Agreement, Secs. 2.01, 2.02.

⁴¹See Agreement, Sec. 2.03.

impact of the proposed development on surrounding properties.⁴² Finally, the agreement contains provisions which extend cooperation between the City and the County in the joint provision of facilities and services.⁴³ These various elements of the interlocal settlement between the City and the County, coupled with the modest initial impact of the proposed annexation, are features of the settlement which are, in the Commission's judgment, in the interest of Prince William County.

INTERESTS OF THE AREA PROPOSED FOR ANNEXATION

The proposed agreement, as noted previously, permits the City of Manassas Park to annex 462.6 acres of essentially undeveloped territory which contain only six dwelling units and which have no immediate urban service needs or concerns. Properties located within the area proposed for annexation, however, are scheduled to undergo significant development in the near future.

Under the terms of the proposed agreement, the City and the County have approved a general development plan for the area proposed for annexation which calls for the construction of between 1,200 and 1,500 residences and approximately 200,000 square feet of office and

⁴²Some of the mitigation actions which the agreement requires the developers of the area proposed for annexation to undertake include the protection of rare and endangered plants and animals, the preservation of buffer strips along the main thoroughfare contiguous to the annexed area, the collection of baseline water quality data from wells surrounding the area, the installation of facilities to protection of the Occoquan Reservoir, the preservation of two Civil War sites located in the area to be annexed, and the restriction of curb cuts on certain roads serving the proposed development.

⁴³Manassas Park has agreed to provide public water and sewer service to the County's District Home and a proposed regional nursing home, to fund jointly a drainage study for an area in the County adjacent to the City, to participate with the County in funding the cost of expanding the courthouse and the regional jail and in bearing the cost of constructing drainage improvements to the Flat Branch drainage area in the City, and to enter into a mutual aid agreement for the provision of fire and rescue services. (See Agreement, Secs. 3.05, 3.06, 3.07 and 4.00.)

commercial space. When the development proposed for the area to be annexed is completed, it is projected to generate approximately \$6.6 million in local source revenues annually.⁴⁴ This development, which is scheduled to begin in the spring of 1990 and which is due for completion in five to eight years, represents a significant financial investment by the developers.⁴⁵ The prior approval of the generalized development plan by the City and County assures the developers that their property will be constructed in accordance with pre-established terms and conditions. While Manassas Park, as part of its normal zoning and subdivision approval process, will review the subsequent plans for the area to be annexed, the assurance that the overall development proposal for that area will not be disturbed or delayed by incorporation into the City is of significant benefit to the property owners and developers of the area proposed for annexation.⁴⁶

As we have observed repeatedly, the area proposed for annexation will experience significant future development in the immediate future and will increasingly require the provision of urban services. The nature of the proposed development in the area will determine the additional urban service responsibilities which will be placed upon the City of Manassas Park.

⁴⁴Perry, letter to staff of Commission on Local Government, Sep. 7, 1989.

⁴⁵In addition to the investment associated with the construction of residential and commercial properties in the area proposed for annexation, Signal Hill Development Corporation will be responsible for installing \$7 to \$8 million public improvements to serve the City, the annexed area, and the northern portion of Prince William County.

⁴⁶As previously noted, however, the discovery of previously unknown historic sites in the area proposed for annexation could alter or forestall the development proposed for that area. The Commission observes that an archaeological survey of the area proposed for annexation is scheduled to be completed prior to the adoption of the agreement by the parties.

With respect to sewerage services, the Commission notes that the sewage collection lines which will serve the proposed development in the annexed area will be installed by the developers and deeded to the City for maintenance purposes. Under the terms of a multijurisdictional agreement, the sewage collected by those facilities will flow through collector lines to a regional sewage treatment plant operated by the Upper Occoquan Sewage Authority (UOSA).⁴⁷ Manassas Park's allocated capacity in that regional facility is 1.7 million gallons per day (MGD). Since the City delivered 0.9 MGD of wastewater to the regional facility during 1988, the evidence suggests that the City has the capacity to meet the future sewage treatment need of the area proposed for annexation.⁴⁸

In terms of water service, distribution lines to serve the area will be constructed, as the need arises, by the developers of the proposed project and deeded to the City for maintenance.⁴⁹ Manassas Park will provide the area with potable water, which it will obtain from four wells located within the City's current boundaries. These wells collectively have a total pumping capacity of 1.1 MGD.⁵⁰ Since the current connections served by the City's system consume 0.4 MGD, the

⁴⁷Petition, p. 37. The UOSA regional sewage treatment plant currently has the capacity to receive and treat 27 MGD and is scheduled to be expanded to a 54 MGD facility by 1992. Once the planned expansion is completed, Manassas Park will receive approximately 1.1 MGD of additional sewage treatment capacity in the regional facility. (Testimony of Davis, Transcript, p. 40; and Davis, communication with the staff of the Commission on Local Government, Sep. 11, 1989.) The members of UOSA include the Cities of Manassas and Manassas Park and the Counties of Prince William and Fairfax.

⁴⁸Davis, communication with staff of Commission on Local Government, Sep. 11, 1989. The current residents of the area proposed for annexation area are served by individual septic tanks.

⁴⁹The current residents of the area proposed for annexation are served by individual wells. (Davis, communication with staff of the Commission on Local Government, Sep. 11, 1989.)

⁵⁰Petition, p. 35.

system retains an unused reserve of 0.7 MGD.⁵¹ Storage for the City's water distribution is provided by two tanks, with an aggregate storage capacity of 1.2 million gallons.⁵² In addition, the City has a 1.0 million gallon storage tank under construction in the area proposed for annexation.⁵³ In brief, the evidence indicates that the City of Manassas Park should be able to meet the water service needs of the area proposed for annexation.

In regard to other services, under the terms of the contract by which the Signal Hill Development Corporation (SHDC) obtained the Bobby Tract from the City, that firm has assumed responsibility for the construction or improvement of needed facilities.⁵⁴ In regard to the capital facilities to be provided by SHDC, the developers will be responsible for the construction of various road improvements (both on and off the site), as well as for the installation of curbs, gutters, sidewalks, stormdrains, and streetlighting within the area proposed for

⁵¹Signal Hill Notice, p. 33. The City also has drilled two other wells which are not presently used. Those wells could provide, if needed, an additional 0.16 MGD. Further, the City has auxiliary connections with the City of Manassas and with the County's Yorkshire Sanitary District, which permit Manassas Park to purchase 300,000 and 200,000 gallons per day, respectively, from those entities for emergency service. (Petition, p. 36.)

⁵²Petition, p. 36.

⁵³Testimony of Davis, Transcript, p. 36. The new water tank, which is expected to be fully operational by the spring of 1990, is located on land deeded to the City by the developers of the Bobby Tract. (Davis, communication with staff of the Commission on Local Government, Sep. 11, 1989.)

⁵⁴See Manassas Park/Signal Hill Agreement. Collectively, the cost of those facilities has been estimated to be approximately \$7 to \$8 million. In order to insure that the contractual commitments made by SHDC are kept, the City has required the developers to post a \$7.5 million performance bond. Ibid., Sec. 5; and testimony of Jackson, Transcript, p. 30.

annexation.⁵⁵ Further, SHDC will build and equip a City fire station on its property to provide increased fire protection as the area develops.⁵⁶ Furthermore, SHDC will also be responsible for the development of a park on City-owned property adjacent to the area proposed for annexation within 36 months following the effective date of the agreement.⁵⁷ Once completed, the facility will be dedicated to Manassas Park and be available for use by the residents of the City, the northern portion of the County and the area to be annexed.⁵⁸ Manassas Park, however, will assume responsibility for the operation and

⁵⁵In addition, SHDC will be responsible for the construction of a commuter rail station and a 300-vehicle parking lot on City property prior to the commencement of such service to Manassas Park. If commuter rail services does not become available in the near future, SHDC will be required to construct a 300-vehicle commuter parking lot within the City. (Manassas Park/Signal Hill Agreement, Sec. 4.06.)

⁵⁶Manassas Park/Signal Hill Agreement, Sec. 4.07. The new fire station is to be constructed within 36 months following the effective date of the agreement and is to be furnished with one pumper and one ambulance at no expense to the City. The City estimates that 11 additional full-time and volunteer firefighters ultimately will be needed to provide expanded fire protection to the area proposed for annexation. (Signal Hill Notice, p. 48.)

⁵⁷Manassas Park/Signal Hill Agreement, Sec. 4.04. The site of the recreational facility is known as Signal Hill and contains the remains of a Civil War encampment which will be preserved by SHDC as part of the development of the park. The park will contain a swimming pool and adjacent bathhouse, four soccer fields, two softball fields, two basketball courts, two tennis courts, two picnic pavilions, a one-mile hiking trail, a playground, restrooms and associated patron parking. In the event the park cannot be constructed according to the requirement of the proposed settlement agreement, the City will be required to pay the County \$2.75 million, which is the estimated cost of the facility. (See Agreement, Sec. 3.03.07.) In the contract for the sale for the Bobby Tract to SHDC, Manassas Park has assigned the responsibility for that obligation to the developers of that property. (Manassas Park/Signal Hill Agreement, Sec. 4.04.05.)

⁵⁸The proposed settlement agreement between the City and the County permits Manassas Park to contract with the Prince William County Park Authority for the operation of the park.

maintenance of all the facilities which will be dedicated to the City.⁵⁹

In terms of other urban service concerns, the evidence indicates that the City of Manassas Park currently offers a broad array of public services to its residents and, in our judgment, has the capacity to extend those services, where needed, to the area proposed for annexation. Two such services merit note here. First, by contract with a private collector, the City provides solid waste collection services to its residents on a weekly basis with the cost of this service being borne by the general fund.⁶⁰ Refuse collected by the City's contractor is disposed of in the Prince William County landfill, which is located approximately ten miles southeast of the City. While initially the extension of this service to the annexed area is not a major consideration, the pending development in that area will make that service significantly more consequential to the area's residents and, in terms of cost, to the municipality. Second, crime prevention and protection services in the City are provided by Manassas Park's police department, which consists of 11 full-time sworn law enforcement officers.⁶¹ As the area proposed for annexation develops over the next five to eight years, the City plans to hire and equip eight additional

⁵⁹The City's Public Works Department currently maintains approximately 35 lane-miles of public thoroughfares within the municipality's present boundaries. In FY1987-88 Manassas Park received \$169,000 from the State for street maintenance purposes. (Signal Hill Notice, p. 59; and City of Manassas Park, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 1988. The off-site road improvements constructed in that portion of the County adjacent to the area proposed for annexation by SHDC will be maintained by the Virginia Department of Transportation.

⁶⁰Petition, p. 38; and Davis, communication with staff of the Commission on Local Government, Sep. 11, 1989. The contractor makes available to residents a mobile container for use in the collection and storage of residential refuse. Commercial and industrial establishments within the current City are required to contract with private collectors for solid waste collection services. (Davis, communication with staff of the Commission on Local Government, Sep. 11, 1989.)

⁶¹Petition, p. 45. This level of staffing is sufficient to maintain two patrol officers on duty throughout a 24-hour period.

law enforcement officers to ensure an appropriate level of service to the new residences and commercial establishments planned for the area.⁶² In our judgment, these services by Manassas Park will increasingly benefit the area proposed for annexation.

An analysis of the proposed agreement must include consideration of the capacity of the City to meet the prospective educational needs of the students who will reside in the area to be annexed. According to information provided by the City, there will be approximately 300 public school students residing in the annexed area by 1995, and 960 such students by the year of the next decade.⁶³ City officials have indicated that its present school system has sufficient classroom space

⁶²Signal Hill Notice, p. 47. The City also plans to purchase three new police vehicles to serve the area annexed. The Commission notes, however, that the City's estimate of the law enforcement officers and vehicles needed to serve the area proposed for annexation is founded on the development of the 404-acre Bobby Tract to contain 1,000 residential units. The expansion of the area to be annexed to include 60 additional acres and the modification of the development plans for that area to include 200,000 square feet of commercial space may require the City to increase the number of new officers hired to serve the area.

⁶³Petition, p. 32. The Commission observes, however, that the City's estimate of the students projected to reside in the area to be annexed is identical to that included in the petition filed with this body by Signal Hill Development Corporation in October 1986. [See Signal Hill Notice, p. 56(a).] That estimate was founded upon the previous development proposal for the 404-acre Bobby Tract by SHDC (approximately 1,000 dwelling units) and does not reflect the revisions to the residential densities for the area proposed for annexation contained in the general development plan approved by the City and the County (1,200 to 1,500 dwelling units). City officials, however, have advised the Commission that, based on the current and projected pupil per household factors for Manassas Park, the students expected to reside in the area proposed for annexation will not exceed the 960 student estimate. Further, Manassas Park officials have informed this body that existing school enrollment patterns indicate that only one-half to two-thirds of the students projected to reside in the area proposed for annexation will enroll in the Manassas Park school system. (Davis, communication with staff of the Commission on Local Government. Sep. 11, 1989.)

for 800 additional students.⁶⁴ Further, Manassas Park plans to add additional classrooms as needed for those students that cannot be accommodated within existing facilities.⁶⁵ With respect to Manassas Park's plans to address the forthcoming expansion of its school system, there is evidence to suggest that the City will need to upgrade its existing educational facilities while concurrently expanding the physical plant of its school system to accommodate the additional students expected to reside in the area to be annexed. In this regard, a 1988 long-range school facilities study conducted by the Virginia Department of Education recommended that Manassas Park reorganize its current grade structure, construct a new high school, remodel and convert the existing high school into a middle school, close two underutilized elementary schools and expand a third, and build a new elementary school in the area annexed in 1975.⁶⁶ While that study

⁶⁴Testimony of Jackson, Transcript, p. 31. During the 1976-77 school year, the City's school facilities accommodated approximately 2,100 students, but by the 1987-88 school year the enrollment in the Manassas Park school system had declined to 1,355 students. (Petition, p. 32; and Virginia Department of Education, Facing-Up 23, Statistical Data on Virginia's Public Schools, 1987-88 School Year, Apr. 1989.) The Commission has been advised, however, that based on an analysis of the City's existing school facilities and the current pupil-teacher ratios prescribed by the Standards of Quality, Manassas Park can accommodate only 1,800 students. (Martha S. Phillips, Supervisor, Energy and Facilities Services, Virginia Department of Education, communication with staff of Commission on Local Government, Sep. 15, 1989.)

⁶⁵Testimony of Jackson, Transcript, p. 32; and testimony of Davis, Transcript, pp. 35, 37. To accommodate the additional students from the area to be annexed, the City initially may be required to add classrooms to one of its elementary schools and to expand its intermediate and high schools. (Testimony of Jackson, Transcript, p. 32.) Manassas Park officials have advised that the City's middle and high school building originally was constructed with modular classrooms, which the City plans to replace within the next five years. In conjunction with that project, the City proposes to increase the number of classrooms at those schools, as needed, to accommodate additional students from the annexed area. (Testimony of Davis, Transcript, p. 35; and Davis, communication with staff of the Commission on Local Government, Sep. 11, 1989.)

⁶⁶Virginia Department of Education, A Survey of School Building Needs for the City of Manassas Park, pp. 17-23.

found no significant deficiencies in Manassas Park's present school facilities requiring immediate attention, its recommendations, which were envisaged to be implemented in a phased manner as funds were available, will be delayed further by the City's need to incorporate the students from the annexed area into its school system.

While the annexation sanctioned by the proposed agreement is projected to increase the enrollment in the City's schools by almost 75% and to require major modifications of both its school facilities and curriculum to accommodate the additional students, the phased development of the annexed area over the next five to eight years will provide Manassas Park with sufficient time to plan carefully the expansion of its school system. Further, this expansion of its school facilities and the receipt of additional revenues expected to be derived from the area to be annexed will, in our judgment, afford the City an opportunity to enhance the quality of its educational program. From our perspective, the City can make the necessary adjustments and offer appropriate educational services to the current and prospective residents of Manassas Park.⁶⁷

In sum, the services to be extended by the City and the various facilities to be constructed or improved by the developers shall, in our view, serve appropriately the residents of the area proposed for annexation.

FINDINGS AND RECOMMENDATIONS

As noted in previous sections of this report, the annexation authorized by the proposed agreement will, in the near future, have a

⁶⁷City officials have indicated that the additional students projected to enroll in Manassas Park's school system over the next ten years will enable the City to take advantage of its underutilized school facilities and to qualify for increased State funding for support of local school divisions where such assistance is distributed on a per pupil basis. (Testimony of Jackson, Transcript, p. 24.)

significant impact on the City of Manassas Park. The development proposed for the area to be annexed is projected to double the City's local-source revenues and the number of households in Manassas Park.⁶⁸ Concurrently with the increases in local revenues and population, however, the City will be confronted with additional responsibilities for the provision of urban services to the residents and businesses in the area incorporated into the City. While the developers of that area will be responsible for the construction or improvement of certain on-site and off-site capital facilities to serve the annexed area, most of those facilities will be deeded to Manassas Park for subsequent operation and/or maintenance. Further, the City will be required to expand other urban services, such as police protection and solid waste collection and disposal as the population in the area to be annexed increases.

While the Commission acknowledges that the still uncertain scope and nature of the development which will occur in the area to be annexed makes it impossible for the City to determine precisely the timing and the degree to which municipal services will have to be expanded, we believe that the City of Manassas Park can meet appropriately the needs of that area. This Commission has reviewed carefully the data presented by the City and the County relative to the potential impact on Manassas Park of the annexation, and, based upon our experience in local government administration and operation, those data appear to offer a reasonable estimate of the development which will occur in the area to be annexed and the effect such growth will have on the City. Again, in our judgment, the City will have the capacity to meet the projected public service needs of the annexed area if developed in a manner generally consistent with current plans. We do, however, recommend that, once the final development plans for the area to be incorporated into the City are known, Manassas Park re-examine the prospective service needs of that area, especially with respect to education, in

⁶⁸Perry, letter to staff of Commission on Local Government, Sep. 7, 1989; and testimony of Schofield, Transcript, pp. 74-75.

relation to its fiscal resources. Further, since the development proposed for the area to be annexed will place additional demands on existing municipal services provided by the City, Manassas Park should be prepared to adjust its fiscal planning and control instruments to ensure that the quality of the public services provided its current residents is maintained.

The interest of the State in this and similar interlocal issues is, from the Commission's perspective, the development of a resolution which equitably reconciles the interest of the affected residents and which protects and promotes the viability of jurisdictions involved. In our judgment, the proposed agreement between the City of Manassas Park and Prince William County meets that standard. Accordingly, we find the agreement, as presented, consistent with the best interest of the Commonwealth and recommend the court's approval.⁶⁹


⁶⁹In making our recommendation to the parties and the court, we acknowledge that the archaeological investigations provided for in the proposed agreement and currently underway in the area to be annexed may require changes in the approved general development plan for that area. The initial phase of the investigation, however, has not discovered any sites of historic or cultural significance necessitating major modification to that plan. (Donna J. Seifert, Principal Archaeologist, John Milner Associates, Inc., letter to Davis, Sep. 11, 1989.)

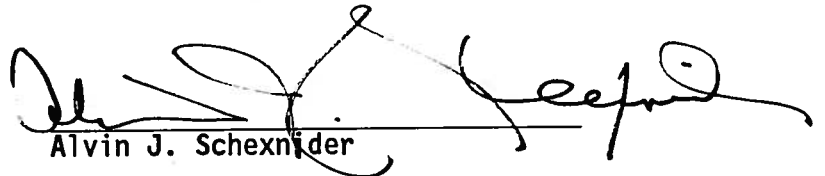
Respectfully submitted,


Frank Rafo, Chairman


Harold S. Atkinson, Vice Chairman


Mary Sherwood Holt


William S. Hubbard


Alvin J. Schexnider

APPENDIX A

AMENDED VOLUNTARY SETTLEMENT OF ANNEXATION AND IMMUNITY

THIS AMENDED VOLUNTARY SETTLEMENT AGREEMENT is made and entered into this 29th day of June, 1989, and executed in quintuplicate originals (each executed copy constituting an original) by and between the CITY OF MANASSAS PARK, a municipal corporation of the Commonwealth of Virginia (City), acting by and through its governing body, the Manassas Park City Council (Council); and PRINCE WILLIAM COUNTY, a County of the Commonwealth of Virginia (County), acting by and through its governing body, the Prince William County Board of County Supervisors (Board).

WHEREAS, Signal Hill Development Corporation filed a Petition for Annexation with the Commission on Local Government on October 31, 1986, seeking to annex part of Prince William County pursuant to Chapter 19.1 and Chapter 25 of Title 15.1 of the Virginia Code Annotated, and

WHEREAS, the County of Prince William filed a Motion for Declaratory Judgment in the Circuit Court of Prince William County in December 1986 asking the Court to issue an injunction enjoining the Commission on Local Government from proceeding with the Petition for Annexation, and

WHEREAS, in March 1987, the Circuit Court of Prince William County enjoined further proceedings on the Petition for Annexation before the Commission on Local Government until such time as the Circuit Court of the County of Prince William resolves the question whether or not the Petition filed with the Commission on Local Government is a city-initiated annexation; and

WHEREAS, the City and County have entered into negotiations pursuant to Title 15.1, Chapters 26.1:1 and 19.1 of the Code of Virginia Annotated and have reached this Amended Voluntary Settlement Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree with each other as follows:

SECTION 1.00 DEFINITIONS

1.01 *City* shall mean the City of Manassas Park. It shall also mean a Town of Manassas Park, in the event that any portion of the City, shall, at any time during the existence of this agreement or any extension or modification hereto, revert to Town status under any provision of Virginia law existing or hereafter enacted, or by means of any modification of the City's Charter by the General Assembly of Virginia. The rights, duties, and obligations and responsibilities hereunder imposed on or available to the City, shall be deemed continuing rights, duties, and obligations of any Town comprising all, or substantially all, of the territory of the City of Manassas Park as it is determined hereby, unless by mutual agreement of the parties.

1.02 *Code* shall mean the Code of Virginia, 1950, as amended. Reference to Code provisions shall mean those particular Code provisions, or similar Code provisions if the Code is amended after the execution of this Voluntary Settlement.

1.03 *Commission* shall mean the Commission on Local Government.

1.04 *County* shall mean County of Prince William.

1.05 *Court* shall mean the special three-judge court appointed by the Supreme Court of Virginia pursuant to Title 15.1, Chapter 26.2 of the Virginia Code Annotated.

1.06 *Section* or *subsection* refers to parts of this Voluntary Settlement Agreement, unless the context provides that "section" refers to parts of the Virginia Code Annotated.

SECTION 2.00 ANNEXATION AND IMMUNITY RIGHTS DEFINED

2.01 The City acknowledges and agrees that the Order of the Circuit Court of Prince William County in Law Action No. 12533, dated March 19, 1982, (Exhibit

A), granted total immunity from city-initiated annexation and incorporation of new cities within its boundaries to the County. The City further waives in whole all statutory rights (if any) for its benefit under Title 15.1, Chapter 25 (Section 15.1-1032, *et seq.*) as such rights pertain to the County. This waiver specifically includes any and all rights (if any) the City may have as property owner in Prince William County to initiate proceedings pursuant to Section 15.1-1034 of the Code.

2.02 The City agrees it will not initiate or institute any proceedings to annex all or any portion of the County pursuant to Title 15.1, Chapter 25 (Section 15.1-1032 *et seq.*) of the Code.

2.03 In the event annexation proceedings are instituted by property owners or qualified voters, pursuant to Section 15.1-1034 of the Code, or any statute similar thereto within a period of twenty-five (25) years from the date of the Order of the special three judge Court affirming and giving full force and effect to this voluntary Settlement, the City agrees that it will oppose all such petitions. The City further agrees that, within such twenty-five (25) year period, if any Court grants an annexation petition filed pursuant to Section 15.1-1034 of the Code, the City Council will immediately adopt an ordinance rejecting such annexation as provided by the provision of Section 15.1-1034 of the Code and within the time limits set out in Section 15.1-1044 of the Code.

2.04.01 The County agrees to the annexation by the City of the area described by a metes and bounds description set forth in detail in Exhibit B and as outlined in blue on the map designated as Exhibit C, on the terms and conditions provided in this Voluntary Settlement. The effective date of annexation shall be January 1 of the year following the year in which the special three judge Court affirms and gives full force and effect to this Voluntary Settlement, as provided elsewhere in this Agreement.

2.04.02 The City agrees that it shall permit initial development of the annexation area, including any properties which may be taken into the City's boundaries in accordance with Section 2.05, below, only in substantial accord with the General Development Plan in the form attached hereto and incorporated herein by reference as Exhibit D, delineating the general types and densities of development to be permitted in the designated areas thereon, and specifically including a 65 foot buffer area extending the length of the annexation area along Birmingham Drive, and the southernmost border of the property. Such buffer shall consist of an undisturbed buffer in those areas where sufficient natural vegetation presently exists, and where there is no presently existing vegetation, or where the existing vegetation is not the equivalent, plantings according to County Buffering Standard SDB-1. The City expressly agrees that the County shall be deemed to have standing to bring suit in a court of competent jurisdiction to contest any decision by the City to permit any use of the annexation area inconsistent with the General Development Plan provided hereby, and to enforce the provisions of this section, and the City shall not assert any lack of jurisdiction on the part of the County, or improper venue, or lack of standing in any proceeding brought in accordance herewith.

2.04.03 The City shall not permit any road connection, except for emergency services, to be made to Birmingham Drive. Notwithstanding this, the City shall have reasonable access by Birmingham Drive to any water supply facilities it has constructed or may construct, until such time as other roads are built within the City's boundaries to provide access thereto. Notwithstanding this, the city shall dedicate, or cause to be dedicated a fifteen (15') foot right of way in addition to the buffer provided for in Section 2.04.02, for the future widening of Birmingham Drive to the County's RL-1 standard.

2.05: deleted.

2.06 The City and County agree to comply with the provisions of the Voting Rights Act of 1965 with respect to the necessary pre-clearance of the agreed annexation by the United States Department of Justice. Submission of an application for approval with the Justice Department shall be made no later than fifteen (15) days after the date of execution of this Voluntary Settlement and shall be expeditiously pursued by both the City and the County. Provided further that should the property owners of the tracts of land referred to in Subsection 2.05 petition for annexation pursuant to Section 15.1-1034 during the two (2) year grace period provided herein, the City and County agree to the extent legally required they shall seek pre-clearance of such annexation under the Voting Rights Act of 1965.

2.07 The City and County agree that should the Commission on Local Government or a special three judge Court change the boundary lines of the area of annexation agreed upon in Section 2.04.01 or proposed in Subsection 2.05 without the mutual agreement of the City and County, then this Voluntary Settlement shall immediately terminate and become null and void.

**SECTION 3.00 GENERAL TERMS AND CONDITIONS OF
ANNEXATION**

Section 3.01 ROAD IMPROVEMENTS

3.01.01 The City agrees, that at its own cost it will improve Manassas Drive (Blooms Road) to a County DC-1 section modified so as not to require curb, gutter and sidewalk, but including improved shoulders and raised median, as specified in such standard, from the present City limits to an intersection with existing Signal Hill Road, to a design mutually acceptable to the City and County. Such design shall provide for the free and direct flow of four-lane Manassas Drive (Old Blooms Road) into Signal Hill Road as it is ultimately to be reconstructed by others, and to properly connect therewith, at an appropriate point west of the current intersection of Blooms and Signal Hill Roads. Such design shall also provide for reconstruction of the intersection of the said four lane roadway with old Signal Hill Road south. Provision shall further be made in any construction or reconstruction of the aforesaid roads, that homes presently fronting Old Blooms Road shall continue to have useable access thereto, and that such homes shall not front on, or have direct access to, reconstructed Manassas (Blooms) Drive.

3.01.02 Notwithstanding the foregoing provisions of this Agreement, in the event that the governing bodies of the City and the County determine that the construction of such roadway is detrimental to the improvement of Signal Hill Park, upon the advice and recommendation of the citizens' advisory committee established with respect to the improvement of said Park, then the parties hereto may adopt such alternative roadway design as may be mutually agreed to by them, which design reduces the traffic impact on the Park, and minimizes to the maximum extent possible the adverse effects of increased through traffic on Signal Hill Road south to Moore Drive.

3.01.03 Construction of the improvements set out above shall be completed within thirty-six months of the effective date hereof.

3.01.04 The City agrees, at its own cost, to extend Quarry Road to Manassas Drive (Old Blooms Road) as it may be improved hereunder, from the terminus of, and compatibly with, such improvements as are presently anticipated to be made by Peterson or others, pursuant to a site plan filed with Prince William County, to a two lane standard sufficient for inclusion into the State Secondary Road System, and compatible with the planned extension of Quarry Road presently being undertaken.

3.01.05 Within twenty four (24) months of the effective date of this Agreement, the City agrees to contribute the sum of two hundred and twenty five thousand dollars (\$225,000) towards the reconstruction of the intersections of Signal Hill Road and Birmingham Drive, and Signal Hill Road and Moore Drive, and Moore Drive and Davis Ford Road to appropriate, safe, T-type intersections, with such signage and markings as shall be determined by the Virginia Department of Transportation.

3.01.06. The City agrees that it shall construct or provide for the construction of a signal-controlled crossing of Manassas Drive as it shall be extended to Signal Hill Drive hereunder, and for a median area at the location of such crossing to "Signal Hill", in order to provide a safe means of access between Signal Hill Park, and "Signal Hill," at such time as it undertakes the improvements to the Park and the roads as agreed herein.

3.01.07 The City may request the assistance of the County in obtaining any necessary right of way for the foregoing improvements, but shall bear any costs associated with condemnation proceedings, including legal fees, and land acquisition costs, unless the County shall agree, upon written request from the City,

to make a contribution of money or services toward said costs. The County shall make every reasonable effort to provide the necessary assistance.

Section 3.02 HISTORIC PRESERVATION STUDIES

3.02.01 (a) In recognition of the existence of the known or possible existence of historically and culturally significant sites on the area of annexation (for convenience referred to as the Bobby Tract), and on the Signal Hill Tract, the City agrees that it shall conduct Phase I through Phase III archaeological investigations, as they are defined by the Virginia Division of Historic Landmarks, on both of those tracts prior to the approval of any rezonings, or site or subdivision plans, therefor. Phase II significance studies shall be conducted using the framework therefor set forth in Prince William County's Civil War Properties National Register Multiple Properties document. Phase III studies shall be conducted on all of those sites identified in Phases I and II as historically or culturally significant, and which would be effected by development on such sites, or in proximity thereto. Such studies shall be performed by a person or persons meeting the qualifications established by the United States Secretary of the Interior for the conduct of such studies.

(b) In the event that the City determines, based upon the foregoing archaeological investigation, that the development of the annexation area as contemplated in this Agreement is not economically feasible, then this Agreement shall be voidable upon receipt of written notice by the County, addressed to the Chairman of the Board.

3.02.02 The City shall make reasonable efforts to preserve all of those sites identified by the foregoing investigations as having cultural or historic significance, and to incorporate such sites into development plans so far as practicable.

3.02.03 Notwithstanding the provisions of the foregoing section, the City shall preserve and protect those sites located on the Bobby Tract heretofore

identified as historically significant and known as Camp Carondelet, and the Georgia Cemetery, (as they are generally shown on the map attached hereto and incorporated herein as Exhibit E.) In order to preserve and protect these sites, no development of any kind shall be permitted thereon; provided, however, that both sites may be developed as archaeological parks, or as interpretive history sites.

3.02.04 The City shall support the County's nomination of Camp Carondelet, Signal Hill, and such other sites as may be identified in a Phase III investigation, to the National Register of Historic Places. Should the sites be within the City's boundaries in accordance herewith prior to such nomination, and the City be determined to be the appropriate applicant for such registration, it shall make independent application for inclusion in the National Register within twelve months of this Agreement, or the date of identification of any Phase III site.

3.02.05 The City shall preserve and protect Signal Hill itself, and shall develop that site as an interpretive park in general conformance with the recommendations therefor contained in the Report of Thomas E. McGarry and Associates, dated May 1983, making all reasonable efforts to minimize the visual effects on Signal Hill of development of Signal Hill Park, as otherwise provided hereby.

3.03 DEVELOPMENT OF SIGNAL HILL PARK

3.03.01 The City shall, at its own cost, or in conjunction with others, develop an active recreation facility, to be known as Signal Hill Park, to be completed within sixty (60) months of the effective date of this Agreement. Such development shall conform to applicable federal and state laws governing lands acquired with grant monies received for outdoor recreation facilities.

3.03.02 Development of Signal Hill Park shall be undertaken so as to preserve and protect the Civil War encampment identified as 44PW139, on the map attached hereto and incorporated herein as Exhibit F.

3.03.03 The City shall form an advisory committee on the ultimate development of Signal Hill Park, of whose membership one-half shall be residents of Prince William County appointed by the Board of County Supervisors to serve at its pleasure. Notwithstanding ultimate plans for such development, however, the development required under this agreement shall consist of not more than the following facilities, which shall be designed and constructed in consultation with the Prince William County Park Authority:

a) Parking for patrons, in the amount of three spaces per acre for the first ten acres of the Signal Hill Tract, and one space per acre for all remaining acreage, without regard to whether such acreage is presently to be developed. All parking required by this agreement shall be paved.

b) A 50 meter outdoor pool, of 25 yards by 50 meters, with associated bathhouse of approximately 2,800 square feet, and parking in the amount of one space for each 27 square feet of pool area, or such other lesser standard for parking as may be approved by the County's Department of Development Administration.

c) Four regulation soccer fields of 360' by 225' per field, and 120 parking spaces associated therewith.

d) Two softball fields with 300' fences, backstops, player's benches and a warning track, and 60 parking spaces associated therewith.

e) Two picnic pavilions of 1,800 square feet and 304 square feet, of concrete slab, wood structure, and asphalt shingle roofs.

f) One playground of approximately 10,000 square feet to consist of a play stack, swing structure, wide slide chute, see saw, play platforms, log roll, spring pad, and similar structures and implements for child's play.

g) A one mile trail, 6 feet wide, of asphalt.

h) Two basketball courts of 50' by 84' per court, asphalted, with appropriate backboards and nets.

i) Two fenced tennis courts, 36' by 78' each, of asphalt or other customary court surface.

j) A separate restroom facility with not fewer than two stalls and sinks for both male and female patrons.

3.03.04 The following provisions shall govern present and future development of Signal Hill Park:

a) All wood components shall be of high quality Douglas fir or similar material.

b) No lighted fields shall be constructed.

c) No accessory structures shall be constructed in connection with the swimming pool such as hydrotubes or water slides, except as may be expressly set forth herein.

d) The Park shall be made fully accessible to the handicapped.

e) Off-road vehicles shall be prohibited.

f) An undisturbed buffer of not less than 75 feet shall be provided between any development on the Park, and adjacent residences either existing or to be constructed in residentially zoned areas of the County.

g) Proper scheduling of the use of playing fields shall be the responsibility of the City.

3.03.05 Signal Hill Park shall be open to the residents of Prince William County, at no fee, in perpetuity, provided, however, that the City may impose a pool admission fee on all users, if such fee is the same for residents of the County and City.

3.03.06 The City shall operate and maintain such Park in perpetuity; provided, however, that it may enter into a separate agreement with the Prince William County Park Authority to perform any or all of the duties and

responsibilities under this section. The City of Manassas may be requested to participate in the development of such Park.

3.03.07 In the event that the City determines, upon detailed engineering and design of the foregoing requirements that it cannot for whatever reason construct the facilities required hereby, it shall pay to the County the sum of two million seven hundred and fifty thousand dollars (\$2,750,000), the estimated cost of the said improvements, on the thirtieth day of the twenty-fourth month after the effective date of this agreement, with interest at the rate of seven (7) per cent per annum, from said date to the date of payment; provided, however, that in view of the limited availability of suitable park land in the vicinity of the annexation area, nothing herein shall preclude the parties from altering or amending, by mutual consent and upon recommendation of the advisory committee established under Section 3.03.03 hereof, the aforementioned list of structures, facilities, and other elements provided for the design and construction of Signal Hill Park as herein set forth, in order to insure the construction of as much of the intended Park as is practically possible, given any engineering constraints which may have been identified. In the event that the County receives payment hereunder, it agrees that the funds shall be expended for recreational facilities within a three (3) mile radius from the City's geographic center.

3.03.08. The City may permit the continued use of Signal Hill Park for individual garden plots for so long as the property is not required for development as provided herein.

3.03.09 The City shall have those police powers granted to it by Sections 15.1-142 and 15.1-142.1 of the Code with respect to its extraterritorial jurisdiction over Union Mill and Signal Hill Parks, and shall further have and exercise concurrent police jurisdiction with the County to enforce all County ordinances and

State laws within the boundaries of said Park, as authorized by Sections 15.1-21 and 15.1-1167.1 of the Code.

3.04 WATER QUALITY PRESERVATION

3.04.01 The City agrees that during the entire period of development of the property incorporated into the City's boundary pursuant to Section 2.00 of this Voluntary Settlement, that it shall closely consult with, and adhere to the recommendations of, the Occoquan Monitoring Laboratory with regard to measures sufficient in the reasonable judgment of that Laboratory to ensure protection of the Occoquan Reservoir during and after such development. The City agrees to construct such water quality monitoring wells for baseline data and other purposes as shall be reasonably requested by the said Laboratory.

3.04.02 Prior to issuance of building permits for any portion of the annexation area, the City shall test or cause to be tested all privately-owned water wells located on parcels across Birmingham Drive from the said area, on Chardon Court, and on Blooms Road, to obtain baseline data with respect to water quality and flow. In the event that such wells should subsequently be determined to be polluted and unusable as a result of the development and construction of the annexation area, by the Prince William County Health District, the City shall insure that public water is provided to those parcels at the City's cost for installation and service, provided that the consent of the Board of County Supervisors to such extension is first obtained, and provided further that no public water shall be otherwise provided outside of the City's boundaries without the express written consent of the County. The City shall also be responsible for any damage from blasting activity caused by it or its agents which may occur during construction or development in the annexation area.

3.05 DRAINAGE IMPROVEMENTS IN THE YORKSHIRE AREA

The City agrees that it will jointly fund with the County a technical evaluation of drainage problems which have been identified in the Yorkshire area of Prince William County, and that it will assist in a mutually acceptable manner in funding the cost of solving those problems.

3.06 PROVISION OF PUBLIC UTILITIES TO ANNEXED PROPERTIES AND THE DISTRICT HOME FACILITY

3.06.01 The City agrees that the property presently owned by Burns (Tax Map Parcel 099-01-000-30d1) shall be provided all necessary public utilities and adequate vehicular access through the annexation area, at the owner's or developer's expense and at his request and through appropriate City-owned easements or City-owned rights of way, to insure the development of those properties consistent with this agreement.

3.06.02 The City agrees that, should it be requested by the County, it shall provide public water and sewer service to the existing District Home facility located on Route 28 in Prince William County, and to a 180-bed nursing home proposed to be constructed by the Northern Virginia Health Center Commission on properties adjacent thereto; provided that (a) the District Home shall pay all costs of construction of said lines consistent with City policy, and availability and connection fees, and (b) that such sanitary sewer service shall be allocated to the City's share in the UOSA treatment facility. The City further agrees, under the same conditions as foregoing, that it shall provide all water and sewer, and other necessary utility service, as may ultimately be necessary for the development of the entire 54 acre District Home site, upon the County's written request.

3.07 COSTS OF EXPANSION OF THE COURTHOUSE, FLAT BRANCH, AND THE REGIONAL ADULT DETENTION CENTER

The City agrees to participate with the County and the City of Manassas in a reasonable amount to be determined in (i) the costs of the expansion of the Prince

William County Courthouse; and (ii) the design and construction of improvements to the Flat Branch drainage area within the City. The City further agrees (iii) that in the event that it desires to continue to use the facilities of the Prince William--Manassas Regional Adult Detention Center, or any additional jail facilities constructed to house inmates from Prince William, Manassas, and Manassas Park, it shall similarly participate with the County and the City of Manassas in a reasonable amount yet to be determined in the costs of the construction of such additional jail facilities.

3.08 ENVIRONMENTAL PRESERVATION

In the event that the City determines or discovers the existence of any rare or endangered plant or animal within the boundaries of the annexation area during the development thereof, it shall take appropriate measures for the protection and preservation thereof, in accordance with federal or state law applicable thereto.

SECTION 4.00 FIRE AND RESCUE MUTUAL AID AGREEMENT

4.01 The City and the County agree that they will enter into a mutual aid agreement for the provision of fire and rescue services between the two jurisdictions within six (6) months from the effective date of this Voluntary Settlement, or sooner, if they are able to reach satisfactory prior agreement thereon.

SECTION 5.00 CONSTRUCTION OF COMMUTER RAIL STATION AND PARKING LOT

6.01 The City shall, at any time subsequent to the County's execution of a Master Agreement for Commuter Rail Services, but prior to the inception of such service, construct at its own expense a commuter rail station and associated parking area on properties adjacent to the Norfolk Southern rail line within the City's boundaries, as those boundaries may be amended hereby. Such commuter rail station location and general site plan shall be subject to the County's review and approval, and the final design thereof shall be in accordance with standards

established pursuant to the Master Agreement. The City shall provide all property necessary for a parking lot of at least eight (8) acres, and of sufficient size to accommodate not fewer than 300 vehicles, with adequate access thereto, and shall construct both the said lot and required access in accordance with such standards as the City may determine and as may be acceptable to the Virginia Department of Transportation. Such station and parking lot shall be operated in conformance with the requirement therefor established by the governing agencies of the Virginia Railway Express, or other agency operating a commuter rail system serving the station.

5.02 In the event, for any reason, the foregoing commuter rail station cannot be constructed, the City agrees that it shall construct a commuter parking lot for not fewer than 300 cars, on property located within the City, for general use by the commuting public. Such parking lot shall be completed within 24 months of the date upon which the either party advises the City in writing that the said commuter rail station is not to be constructed. The lot shall be operated on the same terms and conditions as commuter parking lots are operated in the County.

SECTION 6.00 FURTHER ASSURANCES

6.01 Each party hereto agrees to make a good faith effort to effectuate the intent of this Voluntary Settlement and to execute and deliver to the other such documents or other instruments as may appear appropriate or desirable to clarify or carry out the provisions hereof.

SECTION 7.00 COMMISSION AND COURT APPROVAL

7.01 The City and County agree to initiate the steps necessary and required by Title 15.1, Chapters 19.1 and 26.1:1 of the Code to obtain affirmation of this Voluntary Settlement by the Commission and Court.

7.02 The City and County agree that if the Commission does not affirm this Voluntary Settlement without modification, this Voluntary Settlement shall

immediately terminate. However, the parties may waive termination by mutually agreeing to the recommended modifications.

7.03 The City and County agree that if the Court does not affirm this Voluntary Settlement without modification, this Voluntary Settlement shall immediately terminate. However the parties may waive termination by mutually agreeing to the recommended modifications.

SECTION 8.00 MISCELLANEOUS PROVISIONS

8.01 This Voluntary Settlement shall become effective when it has been affirmed and given full force and effect by the special three judge Court appointed pursuant to Chapter 26.2 of Title 15.1 of the Code. The effective date of the boundary relocation shall be as set forth in Section 2.04.01, above.

8.02 This Voluntary Settlement when affirmed by the special three judge Court shall be binding: (i) upon the city and County, (ii) upon the future governing bodies of the City and County, (iii) upon their assigns and, upon any successors of the City and/or County and (iv) have full force and effect, all as provided pursuant to Chapter 26.1:1 of Title 15.1 of the Code.

8.03 This Voluntary Settlement may be amended, modified or supplemented in whole or in part by mutual agreement of the City and County, by written document of equal formality and dignity duly executed by authorized representatives of the City and County and affirmed pursuant to Chapter 26.1:1 of Title 15.1 of the Code, provided, however, any future amendments, modifications, or supplements need not be referred to the Commission on Local Government for review, but may be reviewed by a special three judge Court convened pursuant Chapters 26.1 and 26.1 of Title 15.1 of the Code. The County shall, and the City may, conduct such public hearings on the amendment of the Agreement as their governing bodies deem appropriate.

8.04 If the special three judge Court reviewing this Voluntary Settlement pursuant to Chapters 26.1 and 26.2 of Title 15.1 of the Virginia Code Annotated fails to approve all provisions of this Voluntary Settlement, then the entire Voluntary Settlement is null and void, unless the parties mutually agree otherwise.

8.05 The parties agree that they shall continue good faith discussions on other issues of mutual interest, and will conduct themselves toward one another in the responsible and co-operative manner befitting sovereign jurisdictions in the Commonwealth.

8.06 The City agrees to pay the County the amount of \$15,500.00 as further consideration for the dismissal of the litigation styled *County of Prince William v. City of Manassas Park*, Chancery 23518 in the Circuit Court of Prince William County. Such dismissal shall be accomplished expeditiously after the effective date of the order of the special three judge Court affirming and giving full force and effect to this Voluntary Settlement.

8.07 The County agrees to permit the City to process and review, according to its own ordinances and regulations and with its own staff, all site and building plans for the construction of a water storage tank to be constructed within the annexation area, and approved by the Board of County Supervisors by action dated March 21, 1989, as being in substantial conformance with the Prince William County Comprehensive Plan, and to issue all permits necessary therefor. The County further authorizes the City to conduct necessary inspections of the construction of said tank.

8.08 Despite their belief that present Virginia law permits the execution of this Agreement upon the terms and conditions set forth, the parties agree that, to the extent necessary, they shall jointly seek curative legislation from the General Assembly to insure that each possesses full authority and right to enforce the provisions hereof.

WITNESS the following signatures and seals:

CITY OF MANASSAS PARK

BY: Melanie Z Jackson
MAYOR

ATTEST:

Lana A. Connor

COUNTY OF PRINCE WILLIAM

BY: [Signature]
CHAIRMAN, BOARD OF COUNTY
SUPERVISORS

ATTEST:

Catherine Clement Rollins

D11:ManPark6

Proposed Annexation Agreement
Between the County of Prince William
and the City of Manassas Park

Existing Boundary
Proposed Area
to be Annexed

SCALE
1 inch = 2400 feet
(1:28,800)

