



## TOWN COUNCIL WORK SESSION

Monday, December 7, 2015 @ **6:30pm**

Front Royal Administration Building

1. Delegate-Elect Chris Collins Meets with Council to Discuss Town Issues

### **Town/Staff Related Issues:**

2. Update on Purchase of Victory Motorcycle for Police Department – *Police Chief*
3. Town Drone Program – *Town Manager/IT Director*
4. “First Night” Funding – *Tourism Director*
5. Deed of Easement from Winchester Road (E&A), LLC and Winchester Realty (E &A), LLC for Water and Sewer Right-of-Way at Riverton Commons – *Town Attorney*
6. Deed of Easement for Middle School Entrance at Leach Run Parkway – *Town Attorney*

### **Council/Mayor Related Items**

7. Refer Property Maintenance Code to the Planning Commission – *Councilman Hrbek*
8. VML Pop-Up Business - *Councilman Hrbek*
9. Food Trucks – *Mayor Darr*
10. Council Discussion/Goals (*time permitting*)
11. CLOSED MEETING – Disposition of Public Property

### **Motion to Go into Closed Meeting**

Pursuant to Virginia Code Section 15.2-953, I move that Town Staff and Town Council convene and go into Closed Meeting to begin the process of appropriating the Town’s Department of Energy Services Building located on 6<sup>th</sup> Street in the Town of Front Royal, to a charitable institution or association that will make use of the building for an emergency family shelter in accordance with criteria Town Council deems in the best interest of the public.

**Motion to Certify Closed Meeting at its Conclusion** [*At the conclusion of the Closed Meeting, immediately re-convene in open meeting and take a roll call vote on the following:*]

I move that Council certify that to the best of each member's knowledge, as recognized by each Council member’s affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

2



## Town of Front Royal, Virginia Work Session Agenda Form

Date: December 07, 2015

**Agenda Item:** Update regarding purchase of a 2015 Victory Commander 1 Police Motorcycle

**Summary:** During the week of October 05, 2015 the Police Department's current 2007 Harley Davidson sustained substantial damage during a training academy in Fairfax, Virginia. The damage is estimated at \$1000.00 - \$5000.00 to repair, depending on rather repairs to cosmetic damages would be included. In speaking with police motorcycle training instructors, damage to police motorcycles during the course of training is common and most motor schools recommend utilizing older motorcycles within an agency's fleet for purposes of training. Due to the damage to the Harley Davidson, Victory Motorcycles has now indicated they would offer a trade-in amount of \$3000.00 instead of the originally agreed upon amount of \$6000.00.

The Police Department is requesting Council's approval to utilize additional funds in the amount of \$3000.00, which have been identified within the same Asset Forfeiture account, to cover the loss of trade-in value for the Harley Davidson.

As part of the purchase, it was learned that Victory also offers an extensive rider training program to their customers. This two week training academy is located in Tucson, Arizona at a cost of \$1800.00 plus expenses. As part of the training, Victory provides the trainee with one of their older motorcycles so that no damage will occur to the agency's newly purchased motorcycle. The Police Department feels this training option is better suited for the department and will eliminate the need to repair and retain the existing Harley Davidson motorcycle for motor school purposes.

**Council Discussion:**

**Staff Evaluation:** See attached document.

**Budget/Funding:** The Police Department currently has funds totaling \$30,000 in the Asset Forfeiture Account (#1610-7001) that has been allocated for the purchase of a Victory motorcycle. The purchase cost for the complete, duty ready motorcycle from the Victory manufacturer, located in Tucson, Arizona is \$31,872.95. With the updated \$3,000 trade-in option, the new out-of-pocket expenditure to purchase the Victory motorcycle would be \$28,872.95 instead of the originally agreed amount of \$25,872.95. No additional funding would be required from the town's budget. The remaining \$1,127.05 in the allocated funds, along with additional identified Asset Forfeiture funds, would be used to cover the cost of the Motor Officer Certification training in Tucson, AZ.

**Legal Evaluation:**

**Staff Recommendations:** Request Council's approval for the updated costs associated with the purchase of the Victory Motorcycle.

**Town Manager Recommendation:**

**Council Recommendation:**

Additional Work Session     Regular Meeting     No Action

Consensus Poll on Action: \_\_\_(Aye) \_\_\_(Nay)

Work Session



# TOWN OF FRONT ROYAL

POLICE DEPARTMENT  
23 EAST JACKSON STREET  
FRONT ROYAL, VIRGINIA 22630-1560

NORMAN SHIFLETT  
Chief of Police  
(540) 635-2111  
(540) 635-6160 (Fax)

To: Mr. Steve Burke, Town Manager  
From: Kevin Nicewarner, Captain  
Date: October 22, 2015  
Subject: 2015 Victory Police Motorcycle purchase update

In July 2015, the Town Council approved the purchase of a 2015 Victory Commander Motorcycle for use by our Traffic Enforcement / Motor Officers. As part of the agreement, the total purchase cost of \$31,872.95 would be offset by a trade-in offer with Victory of \$6000.00 for our current 2007 Harley Davidson. With the above trade-in that Victory would pick up at time of delivery of the new motorcycle, the total out-of-pocket expenditure would be \$25,872.95.

During the week of October 05, 2015, MPO Steve Mauck was attending a two week Motorcycle Academy in Fairfax, VA. MPO Mauck was utilizing the department's 2007 Harley Davidson for the schooling, which entails both high and low speed maneuvers through intricate cone patterns. During the course of training, MPO Mauck lost control of the motorcycle, resulting in substantial damage. In speaking with the training coordinators and other motor instructors, damage to police motorcycles during the course of training is common and most motor schools recommend utilizing older motorcycles within agency's fleet for purposes of training. The Harley Davidson was brought back to the town's Auto Maintenance shop where the damaged was assessed. The mechanics feel the Harley can be repaired to a point where the motorcycle is safe to ride and can be utilized as a training motor as well as a backup for approximately \$1000.00. They also provided an estimate of approximately \$5000.00 to repair the motorcycle back to the condition it was in prior to above incident.

On October 16, 2015, I spoke with Victory representative Mike Shultz by phone. I explained the recent damage occurring to the Harley Davidson and Mr. Shultz advised they would no longer offer the trade-in value originally agreed upon. He also advised that Victory does not currently offer any comparable motorcycles within their inventory that could be used as a trade-in option. As another training option, Mr. Shultz offered an alternative 2 week training academy that Victory offers in Tucson, Arizona at a cost of \$1800.00 plus expenses (travel, lodging, meals, etc.). As part of Victory's training academy, the cost includes the use of one of their older motorcycles for the training. I was also made aware that Victory is anticipating completion of the fabrication and assembly of our purchased motorcycle during the first or second week of November, 2015. After the completion of that phase, the new motorcycle would be ready for the up fitting and customization phase to completion.

After reviewing our current budget, we have identified additional funds within the same Asset Forfeiture account (#1610-7001) used for the initial Purchase Order (#28397), to cover the \$6000.00 loss of trade-in value for the Harley Davidson. This payment option would not require any additional funds within our budget.

After various conversations with other agencies, we also feel it would be pertinent to repair our current Harley Davidson and utilize the motorcycle within the fleet for training purposes rather than exposing the new Victory motorcycle to the same extreme training regimen that would be required during future training academies. As this option would require an addition to our current fleet, Town Council approval would be required. We would like to discuss this option at an upcoming Work Session.

CC: Kim Gilkey-Breeden  
Cindy Hartman  
Chief Shiflett  
Major Hite  
Captain Ryman

3

Town of Front Royal, Virginia  
Work Session Agenda Form

Date: December 7, 2015

**Agenda Item:** Town Drone Program

**Summary:** Following discussion at the October 19th Work Session, staff contacted Joseph Maibach, Air Traffic Control Specialist at the FAA to inquire about any changes in regulations of government drone programs in 2016. Mr. Maibach responded that he has received nothing "...in either written or verbal form that effectively changes the requirements in 2016." Use of a drone by our Environmental Services and Energy Services Departments to inspect the condition of our water tanks, other facilities and construction activity, as well as assess post incident damage would allow our staff safe and timely inspection. In addition, use of a drone by our Police Department for incident inspection or as permitted by a warrant could also be beneficial. The Town could also operate a drone to document the various special events to assist in tourism advertising.

**Council Discussion:** Council is requested to consider authorizing staff to complete the permitting with the FAA and to obtain certification for operation by our staff in Information Technology.

**Staff Evaluation:** Staff have identified the process necessary to operate a drone.

**Budget/Funding:** Funding for operation and training will be from funds in the current budget. The Director of Finance will be available to address fiscal issues.

**Legal Evaluation:** The Town Attorney will be available to address legal issues.

**Staff Recommendations:** Staff recommend Council consider authorizing staff to pursue all permitting and training to operate a drone for the Town.

**Town Manager Recommendation:** The Town Manager recommends Council consider authorizing staff to pursue all permitting and training to operate a drone for the Town.

**Council Recommendation:**

- Additional Work Session
  - Regular Meeting
  - No Action
- Consensus Poll on Action: \_\_\_(Aye) \_\_\_(Nay)



4



## Town of Front Royal, Virginia Work Session Agenda Form

Date: December 7, 2015

**Agenda Item:** Funding Request for *"First Night Front Royal"*

**Summary:** Town Staff is seeking funding in the amount of \$1,550.00 for entertainment and advertising for the Town-sponsored "First Night Front Royal" to be held on Main Street on Thursday, December 31, 2015 from 8:00pm – 12:00am. Funding would be from Council 1101-45428-Community Relations.

**Council Discussion:** Council takes desired action

**Staff Evaluation:** None

**Budget/Funding:** Director of Finance will be available

**Legal Evaluation:** Town Attorney will be available

**Staff Recommendations:** None

**Town Manager Recommendation:** Town Manager will be available.

**Council Recommendation:**

Additional Work Session     Regular Meeting     No Action

Consensus Poll on Action: \_\_\_(Aye) \_\_\_(Nay)

Work Session

5



## Town of Front Royal, Virginia Work Session Agenda Form

Date: December 7, 2015

- Agenda Item:** Deed of Easement from Winchester Road (E&A), LLC and Winchester Realty (E&A), LLC to the Town for water/sewer easements and rights-of-way acquisition for facilities serving Land Units 8, 9, 12 and 13, Riverton Commons Land Condominium, located in Riverton Commons.
- Summary:** It is proposed that the Town acquire water/sewer easements and rights-of-way over portions of Land Units 8, 9, 12 and 13, Riverton Commons Land Condominium, located in Riverton Commons, for access and maintenance to water/sewer facilities to be owned by the Town, necessary to provide utility service to these parcels.
- Council Discussion:** Town Council is asked to consider approving the Deed of Easement, to be executed by the Mayor.
- Staff Evaluation:** The proposed easements/rights-of-way acquisition is required to provide water/sewer service to these parcels located outside of Town limits.
- Budget/Funding:** None.
- Legal Evaluation:** The Town Attorney will be available for legal questions.
- Staff Recommendations:** Steve Burke, Town Manager/Town Engineer, and Jimmy Hannigan, Director of Environmental Services, will be available to answer questions.
- Town Manager Recommendation:** The Town Manager recommends that the Town acquire water/sewer line easements and rights-of-way over portions of Land Units 8, 9, 12 and 13, Riverton Commons Land Condominium, owned by Winchester Road (E&A), LLC and Winchester Realty (E&A), LLC.
- Council Recommendation:**
- Additional Work Session   
  Regular Meeting   
  No Action  
 Consensus Poll on Action: \_\_\_(Aye) \_\_\_(Nay)

**This instrument was prepared by J. Daniel Pond II, Esquire, VSB #13624  
35 N. Royal Avenue Front  
Royal, VA 22630**

**This DEED OF EASEMENT** made and entered into this 20 day of November, 2015, by and between **Winchester Road (E&A), LLC** South Carolina limited liability company, and **Winchester Realty (E&A), LLC**, a South Carolina limited liability company, GRANTORS, and **Town of Front Royal, Virginia, a Municipal Corporation**, GRANTEE.

WITNESSETH:

Whereas, Winchester Road (E & A), LLC is the owner of Land Units 8, 9, 12 and 13 as shown on that certain plat of survey dated March 19, 2007 and revised May 18, 2007, prepared by Control Point Associates, Inc. and recorded in the Clerk's Office of the Circuit Court of Warren County, Virginia in Slide 233-T, having acquired the same by deed recorded in the aforesaid Clerk's Office in Instrument #070004980; and

Whereas, Winchester Realty (E & A), LLC is the owner of Land Units 3 and 7 as shown on the aforesaid plat of survey, having acquired the same by deeds recorded in the aforesaid Clerk's Office in Instrument #100004744 (Unit 3) and Instrument #11000440 (Unit 7); and

Whereas, the Grantors wish to grant unto the Town of Front Royal, Virginia easements and rights-of-way for the installation and maintenance of sanitary sewer lines and water lines onto, over and through the aforesaid units, and to that end have caused to be prepared this instrument.

WITNESSETH:

That for and in consideration of the sum of ONE DOLLAR (\$1.00) cash in hand paid by the Grantee to the Grantors, receipt of which is hereby acknowledged, the Grantors grant and convey unto the Grantee, its successors and assigns, the following rights in real property situated in the North River Magisterial District, Warren County, Virginia, to-wit:

The privileges, easements, and rights-of-way in perpetuity to construct, lay, maintain, repair, inspect, improve and operate within the easements and rights-of-way of varying widths herein described and referred to, mains, works and systems for the operation of utilities over, upon, across and under the properties of the Grantors as shown on Sheet 1 and Sheet 3 of a plat of survey dated October 24, 2007 and revised on July 27, 2015 and on September 8, 2015, prepared by Bohler Engineering and attached hereto and made a part of this instrument.

These easements and rights-of-way shall be for the construction, installation, inspection, repair and maintenance of mains, works, and systems for the transmission of water and the collection and transmission of sewage, and waste water, including, but not limited to, water meters and water meter vaults, (herein "facilities") over, across and under the properties of the Grantors, with the location and width of said easements and rights-of-way as shown on the aforesaid attached plat. The real parcels encumbered by this instrument are known and designated as Land Units 3, 7, 8, 9, 12 and 13 on the aforesaid plat recorded in the aforesaid Clerk's Office in Slide 233-T.

There is also hereby conveyed rights-of-way of ingress, egress, and access over, upon, and across the properties of the Grantors to the above-described easements for the purpose of allowing access to facilities located thereon by the employees, agents, and contractors of the

Grantee.

The further terms and conditions of this grant are as follows:

(a) That the Grantee may (but is not required to) trim, cut, remove, and keep clear all trees, limbs, undergrowth, and any and all other obstructions, within the said easements and rights-of way, that may in any manner, in Grantee's sole judgment, endanger or interfere with the proper and efficient operation of the facilities, and the Grantee shall have all such other rights and privileges as are reasonably necessary or convenient for the full enjoyment and use of the easements and rights-of-way herein granted for the aforesaid purpose. Nothing contained herein shall be construed to require Grantee to install, repair or maintain any portion of any water and sewer service laterals providing utilities to any improvements located on the aforesaid Land Units.

(b) The granting of the easements and rights-of-way hereinafter described neither expressly nor impliedly constitutes any payment, nor the waiver of any obligation for the payment, by the Grantors or their successors or assigns, or any cut-in fee or charge, tax, assessment or other charge or obligation whatsoever now due or heretofore due or hereafter to become due and payable to the Grantee or to any person, firm or other corporation whatsoever.

(c) That Grantee will exercise reasonable care to protect the properties of the Grantors from damage or injury occasioned in the enjoyment of the easements and rights-of-way herein granted, and to promptly repair the said properties or reimburse the Grantors for any property damaged beyond repair.

(d) That, if Grantee does cut or fell any brush, undergrowth or trees, or should excavations be carried on pursuant to these easements and any large-sized rocks or boulders are unearthed and are not buried in said excavation, such brush, undergrowth, trees, large-sized rocks

and boulders shall, at the expense of Grantee be removed from the properties of the Grantors.

(e) Once constructed and installed, the facilities shall become the property of the Grantee and Grantors shall have no right, title, interest, estate or claim whatsoever in facilities by virtue of the rights conveyed herein.

(f) The easements are non-exclusive.

(g) Facilities installed pursuant to the easement shall be underground, except for manhole and vault covers which shall be flush with adjacent grade, except as is otherwise consistent with best practices or as shown on plans approved by Grantors.

(h) Grantors retain the right to use the surface areas of such encumbered parcels for any use not inconsistent with the rights granted the Grantee, including use of the easements areas for pavement, drives, curbing, sidewalks and landscaping.

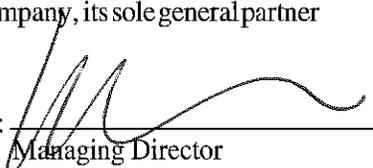
(i) Grantors reserve the right to require the Grantee to relocate its facilities to another location on the affected parcels, subject to the conveyance of a similar easements and rights-of-way, all at the cost and expense of the Grantors.

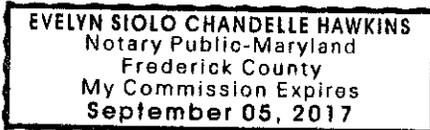
WITNESS the following signatures and seals.

WINCHESTER ROAD (E&A) LLC, a South  
Carolina limited liability company

By: Edens Limited Partnership, a Delaware limited  
partnership, its sole member

By: Edens GP, LLC, a Delaware limited liability  
company, its sole general partner

By:  \_\_\_\_\_  
Managing Director



STATE OF MARYLAND

COUNTY OF FREDERICK

I, Evelyn Hawkins, A Notary Public for the state and county aforesaid, do hereby certify that William Caldwell personally appeared before me this day and acknowledged that he is a Managing Director of Edens GP, LLC, a Delaware limited liability company, sole general partner of Edens Limited Partnership, a Delaware limited partnership, sole member of Winchester Road (E&A), LLC, and that by authority duly given he executed the foregoing instrument on behalf of Edens GP, LLC, acting for and on behalf of Winchester Road (E&A), LLC as the act and deed of the foregoing Winchester Road (E&A), LLC for the purposes stated in such instrument and he is personally known to me.

Witness my hand and official seal

this 20 day of November, 2015.

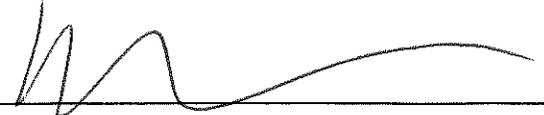


Notary Public for Maryland  
My commission/expires: 9/5/2017

[SEAL]

WINCHESTER REALTY (E&A) LLC, a South  
a South Carolina limited liability company

By: Edens Realty, Inc. a South Carolina corporation,  
its sole Member

By: 

Managing Director

**EVELYN SIOLO CHANDELLE HAWKINS**  
Notary Public-Maryland  
Frederick County  
My Commission Expires  
**September 05, 2017**

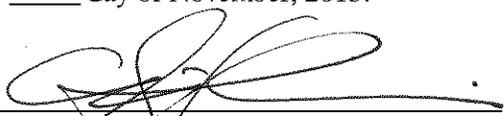
STATE OF MARYLAND

COUNTY OF FREDERICK

I, Evelyn Hawkins A Notary Public for the state and county aforesaid, do hereby certify that William Caldwell personally appeared before me this day and acknowledged that he is a Managing Director of Edens Realty, Inc., a South Carolina corporation, which is the sole member of Winchester Realty (E&A), LLC, a South Carolina limited liability company, and that by authority duly given he executed the foregoing instrument on behalf of Edens Realty, Inc. acting for and on behalf of Winchester Realty (E&A), LLC as the act and deed of the foregoing Winchester Realty (E&A), LLC for the purposes stated in such instrument and he is personally known to me.

Witness my hand and official seal

this 20 day of November, 2015.

  
\_\_\_\_\_  
Notary Public for Maryland

My commission expires: 9/5/2017

[SEAL]

**EVELYN SIOLO CHANDELLE HAWKINS**  
Notary Public-Maryland  
Frederick County  
My Commission Expires  
**September 05, 2017**

The foregoing conveyance is hereby accepted by the Town of Front Royal, Virginia, as evidenced by the signature of the undersigned, who is authorized to accept this conveyance on behalf of the Town, as evidenced by a Resolution adopted by the Town Council.

WITNESS the following signature:

TOWN OF FRONT ROYAL, VIRGINIA

By: \_\_\_\_\_  
Timothy W. Darr, Mayor

ATTEST:

\_\_\_\_\_  
Jennifer E. Berry  
Clerk of Council

STATE OF VIRGINIA

COUNTY OF WARREN, TO-WIT:

I, \_\_\_\_\_ A Notary Public in and for the State and County aforesaid, do hereby certify that Timothy W. Darr, Mayor and Jennifer E. Berry, Clerk, whose names are signed on behalf of the Town of Front Royal, Virginia, to the foregoing Deed of Easement bearing the date of November 10, 2015, have each this day personally appeared and acknowledged the same before me in my State and County aforesaid.

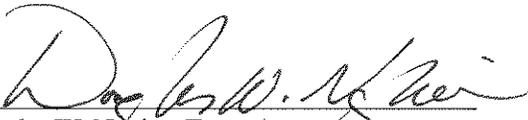
My commission expires: \_\_\_\_\_

Registration No.: \_\_\_\_\_

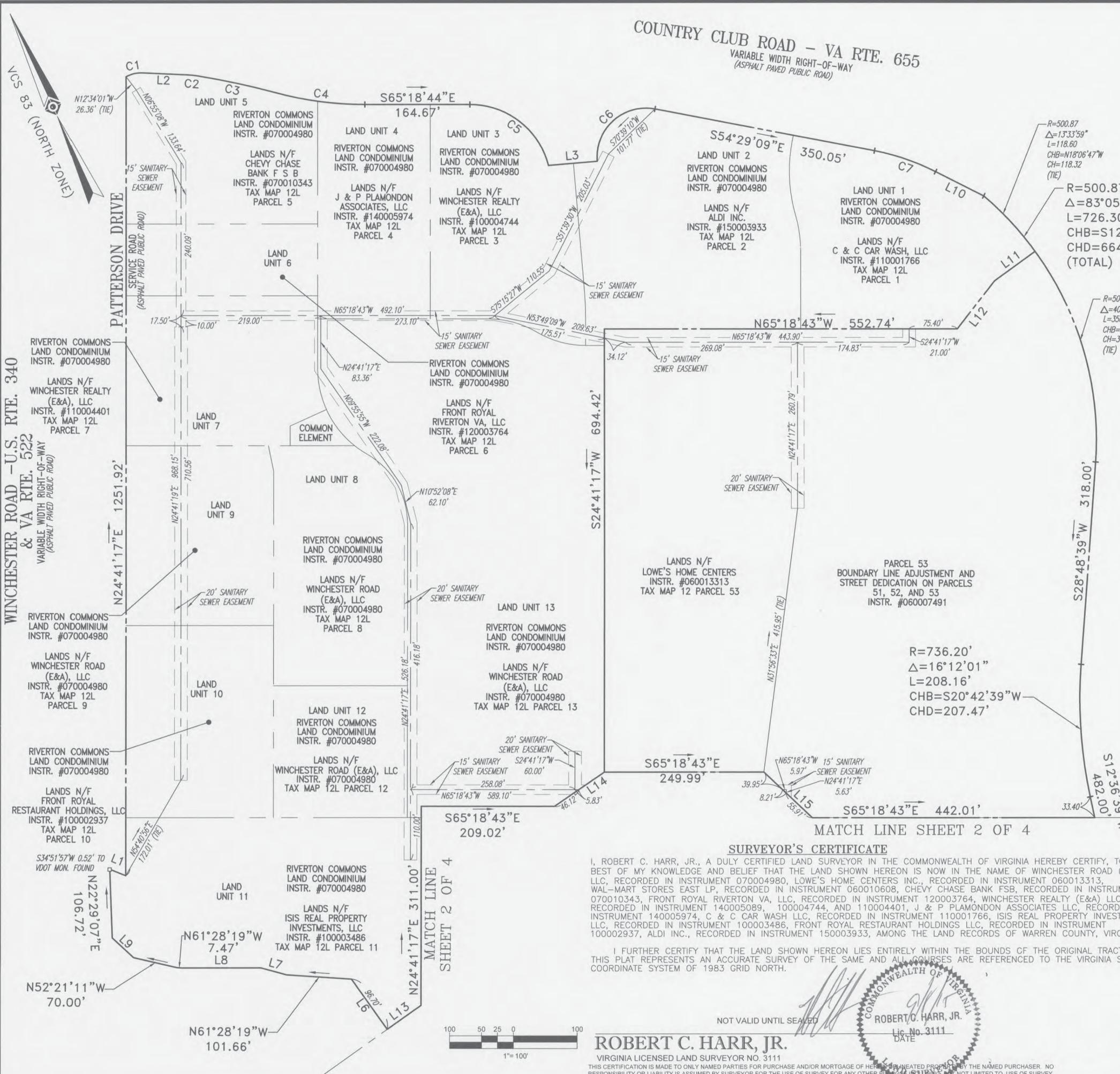
Given under my hand this \_\_\_\_\_ day of November, 2015.

\_\_\_\_\_  
Notary Public

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Douglas W. Napier, Town Attorney

Date: 11-24-2015



VICINITY MAP  
 ADC THE MAP PEOPLE  
 PERMIT USE NO. 20602153-5  
 SCALE: 1"=2,000'

**NOTES:**

1. THE PURPOSE OF THIS PLAT IS TO DEDICATE SANITARY SEWER AND WATERLINE EASEMENTS ON PARCELS 51 & 53 AND RIVERTON COMMONS LAND CONDOMINIUM.
2. THE PROPERTY DELINEATED HEREON IS SHOWN ON WARREN COUNTY TAX ASSESSMENT MAP NO. 12 PARCELS 51, 52 & 53.
3. THIS PLAN IS BASED ON INFORMATION PROVIDED BY A CURRENT BOUNDARY SURVEY PREPARED BY CONTROL POINT ASSOCIATES, INC. AND OTHER REFERENCE MATERIAL AS LISTED HEREON.
4. NO TITLE REPORT FURNISHED. THE PROPERTY MAY BE SUBJECT TO RESTRICTIONS, COVENANTS AND/OR EASEMENTS, WRITTEN OR IMPLIED. ALL PREVIOUSLY RECORDED RIGHTS-OF-WAY, EASEMENTS OR OTHER INTEREST OF THE COUNTY REMAIN IN FULL EFFECT UNLESS OTHERWISE SHOWN ON THIS PLAT.
5. THE EXISTENCE OF VEGETATED OR TIDAL WETLANDS WAS NEITHER INVESTIGATED NOR CONFIRMED DURING THE PERFORMANCE OF THE FIELD SURVEY.
6. THE PROPERTY IS ZONED COMMERCIAL (HIGHWAY OVERLAY DISTRICT).

R=500.87  
 $\Delta=13^{\circ}33'59''$   
 L=118.60  
 CHB=N18^{\circ}06'47''W  
 CH=118.32  
 (TIE)

R=500.87'  
 $\Delta=83^{\circ}05'00''$   
 L=726.30'  
 CHB=S12^{\circ}43'51''E  
 CHD=664.32'  
 (TOTAL)

R=500.87  
 $\Delta=40^{\circ}08'27''$   
 L=350.90  
 CHB=S08^{\circ}44'26''W  
 CH=343.77  
 (TIE)

R=736.20'  
 $\Delta=16^{\circ}12'01''$   
 L=208.16'  
 CHB=S20^{\circ}42'39''W  
 CHD=207.47'

MATCH LINE SHEET 2 OF 4

**SURVEYOR'S CERTIFICATE**

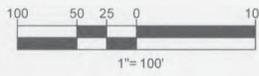
I, ROBERT C. HARR, JR., A DULY CERTIFIED LAND SURVEYOR IN THE COMMONWEALTH OF VIRGINIA HEREBY CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF THAT THE LAND SHOWN HEREON IS NOW IN THE NAME OF WINCHESTER ROAD (E&A) LLC, RECORDED IN INSTRUMENT 070004980, LOWE'S HOME CENTERS INC., RECORDED IN INSTRUMENT 060013313, WAL-MART STORES EAST LP, RECORDED IN INSTRUMENT 060010608, CHEVY CHASE BANK FSB, RECORDED IN INSTRUMENT 070010343, FRONT ROYAL RIVERTON VA, LLC, RECORDED IN INSTRUMENT 120003764, WINCHESTER REALTY (E&A) LLC, RECORDED IN INSTRUMENT 140005089, 100004744, AND 110004401, J & P PLAMONDON ASSOCIATES LLC, RECORDED IN INSTRUMENT 140005974, C & C CAR WASH LLC, RECORDED IN INSTRUMENT 110001766, ISIS REAL PROPERTY INVESTMENTS LLC, RECORDED IN INSTRUMENT 100003486, FRONT ROYAL RESTAURANT HOLDINGS LLC, RECORDED IN INSTRUMENT 100002937, ALDI INC., RECORDED IN INSTRUMENT 150003933, AMONG THE LAND RECORDS OF WARREN COUNTY, VIRGINIA.

I FURTHER CERTIFY THAT THE LAND SHOWN HEREON LIES ENTIRELY WITHIN THE BOUNDS OF THE ORIGINAL TRACT; THAT THIS PLAT REPRESENTS AN ACCURATE SURVEY OF THE SAME AND ALL COURSES ARE REFERENCED TO THE VIRGINIA STATE COORDINATE SYSTEM OF 1983 GRID NORTH.

NOT VALID UNTIL SEALED

ROBERT C. HARR, JR.  
 Lic. No. 3111  
 DATE

**ROBERT C. HARR, JR.**  
 VIRGINIA LICENSED LAND SURVEYOR NO. 3111



PLAT SHOWING  
 DEDICATION OF SANITARY SEWER  
 AND WATERLINE EASEMENTS  
 ON  
**PARCELS 51 AND 53**  
 AND  
**RIVERTON COMMONS  
 LAND CONDOMINIUM**

NORTH RIVER MAGISTERIAL DISTRICT  
 WARREN COUNTY, VIRGINIA  
 SCALE: 1"=100' DATE DRAWN: 10/24/07 - SHEET 1 OF 4

NO.	REVISION	DATE
1	REVISE UTILITY EASEMENT	07/27/15
2	REVISE PER ATTORNEY COMMENTS	09/08/15

**BOHLER ENGINEERING**

22636 DAVIS DRIVE, SUITE 250  
 STERLING, VIRGINIA 20164  
 703.709.9500 - 703.709.9501 FAX  
 www.bohlerengineering.com

■ UPTATE NEW YORK ■ BOSTON, MA ■ NEW YORK METRO ■ WARREN, NJ ■ PHILADELPHIA/SOUTHERN NJ ■ LEHIGH VALLEY, PA ■ SOUTHEASTERN PA  
 ■ BALTIMORE, MD ■ SOUTHERN MARYLAND ■ NORTHERN VIRGINIA ■ WASHINGTON, DC ■ CENTRAL VIRGINIA ■ CHARLOTTE, NC ■ RALEIGH, NC

6



## Town of Front Royal, Virginia Work Session Agenda Form

Date: December 7, 2015

**Agenda Item:** APPROVAL AND ACCEPTANCE OF DEEDS OF EASEMENT FOR MIDDLE SCHOOL ENTRANCE, KIDWELL AND TESTERMAN

**Summary:** In order to develop a new Middle School and construct a safe school bus entrance from Happy Creek Road, the Warren County School Board and the County of Warren request the Town to approve and accept the two attached Deeds of Dedication of Rights of Way and Easements for rights of way (access, brush clearing, etc. during construction), permanent storm drainage easements, and temporary construction easements. These Deeds have already been signed by the property owners, signifying their agreement, if the Town approves the acceptance.

**Council Discussion:** Council is requested to approve and accept the Deeds of Dedication, as ultimately the roads will be part of the street system of the Town.

**Staff Evaluation:** The Deeds appear to be in routine form.

**Budget/Funding:** None required at this time on the part of the Town.

**Legal Evaluation:** The Town Attorney has approved the form of the Deeds of Dedication.

**Staff Recommendations:** Staff concurs with the form of the Deeds of Dedication.

**Town Manager Recommendation:** The Town Manager concurs with staff's recommendations.

**Council Recommendation:**

Additional Work Session     Regular Meeting     No Action

Consensus Poll on Action: \_\_\_ (Aye) \_\_\_ (Nay)

Work Session



# COUNTY OF WARREN

Office of the County Attorney  
Warren County Government Center  
220 North Commerce Avenue, Suite 100  
Front Royal, Virginia 22630

Phone: (540) 636-6674

FAX: (540) 636-6980

email: [bmitchell@warrencountyva.net](mailto:bmitchell@warrencountyva.net)

[dwhitten@warrencountyva.net](mailto:dwhitten@warrencountyva.net)

[jwoody@warrencountyva.net](mailto:jwoody@warrencountyva.net)

*Blair D. Mitchell*  
County Attorney

*Dan N. Whitten*  
Assistant County Attorney

*Jennifer L. Woody*  
Paralegal

November 30, 2015

## BOARD OF SUPERVISORS

\*\*\*\*\*

### CHAIRMAN

Richard H. Traczyk  
Shenandoah  
District

### VICE-CHAIR

Linda P. Glavis  
South River  
District

Tony F. Carter

Happy Creek  
District

Archie A. Fox

Fork  
District

Daniel J. Murray, Jr.

North River  
District

Douglas W. Napier  
Front Royal Town Attorney  
102 E. Main Street  
Front Royal, Virginia 22630

**RE: Easements for Leach Run Parkway; Kidwell and Testerman**

Dear Doug:

Enclosed are the original deeds that have already been signed by Jason and James Kidwell and Wayne Testerman. They now need to be signed by you, Timothy W. Darr, Mayor and Steven M. Burke, Town Manager. Please put this on the town agenda at your earliest convenience for approval and acceptance by the town. Also enclosed are original plats and copies of the agreements with regard to the above.

Please call my office if you should have any questions.

Sincerely,

Blair D. Mitchell  
Warren County Attorney

BDM/jlw  
Enclosures

\*\*\*\*\*

Douglas P. Stanley  
County Administrator

NOV 30 2015

*Celebrating 175 Years*  
1836 - 2011

This deed is exempt from the recordation taxes imposed by Va. Code Ann. §§ 58.1-801 and 58.1-803, pursuant to § 58.1-811.

Consideration: \$0.00

Prepared by: Blair D. Mitchell  
County Attorney  
220 N. Commerce Avenue, Suite 100  
Front Royal, Virginia 22630  
Telephone: (540) 636-6674  
Fax: (540) 636-6980

Assessment: \$0.00

Tax Map Reference No.:  
Portion of 21-27

**DEED OF DEDICATION OF RIGHT-OF-WAY AND EASEMENTS**

**THIS DEED OF DEDICATION OF RIGHT-OF-WAY AND EASEMENTS**

is made and entered into this 29<sup>th</sup> day of October, 2015, by and between JASON A. KIDWELL and JAMES M. KIDWELL, JR., widowed and not remarried (GRANTOR), and THE TOWN OF FRONT ROYAL, VIRGINIA, a Virginia municipal corporation, whose address is 102 East Main Street, Front Royal, Virginia 22630 (GRANTEE).

**WITNESSETH:**

WHEREAS, Jason A. Kidwell is the owner of a parcel of real estate known and designated as "Residue of TM #21-27 Jason A. Kidwell, Inst. #140002320", on a plat entitled "Plat of Road Dedication & Various Easements, Kidwell Property, Happy Creek District, Warren County, Virginia, Scale: 1" = 50' Date: August 7, 2015, Present Owner: Jason A. Kidwell, TM #21-27, inst. #140002320", dated August 7, 2015, made by Michael M. Artz, Land Surveyor, for Pennoni Associates, Inc., a copy of which is attached hereto and made a part hereof ("the Property"); and

WHEREAS, James M. Kidwell, Jr., is the holder of a life estate on the Property; and

WHEREAS, the Warren County School Board is developing nearby land as a middle school site, which requires a portion of the Property for right-of-way, drainage easement and temporary construction easement for a safe school bus entrance rom Happy Creek Road; and

WHEREAS, the Grantor desires to convey the said right-of-way and easements;

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor hereby dedicates, grants, and conveys with Special Warranty unto the Grantee, in fee simple, the following described property in the **HAPPY CREEK MAGISTERIAL DISTRICT** of Warren County, Virginia, to-wit:

All that certain lot, piece, or parcel of land lying and being situate in the Happy Creek Magisterial District of Warren County, Virginia, containing 0.0502 acres or 2,187 square feet of land shown and designated as "Road Dedication Parcel 0.0502 Ac. 2,187 sf" on the aforesaid plat.

AND BEING a portion of the property conveyed to Jason A. Kidwell by deed dated May 16, 2014, from James M. Kidwell, Jr., of record in the Clerk's Office of the Circuit Court of Warren County, Virginia, as Instrument Number 140002320, it being **a portion of Tax Assessor's Parcel 21-27.**

There are also hereby conveyed the following easements on the aforesaid property:

A temporary construction easement on the south side of the said land being dedicated above, to be used by the Grantee's contractors during construction of road improvements and of the said school bus entrance, shown and designated as "15' Wide Temporary Construction Easement" as shown on the aforesaid plat. The temporary construction easement to become null and void at such time as the school bus entrance construction is complete and bonds have been released.

A permanent storm drainage easement fifteen feet (15') in width and approximately one hundred fifty-four and seventy-one one hundredths feet (154.71') in length along the frontage of the Property within which the Grantee and its contractors, successors and assigns may construct, operate and maintain a system and/or facility for the removal from and transmission

away from the said right-of-way of storm water, as shown and designated as "15' Wide Storm Drainage Easement" as shown on the south side of the said right-of-way on the aforesaid plat.

The further terms and conditions of this grant are as follows:

(a) During the construction phase of the middle school bus entrance project the Grantee may (but is not required to) access the easement areas to have access to assist in the construction of the school bus entrance within the right-of-way dedicated above, which may include the trimming, cutting, removing, and keeping clear all trees, limbs, undergrowth, and any and all other obstructions, within the said easement strips, that may in any manner in the School Board's judgment endanger or interfere with the proper and efficient operation of the works and systems therein or thereon and the Grantee shall have all such other rights and privileges as are reasonably necessary or convenient for the full enjoyment and use of the easements herein granted for the aforesaid purpose.

(b) The Grantee will exercise reasonable care to protect the Property from damage or injury occasioned in the enjoyment of the easements and rights herein granted, and to promptly repair the said property or reimburse the Grantor for any property damaged beyond repair.

(c) If Grantee does cut or fell any brush, undergrowth or trees, or should excavations be carried on pursuant to this easement and any large-sized rocks or boulders are unearthed and are not buried in said excavation, such brush, undergrowth, trees, large-sized rocks and boulders shall, at the expense of Grantee be removed from the Property.

(d) That Grantor shall have no right, title, interest, estate or claim whatsoever in or to any of the lines, pipes, or other equipment and accessories installed by virtue hereof.

Grantor further covenants that they have the right to convey the said property and easements; that the Grantee shall have quiet and peaceful enjoyment and possession of said property and easements, and that the Grantor will execute such further assurances of the said grant and easements herein contained as may be requisite.

James M. Kidwell, Jr., Grantor, joins in this Deed as a Grantor as holder of a life estate in the Property as described in the source deed mentioned above.

*[signatures begin on the next following page]*

WITNESS the following signatures and seals:

Jason A. Kidwell (SEAL)  
Jason A. Kidwell

**COMMONWEALTH OF VIRGINIA  
COUNTY OF WARREN, TO-WIT:**

I, the undersigned Notary Public in and for the Commonwealth of Virginia At Large, do hereby certify that Jason A. Kidwell, whose name is signed to the foregoing Deed of Dedication of Right-of-Way and Easements bearing the date of the 29<sup>th</sup> day of October, 2015, has this day personally appeared and acknowledged the same before me in my State and in the City/County aforesaid.

Given under my hand this 29 day of October, 2015.

Michael Henry  
NOTARY PUBLIC

My commission expires 4/30/18

Certificate number 7360170

James M. Kidwell, Jr. (SEAL)  
James M. Kidwell, Jr.

**COMMONWEALTH OF VIRGINIA  
COUNTY OF WARREN, TO-WIT:**

I, the undersigned Notary Public in and for the Commonwealth of Virginia At Large, do hereby certify that James M. Kidwell, Jr., whose name is signed to the foregoing Deed of Dedication of Right-of-Way and Easements bearing the date of the

\_\_\_\_\_ day of \_\_\_\_\_, 2015, has this day personally appeared and acknowledged the same before me in my State and in the City/County aforesaid.

Given under my hand this 29 day of October, 2015.

Michael Henry  
NOTARY PUBLIC

My commission expires 4/30/18

Certificate number 7360170

The foregoing conveyance is hereby accepted by the Town of Front Royal, Virginia, as evidenced by the signature of the undersigned, who is authorized to accept this conveyance on behalf of the Town of Front Royal.

WITNESS the following signature:

**TOWN OF FRONT ROYAL, VIRGINIA**

BY: \_\_\_\_\_  
**Timothy W. Darr, Mayor**

Attest:

\_\_\_\_\_  
**Steven M. Burke, Town Manager**

**COMMONWEALTH OF VIRGINIA  
COUNTY OF WARREN, TO-WIT:**

I, the undersigned Notary Public in and for the Commonwealth of Virginia At Large, do hereby certify that Timothy W. Darr, Mayor, and Steven M. Burke, Town Manager, whose names are signed on behalf of the Town of Front Royal, Virginia, to

the foregoing Deed of Dedication of Right-of-Way have this day personally appeared and acknowledged the same before me in my State and in the County aforesaid.

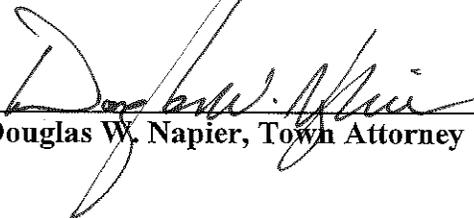
Given under my hand this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Certificate number: \_\_\_\_\_

**APPROVED AS TO FORM:**

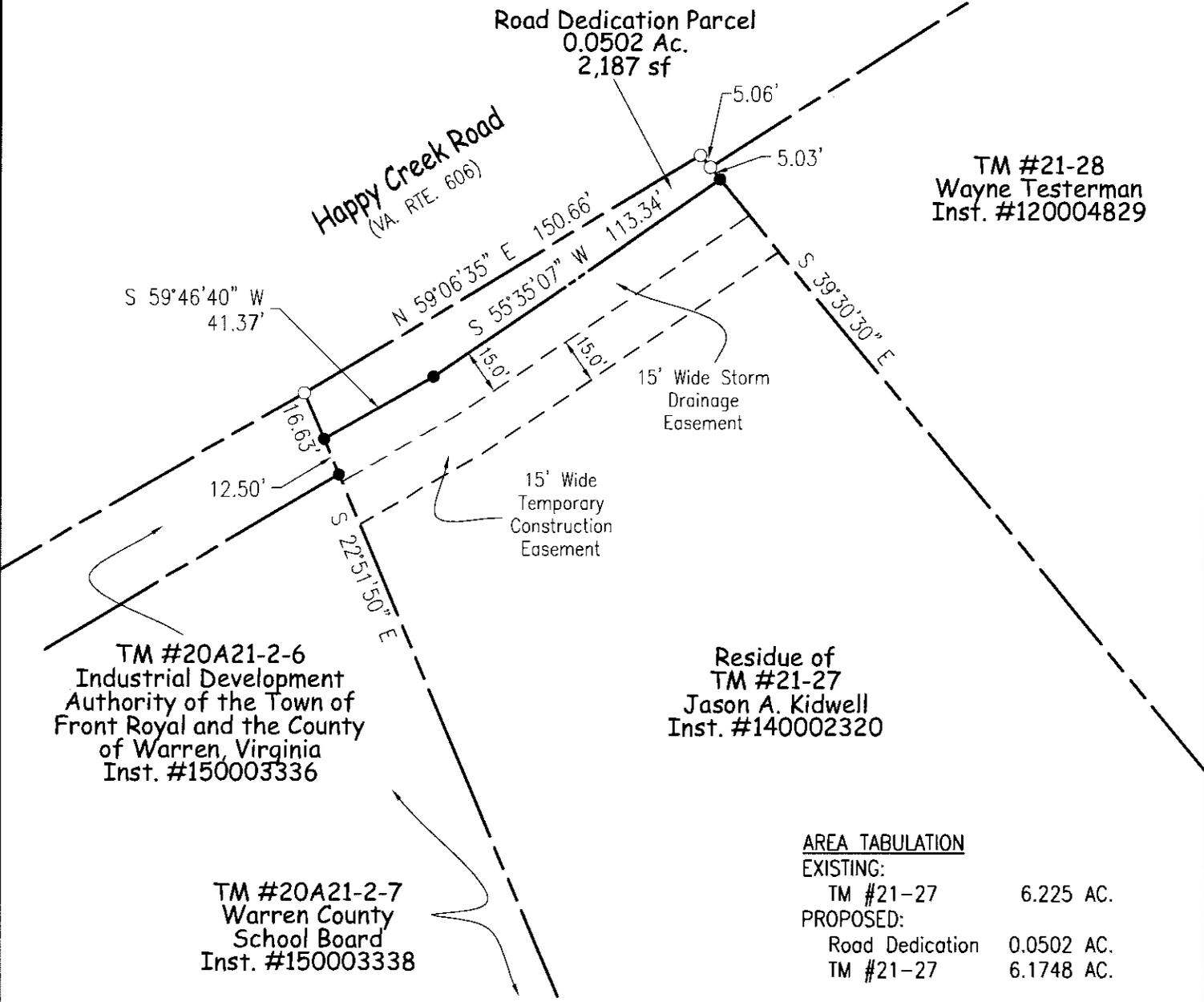
  
\_\_\_\_\_  
Douglas W. Napier, Town Attorney

DATE: 11-30-2015

Notes:

1. Boundary shown hereon was determined by a field run survey performed by Marsh & Legge Land Surveyors, PLC.
2. This plat is subject to easements and restrictions of record.
3. No title report furnished.
4. The 0.0502 Ac. Road Dedication Parcel and the Storm Drainage and Temporary Construction Easements are to be conveyed to Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia.

- Rebar found or to be set
- Point



AREA TABULATION

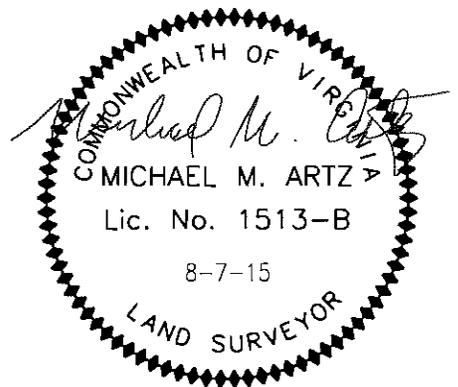
EXISTING:	
TM #21-27	6.225 AC.
PROPOSED:	
Road Dedication	0.0502 AC.
TM #21-27	6.1748 AC.

# Plat of Road Dedication & Various Easements Kidwell Property

Happy Creek District, Warren County, Virginia  
Scale: 1" = 50' Date: August 7, 2015

Present Owner:

Jason A. Kidwell  
TM #21-27 Inst. #140002320



PREPARED BY:

**PENNONI ASSOCIATES INC.**



117 East Piccadilly Street  
Winchester, VA 22601  
T 540.667.2139  
F 540.665.0493

AGREEMENT FOR CONVEYANCE OF RIGHT-OF-WAY

This AGREEMENT FOR CONVEYANCE OF RIGHT-OF-WAY (Agreement) dated this 18<sup>th</sup> day of October, 2015, by and between the COUNTY OF WARREN, VIRGINIA, a political subdivision of the Commonwealth of Virginia (the County) and JASON A. KIDWELL and JAMES M. KIDWELL, JR., (the Kidwells)

Witnesseth:

WHEREAS, the County is assisting the Warren County School Board and the Town of Front Royal in the improvement of Happy Creek Road and the development of a middle school site on Happy Creek Road; and

WHEREAS Jason A. Kidwell is the owner of Tax Map Parcel 21-27 fronting on Happy Creek Road in Warren County (the Property) by virtue of a deed dated May 16, 2014, from James M. Kidwell, Jr., recorded at Instrument Number 140002320 in the Clerk's Office of the Circuit Court of Warren County, Virginia, wherein James M. Kidwell, Jr., retained a life estate in the Property; and

WHEREAS, in order to complete the road and school projects, engineers for the projects have determined that a small amount of land is needed from the Kidwells for right-of-way, drainage easement, and temporary construction easement, as shown on a plat entitled "Plat of Road Dedication & Various Easements, Kidwell Property, Happy Creek District, Warren County, Virginia, Scale: 1" = 50', Date: August 7, 2015, Present Owner: Jason A. Kidwell, TM #21-27, Inst. #140002320" dated August 7, 2015, made by Michael M. Artz, Land Surveyor for Pennoni Associates Inc., a copy of which is attached hereto and made a part hereof; and

WHEREAS, the Kidwells desire to convey the right-of-way and easements for the projects to the Town of Front Royal in return for certain work and improvements to be completed on the Property by Warren County, and the County desires to complete the work and improvements for the Kidwells;

NOW THEREFORE, for and in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, the parties hereto agree as follows:

Within 10 days of the date of this Agreement, the Kidwells will execute and deliver to the County a Deed of Dedication of Right-of-Way and Easements as drafted by the County Attorney, conveying to the Town of Front Royal the right-of-way and easements shown on the aforesaid plat;

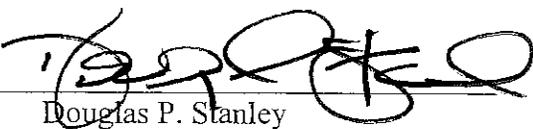
During the construction of the road improvements by the Town of Front Royal, the Economic Development Authority, and/or the County, and their contractors, the County will provide for the installation of three (3) culvert pipes fifteen inches (15") in diameter and twenty-four feet (24') in length beneath the entrance to the driveway serving the Property, adjacent to and parallel with the right-of-way line of the south side of Happy Creek Road, to improve the flow of surface water and storm water from the paved surface of Happy Creek Road;

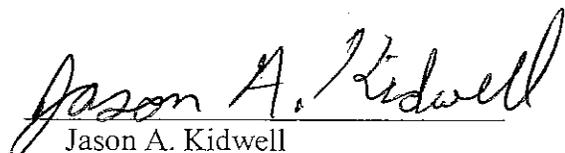
During the construction of the road improvements by the Town of Front Royal, the Economic Development Authority, and/or the County, and their contractors, the County will provide for the paving of the front thirty feet (30') of the Kidwells' current gravel driveway, a minimum of twelve feet (12') in width, as it comes off Happy Creek Road, in its current location;

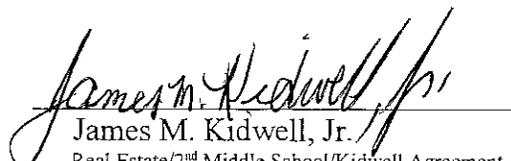
During the construction of the road improvements by the Town of Front Royal, the Economic Development Authority, and/or the County, and their contractors, the County will maintain and provide any needed repairs to and/or relocation of an existing livestock fence along the northern portion of the property which fence retains and keeps the Kidwells' horses on the Property.

Witness the following signatures:

County of Warren, Virginia

By:   
Douglas P. Stanley  
County Administrator

  
Jason A. Kidwell

  
James M. Kidwell, Jr.  
Real Estate/2<sup>nd</sup> Middle School/Kidwell Agreement 10-01-2015

This deed is exempt from the recordation taxes imposed by Va. Code Ann. §§ 58.1-801 and 58.1-803, pursuant to § 58.1-811.

Consideration: \$0.00

Prepared by: Blair D. Mitchell  
County Attorney  
220 N. Commerce Avenue, Suite 100  
Front Royal, Virginia 22630  
Telephone: (540) 636-6674  
Fax: (540) 636-6980

Assessment: \$0.00

Tax Map Reference No.:  
Portion of 21-28

**DEED OF DEDICATION OF RIGHT-OF-WAY AND EASEMENTS**

**THIS DEED OF DEDICATION OF RIGHT-OF-WAY AND EASEMENTS**

is made and entered into this 24<sup>th</sup> day of November, 2015, by and between **WAYNE TESTERMAN, (GRANTOR), and THE TOWN OF FRONT ROYAL, VIRGINIA**, a Virginia municipal corporation, whose address is **102 East Main Street, Front Royal, Virginia 22630 (GRANTEE)**.

**WITNESSETH:**

**WHEREAS**, the Grantor is the owner of a parcel of real estate known and designated as “Residue of TM #21-28 Wayne Testerman, Inst. #120004829”, on a plat entitled “Plat of Road Dedication & Various Easements, Testerman Property, Happy Creek District, Warren County, Virginia, Scale: 1” = 50’ Date: September 29, 2015, Present Owner: Wayne Testerman, TM #21-28, Inst. #120004829”, dated September 29, 2015, made by Michael M. Artz, Land Surveyor, for Pennoni Associates, Inc., a copy of which is attached hereto and made a part hereof; and

**WHEREAS**, the Warren County School Board is developing nearby land as a middle school site, which requires a portion of the Grantor’s property to be conveyed to the Town of Front Royal for right-of-way, drainage easement and temporary construction easement for a safe school bus entrance on Happy Creek Road; and

**WHEREAS**, the Grantor desires to convey the said right-of-way and easements;

**NOW, THEREFORE**, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor hereby dedicates, grants, and conveys with Special Warranty unto the Grantee, in fee simple, the following described property in the **HAPPY CREEK MAGISTERIAL DISTRICT** of Warren County, Virginia, to-wit:

All that certain lot, piece, or parcel of land lying and being situate in the Happy Creek Magisterial District of Warren County, Virginia, containing 0.0143 acres or 625 square feet of land shown and designated as "Road Dedication Parcel 0.0143 Ac. 625 sf" on the aforesaid plat.

**AND BEING** a portion of the property conveyed to Wayne Testerman by deed dated August 17, 2012, from NVA Properties, LLC, a Virginia Limited Liability Company, of record in the Clerk's Office of the Circuit Court of Warren County, Virginia, as Instrument Number 120004829, it being a **portion of Tax Assessor's Parcel 21-28**.

There are also hereby conveyed the following easements on the aforesaid property:

A temporary construction easement on the south side of the said land being dedicated above, to be used by the Grantee's contractors during construction of the said school bus entrance, shown and designated as "15' Wide Temporary Construction Easement (2,422 sf)" as shown on the aforesaid plat. The temporary construction easement to become null and void at such time as the school bus entrance construction is complete and bonds have been released.

A temporary construction easement on the south side of the said land being dedicated above, to be used by the Grantee's contractors during construction of the said school bus entrance, shown and designated as "15' Wide Temporary Construction Easement (1,612 sf)" as shown on the aforesaid plat. The temporary construction easement to become null and void at such time as the school bus entrance construction is complete and bonds have been released.

A permanent storm drainage easement fifteen feet (15') in width and shown and designated as "15' Wide Storm Drainage Easement (3,213 sf)" as shown on the aforesaid plat, within which the Grantee and its contractors, successors and assigns may construct, operate and maintain a system and/or

facility for the removal from and transmission away from the said right-of-way of storm water.

The further terms and conditions of this grant are as follows:

(a) During the construction phase of the middle school bus entrance project the Grantee may (but is not required to) access the easement areas to have access to assist in the construction of the school bus entrance within the right-of-way dedicated above, which may include the trimming, cutting, removing, and keeping clear all trees, limbs, undergrowth, and any and all other obstructions, within the said easement strips, that may in any manner in the School Board's judgment endanger or interfere with the proper and efficient operation of the works and systems therein or thereon and the Grantee shall have all such other rights and privileges as are reasonably necessary or convenient for the full enjoyment and use of the easements herein granted for the aforesaid purpose.

(b) The Grantee will exercise reasonable care to protect Grantor's property from damage or injury occasioned in the enjoyment of the easements and rights herein granted, and to promptly repair the said property or reimburse the Grantor for any property damaged beyond repair.

(c) If Grantee does cut or fell any brush, undergrowth or trees, or should excavations be carried on pursuant to this easement and any large-sized rocks or boulders are unearthed and are not buried in said excavation, such brush, undergrowth, trees, large-sized rocks and boulders shall, at the expense of Grantee be removed from Grantor's property.

(d) That Grantor shall have no right, title, interest, estate or claim whatsoever in or to any of the lines, pipes, or other equipment and accessories installed by virtue hereof.

Grantor further covenants that they have the right to convey the said property and easements; that the Grantee shall have quiet and peaceful enjoyment and possession of said property and easements, and that the Grantor will execute such further assurances of the said grant and easements herein contained as may be requisite.

WITNESS the following signatures and seals:

*[signatures begin on the next following page]*

Wayne M Testerman (SEAL)  
Wayne Testerman

**COMMONWEALTH OF VIRGINIA  
COUNTY OF WARREN, TO-WIT:**

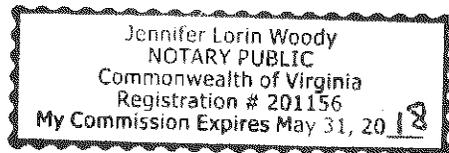
I, the undersigned Notary Public in and for the Commonwealth of Virginia At Large, do hereby certify that Wayne Testerman, whose name is signed to the foregoing Deed of Dedication of Right-of-Way and Easements bearing the date of the 21 day of November, 2015, has this day personally appeared and acknowledged the same before me in my State and in the City/County aforesaid.

Given under my hand this 24<sup>th</sup> day of November, 2015.

Jennifer Lorin Woody  
NOTARY PUBLIC

My commission expires 5-31-18

Certificate number 201156



The foregoing conveyance is hereby accepted by the Town of Front Royal, Virginia, as evidenced by the signature of the undersigned, who is authorized to accept this conveyance on behalf of the Town of Front Royal.

WITNESS the following signature:

**TOWN OF FRONT ROYAL, VIRGINIA**

BY: \_\_\_\_\_  
**Timothy W. Darr, Mayor**

**Attest:**

\_\_\_\_\_  
**Steven M. Burke, Town Manager**

**COMMONWEALTH OF VIRGINIA  
COUNTY OF WARREN, TO-WIT:**

I, the undersigned Notary Public in and for the Commonwealth of Virginia At Large, do hereby certify that Timothy W. Darr, Mayor, and Steven M. Burke, Town Manager, whose names are signed on behalf of the Town of Front Royal, Virginia, to the foregoing Deed of Dedication of Right-of-Way have this day personally appeared and acknowledged the same before me in my State and in the County aforesaid.

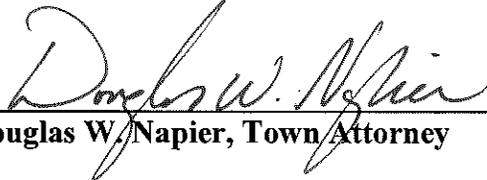
Given under my hand this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Certificate number: \_\_\_\_\_

**APPROVED AS TO FORM:**

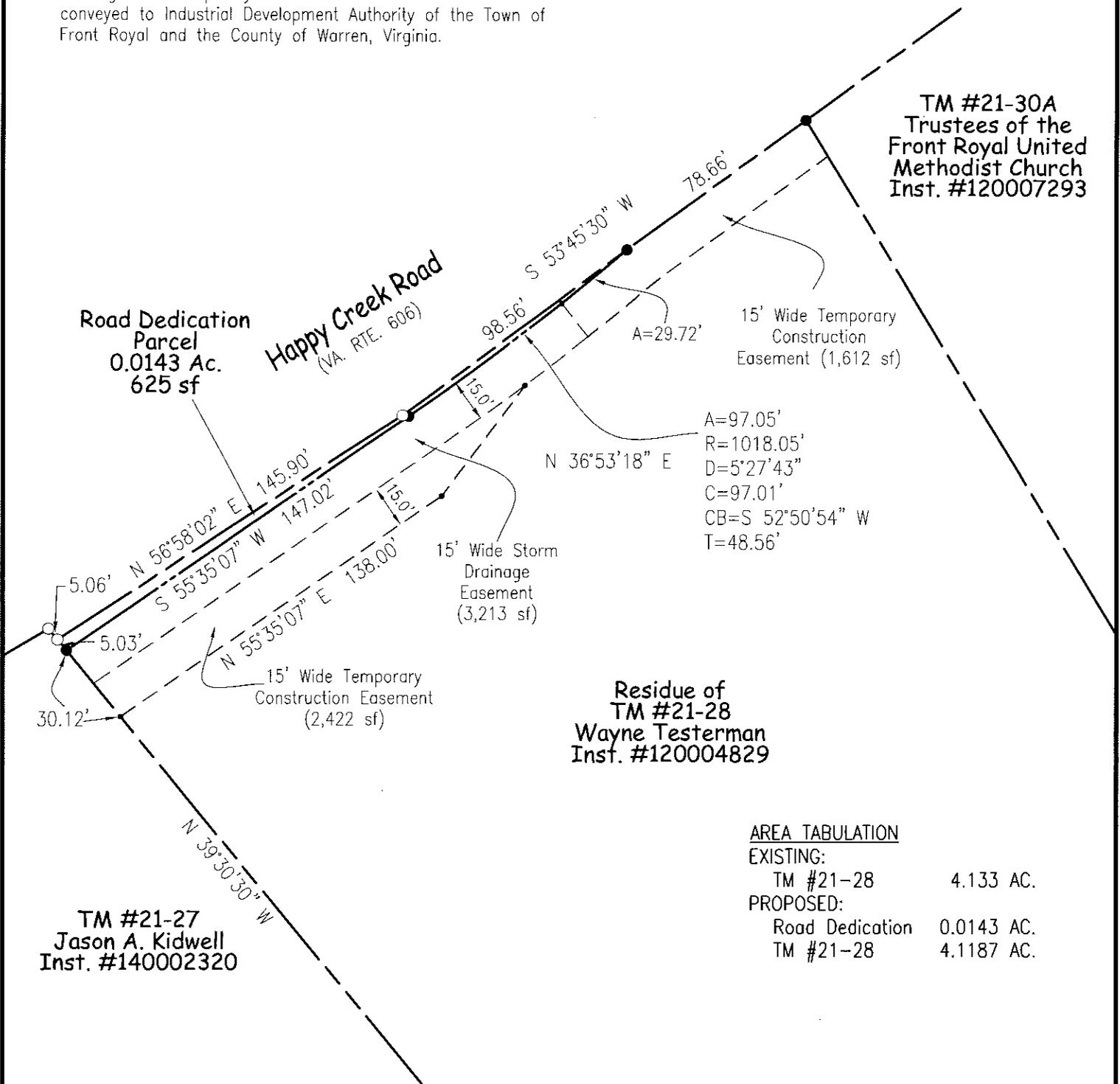
  
\_\_\_\_\_  
**Douglas W. Napier, Town Attorney**

**DATE:** 11-30-2015

Notes:

1. Boundary shown hereon was determined by a field run survey performed by Marsh & Legge Land Surveyors, PLC.
2. This plat is subject to easements and restrictions of record.
3. No title report furnished.
4. The 0.0143 Ac. Road Dedication Parcel and the Storm Drainage and Temporary Construction Easements are to be conveyed to Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia.

- Rebar found or to be set
- Point



AREA TABULATION

EXISTING:	
TM #21-28	4.133 AC.
PROPOSED:	
Road Dedication	0.0143 AC.
TM #21-28	4.1187 AC.

# Plat of Road Dedication & Various Easements Testerman Property

Happy Creek District, Warren County, Virginia  
Scale: 1" = 50' Date: September 29, 2015

Present Owner:

Wayne Testerman  
TM #21-28 Inst. #120004829



PREPARED BY:  
**PENNONI ASSOCIATES INC.**



117 East Piccadilly Street  
Winchester, VA 22601  
T 540.667.2139  
F 540.665.0493

AGREEMENT FOR CONVEYANCE OF RIGHT-OF-WAY

This AGREEMENT FOR CONVEYANCE OF RIGHT-OF-WAY (Agreement) dated this 9 day of November, 2015, by and between the COUNTY OF WARREN, VIRGINIA, a political subdivision of the Commonwealth of Virginia (the County) and Wayne TESTERMAN, (Testerman)

Witnesseth:

WHEREAS, the County is assisting the Warren County School Board and the Town of Front Royal in the improvement of Happy Creek Road and the development of a middle school site on Happy Creek Road; and

WHEREAS Testerman is the owner of Tax Map Parcel 21-28 fronting on Happy Creek Road in Warren County (the Property) by virtue of a deed dated August 17, 2012, from NVA Properties, LLC, a Virginia limited liability company, recorded at Instrument Number 120004829 in the Clerk's Office of the Circuit Court of Warren County, Virginia; and

WHEREAS, in order to complete the road and school projects, engineers for the projects have determined that a small amount of land is needed from Testerman for right-of-way, drainage easement, and temporary construction easement, as shown on a plat entitled "Plat of Road Dedication & Various Easements, Testerman Property, Happy Creek District, Warren County, Virginia, Scale: 1" = 50', Date: September 29, 2015, Present Owner: Wayne Testerman, TM #21-28, Inst. #120004829" dated September 29, 2015, made by Michael M. Artz, Land Surveyor for Pennoni Associates Inc., a copy of which is attached hereto and made a part hereof; and

WHEREAS, Testerman desires to convey the right-of-way and easements for the projects to the Town of Front Royal in return for the payment of the sum of \$15,000 and the completion of certain work and improvements to be completed on the Property by Warren County, and the County desires to complete the work and improvements for Testerman;

NOW THEREFORE, for and in consideration of the payment of \$15,000 to be paid to Testerman by the County at transfer, and the mutual covenants contained herein, and for other

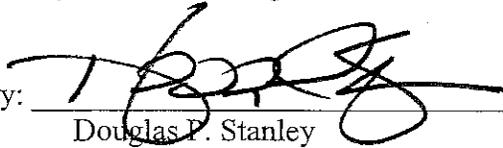
good and valuable consideration, the receipt and sufficiency are hereby acknowledged, the parties hereto agree as follows:

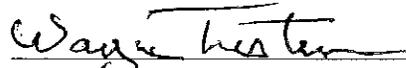
Within 30 days of the date of this Agreement, Testerman will execute and deliver to the County a Deed of Dedication of Right-of-Way and Easements as drafted by the County Attorney, conveying to the Town of Front Royal the right-of-way and easements shown on the aforesaid plat;

During the construction of the road improvements by the Town of Front Royal, the Economic Development Authority, and/or the County, and their contractors, the County will provide for the relocation of a Dogwood tree, a Red Maple tree, a power pole, a water service (as needed), mailboxes, an existing split rail fence, the provision of four (4) Rocky Mountain Maple trees (minimum 3" caliper at breast height), and the removal of existing CMP culverts from the driveway and placement of the same on the property at a location to be designated by Testerman, all as detailed and described on a "Landscape Plan" dated May 22, 2015, revised September 28, 2015, re-revised November 4, 2015, prepared by Pennoni Associates, Inc., a copy of which is attached hereto and made a part hereof.

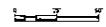
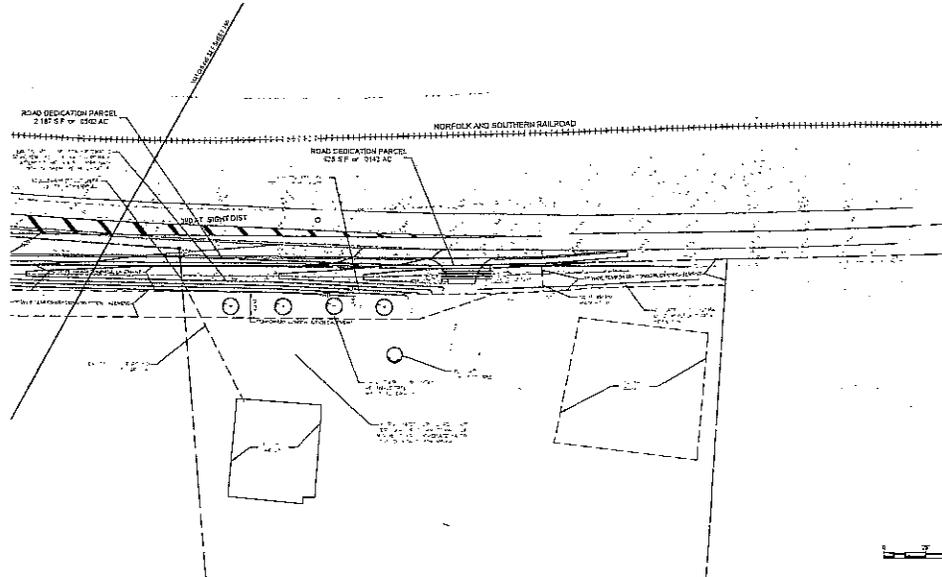
Witness the following signatures:

County of Warren, Virginia

By:   
Douglas P. Stanley  
County Administrator

  
Wayne Testerman

CONTRACTOR TO ADJUST ALL MANHOLE TOPS  
AND VALVES TO FINISH GRADE





**Pennoni**  
PENNONI ASSOCIATES, INC.  
17 East Park Drive  
P.O. Box 100  
Trenton, NJ 08646-0100  
Tel: 609.391.2100



LEACH RUN PARKWAY  
WANTON COUNTY  
HARTFORD, NEW JERSEY  
LANDSCAPE PLAN  
PROJECT: FROST/VALMATHER COUNTY EDA  
HARTFORD, NEW JERSEY

NO.	DESCRIPTION	DATE	BY
1	ISSUED FOR BIDDING		
2	ISSUED FOR CONSTRUCTION		
3	AS BUILT		

PROJECT: WRRH1202

DATE: 08/24/12

PROJECT NO: 1202

DATE: 08/24/12

PROJECT: 1202

**CS2019**

SHEET 157 OF 161

7

## **2405-CODE OFFICIAL**

### **GENERAL DEFINITION AND CONDITIONS OF WORK:**

Performs difficult technical work in the inspection and enforcement of property maintenance ordinances and building maintenance codes; does related work as required. Work is performed under the regular supervision of the Director of Planning.

This is light work requiring the exertion of up to 20 pounds of force occasionally, up to 10 pounds of force frequently and a negligible amount of force constantly to move objects; work requires climbing, balancing, stooping, kneeling, crouching, crawling, walking, fingering feeling and repetitive motions; vocal communication is required for expressing or exchanging ideas by means of the spoken word; hearing is required to perceive information at normal spoken word levels; visual acuity is required for depth perception, color perception, preparing and analyzing written or computer data, visual inspection involving small defects and/or small parts, use of measuring devices, operation of motor vehicles, determining the accuracy and thoroughness of work, and observing general surroundings and activities; the worker is subject to inside and outside environmental conditions, extreme cold, noise, hazards and atmospheric conditions.

### **ESSENTIAL FUNCTIONS/TYPICAL TASKS:**

**Planning, directing and participating in various inspection and code enforcement activities; preparing and maintaining appropriate files and records.**

Inspects structures for compliance with the Property Maintenance Code.

Inspects and evaluates existing structures for determination of code compliance with the Property Maintenance Code, and for determination of substandard and condemnable conditions.

Responds to and investigates complaints of code violations.

Confers with contractors, tenants and property owners on code compliance matters.

Coordinates with Town Attorney and others on legal matters.

Issues summonses or warrants to property owners or other responsible parties or through the magistrate for unresolved code violations.

Prepares evidence and testifies in court on code violation cases.

Prepares a variety of reports and correspondence on inspection and compliance matters.

Keeps records and properly documents activities and responses regarding inspections and enforcement actions.

Institutes comprehensive review of specific code compliance problems as determined appropriate.

Establishes and implements processes and procedures for a comprehensive program of rental property inspection.

Issues certificates of compliance and certificates of exemption, where appropriate.

Performs related tasks as required.

### **KNOWLEDGE, SKILLS AND ABILITIES:**

Thorough knowledge of the principles and practices of building and property code enforcement; thorough knowledge of building, construction and structural engineering principles and practices; knowledge of building codes; ability to establish and maintain effective relationships with contractors, government officials, associates and the general public; ability to present facts and recommendations effectively in oral and written form; firmness, tact and impartiality in enforcing code and ordinances; ability to work with limited supervision; ability to develop and maintain organized reporting and record-keeping systems, and the physical ability to perform tasks associated with inspection that requires walking, crawling, bending, climbing ladders, etc.

### **EDUCATION AND EXPERIENCE**

Any combination of education and experience equivalent to graduation from high school supplemented by courses in building construction, architectural technology, structural design, electrical and other building construction trades, and at least three years practical experience in the construction, maintenance, or code enforcement occupations.

### **SPECIAL REQUIREMENTS**

Possession of an appropriate driver's license valid in the Commonwealth of Virginia.

Must be certified in trade field in accordance with the certification program of the Commonwealth of Virginia within one (1) year of date of employment.

Participation in additional or on-going training as mandated by the Virginia Department of Housing and Community Development for the maintenance of certification.

Specifically authorized by § 36-105, Code of Front Royal, 58 Va. Cir. 527, LEXIS 174 (Warren County 2002).

#### GENERAL

Building Code in a town with a population of less than 3,500 within that town if the town has adopted the Professional Code but has not appointed, designated, or authorized an official to enforce the town's Building Code. See opinion of Attorney General to C. Eric Young, Esq., County Attorney, 10-076, 2010 Va. AG 2/10/10).

**regulations may not be those of another state.** — A county may not enter into an agreement with another state to perform inspections of industrialized buildings located in a Virginia facility, to determine compliance with the building code of the other state. Neither the county nor its employees are entitled to the protection of sovereignty with respect to the performance of such inspections. See opinion of Attorney General to C. Eric Young, Esquire, County Attorney, Tazewell County, 13-073, 2013 Va. AG 10/11/13).

and the enforcement of the building code with the regulations of another state may also provide for such an agreement with other local governments. Such an agreement may include any individual, partnership, or corporation requirements established by such local governments and such qualifications and standards as may be approved by the local government. Such qualifications and standards shall be in accordance with accepted standards.

#### of buildings under construction

For buildings under construction, the local government shall be the sole authority for the building code. Upon completion of construction, the authority shall pass to the State Building Code in those jurisdictions that have adopted the State Building Code (§ 27-94 et

### § 36-105.1:1. Rental inspections; rental inspection districts; exemptions; penalties.

A. For purposes of this section:

"*Dwelling unit*" means a building or structure or part thereof that is used for a home or residence by one or more persons who maintain a household.

"*Owner*" means the person shown on the current real estate assessment records or current real estate assessment records.

"*Residential rental dwelling unit*" means a dwelling unit that is leased or rented to one or more tenants. However, a dwelling unit occupied in part by the owner thereof shall not be construed to be a residential rental dwelling unit unless a tenant occupies a part of the dwelling unit which has its own cooking and sleeping areas, and a bathroom, unless otherwise provided in the zoning ordinance by the local governing body.

B. Localities may inspect residential rental dwelling units. The local governing body may adopt an ordinance to inspect residential rental dwelling units for compliance with the Building Code and to promote safe, decent and sanitary housing for its citizens, in accordance with the following:

1. Except as provided in subdivision B 3, the dwelling units shall be located in a rental inspection district established by the local governing body in accordance with this section, and

2. The rental inspection district is based upon a finding by the local governing body that (i) there is a need to protect the public health, safety and welfare of the occupants of dwelling units inside the designated rental inspection district; (ii) the residential rental dwelling units within the designated rental inspection district are either (a) blighted or in the process of deteriorating, or (b) the residential rental dwelling units are in the need of inspection by the building department to prevent deterioration, taking into account the number, age and condition of residential dwelling rental units inside the proposed rental inspection district; and (iii) the inspection of residential rental dwelling units inside the proposed rental inspection district is necessary to maintain safe, decent and sanitary living conditions for tenants and other residents living in the proposed rental inspection district. Nothing in this section shall be construed to authorize one or more locality-wide rental inspection districts and a local governing body shall limit the boundaries of the proposed rental inspection districts to such areas of the locality that meet the criteria set out in this subsection, or

3. An individual residential rental dwelling unit outside of a designated rental inspection district is made subject to the rental inspection ordinance based upon a separate finding for each individual dwelling unit by the local governing body that (i) there is a need to protect the public health, safety and welfare of the occupants of that individual dwelling unit; (ii) the individual dwelling unit is either (a) blighted or (b) in the process of deteriorating; or (iii) there is evidence of violations of the Building Code that affect the safe, decent and sanitary living conditions for tenants living in such individual dwelling unit.

For purposes of this section, the local governing body may designate a local government agency other than the building department to perform all or part of the duties contained in the enforcement authority granted to the building department by this section.

C. 1. Notification to owners of dwelling units. Before adopting a rental inspection ordinance and establishing a rental inspection district or an amendment to either, the governing body of the locality shall hold a public hearing on the proposed ordinance. Notice of the hearing shall be published once a week for two successive weeks in a newspaper published or having general circulation in the locality.



tal inspection ordinance, orts to notify owners of tal inspection district, or dividual dwelling units d in a rental inspection ide information and an ie responsibilities of the

ty. The rental inspection owners of dwelling units artment in writing if the l purposes. The building The rental inspection nt or a fee of any kind is subdivision. A rental n notification from the rdinance be provided to he adoption of a rental ty for the failure of an th the provisions of this t provides personal or is section. In any event, a dwelling unit who is es to comply with the alty of up to \$50. For t class mail to the last real estate tax assess- cords shall be deemed

l inspection district is l district in accordance nction with the written inspect dwelling units ie if the dwelling units r compliance with the ent and sanitary living

multifamily dwelling dwelling units, in the nt shall inspect only a more than 10 percent hich includes all of the ly development. In no fee authorized by this f the building depart- elling units that there e, decent and sanitary elopment, the building ecessary to enforce the a charge per dwelling

riodic inspection of a ection ordinance, the ng Code to require the up inspections of the

dwelling unit as the building department deems necessary, until such time as the dwelling unit is brought into compliance with the provisions of the Building Code that affect the safe, decent and sanitary living conditions for the tenants.

2. Periodic inspections. Except as provided in subdivision F 1, following the initial inspection of a residential rental dwelling unit subject to a rental inspection ordinance, the building department may inspect any residential rental dwelling unit in a rental inspection district, that is not otherwise exempted in accordance with this section, no more than once each calendar year.

G. Exemptions from rental inspection ordinance. Upon the initial or periodic inspection of a residential rental dwelling unit subject to a rental inspection ordinance for compliance with the Building Code, provided that there are no violations of the Building Code that affect the safe, decent and sanitary living conditions for the tenants of such residential rental dwelling unit, the building department shall provide, to the owner of such residential rental dwelling unit, an exemption from the rental inspection ordinance for a minimum of four years. Upon the sale of a residential rental dwelling unit, the building department may perform a periodic inspection as provided in subdivision F 2, subsequent to such sale. If a residential rental dwelling unit has been issued a certificate of occupancy within the last four years, an exemption shall be granted for a minimum period of four years from the date of the issuance of the certificate of occupancy by the building department. If the residential rental dwelling unit becomes in violation of the Building Code during the exemption period, the building department may revoke the exemption previously granted under this section.

H. A local governing body may establish a fee schedule for enforcement of the Building Code, which includes a per dwelling unit fee for the initial inspections, follow-up inspections and periodic inspections under this section.

I. The provisions of this section shall not, in any way, alter the rights and obligations of landlords and tenants pursuant to the applicable provisions of Chapter 13 (§ 55-217 et seq.) or Chapter 13.2 (§ 55-248.2 et seq.) of Title 55.

J. The provisions of this section shall not alter the duties or responsibilities of the local building department under § 36-105 to enforce the Building Code.

K. Unless otherwise provided in this section, penalties for violation of this section shall be the same as the penalties provided in the Building Code.

**History.**

2004, c. 851; 2009, c. 663.

**Editor's note.**

Acts 2004, c. 851, cl. 2, provides: "That any local rental inspection ordinances adopted on or before July 1, 2004, shall be brought into com-

pliance with the requirements of § 36-105.1:1 of this act by July 1, 2005."

Acts 2011, c. 766, cl. 2, repealed Acts 2009, c. 663, cl. 2. Acts 2009, c. 663, cl. 2 had provided that nothing in this section shall be construed to invalidate any rental inspection district established before January 1, 2009.

**CIRCUIT COURT OPINIONS**

**Creation of multiple rental inspection districts.** — Fairfax, Va., Ordinance No. 2008-18, which created two rental inspection districts that together comprised the entirety of the city, did not violate the terms of the enabling statute, subsection B of § 36-105.1:1,

prohibiting the creation of a single rental inspection district that encompassed the entire locality. *MacDonald v. City of Fairfax*, 80 Va. Cir. 567, 2010 Va. Cir. LEXIS 96 (Fairfax July 14, 2010).

8

# Welcome to **"POP UP MARION"**

## ***Southwest Virginia's Most Awarded Entrepreneur Development Program***

Including:

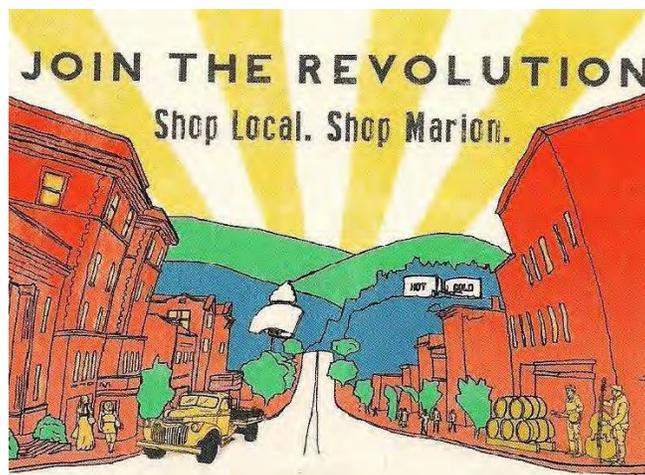
- 2013 Small Business Community of the Year for "Pop Up Marion"
- 2013 Virginia Downtown Development Association "Award of Excellence"
- 2014 Virginia Economic Development Association "Community Economic Development Award"
- 2014 Southeastern Economic Development Council "Community Economic Development Award"

Presented at numerous workshops and conferences, including the 2014 Virginia Municipal League Annual Conference, 2014 Virginia Downtown Development Association Conference, the 2014 Governor's Summit on Rural Prosperity, and the 2015 National Main Street Conference!

*Come visit us to meet our business family, and see "Pop Up Marion" in action! We love to host folks interested in returning economic vitality to our historic downtowns and small businesses through our strategic, comprehensive program that we offer FREE to any town, city, or non-profit organization that will follow the methods, share their results to help us all grow, and provide the training offered free of charge to empower our citizens to "Be The Change" in our communities. For additional information, contact:*

Ken Heath, Director of Community and Economic Development, (276)378-5026 [kheath@marionva.org](mailto:kheath@marionva.org)

Olivia Hall McDonald, Executive Director, Marion Downtown!, (276)783-4190 [omcdonald@marionva.org](mailto:omcdonald@marionva.org)



## Welcome!

Thank you for loving your community!

We love ours, too. It's easy to tell. We're both Marion natives, growing up in our small town in southwestern Virginia, choosing to stay instead of move away like many of our schoolmates did. We believe in our town, our community, our neighbors. And we know that, with your interest in our program, you are too.

First, a little about us. I grew up in Marion in the 1960's and 1970s, a time of tremendous change. My dad ran a hamburger restaurant, my grandfather was the Tom's Peanut route man. To say I grew up in a capitalistic, sales- and customer service-centered environment is a bit of an understatement. As a kid, I rode on the engine compartment of my granddad's truck and worked his routes. One summer, instead of giving me money to spend on our vacation, my grandfather decided to set me up in my own business. I was in grade school, maybe 6th grade, and he lent me a folding table and set me up an account to buy candy and chips from him to sell to the neighborhood kids. Whatever money I cleared, I got to spend when we went on our trip. But no handouts this time - I was to earn my way. The summer was filled with me working Fairground Hill, crowing "Candy for sale" until I'm certain everybody within earshot was ready for school to start! I did ok. But another kid decided he could do better and opened his own table around the racetrack. He came by to see my setup, and I struck a deal for him to buy me out. He did, I paid my granddad, and felt like John Rockefeller! I never forgot the lessons my dad and granddad taught me: work hard, treat everyone with respect, and give back to the community. That's how I got here.

Olivia's journey is similar, but without as many years. You see, I actually went to school with her parents- talk about feeling my age! But her mom taught her the same life lessons, and at 14, she had her first job. From babysitting to working at Hungry Mother State Park to signing on as my Administrative Assistant, and finally as my successor as our Downtown Director, Olivia brings the same drive and passion for our town as I do, but with a whole lot more energy - and a different, younger, set of eyes.

Together, we're humbled at the wonderful opportunity we've been afforded to live our respective dreams of being a part of the new Marion. We're blessed with a great community, a supportive town government, and an abundance of natural resources that make our job so much easier than we deserve. We don't work. We LIVE our community. And the lessons we've learned, we readily share. We are so pleased to know you are interested in seeing how you can take some of our ideas and put them to work in your community, in your downtown, or in your own business. Our contact information is on the front page of this packet, and you're welcome to call, email, or stop by any time.

## **How Did We Get Here . . . and how can we help you have the same success?**

It was the middle of the 21st century. The American love affair with the automobile was in full swing, with tons of Pittsburg steel rolling out of Detroit and along the new ribbon of interstates. Downtowns were the old, and the new was electric doors and 100 foot signs and huge parking lots out front. The push was to move people through downtown as quickly as possible to the new strip centers. Metal men rolled through, peddling aluminum facades that hid the "old look" of downtown buildings, hoping to make our downtowns resemble the new metal boxes popping up as the new shopping destinations. Stores followed the traffic, emptying the best of our "Golden Age" for downtown. As streetfront renters vacated, upper story offices and apartments emptied, and overall rental incomes for downtown properties plummeted. Owners couldn't afford to fix up their buildings, and the new, shiny strip centers were THE place to be. Downtown hit the skids. And, for Marion the early 1990's brought WalMart to town.

Downtown stores that were having tough times were about to have it even harder. No, WalMart didn't kill downtown Marion. But it helped unplug some businesses from life support. Storefront after storefront became another empty set of plate glass windows. The businesses that were left were hurting like never before in our generation.

In 1993, a group of local business owners and concerned citizens decided enough was enough. They formulated a plan to develop Marion back into a center of commerce and activity, and decided the Main Street Program was the way. I was hired as the community's first Main Street director in November 1994, and didn't know beans about downtown revitalization! But I knew business. I knew about marketing. And I knew I loved my town.

We teamed together to make our plea, and was honored to be accepted on our first application as a certified Virginia Main Street Community in 1995. From then, we all became sponges, absorbing as much as we could from the successes (and mis-steps) of other communities, and finding creative ways to use that information back here to our downtown. A series of projects, from streetscapes to upper-story housing redevelopment to facade improvements to private reinvestment helped carve our way.

Then came the Great Recession of 2008. Our downtown vacancy rate skyrocketed to nearly 18% in less than a year, hollowing out the heart of our community. We were losing, and in a big way. So we again started innovating ways to save our downtown.

One early morning, I happened to run across an article detailing New York City and their "pop up" businesses, where would-be entrepreneurs renovate a vacant space and open a business for a short time. It was bringing vitality and excitement back, cleaning up spaces, showing business could open there. Just what Marion needed - but without the short time. I leaned on some of my training from a few years back, when I moonlighted as adjunct faculty for the local community college to teach basic entrepreneurship. I starting thinking of all the challenges that were keeping stores away - and more importantly, the challenges that were keeping our citizens away - those who were quick to complain they had to travel to shop or to dine, those that thought the government alone should - and could - fill the voids. If only it were that easy.

We are blessed to have a great team of business professionals, so we started brainstorming amongst ourselves. First, let's ask the community what types of businesses they'd support here in our town. Then, we'll use that information to show prospective entrepreneurs what the market wants. We'll train the entrepreneurs, teaching them everything we can in a compact class, where they will develop AND PRESENT their business plan. Then, we'll sign them up for a minimum six months with a mentor who will look at the books, listen and observe, and help keep the fledgling business on track.

The first class FILLED our Town Hall! We trained, we celebrated, and we grew. The numbers are remarkable! In less than 24 months, Marion Downtown dropped our storefront vacancy rate from over 17% to just over 5%. Shopping center vacancies dropped to below 4%, and drew investors who snapped up two of the centers. We've trained nearly 200 entrepreneurs, sold nine buildings, filled an additional 10 storefronts, created 87 new jobs, facilitated three major facade improvement projects, and posted just over \$1.5 MILLION in PRIVATE reinvestment in our downtown!

We've hosted representatives from across Virginia, sharing our program. We've talked with folks from Harlan County, Kentucky to Houston, Texas, spreading the word. We LOVE telling Marion's story! But even more important - we LOVE helping others see this can be done in THEIR town!

"Pop Up Marion" isn't a new idea. Small business classes have been around for years. Mentorship, decades. But the unique packaging of components in a user-friendly, transferrable form that can work in most every community has made our particular twist something that continues to bring home awards, fill our storefronts, and put our people back to work.

But, you know, that's not the best that's happened in Marion because of "Pop Up." To me, the best thing that's happened is that our community once again BELIEVES IN ITSELF! We see we can succeed! The old adage "If it's from here it can't be any good" has been alive and well here in our town for a generation or more. We've seen industry leave, businesses close, jobs disappear, hope fade. But this simple process of engaging our citizens and finding a creative way to answer their cries of "nothing to do" by empowering them to go "From Couch to Cash Register," to "Be The Change," to ask "Why not ME?", then provide them with the tools to follow their passions, has turned us around. Our sidewalks used to roll up at 5 o'clock, and our mayor complained we could roll a bowling ball down Main Street and not hit a thing. Not today. Restaurants, shops, night life, live music, special events all keep our downtown buzzing with excitement. Our citizens get it. Our visitors love it! And Marion - once thought to be on the ropes - is back! In fact, the travel blogger #packedsuitcase named Marion as her "Favorite Small Town Destination." Our nationally-syndicated television series "Song of the Mountains" reaches over 100 media markets across the country. Our historic Lincoln Theatre just celebrated its tenth year anniversary with the biggest programming lineup in its history. Hungry Mother State Park brings in 250,000 visitors a year. The Virginia Community College System has partnered to bring higher education back to downtown at The Summit Center, and world-famous luthier Wayne Henderson is set to teach his guitar-making skills at the school of Appalachian Arts that bears his name. Emory & Henry College picked Marion as their hometown for their new medical arts campus. And Arnett Muldrow named us "America's Coolest Hometown!" Come visit and let us show you around! We think you'll love our town as much as we do!

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program* **Class Syllabus**

### **WEEK ONE: "Introduction to Small Business and Business Plan Overview"**

*This class offers basic information on the program, and introduction to entrepreneurship, a look at types of businesses that are trending, and a complete overview of the business plan. Participants will have a working knowledge of each of the parts necessary to complete the plan by the end of the class to allow for better understanding of topics to be discussed.*



### **WEEK TWO: "Credit: How Do YOU Score, and How Can You Build It?"**

*Having issues with your credit doesn't stop you from opening your own business. Many people have been impacted by job layoffs, divorce, medical emergencies, or other life events that have dropped their credit scores. And with the upswing in credit fraud, everyone needs to keep check. This class will discuss ways to check your credit score for free, how to build and/or repair credit, and alternate sources of funding available.*

### **WEEK THREE: " Financials and Legals: The Foundations for Success"**

*Two of the most important decisions entrepreneurs make are associated with their legal structure and knowing how to decipher financial documents. The first half of this class provides an overview of the types of legal business structures and their pros and cons, types of professional relationships necessary for success, licensing and government regulations, and a discussion on management and staffing. The second half is devoted to discussing the four most important financial statements: Personal Financial Statement, Balance Sheet, Income Statement, and Cash Flow Statement, along with "warning signs" to look out for.*

### **WEEK FOUR: "Marketing, Public Relations, and Advertising"**

*This class discusses how to build your customer base. Business location, facade and interior design and layout, signage, pricing, service, traditional and social media, direct marketing, promotional material, trade shows - most every form of communicating with your audience will be discussed to help entrepreneurs understand how to effectively use the available tools, tips, and tricks of the trade to succeed.*

### **WEEK FIVE: CLASS PRESENTATIONS AND GRADUATION**

*Showtime! We've found the #1 fear of budding entrepreneurs - presenting in public. So after spending four weeks in a classroom, and with continuous support of our team, we create a "safe zone" for participants to pitch their concept. Each participant will be provided a maximum of ten minutes to share their story, passion, and business idea with their classmates, and, at the same time, work to convince our panel of judges to fund THEIR business! Graduation follows, with presentation of certificates, photos, and press releases to celebrate another successful class.*



# "POP UP MARION"

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## Participant Information

### RULES:

- 1) Marion Downtown will award grant packages, totaling up to \$5,000 in cash for the top business proposals.
- 2) The proposals should address one or more of the business needs identified in the recent survey, specifically: **\*NOTE: There will also be consideration of other business types not listed\*\***
  - a. Clothing store/shoe store
  - b. Craft/Art Store – offers all kinds of crafts, party supplies, scrapbooking, art supplies, activities for children to do, etc.
  - c. Book Store
  - d. Restaurants. Bistros, Pubs (niche not already filled)
  - e. Antiques store
  - f. Full-service Bakery – daily baked bread, pastries, baked goods, doughnuts
  - g. Outdoor Outfitter
  - h. Ice Cream Shop

**Business plans may incorporate one or more of these. Other businesses will be considered; however, priority will go to those addressing identified market needs**
- 3) Business proposals will be scored using several criteria – strength of business plan, experience, match with local needs, etc. Maximum grant would be \$5,000 per business, and requires a minimum of one (1) full time and one (1) part time employee, payment of all business licenses and applicable taxes, etc.
- 4) THE DECISION OF THE JUDGES IS FINAL.
- 5) Attendance is **mandatory** for **all classes** to be eligible, including the business plan presentation.
- 6) Each selected business owner agrees to meet at least monthly with a designated “mentor” to share information, go over the books, etc.
- 7) Each grant will provide up to six months’ rent and utilities, reimbursable upon presentation of receipts at the end of each month, as long as the business owner continues to participate with the business counselor and in downtown activities, up to a maximum of six (6) months, or whenever the grant award is exhausted, whichever comes first.
- 8) Selected businesses will be required to participate in downtown activities, including special events and extended hours campaign, and the organization would provide additional marketing through local and regional media for each business at no charge.
- 9) Additional monies may be available through a low-interest LOAN program provided by The Town of Marion, Marion Downtown, and USDA Rural Development. These funds are “last dollar in” monies, and can be used as the final 25% (up to \$15,000) for qualifying business startups or expansions.

# "POP UP MARION"

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## PROGRAM OVERVIEW

This five-week class will introduce entrepreneurs to the concepts and practices that will provide interested students with the tools necessary for business success. The evening classes will be held at the Marion Town Council Chambers, 138 West Main Street, beginning at 6pm. At the end of the program, each student should have produced a basic small business plan, and will have the opportunity to present their plan and business concept to the team for consideration for a \$5,000 small business "Pop Up" grant assistance package. The winning business package(s) will receive up to \$5,000 cash to provide for rent and utilities, free membership in the Chamber of Commerce and in Marion Downtown, and extensive marketing, accounting, and business support. Additional details will be provided at the class. In order to qualify for grant funds, the selected business MUST locate in Town of Marion limits.

**100% Attendance is mandatory for those interested in being eligible for the grant. Other business owners and entrepreneurs may sign up for individual classes as space permits.**

"Pop Up Marion" is an entrepreneur-development program presented by The Virginia Main Street Program and Marion Downtown. Partners include The Virginia Department of Business Assistance, The Small Business Development Center at VHCC, SCORE, My Southwest Virginia, the Chamber of Commerce of Smyth County, and the Town of Marion



For additional details, contact Olivia McDonald at (276) 783-4190. Additional information will be available on the first night of classes.

Small business owners and entrepreneurs interested in individual classes, but not the competition for the grants, may attend individual class sessions as space allows.

**ALL ATTENDEES MUST PRE-REGISTER BY CALLING (276) 783-4190 OR EMAILING [OMCDONALD@MARIONVA.ORG](mailto:OMCDONALD@MARIONVA.ORG). CLASSES ARE FREE, BUT PARTICIPANTS MUST BE PRE-REGISTERED TO BE GUARANTEED A SPACE**

# **"POP UP MARION"**

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## **Program Vision and Eligibility**

### **I. "VISION"**

We believe that a key pillar of economic development in our community is to promote the start-up and expansion of local and small businesses, in addition to the typical focus on recruitment and relocation of larger manufacturing or related businesses that employ large numbers of people. Most business growth occurs in smaller businesses in our community.

To achieve this vision, the business community must promote the spirit of "entrepreneurship" among aspiring business owners in order to create and add, as little as "one job at a time" to the economic base of our community.

With this Vision in mind, the following program is being implemented to encourage and reward financially, those prospective business owners who choose to start a business in our community.

### **II. "Pop Up Business START-UP COMPETITION"**

The purpose of this competition is to encourage the development and start up of businesses in our community to further the creation of jobs. Individuals who demonstrate they are in the process of starting a new business in Marion's Downtown District within three (3) months of the date of the award will be eligible for up to \$5,000 in cash, to be given as part of the "Pop Up Business Start-up Competition" program sponsored by Marion Downtown. There are also additional grant funds available through Marion Downtown for locating within the Town of Marion limits.

Statistics show that most new business failures are a result of the lack of business planning. A MANDATORY five-week class, plus a written Business Plan, must accompany the application as support for the business idea, product or service. Each applicant must be able to demonstrate that an actual business will be started, including the products or services to be provided.

A cash prize, of up to \$5,000, will be awarded to the individual(s) who, in the opinion of the judges, demonstrates the business idea and plan most likely to result in a successful new business venture.

### III. RULES OF THE COMPETITION

1. Eligibility. Any “**new**” qualifying, for-profit business endeavor that is located within Marion’s historic Downtown District,, and is “new” to the Town of Marion is eligible to apply for a cash prize. A “new business” is defined as one that will start up, or plans to start up, **within (3) months of the date of the award.**

2. Required information. Each application (business plan) must contain at least the following information to allow the judges to adequately evaluate the Plan:

- A. Market research into the feasibility of the Product or Service.
- B. Capital start up needs and cash flow projection-24 month minimum.
- C. Management team profile, including experience.
- D. Executive Summary, including Product or Service Description.
- E. Clarity, thoroughness and neatness of submission.
- F. Number of individuals projected to be employed.
- G. Timeline for startup.
- H. Plans for use of the cash award.
- I. Marketing Plan
- J. Proposed ownership and/or legal structure of business.
- K. Principal location of business in Town of Marion.

3. Judging: A panel of business professionals will be selected by the Business and Community Development Committee to review and evaluate all competition applications, including business plans. A personal interview will be conducted with the finalists of the selection process, along with an assessment of the likelihood of success of the venture.

4. It is REQUIRED that the new business “entrepreneur” participate in EVERY SESSION in the training that is designed to help aspiring business owners learn business fundamentals.

5. Awards and disbursement will be subject to the selection committee. Funds will be used to offset up to six (6) months rent and utilities for winning businesses, and are **reimbursements** to winners through the Marion Downtown office.

# **"POP UP MARION"**

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## **CLASS ONE:**

### **INTRODUCTION TO ENTREPRENEURSHIP** **BUSINESS PLAN OVERVIEW**

## **POP QUIZ #1: Should YOU be an Entrepreneur?**

*Millions of people every year "take the plunge." They decide to follow their dream of owning their own small business. Daniel Isenberg with the Harvard Business Review, came up with his patented "Two-Minute Isenberg Entrepreneur Test" that identifies what he terms as "strong internal drivers" that tend to indicate the best opportunities for entrepreneurial success. How do you fit in? Answer these twenty questions honestly - it's your first step.*

1. I don't like being told what to do by people who are less capable than I am.
2. I like challenging myself.
3. I like to win.
4. I like being my own boss.
5. I always look for new and better ways to do things.
6. I like to question conventional wisdom.
7. I like to get people together in order to get things done.
8. People get excited by my ideas.
9. I am rarely satisfied or complacent.
10. I can't sit still.
11. I can usually work my way out of a difficult situation.
12. I would rather fail at my own thing than succeed at someone else's.
13. Whenever there is a problem, I am ready to jump in.
14. I think old dogs can learn - even invent - new tricks.
15. Members of my family run their own business.
16. I have friends who run their own business.
17. I worked after school and during vacations when I was growing up.
18. I get an adrenaline rush from selling things.
19. I am exhilarated by achieving results.
20. I could have written a better test than Isenberg (and here is what I would change)

*- Daniel Isenberg, in The Harvard Business Review*

## **Pop Quiz #1 Answer Key**

**If you answered "yes" to 17 or more, then maybe.**

**If you have extra debt - kids in college, alimony, building retirement - it may not be your time right now.**

**If you have a little extra cash, and a spouse, partner, or friends who will cheer you on, then it may be time.**

- Research by the Kauffman Foundation shows that more and more over-50s are setting up their own businesses.

- "I like to take risks" is NOT on the list. Entrepreneurs don't opt for a riskier lifestyle, but reframe the salary vs. entrepreneur choice (steady job vs boredom, bad boss, lack of autonomy, getting laid off is one choice. The other weighs entrepreneurship vs financial uncertainty, shame or embarrassment of failure, and lost investment)

- In the end, people who are meant to be entrepreneurs believe in their own abilities (leadership, resourcefulness, pluck, hard work) or assets (money, intellectual property, information, access to customers) significantly mitigate the risks of entrepreneurship.

- Risk is ultimately a PERSONAL assessment. What is risky for me is not risky for you.

- "I want to get rich" isn't on the list, either. Isenberg states that, all things being equal, people who set up their own businesses don't make more money. But the "psychic benefits" - challenges, excitement, and creativity - make it all worthwhile.

***- Daniel Isenberg, in The Harvard Business Review***

## **How To Become Your Own Boss: Getting Started** *from Entrepreneur Magazine (July 2010)*

**1. Take a Stand for Yourself.** If you're dissatisfied, admit that no one can fix them except for you. It does no good to blame the economy, your boss, your spouse, or your family. Change can only occur when you make a conscious decision to make it happen.

**2. Identify the RIGHT business for you.** Explore. Look at your life, listen to your intuition. Ask "What gives me energy even when I'm tired?" Follow three common approaches to entrepreneurship:

- Do What You Know (package existing skills in a new, meaningful way)
- Do What Others Do (learn from others about a business that interests you)
- Solve a Common Problem (Explore and fill market gaps)

**3. Develop a Business Plan.** You'll gain clarity, focus and confidence. As you commit to paper, your business becomes real. Ask "What am I building?" "Who will I serve?" "What is the promise I am making to my customers? To myself?" "What are my objectives, strategies, and steps to achieve my goals?"

**4. Know Your Target Audience BEFORE You Spend a Penny!** Will people actually pay money for your product or service? Validate your market. Determine the size of your target market, define your customers, and evaluate if your product or service is relevant to them. Use industry research, census data, and ASK!!!

**5. Understand Your Personal Finances & Choose Wisely.** An entrepreneur's personal and business lives are interconnected, as are the checking accounts. Most of the time, you are your only investor. Now how much money do you need to start - and to get over the hump?

**6. Build a Support Network.** Advisors, partners, allies, and vendors. If you believe in your business, others will, too! Network locally, nationally, and via social networks. Chamber of Commerce, downtown association, civic clubs. TIP: When networking, ask others what they do and think about HOW YOU CAN HELP THEM - listen more than talk.

**7. Sell By Creating Value.** Focus on serving others instead of "selling." Ask "What can I give them?" "How can I make them successful in their own pursuits?" This approach can help lead you to new ways to hone your product or service and deliver more value, which your customers will appreciate.

**8. Get the Word Out.** Embrace effective online tools (Twitter, Facebook, LinkedIN, YouTube, Instagram, Pinterest). Use "traditional" means, too - word of mouth, websites, public relations, blog, columns and articles, speeches and presentations, email, newsletters, telephone, newspaper, specialty magazines, radio, cable and broadcast tv.

## Starting a Business Do's and Don'ts

There are dozens of lists that look at the BEST PRACTICES of entrepreneurship. Here are the best of the bunch:

### THE DO'S

- Make sure your business vision is tied to your personal goals. Only work half days? Yep - pick which 12 hours!
- Learn your business by finding a mentor. Educate yourself with the best hands on training you can find.
- Have a skilled, trusted team on your side (legal, financial, marketing)
- Define your values, vision, mission. Know where you're headed.
- Be real in assessing your strengths and weaknesses. Find folks to fill in the gaps.
- Decide how much money you can invest - and lose. Know your risk level.
- Decide who's paying for pizza. Everybody's costs outpace expectations, so plan for unexpected expenditures.
- Decide how much liability you're willing to take. Plan accordingly (choose the right legal structure, insurance)
- Define your market. And it's not "everybody". Period.
- Talk. Listen. Read. LEARN!
- Invest in technology.
- Join your Chamber of Commerce and other business groups. NETWORK!
- Give back. Volunteer, donate, sponsor.
- Be visible.
- **BE OPEN!!!**
- Have a detailed business plan, reference it often, and update it as needed
- Apply for a federal Tax ID number, sign up for a "DBA", and get all necessary local, state, and federal licenses.
- Have an "exit strategy" from the start. Know your ultimate goal.

### THE DON'TS

- Don't have "Cadillac taste" on office space and furnishings. Be frugal.
- Don't print stationary, business cards, etc. until you've secured your legal paperwork and license.
- Don't spend money set aside for employees, taxes, utilities
- Don't put off buying insurance
- Don't pass up opportunities. **BE OPEN.** Participate in community events. Be a part of your community.
- Don't try to do everything yourself.
- Don't be undercapitalized.
- Don't cut corners with building officials, health inspectors, or anyone who holds your future at the end of a pen.
- Don't wait until the deck chairs are wet before telegraphing for a lifeboat!

***For more tips, and a treasure trove of information, visit the US Small Business Administration at [www.sba.gov](http://www.sba.gov)***

# **"POP UP MARION"**

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## **THE BUSINESS PLAN: YOUR STEP-BY-STOP GUIDE TO YOUR FOUNDATION**

### **I. Executive Summary**

### **II. Business Description**

- a. Legal Business Description**
- b. Type**
- c. Professional Relationships**
- d. Goals and Objectives**
- e. Operations and Location**
- f. Market, customers, suppliers**
- g. Staffing**
- h. Startup Costs**

### **III. Marketing, Advertising, and Public Relations**

### **IV. Financials**

- a. Personal Financial Statement**
- b. Balance Sheet**
- c. Income Statement**
- d. Cash Flow Statement**

# "POP UP MARION"

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## I. EXECUTIVE SUMMARY

*This is the cover sheet for your entire package. The Executive Summary should provide the reader with the basic information for your business - an "elevator speech" on paper. It should be written like a business letter, addressed specifically to the lender (or to whomever the plan is being presented).*

**At a minimum, your Executive Summary needs to include:**

- Owner's resume
- Basic description of your business, including legal status, name, logo, location, products/services, business hours, etc.
  
- Discussion of your market and your competition
  
- Your specific loan request, detailing your investment, other funds, and for what specific purpose you will use the loan funds
  
- Specifics of the loan request (term, source of repayment, secondary source)
  
- Your contact information (name, address, email, cell phone)

***Your Executive Summary should be the LAST document you write. It's the "sales pitch" for your business, and should be customized to your audience!***

# "POP UP MARION"

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## II. BUSINESS DESCRIPTION

In your Business Description, you'll discuss the overall operation of the business. You'll detail the most important details for setting the stage.

Business Name \_\_\_\_\_

Location \_\_\_\_\_

Contact Information \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

Website \_\_\_\_\_ Facebook \_\_\_\_\_

Twitter \_\_\_\_\_ Instagram \_\_\_\_\_

Business Owner \_\_\_\_\_

Contact Information \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

*(Include brief resume, detailing experience and other relevant information)*

Accountant \_\_\_\_\_ Phone \_\_\_\_\_

Banker \_\_\_\_\_ Phone \_\_\_\_\_

Attorney \_\_\_\_\_ Phone \_\_\_\_\_

Insurance \_\_\_\_\_ Phone \_\_\_\_\_

Business Mentor \_\_\_\_\_ Phone \_\_\_\_\_

Legal Business Status: \_\_\_\_\_

Type of Business: \_\_\_\_\_

Primary Market: \_\_\_\_\_

Hours of Operation: \_\_\_\_\_

*Provide a narrative that tells why you've chosen this business, chosen the particular location, a summary of your competition and the market, and your short- and long- range goals. Discuss employees (number and type), their responsibilities, hours, pay and benefits. Include a basic resume and/or job description for each position. Detail your suppliers, your customers. And begin*

*to explore startup costs - from utility deposits to escrow to improvements and renovations to signage and marketing material. This section sets the stage!*

# "POP UP MARION"

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## **CLASS TWO:** **CREDIT: HOW DO YOU SCORE, AND HOW DO YOU BUILD IT?**

**(FederalReserve.gov)** Your credit history is important to a lot of people: mortgage lenders, banks, utility companies, prospective employers, and more. So it's especially important that you understand your credit report, credit score, and the companies that compile that information, credit bureaus. This site--maintained by the Federal Reserve Board--provides answers to some of the most common, and most important, questions about credit.

**Q: What is a credit report?**

A: A credit report is a record of your credit history that includes information about:

- **Your identity.** Your name, address, full or partial Social Security number, date of birth, and possibly employment information.
- **Your existing credit.** Information about credit that you have, such as your credit card accounts, mortgages, car loans, and student loans. It may also include the terms of your credit, how much you owe your creditors, and your history of making payments.
- **Your public record.** Information about any court judgments against you, any tax liens against your property, or
- **Inquiries about you.** A list of companies or persons who recently requested a copy of your report.

**Q: Why is a credit report important?**

A: Your credit report is important because lenders, insurers, employers, and others may obtain your credit report from credit bureaus to assess how you manage financial responsibilities. For example:

Lenders may use your credit report information to decide whether you can get a loan and the terms you get for a loan (for example, the interest rate they will charge you).

Insurance companies may use the information to decide whether you can get insurance and to set the rates you will pay.

Employers may use your credit report, if you give them permission to do so, to decide whether to hire you.

Telephone and utility companies may use information in your credit report to decide whether to provide services to you.

Landlords may use the information to determine whether to rent an apartment to you.

**Q: Who collects and reports credit information about me?**

A: There are three major credit bureaus--Equifax, Experian, and TransUnion--that gather and maintain the information about you that is included in your credit report. The credit bureaus then provide this information in the form of a credit report to companies or persons that request it, such as lenders from whom you are seeking credit.

**Q: Where do credit bureaus get their information?**

A: Credit bureaus get information from your creditors, such as a bank, credit card issuer, or auto finance company. They also get information about you from public records, such as property or court records. Each credit bureau gets its information from different sources, so the information in one credit bureau's report may not be the same as the information in another credit bureau's report.

**Q: How can I get a free copy of my credit report?**

A: You can get one free credit report every twelve months from each of the nationwide credit bureaus--Equifax, Experian, and TransUnion--by visiting [www.annualcreditreport.com](http://www.annualcreditreport.com) or calling (877) 322-8228.

You will need to provide certain information to access your report, such as your name, address, Social Security number, and date of birth.

You can order one, two, or all three reports at the same time, or you can request these reports at various times throughout the year. The option you choose will depend on the goal of your review. A report generated by one of the three major credit bureaus may not contain all of the information pertaining to your credit history. Therefore, if you want a complete view of your credit record at a particular moment, you should examine your report from each bureau at the same time. However, if you wish to detect any errors and monitor changes in your credit profile over time, you may wish to review a single credit report every four months.

**Q: Who else is allowed to see my credit report?**

A: Because credit reports contain sensitive personal information, access to them is limited. Credit bureaus can provide credit reports only to lenders from whom you are seeking credit; lenders that have granted you credit; telephone, cell phone, and utility companies that may provide services to you; your employer or prospective employer, but only if you agree; insurance companies that have issued or may issue an insurance policy for you; government agencies reviewing your financial status for government benefits; and anyone else with a legitimate business need for the information, such as a potential landlord or a bank at which you are opening a checking account. Credit bureaus also furnish reports if required by court orders or federal grand jury subpoenas. Upon your written request, they will also issue your report to a third party.

**Q: Does the credit bureau decide whether to grant me credit?**

A: No, credit bureaus do not make credit decisions. They provide credit reports to lenders who decide whether to grant you credit.

**Q: How long does negative information, such as late payments, stay on my credit report?**

A: Generally, negative credit information stays on your credit report for seven years. If you have filed for personal bankruptcy, that fact stays on your report for ten years. Information about a lawsuit or an unpaid judgment against you can be reported for seven years or until the statute of limitations runs out, whichever is longer. Information about criminal convictions may stay on your credit report indefinitely.

**Q: What can I do if I am denied credit, insurance, or employment because of something in my credit report? What can I do if I receive less favorable credit terms than other consumers because of something in my credit report?**

A: If you are denied credit, insurance, or employment--or some other adverse action is taken against you, such as lowering your credit limit on credit card account--because of information in your credit report, the lender, insurance company, or employer must notify you and provide you with the name, address, and phone number of the credit bureau that provided the credit report used to make the decision. You can get a free credit report from this credit bureau if you request it within sixty days after receiving the notice. This free report is in addition to your annual free report.

In addition, lenders may use a credit report to set the terms of credit they offer you. If a lender offers you terms less favorable (for example, a higher rate) than the terms offered to consumers with better credit histories based on the information in your credit report, the lender may give you a notice with information about the credit bureau that provided the credit report used to make the decision. Again, you can get a free credit report (in addition to your annual free report) from this credit bureau if you request it within sixty days after receiving the notice.

If you receive one of these notices, it's a good idea to get your free credit report and review the information in it right away. If you think your credit report contains inaccurate or incomplete information, follow the steps in [Credit Report Errors](#) below, to try to resolve the issue. For tips on how to improve your chances of being granted credit, or to improve your chances of receiving credit on better terms, read the Federal Reserve's [5 Tips: Improving Your Credit Score](#).

**Q: I've been receiving unsolicited credit offers. Why? Can I opt-out of receiving these offers?**

A: Credit bureaus may sell the names and addresses of consumers who meet specific credit criteria to creditors or insurers, who must then offer them credit or insurance. For example, a creditor could request from a credit bureau the names and addresses of consumers who have a credit score of 680 or higher and then offer credit to those consumers.

You can have your name and address removed from these lists by opting-out of the listing. This will reduce the number of unsolicited offers you receive. To opt-out, call 888-5-OPTOUT (888-567-8688) or visit [www.optoutprescreen.com](http://www.optoutprescreen.com). You will need to provide certain information in order to opt-out, such as your name, address, Social Security number, and date of birth. You have the ability to opt-out of receiving offers either for five years or permanently. If you want to opt-out permanently, you will need to fill-out, sign, and mail-in a form. The form is available by either calling the toll-free number or visiting the website. You can reverse your opt-out decision at any time to start receiving offers of credit and insurance again by calling the toll-free phone number or visiting the website.

## Your Credit Score

---

**Q: What is a credit score? How is my credit score calculated?**

A: A credit score is a number that reflects the information in your credit report. The score summarizes your credit history and helps lenders predict how likely it is that you will repay a loan and make payments when they are due. Lenders may use credit scores in deciding whether to grant you credit, what terms you are offered, or the rate you will pay on a loan.

Information used to calculate your credit score can include:

- the number and type of accounts you have (credit cards, auto loans, mortgages, etc.);
- whether you pay your bills on time;
- how much of your available credit you are currently using;
- whether you have any collection actions against you;
- the amount of your outstanding debt; and
- the age of your accounts.

**Q: What can cause my credit score to change?**

A: Because your credit score reflects the information in your credit report, changes to your credit report may cause your credit score to change. For instance, if you pay your bills late or incur more debt, your credit score may go down. However, if you pay down an outstanding balance on a credit card or mortgage or correct an error in your credit report, your credit score may go up.

**Q: How can I get my credit score?**

A: In some cases, a lender may tell you your credit score for free when you apply for credit. For example, if you apply for a mortgage, you will receive the credit score or scores that were used to determine whether the lender would extend credit to you and on what terms. You may also receive a free credit score or scores from lenders when you apply for other types of credit, such as an automobile loan or a credit card.

You may also purchase your credit score from any of the credit bureaus by calling them or visiting their websites.

**Equifax:** Call 1-800-685-1111 or visit [www.equifax.com/compare-products](http://www.equifax.com/compare-products)

**Experian:** Call 1-888-397-3742 or visit [www.experian.com/consumer-products/personal-credit.html](http://www.experian.com/consumer-products/personal-credit.html)

**TransUnion:** Call 1-800-493-2392 or visit [www.transunion.com/corporate/personal/creditTools.page](http://www.transunion.com/corporate/personal/creditTools.page)

**Q: How can I improve my credit score?**

A: To find out steps you can take to improve your credit score, read the Federal Reserve's [5 Tips: Improving Your Credit Score](#).

## Credit Report Errors

---

### **Q: How can I correct errors found in my credit report?**

A: If you find errors in your credit report, you may dispute the information and request that the information be deleted or corrected. To do so, you should contact either the credit bureau that provided the report or the company or person that provided the incorrect information to the credit bureau.

To contact the credit bureau, call the toll-free number on your credit report or visit their website:

*Equifax* [www.equifax.com/answers/correct-credit-report-errors/en\\_cp](http://www.equifax.com/answers/correct-credit-report-errors/en_cp)

*Experian* [www.experian.com/disputes/](http://www.experian.com/disputes/)

*TransUnion* [www.transunion.com/corporate/personal/creditDisputes.page](http://www.transunion.com/corporate/personal/creditDisputes.page)

To contact the company or person that provided the incorrect information to the credit bureau, look on your credit report, in an account statement, or on the company's website for contact information for handling such disputes.

When disputing information on your credit report, you should:

- Provide information about yourself, such as your name, address, date of birth, and Social Security number;
- Identify specific details about the information that is being disputed and explain the basis of your dispute;
- Have a copy of your credit report that contains the disputed information available; and
- Provide supporting documentation, such as a copy of the relevant portion of the consumer report, a police report, a fraud or identity theft affidavit, or account statements.

### **Q: What happens once I send in information to correct information in my credit report?**

A: If you submit your dispute through a credit bureau or directly to the company or person that provided the incorrect information to the credit bureau, your dispute must be investigated, usually within thirty days. If you provide additional information during the thirty-day investigation, that investigation period may be extended an additional 15 days in some circumstances. When the investigation is completed, either the credit bureau or the company or person that provided the incorrect information to the credit bureau must give you the written results of its investigation.

If the information provider finds the disputed information is inaccurate, it must notify all three nationwide credit bureaus so they can correct the information in your credit report. You can get a free copy of your report if the dispute results in a change. This free report is in addition to your annual free report. If an item is changed or deleted, a credit bureau cannot put the disputed information back in your credit report unless the company or person that provided the incorrect information to the credit bureau verifies that the information is, indeed, accurate and complete.

You can request that the credit bureau send notices of any correction to anyone who received your report in the past six months. A corrected copy of your report can be sent to anyone who received a copy during the past two years for employment purposes.

### **Q: What if an investigation does not resolve my dispute?**

A: If an investigation does not resolve your dispute, you can ask that a statement of the dispute be included in your future credit reports. You also can ask the credit bureau to provide your statement to anyone who received a copy of your report in the recent past, but you may have to pay a fee for this service.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### Improving Your Credit Score ([federalreserve.gov](http://federalreserve.gov))

#### 1. Get copies of your credit report--then make sure information is correct.

Go to [www.annualcreditreport.com](http://www.annualcreditreport.com) . This is the only authorized online source for a free credit report. Under federal law, you can get a free report from each of the three national credit reporting companies every twelve months.

You can also call 877-322-8228 or complete the [Annual Credit Report Request Form \(PDF\)](#) and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.

#### 2. Pay your bills on time.

One of the most important things you can do to improve your credit score is pay your bills by the due date. You can set up automatic payments from your bank account to help you pay on time, but be sure you have enough money in your account to avoid overdraft fees.

#### 3. Understand how your credit score is determined.

Your credit score is usually based on the answers to these questions:

- **Do you pay your bills on time?** The answer to this question is very important. If you have paid bills late, have had an account referred to a collection agency, or have ever declared bankruptcy, this history will show up in your credit report.
- **What is your outstanding debt?** Many scoring models compare the amount of debt you have and your credit limits. If the amount you owe is close to your credit limit, it is likely to have a negative effect on your score.
- **How long is your credit history?** A short credit history may have a negative effect on your score, but a short history can be offset by other factors, such as timely payments and low balances.
- **Have you applied for new credit recently?** If you have applied for too many new accounts recently, that may negatively affect your score. However, if you request a copy of your own credit report, or if creditors are monitoring your account or looking at credit reports to make prescreened credit offers, these inquiries about your credit history are not counted as applications for credit.
- **How many and what types of credit accounts do you have?** Many credit-scoring models consider the number and type of credit accounts you have. A mix of installment loans and credit cards may improve your score. However, too many finance company accounts or credit cards might hurt your score.

#### 4. Learn the legal steps to take to improve your credit report.

The Federal Trade Commission has information on [disputing errors on credit reports](#), tips on [dealing with debt](#), and more.

#### 5. Beware of credit-repair scams.

Sometimes doing it yourself is the best way to repair your credit. The Federal Trade Commission's "[Credit Repair: How to Help Yourself](#)" explains how you can improve your creditworthiness and lists legitimate resources for low-cost or no-cost help.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### II. CREDIT SCORES: How Do I Rate?

Most credit scores – including the FICO score and the 2015 version of the Fico Score – operate within the range of 301 to 850. Within that range, there are different categories, from bad to excellent.

- Excellent Credit: 750+
- Good Credit: 700-749
- Fair Credit: 650-699
- Poor Credit: 600-649
- Bad Credit: below 599

But even these are not set in stone. That's because lenders all have their own definitions of what is a **good credit score**. One lender that is looking to approve more borrowers might approve applicants with credit scores of 680 or higher. Another might be more selective and only approve those with scores of 750 or higher. Or both lenders might offer credit to anyone with a score of at least 650, but charge consumers with scores below 700 a higher interest rate!

In the land of credit scores, FICO is king. The bulk of banks in the United States use FICO scores to decide whether to offer credit to potential borrowers and at what interest rate. FICO has a major global presence, as well: FICO scores are used in about 10 billion decisions worldwide each year. A good credit score is everything.

While the inner workings of the FICO scoring system are a closely guarded secret, the company is open about the general components of a FICO credit score. Using the information in a borrower's credit report, FICO breaks that information into categories. Those five components each get different weights. "FICO scores give the most attention to how you have paid back lenders in the past and how much you are using of the credit available to you, as shown on your credit report. Those two factors contribute roughly two-thirds of a typical person's FICO score," says FICO spokesman Craig Watts. So how does FICO come up with its widely used score?

#### **Here's a breakdown of the five elements of the FICO score:**

**1. Payment history:** 35 percent of the total credit score is based on a borrower's payment history, making the repayment of past debt the most important factor in calculating credit scores. According to FICO, past long-term behavior is used to forecast future long-term behavior.

FICO keeps an eye on both revolving loans — such as credit cards — and installment loans, such as mortgages or student loans. Although the weight of each loan varies between individuals, FICO indicates that defaulting on a larger installment loan like a mortgage will damage a credit score more severely than defaulting on a smaller revolving loan. One of the best ways for borrowers to improve their credit score as a whole is by making consistent, timely payments.

**2. Credit utilization:** 30 percent of the total credit score is based on a borrower's credit utilization — that is, the percentage of available credit that has been borrowed.

Since FICO views borrowers who habitually max out credit cards — or who get very close to their credit limits — as people who cannot handle debt responsibly, a borrower should maintain low credit card balances. FICO says people with the best scores tend to average about 7 percent credit utilization ratio, but that 10 to 20 percent usage is OK. That rule of thumb applies to each individual credit card as well as the overall level of debt.

As you see, the first two factors make up nearly two-thirds of your score. So if you pay your bills on time and don't carry big balances, you're two-thirds of the way toward a good credit score. The final credit score pieces can move you from a good score to a great one. "The remaining one-third of your score is determined by how long you have managed credit, to what degree you have pursued new credit recently and the variety of credit types you have successfully handled," Watts says.

As a result, it is impossible for a person who is new to credit to have a perfect credit score. A longer credit history provides more information and offers a better picture of long-term financial behavior. Therefore, to improve their credit scores, individuals without a history should begin using credit, and those with credit should maintain longstanding accounts.

**3. Length of credit history:** 15 percent of the total credit score is based on the length of time each account has been open and the length of time since the account's most recent action.

**4 and 5. New credit and credit mix:** Each comprise 10 percent of the total credit score.

Borrowers, even those new to credit, should avoid opening too many credit lines at the same time, since such behavior could suggest they are in financial trouble and need significant access to lots of credit. FICO suggests that borrowers only take on additional credit when they must have it or when it makes sense financially.

Credit mix, meanwhile, is somewhat of a vague category, but experts say that repaying a variety of debt indicates the borrower can handle all sorts of credit. According to FICO, historical data indicates that borrowers with a good mix of revolving credit and installment loans generally represent less risk for lenders.

Knowing the various weights given to components of a FICO credit score give borrowers a better idea where to focus their attention. "So to get a good score you mostly need a credit history with no reported late payments, as well as low reported balances currently on any credit cards," Watts says.

*source: <http://homeloanplace.com/good-credit-score>*

# **"POP UP MARION"**

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## **CLASS THREE:** **FINANCIALS AND LEGALS**

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### **III. FINANCIALS**

#### **a. Personal Financial Statement**

- Conduct an online search for a personal financial statement sample form. Many websites, including SBA.gov, have printable forms for general use. If you cannot print a form, you can create your own on your computer or on a notepad. In the top section, list your name, address and the name of your business. On the left side of the page, list your assets. On the right, list your liabilities.

- Gather your most recent bank statements. Find or print out statements for your individual retirement accounts, 401k accounts and life insurance policies with cash value. If you have a brokerage account, call your broker and ask for a current account value. Estimate the value of your house and any other property you own. You can use electronic home value calculators on such websites as Zillow.com or Chase.com to get an idea of your home's market value. Use the Kelley Blue Book website to establish the market value for any vehicles you own. Add up your assets and write the total at the bottom of the asset list.

- Find your mortgage statements and credit card statements. Call your bank to find out how much you owe on your vehicle loans. If you have any other personal loans or lines of credit, find out the balances. If you have any outstanding loans against life insurance policies, certificates of deposit, brokerage accounts or other personal assets, report them as installment loans on the personal financial statement form. Add up your liabilities and write the total at the bottom of the liabilities list. Deduct the total amount of your liabilities from your assets to determine your net worth.

#### **b. Balance Sheet**

- Enter your business's assets. Input assets, such as cash in a bank account, accounts receivables and inventory. Total the value of each asset down the first column of your spreadsheet, recording each asset on its own line. Expect beginning assets to remain low during the first months or years of operation.

- Enter your business's projected assets. The figure you enter is what you reasonably expect your startup to earn by the date recorded. For example, if your business has \$500 in a bank account as of the beginning date, you may project this figure to jump to \$1,500 by your projected date.

- Input assets, such as fixed assets (e.g., machinery and equipment) as well as other assets (e.g., deposits). Total the value of each asset as you did in Step 4. Differentiate fixed assets from "other" assets.

- Input your business's projected assets. As you secure additional lines of credit or profits permit expanding your business, these figures could jump dramatically in advance of your projected date. For example, your startup may only have one office desk as of your beginning date, but expand to include five as new employees are hired and your projected date is met.

- Total all of your assets. Total your current assets, fixed assets and "other" assets. In the next column, add the totals for your projected current assets, projected fixed assets and projected "other" assets.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

- Report your liabilities and equities. Start with current liabilities (e.g., accounts payable) and then proceed to long-term debt (e.g., bank loans payable). Finish this section with what is called "owner's equity" (e.g., invested capital). Input beginning and projected figures for each grouping. Total your individual liabilities and equities (i.e., beginning and projected) for a grand total at the bottom of your balance sheet.

### **c. Income Statement**

- Bookkeeping from your first year will provide the information for the next year.

- Gather the information you have collected on the market share you expect to gain (forecasted sales) as well as all of the costs of operating your business. Include in your operating costs expenses for the one-year time frame such as rent, salaries, production costs and utilities.

- Your header makes the time period clear.

- Write your business name as the header of your statement. Under it write, "Income Statement," and under that write, "For the year ending (date)." Center the three lines of text.

- On the left-hand side write "Revenue" under your header as a subject line. Under the word "Revenue" write "Gross Sales." Under that write "Less sales returns and allowances," and under that write "Net Sales." Notice that this is an equation (gross sales minus sales returns and allowances equals net sales). Create two columns to the right of your text. In the first column, write the dollar amount of your revenues. For gross sales use the dollar amount of your projected sales. If your business will not have any returns and allowances, place a zero in the column on that line. Your net sales amount will be the same as your projected sales amount.

- Skip a line after "Net Sales" and write "Expenses" as your next subject line. In a list format, write your projected expenses. Write the dollar amount for each expense on the same line in the first of the two columns on the right side of the page. Expenses include rent, costs of inventory, costs of office furniture, salaries, advertising, bank fees for the business account, postage, transportation, insurance and utility bills.

- Add all of your expenses to get the total expenses. Write "Total Expenses" below the list. Write this number on the same line in the far-right column. Underline this amount.

- Subtract total expenses from net sales to arrive at your projected net operating profit or loss. Skip a line after "Total Expenses," and write "Net Operating Profit (Loss)." Write the dollar amount on the same line in the far-right column. If you arrive at a negative figure, put the loss amount in parentheses. Double underline the amount.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

- If you anticipate no other income, such as the sale of an asset that belongs to the business or interest income, then you are done. If you anticipate either of the two, create a new section called "Other income" under the words "Net operating profit (loss)." In this section include gains or losses from sales of assets or any other income and list the dollar amount in the first column. Add your other income to get your total other income and list the dollar amount in the second column. End by calculating your net income as net operating profit (loss) plus total other income. List "Net Income" on the left-hand side of the form and include the dollar amount in column 2.

### **Cash Flow Statement**

- Calculate your sales or revenues broken out on a monthly basis going forward at least one year.

- Understand payment dynamics. Don't assume everybody pays on time. Some may pay early, especially if you offer a discount. Many will mail it out on the due date, which means it could be three or more days before you receive the check and then you have to wait for the deposit to clear.

- Calculate your projected payments received income on a monthly basis. A simple rule of thumb, until you know your collections pattern is to expect to get 20% of payments during the month of the sale; 70% during the first month after the sale; and 10% during the second month after the sale. If you have \$10,000 in total sales for May, then \$2,000 in cash will be available in May, \$7,000 in June and \$1,000 in July.

- Subtract costs of goods and services and all operating expenses from your available cash on a monthly basis to calculate your net cash inflow. If you receive \$2,000 in cash (payments) in May, and your costs and expenses are \$4,000 per month, your projected cash flow for May is negative \$2,000. In other words, you are operating your business at a loss. In June, when you get \$7,000, you will not only subtract the monthly \$4,000 in Costs & Expenses, but also carry over the \$2,000 loss. You will have a net positive cash flow of \$1,000.

- Run your Project Cash Flow analysis out for at least 12 months and update regularly. Unexpected costs and expenses are typical in a business, which is why most try to keep some cash reserve on hand. If your projected cash flow analysis indicates little or negative cash flow over time, then you need to review your business model and determine what you can do to improve cash flow.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### **LOAN REQUEST** (ehow.com)

A business loan proposal is essentially a sales pitch you share with your bank. Your plan should contain detailed information about the management of your firm, the company's finances and the reason for the loan. A good business plan should leave your banker convinced that the proposal makes sense for you and your financial institution.

#### **Business Overview**

Your business plan must include a summary of the firm's history. For an established firm, explain how long you've been in business and how the company has evolved over time. For a startup, detail your plans for the company and explain why you believe the firm can succeed. For example, use local economic data to highlight a niche that your company can fill. Explain the nature of your business. If you're involved in trucking, explain whether you manufacture, operate, rent out or sell trucks. Include anything that gives you a competitive edge over similar businesses. This could include licenses, technology or even a highly skilled workforce.

#### **Management**

You could formulate a fantastic idea for a business but fall flat on your face if you lack the skills or knowledge to succeed. Consequently, a business plan must include an explanation of your credentials. Detail industry experience, educational accomplishments and relevant licenses and certifications. If you or others plan to invest in the firm, detail your capital commitment. It sends a positive signal to your banker when you're prepared to back your ideas with some of your own money.

#### **Finances**

A business plan must contain data demonstrating your firm's capacity to repay the debt. For an established firm, include tax returns for the last three years. Additionally, you should include personal tax returns and a financial statement for any owner with a minimum 20 percent stake in the company. The plan must contain a balance sheet and income statements reflecting the firm's most recent financial activity. For a startup business, produce statements detailing projected income. These projections may help your case, although the bank may pay more attention to your personal financial statements if you're starting a new enterprise.

#### **Loan Details**

Make a specific request for a loan. Decide how much you want to borrow but ensure the proposed payments are affordable. Explain how you intend to use the funds and how the loan can benefit the firm. For example, you could boost production by financing a new piece of machinery. Include a proposed time frame in the business plan. If you intend to secure the loan with collateral, make sure the loan term doesn't exceed the useful life of the item you're using. For example, a bank won't secure a 20-year loan against a computer that has a projected shelf life of two years.

#### **Risk Management**

While business loans come in many varieties, lending decisions typically involve the same five elements: capital, capacity, character, conditions and collateral. Your plan should cover all of these areas and prove that you have money to invest,

sufficient income to repay the loan and a credit history that reflects your good character. The conditions, including rate and term, must present the bank with a decent rate of return and tolerable level of risk. Collateral reduces risk from a bank's perspective, but it has to conform to the bank's lending requirements.

## **Six Questions**

1. How much money do I need? (basics + contingency)
2. What type of lender works best for me? (bank, agency, venture capitalist, etc.)
3. What is the lender's minimum and maximum loan size?
4. Is this lender able to meet my present - and my future - loan needs?
5. What types of businesses does this lender finance?
6. What types of collateral does this lender accept?

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: BUSINESS TYPES (Virginia State Corporation Commission)

Entity Type	Definition
Business Trust	A business trust is an unincorporated association whose governing instrument, sometimes referred to as a declaration of trust, provides that one or more trustees will manage property or conduct for-profit business activities on behalf of one or more beneficial owners. A business trust is a separate legal entity and, generally, its trustees and beneficial owners are not liable for the obligations of the business trust.
Corporation	A corporation is an artificial person or legal entity managed by a board of directors, consisting of one or more individuals, who collectively elect officers to run the corporation's day-to-day business activities. There are two types of corporations in Virginia, <b>stock corporations</b> , which are authorized to issue shares to persons who become shareholders, the owners of the corporation, and <b>nonstock corporations</b> , which may have members, but not owners. Stock corporations are usually formed to generate a profit for the shareholders. Nonstock corporations are usually organized for not-for-profit purposes, such as a tax-exempt, charitable organization or a property owners' association. Generally, officers, directors, shareholders and members are not liable for the obligations of the corporation.
General Partnership	A general partnership (sometimes simply referred to as a "partnership") is an association of two or more persons to carry on, as co-owners, a business for profit. Each partner contributes money, property and/or services in return for an interest in the general partnership, shares in the profits and losses of the general partnership's business, and has equal rights in the management and conduct of the partnership's business. A general partnership is an entity distinct from its partners, but unless the general partnership is registered as a registered limited liability partnership (see this category, below), each partner is liable for the obligations of the general partnership.
Limited Liability Company	A limited liability company is an unincorporated association of one or more members (the owners) who share in the profits and losses of the company's business. It is managed in accordance with an operating agreement by one or more members (member-managed) or by one or more managers (manager-managed). A limited liability company is a separate legal entity and, generally, the members and managers are not liable for the obligations of the limited liability company.
Limited Partnership	A limited partnership, which is a type of partnership distinct from a general partnership, is formed by two or more persons with at least one

general partner and one limited partner. The general partners exercise control over the management of the limited partnership's business. The limited partners contribute money, property and/or services in return for an interest in the partnership, and share in the profits and losses of the limited partnership with the general partners in accordance with a written partnership agreement or, if there is none, the value of the unreturned contributions made by each partner. A limited partnership is an entity distinct from its partners. Generally, the limited partners are not liable for the obligations of the limited partnership. Unless the limited partnership is registered as a registered limited liability partnership (see this category, below), however, each general partner is liable for the obligations of the limited partnership.

*The following are categories within and across various business entity types.*

<b>Category</b>	<b>Definition</b>
Benefit Corporation	A benefit corporation is a Virginia stock corporation whose articles of incorporation provide that it is a benefit corporation and that has, as one of its purposes, the purpose of creating a general public benefit on society and/or the environment.
Cooperative	A cooperative is a stock or nonstock corporation that is organized to conduct, on a cooperative plan for the mutual benefit of its members, any housing, agricultural, fishing, dairy, mercantile, merchandise, brokerage, water, sewer, manufacturing, service or mechanical business, or to represent or provide financing for cooperative associations, societies, companies or exchanges.
Foreign Business Entity	A foreign business entity is a business trust, corporation, general partnership, limited liability company or limited partnership that has been incorporated, organized or formed under the laws of a state or jurisdiction other than Virginia.
Professional Corporation	A professional corporation is a stock or nonstock corporation that is organized for the sole and specific purpose of rendering the professional service of pharmacists, optometrists, physical therapists, physical therapist assistants, practitioners of the healing arts, nurse practitioners, practitioners of the behavioral science professions, veterinarians, surgeons, dentists, architects, professional engineers, land surveyors, certified landscape architects, certified interior designers, public accountants, certified public accountants, attorneys-at-law, insurance consultants, audiologists, speech pathologists or clinical nurse specialists.
Professional Limited Liability Company	A professional limited liability company is a limited liability company that is organized for the sole and specific purpose of rendering a professional service that can be performed by a professional corporation.
Public Service	A public service company is a business entity that conducts business as

Company	a gas, pipeline, electric light, heat, power, water supply, sewer, telephone or telegraph company, or as a common carrier of passengers or property. Generally, the business activities of a public service company are subject to regulation by a Virginia and/or federal governmental agency.
Registered Limited Liability Partnership	A registered limited liability partnership (sometimes referred to as a limited liability partnership) is a status granted to a general partnership or a limited partnership that has registered for such status in the jurisdiction of its formation. Upon registration, the partners of a general partnership and the general partners of a limited partnership are not liable for the obligations of the general partnership or limited partnership that arise after registration.
Registered Limited Liability Limited Partnership	A registered limited liability limited partnership is the term that applies to a limited partnership that has registered for status as a registered limited liability partnership.

## Virginia Entity Fees

<b>Charter and Filing Fees</b>			
<b>Entity Type</b>	<b>Charter Fee</b>	<b>Filing Fee</b>	<b>Total</b>
Stock corporation	See Schedule below	\$25	\$75 - \$2,525
Nonstock corporation	\$50	\$25	\$75
Limited Liability Company	N/A	\$100	\$100
Business Trust	N/A	\$100	\$100
Limited Partnership	N/A	\$100	\$100
General Partnership	N/A	\$25	\$25
Registered Limited Liability Partnership	N/A	\$100	\$100

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: Sole Proprietorship (SBA.GOV)

A sole proprietorship is the simplest and most common structure chosen to start a business. It is an unincorporated business owned and run by one individual with no distinction between the business and you, the owner. You are entitled to all profits and are responsible for all your business's debts, losses and liabilities.

#### Forming a Sole Proprietorship

You do not have to take any formal action to form a sole proprietorship. As long as you are the only owner, this status automatically comes from your business activities. In fact, you may already own one without knowing it. If you are a freelance writer, for example, you are a sole proprietor.

But like all businesses, you need to obtain the necessary licenses and permits. Regulations vary by industry, state and locality. Use the [Licensing & Permits tool](#) to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

If you choose to operate under a name different than your own, you will most likely have to file a [fictitious name](#) (also known as an assumed name, trade name, or DBA name, short for "doing business as"). You must choose an original name; it cannot already be claimed by another business.

#### Sole Proprietor Taxes

Because you and your business are one and the same, the business itself is not taxed separately-the sole proprietorship income is your income. You report income and/or losses and expenses with a Schedule C and the standard Form 1040. The "bottom-line amount" from Schedule C transfers to your personal tax return. It's your responsibility to withhold and pay all income taxes, including self-employment and estimated taxes. You can find more information about sole proprietorship taxes and other forms at [IRS.gov](#).

#### Advantages of a Sole Proprietorship

- **Easy and inexpensive to form:** A sole proprietorship is the simplest and least expensive business structure to establish. Costs are minimal, with legal costs limited to obtaining the necessary license or permits.
- **Complete control.** Because you are the sole owner of the business, you have complete control over all decisions. You aren't required to consult with anyone else when you need to make decisions or want to make changes.
- **Easy tax preparation.** Your business is not taxed separately, so it's easy to fulfill the tax reporting requirements for a sole proprietorship. The tax rates are also the lowest of the business structures.

#### Disadvantages of a Proprietorship

- **Unlimited personal liability.** Because there is no legal separation between you and your business, you can be held personally liable for the debts and obligations of the business. This risk extends to any liabilities incurred as a result of employee actions.
- **Hard to raise money.** Sole proprietors often face challenges when trying to raise money. Because you can't sell stock in the business, investors won't often invest. Banks are also hesitant to lend to a sole proprietorship because of a perceived lack of credibility when it comes to repayment if the business fails.
- **Heavy burden.** The flipside of complete control is the burden and pressure it can impose. You alone are ultimately responsible for the successes and failures of your business.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: Limited Liability Company (SBA.GOV)

A limited liability company is a hybrid type of legal structure that provides the limited liability features of a corporation and the tax efficiencies and operational flexibility of a partnership.

The "owners" of an LLC are referred to as "members." Depending on the state, the members can consist of a single individual (one owner), two or more individuals, corporations or other LLCs.

Unlike shareholders in a corporation, LLCs are not taxed as a separate business entity. Instead, all profits and losses are "passed through" the business to each member of the LLC. LLC members report profits and losses on their personal federal tax returns, just like the owners of a partnership would.

#### Forming an LLC

While each state has slight variations to forming an LLC, they all adhere to some general principles:

**Choose a Business Name.** There are 3 rules that your LLC name needs to follow: (1) it must be different from an existing LLC in your state, (2) it must indicate that it's an LLC (such as "LLC" or Limited Company") and (3) it must not include words restricted by your state (such as "bank" and "insurance"). Your business name is automatically registered with your state when you register your business, so you do not have to go through a separate process. Read more here about [choosing a business name](#).

**File the Articles of Organization.** The "articles of organization" is a simple document that legitimizes your LLC and includes information like your business name, address, and the names of its members. For most states, you file with the Secretary of State. However, other states may require that you file with a different office such as the State Corporation Commission, Department of Commerce and Consumer Affairs, Department of Consumer and Regulatory Affairs, or the Division of Corporations & Commercial Code. Note: there may be an associated filing fee.

**Create an Operating Agreement.** Most states do not require [operating agreements](#). However, an operating agreement is highly recommended for multi-member LLCs because it structures your LLC's finances and organization, and provides rules and regulations for smooth operation. The operating agreement usually includes percentage of interests, allocation of profits and losses, member's rights and responsibilities and other provisions.

**Obtain Licenses and Permits.** Once your business is registered, you must obtain business licenses and permits. Regulations vary by industry, state and locality. Use the [Licensing & Permits tool](#) to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

**Hiring Employees.** If you are hiring employees, read more about [federal and state regulations for employers](#).

**Announce Your Business.** Some states, including Arizona and New York, require the extra step of publishing a statement in your local newspaper about your LLC formation. Check with your [state's business filing office](#) for requirements in your area.

#### LLC Taxes

In the eyes of the federal government, an LLC is not a separate tax entity, so the business itself is not taxed. Instead, all federal income taxes are passed on to the LLC's members and are paid through their personal income tax. While the federal government does not tax income on an LLC, some states do, so check with your [state's income tax agency](#).

Since the federal government does not recognize LLC as a business entity for taxation purposes, all LLCs must file as a corporation, partnership, or sole proprietorship tax return. Certain LLCs are automatically classified and taxed as a corporation by federal tax law. For guidelines about how to classify an LLC, visit [IRS.gov](https://www.irs.gov).

LLCs that are not automatically classified as a corporation can choose their business entity classification. To elect a classification, an LLC must file Form 8832. This form is also used if an LLC wishes to change its classification status. Read more about [filing as a corporation or partnership](#) and [filing as a single member LLC](#) at [IRS.gov](https://www.irs.gov).

You should file the following tax forms depending on your classification:

- **Single Member LLC.** A single-member LLC files Form 1040 Schedule C like a sole proprietor.
- **Partners in an LLC.** Partners in an LLC file a [FORM 1065](#) partnership tax return like owners in a traditional partnership.
- **LLC filing as a Corporation.** An LLC designated as a corporation files Form 1120, the corporation income tax return.

The IRS guide to [Limited Liability Companies](#) provides all relevant tax forms and additional information regarding their purpose and use.

### Combining the Benefits of an LLC with an S-Corp

There is always the possibility of requesting S-Corp status for your LLC. An attorney can advise you on the pros and cons. You'll have to make a special election with the IRS to have the LLC taxed as an S-Corp using [Form 2553](#). You must file prior to the first two months and fifteen days of the beginning of the tax year in which the election is to take effect. The LLC remains a limited liability company from a legal standpoint, but for tax purposes it can be treated as an S-Corp. Be sure to contact the state's income tax agency where you plan to file your election form. Ask about the tax requirements and if they recognize elections of other entities (such as the S-Corp).

### Advantages of an LLC

- **Limited Liability.** Members are protected from personal liability for business decisions or actions of the LLC. This means that if the LLC incurs debt or is sued, members' personal assets are usually exempt. This is similar to the liability protections afforded to shareholders of a corporation. Keep in mind that limited liability means "limited" liability - members are not necessarily shielded from wrongful acts, including those of their employees.
- **Less Recordkeeping.** An LLC's operational ease is one of its greatest advantages. Compared to an S-Corporation, there is less [registration paperwork](#) and there are smaller start-up costs.
- **Sharing of Profits.** There are fewer restrictions on profit sharing within an LLC, as members distribute profits as they see fit. Members might contribute different proportions of capital and sweat equity. Consequently, it's up to the members themselves to decide who has earned what percentage of the profits or losses.

### Disadvantages of an LLC

- **Limited Life.** In many states, when a member leaves an LLC, the business is dissolved and the members must fulfill all remaining legal and business obligations to close the business. The remaining members can decide if they want to start a new LLC or part ways. However, you can include provisions in your operating agreement to prolong the life of the LLC if a member decides to leave the business.
- **Self-Employment Taxes.** Members of an LLC are considered self-employed and must pay the self-employment tax contributions towards Medicare and Social Security. The entire net income of the LLC is subject to this tax.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: Corporation (SBA.GOV)

#### Corporation (C Corporation)

A corporation (sometimes referred to as a C corporation) is an independent legal entity owned by shareholders. This means that the corporation itself, not the shareholders that own it, is held legally liable for the actions and debts the business incurs.

Corporations are more complex than other business structures because they tend to have costly administrative fees and complex tax and legal requirements. Because of these issues, corporations are generally suggested for established, larger companies with multiple employees.

For businesses in that position, corporations offer the ability to sell ownership shares in the business through stock offerings. "Going public" through an initial public offering (IPO) is a major selling point in attracting investment capital and high quality employees.

#### Forming a Corporation

A corporation is formed under the laws of the state in which it is registered. To form a corporation you'll need to establish your [business name](#) and register your legal name with your state government. If you choose to operate under a name different than the officially registered name, you'll most likely have to file a fictitious name (also known as an assumed name, trade name, or DBA name, short for "doing business as"). State laws vary, but generally corporations must include a corporate designation (Corporation, Incorporated, Limited) at the end of the business name.

To [register your business](#) as a corporation, you need to file certain documents, typically articles of incorporation, with your state's Secretary of State office. Some states require corporations to establish directors and issue stock certificates to initial shareholders in the registration process. [Contact your state business entity registration office](#) to find out about specific filing requirements in the state where you form your business.

Once your business is registered, you must obtain business licenses and permits. Regulations vary by industry, state and locality. Use our [Licensing & Permits tool](#) to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

If you are hiring employees, read more about federal and state regulations for employers.

#### Corporation Taxes

Corporations are required to pay federal, state, and in some cases, local taxes. Most businesses must register with the IRS and [state and local revenue agencies](#), and receive a [tax ID number or permit](#).

When you form a corporation, you create a separate tax-paying entity. Regular corporations are called "C corporations" because Subchapter C of Chapter 1 of the Internal Revenue Code is where you find general tax rules affecting corporations and their shareholders.

Unlike sole proprietors and partnerships, corporations pay income tax on their profits. In some cases, corporations are taxed twice - first, when the company makes a profit, and again when dividends are paid to shareholders on their personal tax returns. Corporations use IRS [Form 1120 or 1120-A, U.S. Corporation Income Tax Return](#) to report revenue to the federal government.

Shareholders who are also employees pay income tax on their wages. The corporation and the employee each pay one half of the Social Security and Medicare taxes, but this is usually a deductible business expense.

#### **Advantages of a Corporation**

- **Limited Liability.** When it comes to taking responsibility for business debts and actions of a corporation, shareholders' personal assets are protected. Shareholders can generally only be held accountable for their investment in stock of the company.
- **Ability to Generate Capital.** Corporations have an advantage when it comes to raising capital for their business - the ability to raise funds through the sale of stock.
- **Corporate Tax Treatment.** Corporations file taxes separately from their owners. Owners of a corporation only pay taxes on corporate profits paid to them in the form of salaries, bonuses, and dividends, while any additional profits are awarded a corporate tax rate, which is usually lower than a personal income tax rate.
- **Attractive to Potential Employees.** Corporations are generally able to attract and hire high-quality and motivated employees because they offer competitive benefits and the potential for partial ownership through stock options.

#### **Disadvantages of a Corporation**

- **Time and Money.** Corporations are costly and time-consuming ventures to start and operate. Incorporating requires start-up, operating and tax costs that most other structures do not require.
- **Double Taxing.** In some cases, corporations are taxed twice - first, when the company makes a profit, and again when dividends are paid to shareholders.
- **Additional Paperwork.** Because corporations are highly regulated by federal, state, and in some cases local agencies, there are increased paperwork and recordkeeping burdens associated with this entity.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: Partnership (SBA.GOV)

A partnership is a single business where two or more people share ownership.

Each partner contributes to all aspects of the business, including money, property, labor or skill. In return, each partner shares in the profits and losses of the business.

Because partnerships entail more than one person in the decision-making process, it's important to discuss a wide variety of issues up front and develop a legal partnership agreement. This agreement should document how future business decisions will be made, including how the partners will divide profits, resolve disputes, change ownership (bring in new partners or buy out current partners) and how to dissolve the partnership. Although partnership agreements are not legally required, they are strongly recommended and it is considered extremely risky to operate without one.

#### Types of Partnerships

There are three general types of partnership arrangements:

- **General Partnerships** assume that profits, liability and management duties are divided equally among partners. If you opt for an unequal distribution, the percentages assigned to each partner must be documented in the partnership agreement.
- **Limited Partnerships** (also known as a partnership with limited liability) are more complex than general partnerships. Limited partnerships allow partners to have limited liability as well as limited input with management decisions. These limits depend on the extent of each partner's investment percentage. Limited partnerships are attractive to investors of short-term projects.
- **Joint Ventures** act as general partnership, but for only a limited period of time or for a single project. Partners in a joint venture can be recognized as an ongoing partnership if they continue the venture, but they must file as such.

#### Forming a Partnership

To form a partnership, you must [register your business](#) with your state, a process generally done through your Secretary of State's office.

You'll also need to establish your [business name](#). For partnerships, your legal name is the name given in your partnership agreement or the last names of the partners. If you choose to operate under a name different than the officially registered name, you will most likely have to file a [fictitious name](#) (also known as an assumed name, trade name, or DBA name, short for "doing business as").

Once your business is registered, you must obtain business [licenses and permits](#). Regulations vary by industry, state and locality. Use our [Licensing & Permits tool](#) to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

If you are hiring employees, read more about [federal and state regulations for employers](#).

## Partnership Taxes

Most businesses will need to register with the IRS, register with state and local revenue agencies, and obtain a [tax ID number or permit](#).

A partnership must file an “annual information return” to report the income, deductions, gains and losses from the business’s operations, but the business itself does not pay income tax. Instead, the business “passes through” any profits or losses to its partners. Partners include their respective share of the partnership’s income or loss on their personal tax returns.

Partnership taxes generally include:

- Annual Return of Income
- Employment Taxes
- Excise Taxes

Partners in the partnership are responsible for several additional taxes, including:

- Income Tax
- Self-Employment Tax
- Estimated Tax

### Filing information for partnerships:

- Partnerships must furnish copies of their [Schedule K-1 \(Form 1065\)](#) to all partners by the date Form 1065 is required to be filed, including extensions.
- Partners are not employees and should not be issued a Form W-2.

The IRS guide to [Partnerships](#) provides all relevant tax forms and additional information regarding their purpose and use.

### Advantages of a Partnership

- **Easy and Inexpensive.** Partnerships are generally an inexpensive and easily formed business structure. The majority of time spent starting a partnership often focuses on developing the partnership agreement.
- **Shared Financial Commitment.** In a partnership, each partner is equally invested in the success of the business. Partnerships have the advantage of pooling resources to obtain capital. This could be beneficial in terms of securing credit, or by simply doubling your seed money.
- **Complementary Skills.** A good partnership should reap the benefits of being able to utilize the strengths, resources and expertise of each partner.
- **Partnership Incentives for Employees.** Partnerships have an employment advantage over other entities if they offer employees the opportunity to become a partner. Partnership incentives often attract highly motivated and qualified employees.

### Disadvantages of a Partnership

- **Joint and Individual Liability.** Similar to sole proprietorships, partnerships retain full, shared liability among the owners. Partners are not only liable for their own actions, but also for the business debts and decisions made by other partners. In addition, the personal assets of all partners can be used to satisfy the partnership’s debt.
- **Disagreements Among Partners.** With multiple partners, there are bound to be disagreements. Partners should consult each other on all decisions, make compromises, and resolve disputes as amicably as possible.
- **Shared Profits.** Because partnerships are jointly owned, each partner must share the successes and profits of their business with the other partners. An unequal contribution of time, effort, or resources can cause discord among partners.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: S CORPORATION (SBA.GOV)

An S corporation (sometimes referred to as an S Corp) is a special type of corporation created through an IRS tax election. An eligible domestic corporation can avoid double taxation (once to the corporation and again to the shareholders) by electing to be treated as an S corporation.

An S corp is a corporation with the Subchapter S designation from the IRS. To be considered an S corp, you must first charter a business as a corporation in the state where it is headquartered. According to the IRS, S corporations are "considered by law to be a unique entity, separate and apart from those who own it." This limits the financial liability for which you (the owner, or "shareholder") are responsible. Nevertheless, liability protection is limited - S corps do not necessarily shield you from all litigation such as an employee's tort actions as a result of a workplace incident.

What makes the S corp different from a traditional corporation (C corp) is that profits and losses can pass through to your personal tax return. Consequently, the business is not taxed itself. Only the shareholders are taxed. There is an important caveat, however: any shareholder who works for the company must pay him or herself "reasonable compensation." Basically, the shareholder must be paid fair market value, or the IRS might reclassify any additional corporate earnings as "wages."

#### **Forming an S Corporation**

Before you form an S Corporation, determine if your business will qualify under the [IRS stipulations](#).

To file as an S Corporation, you must first file as a corporation. After you are considered a corporation, all shareholders must sign and file [Form 2553](#) to elect your corporation to become an S Corporation.

Once your business is registered, you must obtain business licenses and permits. Regulations vary by industry, state and locality. Use the [Licensing & Permits tool](#) to find a listing of federal, state and local permits, licenses, and registrations you'll need to run a business.

If you are hiring employees, read more about federal and state regulations for employers.

#### **Combining the Benefits of an LLC with an S Corp**

There is always the possibility of requesting S Corp status for your LLC. Your attorney can advise you on the pros and cons. You'll have to make a special election with the IRS to have the LLC taxed as an S corp using [Form 2553](#). And you must file it before the first two months and fifteen days of the beginning of the tax year in which the election is to take effect.

The LLC remains a limited liability company from a legal standpoint, but for tax purposes it's treated as an S corp. Be sure to contact your state's income tax agency where you will file the election form to learn about tax requirements.

#### **Taxes**

Most businesses need to register with the IRS, register with state and local revenue agencies, and obtain a [tax ID number or permit](#).

All states do not tax S corps equally. Most recognize them similarly to the federal government and tax the shareholders accordingly. However, some states (like Massachusetts) tax S corps on profits above a specified limit. Other states don't recognize the S corp election and treat the business as a C corp with all of the tax ramifications. Some states (like New York and New Jersey) tax both the S corps profits and the shareholder's proportional shares of the profits.

Your corporation must file the Form 2553 to elect "S" status within two months and 15 days after the beginning of the tax year or any time before the tax year for the status to be in effect.

Read more about IRS filing requirements for [S Corporations](#).

### Advantages of an S Corporation

- **Tax Savings.** One of the best features of the S Corp is the tax savings for you and your business. While members of an LLC are subject to employment tax on the entire net income of the business, only the wages of the S Corp shareholder who is an employee are subject to employment tax. The remaining income is paid to the owner as a "distribution," which is taxed at a lower rate, if at all.
- **Business Expense Tax Credits.** Some expenses that shareholder/employees incur can be written off as [business expenses](#). Nevertheless, if such an employee owns 2% or more shares, then benefits like health and life insurance are deemed taxable income.
- **Independent Life.** An S corp designation also allows a business to have an independent life, separate from its shareholders. If a shareholder leaves the company, or sells his or her shares, the S corp can continue doing business relatively undisturbed. Maintaining the business as a distinct corporate entity defines clear lines between the shareholders and the business that improve the protection of the shareholders.

### Disadvantages of an S Corporation

- **Stricter Operational Processes.** As a separate structure, S corps require scheduled director and shareholder meetings, minutes from those meetings, adoption and updates to by-laws, stock transfers and records maintenance.
- **Shareholder Compensation Requirements.** A shareholder must receive reasonable compensation. The IRS takes notice of shareholder red flags like low salary/high distribution combinations, and may reclassify your distributions as wages. You could pay a higher employment tax because of an audit with these results.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: Choose Your Business Name (SBA.GOV)

*Some business types require registration with your state government: A corporation a nonprofit organization, or a limited-liability company or partnership. If you establish your business as a sole proprietorship, you won't need to register your business at the state level. However, many states require sole proprietors to use their own name for the business name unless they formally file another name. This is known as a your Doing Business As (DBA) name, trade name or a fictitious name.*

Choosing a business name is an important step in the business planning process. Not only should you pick a name that reflects your brand identity, but you also need to ensure it is properly registered and protected for the long term. You should also give a thought to whether it's web-ready. Is the domain name even available? Here are some tips to help you pick, register, and protect your business name.

#### **Factors to Consider When Naming Your Business**

Many businesses start out as freelancers, solo operations, or partnerships. In these cases, it's easy to fall back on your own name as your business name. While there's nothing wrong with this, it does make it tougher to present a professional image and build brand awareness. Here are some points to consider as you choose a name:

- **How will your name look?** – On the web, as part of a logo, on social media.
- **What connotations does it evoke?** – Is your name too corporate or not corporate enough? Does it reflect your business philosophy and culture? Does it appeal to your market?
- **Is it unique?** – Pick a name that hasn't been claimed by others, online or offline. A quick web search and domain name search (more on this below) will alert you to any existing use.

**Check for Trademarks** Trademark infringement can carry a high cost for your business. Before you pick a name, use the U.S. Patent and Trademark Office's [trademark search tool](#) to see if a similar name, or variations of it, is trademarked.

**If You Intend to Incorporate** If you intend to incorporate your business, you'll need to contact your state filing office to check whether your intended business name has already been claimed and is in use. If you find a business operating under your proposed name, you may still be able to use it, provided your business and the existing business offer different goods/services or are located in different regions.

**Pick a Name That is Web-Ready** In order to claim a website address or URL, your business name needs to be unique and available. It should also be rich in key words that reflect what your business does. To find out if your business name has been claimed online, do a simple web search to see if anyone is already using that name. Next, check whether a domain name (or web address) is available. You can do this using the [WHOIS database](#) of domain names. If it is available, be sure to claim it right away. This guide explains how to [register a domain name](#).

**Claim Your Social Media Identity** It's a good idea to claim your social media name early in the naming process – even if you are not sure which sites you intend to use. A name for your Facebook page can be set up and changed, but you can only claim a vanity URL or custom URL once you've got 25 fans or "likes." This custom URL name must be unique, or un-claimed.

**Register Your New Business Name** Registering a business name is a confusing area for new business owners. What does it mean and what are you required to do? Registering your business name involves a process known as registering a "Doing Business As (DBA)" name or trade name. This process shouldn't be confused with incorporation and it doesn't provide trademark protection. Registering your "Doing Business As" name is simply the process of letting your state government know that you are doing business as a name other than your personal name or the legal name of your partnership or corporation. If you are operating under your own name, then you can skip the process.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### **III. LEGALS: Register Your Business Name (SBA.GOV)**

Naming your business is an important branding exercise, but if you choose to name your business as anything other than your own personal name then you'll need to register it with the appropriate authorities.

This process is known as registering your "Doing Business As" (DBA) name.

#### **What is a "Doing Business As" Name?**

A fictitious name (or assumed name, trade name or DBA name) is a business name that is different from your personal name, the names of your partners or the officially registered name of your LLC or corporation.

It's important to note that when you form a business, the legal name of the business defaults to the name of the person or entity that owns the business, unless you choose to rename it and register it as a DBA name.

For example, consider this scenario: John Smith sets up a painting business. Rather than operate under his own name, John instead chooses to name his business: "John Smith Painting". This name is considered an assumed name and John will need to register it with the appropriate local government agency.

The legal name of your business is required on all government forms and applications, including your application for employer tax IDs, licenses and permits.

#### **Do I Need a "Doing Business As" Name?**

A DBA is needed in the following scenarios:

- **Sole Proprietors or Partnerships** – If you wish to start a business under anything other than your real name, you'll need to register a DBA so that you can do business as another name.
- **Existing Corporations or LLCs** – If your business is already set up and you want to do business under a name other than your existing [corporation](#) or [LLC](#) name, you will need to register a DBA.

**Note:** Not all states require the registering of fictitious business names or DBAs.

#### **How to Register your "Doing Business As" Name**

Registering your DBA is done either with your county clerk's office or with your state government, depending on where your business is located. There are a few states that do not require the registering of fictitious business names.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### III. LEGALS: LOCAL, COUNTY, AND STATE REGS AND LICENSES

#### LOCAL REGULATIONS

- **Zoning Certification** This is a letter from the local Zoning Administration certifying your business is in a correctly zoned area. For a home-based business or a business to be located outside the business district, you would need to apply for a Special Use Permit. The Zoning Certification is available at the office of the Town Engineer on the lower level of the Marion Municipal Building. This certification is REQUIRED before a building permit can be issued.

- **Business License** Based upon your estimated first year's GROSS receipts, the Business License ("BPOL") is available at the office of the Town Clerk on the Main Floor of the Marion Municipal Building. Subsequent years require proof of financials.

- **Meals Tax.** If your business sells food, you will register with the Town Clerk for monthly payment of the local Meals Tax. The Town Clerk's office is on the Main Level of the Marion Municipal Building.

- **Sign Permit.** Each sign requires a Sign Permit. Fee is \$5 per sign, and the permits can be obtained at the office of the Town Engineer, located on the lower level of the Marion Municipal Building.

- **Building Inspector.** If your business is different than the previous use of the property (retail space changing into a restaurant, for example), or if you will be providing substantial rehabilitation and remodeling to a space, you will be required to bring the space up to all current codes, including ADA compliance. The Smyth County Building Inspector's office is located in the County office building on Bagley Circle on East Main Street, phone (276) 783-3298.

- **Health Inspection.** If your business requires a health inspection, you must contact the Virginia Department of Health at (276) 781-7450.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### **IV. MARKETING, ADVERTISING, AND PUBLIC RELATIONS - A "PIE" Job!**

MARKETING: "The systematic planning, implementation and control of a mix of business activities intended to bring together buyers and sellers for the mutually advantageous exchange or transfer of products. It's everything that an organization does to facilitate an exchange between company and consumer." - Laura Lake, AboutMoney.com

ADVERTISING: "The paid, public, non-personal announcement of a persuasive message by an identified sponsor; the non-personal presentation or promotion by a firm of its products to its existing and potential customers." - Laura Lake, AboutMoney.com

- Traditional Media (radio, TV, newspaper, magazines)
- Social Media (Facebook, Instagram, YouTube)
- E Media (email, website)
- Direct Marketing
- "Guerilla Marketing"

PUBLIC RELATIONS:

- Sponsorships
- Community Involvement
- Awards, Publications, Speakers Bureau

Pricing:

Promotional Materials

Special Events and Trade Shows

Customer Service

The best way to distinguish between advertising, marketing, and public relations is to think of marketing as a pie. Inside that pie you have slices of advertising, market research, media planning, public relations, product pricing, distribution, customer support, sales strategy, and community involvement. Each slice must stand alone, but the goal is to have a whole pie that each piece serves a different customer, or a different way to reach your customer base. It takes an average of SEVEN impressions to begin to get noticed, more for TOMA (Top Of Mind Awareness), and it can only be achieved with a mix of the above.

Examine your market, your customers, your potential customers, and your competition. Discuss your "market differentiator."

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### **IV. MARKETING: Pricing Strategies for Small Business** By Darrell Zahorsky, Small Business Information Expert

The pricing strategy of your small business can ultimately determine your fate. Small business owners can ensure profitability and longevity by paying close attention to their pricing strategy. Commonly, in business plans I've reviewed, the pricing strategy has been to be the lowest price provider in the market. This approach comes from taking a quick view of competitors and assuming you can win business by having the lowest price.

#### **Lowest Pricing Does Not Win**

Having the lowest price is not a strong position for small business. Larger competitors with deep pockets and the ability to have lower operating costs will destroy any small business trying to compete on price alone. Avoiding the low price strategy starts with looking at the demand in the market by examining three factors:

- 1. Competitive Analysis:** Don't just look at your competitor's pricing. Look at the whole package they offer. Are they serving price-conscious consumers or the affluent group? What are the value-added services if any?
- 2. Ceiling Price:** The ceiling price is the highest price the market will bear. Survey experts and customers to determine pricing limits. The highest price in the market may not be the ceiling price.
- 3. Price Elasticity:** If the demand for your product or service is less elastic, you can then have a higher ceiling on prices. [Low elastic demand](#) depends on limited competitors, buyer's perception of quality, and consumers not habituated to looking for the lowest price in your industry.

Once you understand the demand structure in your industry, review your costs and profit goals as set in your business plan or financials. The [low price strategy](#) is best avoided by small business but there are conditions such as a price war that can drag a company into the lowest price battle.

#### **Avoiding a Price War**

A price war can wreck havoc in any industry and leave many businesses, out of business. In the early 90's, I observed the competitive exercise equipment market enter a price war in a large city market. Profits were plentiful but a price war took the gross margins from 42% to 12%. In less than 18 months, over 60% of the retailers were out of business while my division went national. Take these tips to evade a deadly price war:

- **Enhance Exclusivity:** Products or services that are exclusive to your business provide protection from falling prices.
- **Drop High Maintenance Goods:** There may be products or services in your business that have high customer service and maintenance costs. Drop the unprofitable lines and find out what customers don't want.
- **Value-added:** Find value your business can add to stand out in the marketplace. Be the most unique business in the category.
- **Branding:** Develop your brand name in the market. Brand name businesses can always stand strong in a price war.

Leave the price-cutting and price wars to big business. Small businesses with solid pricing strategies can escape a [price war](#) and low price position. Carefully, consider your price decisions. Your business depends on it.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### IV. MARKETING: Tips for Choosing Your Business Location (SBA.GOV)

*Choosing a business location is perhaps the most important decision a small business owner or startup will make, so it requires precise planning and research. It involves looking at demographics, assessing your supply chain, scoping the competition, staying on budget, understanding state laws and taxes, and much more. Here are some tips to help you choose the right business location.*

#### **Determine Your Needs**

Most businesses choose a location that provides exposure to customers. Additionally, there are less obvious factors and needs to consider, for example:

- **Brand Image** – Is the location consistent with the image you want to maintain?
- **Competition** – Are the businesses around you complementary or competing?
- **Local Labor Market** – Does the area have potential employees? What will their commute be like?
- **Plan for Future Growth** – If you anticipate further growth, look for a building that has extra space should you need it.
- **Proximity to Suppliers** – They need to be able to find you easily as well.
- **Safety** – Consider the crime rate. Will employees feel safe alone in the building or walking to their vehicles?
- **Zoning Regulations** – These determine whether you can conduct your type of business in certain properties or locations. You can find out how property is zoned by contacting your local planning agency.

#### **Evaluate Your Finances**

Besides determining what you can afford, you will need to be aware of other financial considerations:

- **Hidden Costs** – Very few spaces are business ready. Include costs like renovation, decorating, IT system upgrades, and so on.
- **Taxes** – What are the income and sales tax rates for your state? What about property taxes? Could you pay less in taxes by locating your business across a nearby state line?
- **Minimum Wage** – While the [federal minimum wage](#) is \$7.25 per hour, many states have a higher minimum. View the Department of Labor's list of [minimum wage rates by state](#).
- **Government Economic Incentives** – Your business location can determine whether you qualify for government economic business programs, such as state-specific small business loans and other financial incentives.

#### **Is the Area Business Friendly?**

Understanding laws and regulations imposed on businesses in a particular location is essential. As you look to grow your business, it can be advantageous to work with a small business specialist or counselor. Check what programs and support your state government and local community offer to small businesses. Many states offer online tools to help small business owners start up and succeed. Local community resources such as [SBA Offices](#), [Small Business Development Centers](#), [Women's Business Centers](#), and other government-funded programs specifically support small businesses.

#### **The Bottom Line**

Do your research. Talk to other business owners and potential co-tenants. [Consult the small business community](#) and utilize available resources, such as [free government-provided demographic data](#), to help in your efforts.

# "POP UP MARION"

*Southwest Virginia's Most Awarded Entrepreneur Development Program*

## **YOUR BUSINESS PLAN (To be submitted within 30 days)**

**I. Executive Summary** (to include loan request)

**II. Business Description**

- a. Legal Business Description
- b. Type
- c. Professional Relationships
- d. Goals and Objectives
- e. Operations and Location
- f. Market, customers, suppliers
- g. Staffing
- h. Startup Costs Detail

**III. Marketing, Advertising, and Public Relations**

**IV. Financials**

- a. Personal Financial Statement
- b. Balance Sheet
- c. Income Statement
- d. Cash Flow Statement

**V. Appendix**

- a. Credit Report
- b. Completed "Pop Up Marion" Participant Agreement
- c. Specific Breakdown of Use Of Grant Funds (if awarded)
- d. Completed Mentor Form
- e. Logos, store design, pop materials, etc.

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

### Your Presentation

Presenting a Business Plan is as much theater as it is information. You're selling your passion, your idea, your concept to someone - a lender, a panel, a potential customer. It's the way you "show your stuff." The more professional your presentation, the more seriously you'll be received. So here are some tips to help you get ready!

- Make an appointment - don't just show up unannounced.
- Dress the part!
- Know your material inside and out. Be ready for any question.
- Ask for a loan application.
- Limit your presentation to fifteen minutes MAXIMUM.
- Use the old adage "Tell them you're going to tell them, then tell them, then tell them you've told them". Overview, presentation, summary.
- Present your plan, along with logo, pictures, etc. as professionally as possible. Three-ring binders work fine, especially tabbed by category (Executive summary, Financials, completed loan application, etc.)
- Anticipate questions, and have honest, sincere, positive answers ready.
- Invite your lender for a tour of your prospective property.
- Ask when you can expect a decision, and follow up with a hand-written thank you note.

If you're not funded, make a follow-up appointment to ask for a review of your information. Ask how you can improve your opportunity to be financed - stronger business plan, better credit, more owner equity - and be prepared to meet the obligation.

Bankers rely on what they call the "Eight C Rule" to help them determine eligibility. When coupled with your credit score, your business plan, and other supporting documents, your banker will have the necessary tools to help him/her make their decision.

### **The Eight C's are:**

- 1. Credit.** Generally, the credit of the owner(s) must be good. There are programs available to provide some loan funds, but those loans tend to be limited in amount and have a higher interest rate.
- 2. Capacity.** Can the business - AND YOU PERSONALLY - repay the debt?
- 3. Capital.** How much money are YOU putting into the business? Don't expect to start up with everybody else's money. Every lender will look to see that the business owner has "skin in the game" A good rule of thumb is 25%-50% of startup costs come from the business owner.
- 4. Collateral.** What assets does the business - AND YOU - have to secure the loan? If the business fails, what can the lender sell to recoup some of their funds?
- 5. Character.** This is a very personal decision, based upon the lender's perception of YOU. Are you involved in the community? Have you kept a steady job? Do you have roots in the area?
- 6. Conditions.** These are generally out of your control, but must be part of the equation. The national, regional, and local economy, business trends, competition - most any external force that could affect your business is considered.
- 7. Commitment.** The banker will look at your track record, hoping to determine your ability and willingness to put in the hours and sacrifice to make the business succeed.
- 8. Cash Flow.** The LIFE BLOOD of your business. Can your plan bring in enough cash to pay the bills in a timely fashion?

# "POP UP MARION"

## *Southwest Virginia's Most Awarded Entrepreneur Development Program*

Congratulations!

You have completed one of the most successful entrepreneur development programs we've ever provided! You're joining the dozens and dozens of other participants that have taken this intensive crash course, and hopefully, you're ready to start your own business!

But sometimes, this class is just as important to help folks make the decision to wait. Sometimes, by putting the information on paper, it helps focus to the point of realizing you're just not ready. And that's ok!

We offer "Pop Up Marion" at least twice a year, and EVERYONE is always welcome at our classes. We've had folks take the class twice, even three times, before being comfortable enough to "pull the trigger." We've also had folks take the class and decide entrepreneurship just wasn't for them.

Whether you're ready to throw open the doors, want a little more time to study and think, or decide to wait, we're delighted you have chosen our program as your introduction to starting a small business, and we hope the information provided has been helpful!

As you reflect on the classes, the workbook, and the information, we'd love to hear from you! Help us help others by making our training program even stronger with your feedback. Email either of us, or stop by and let us hear first hand, what worked, what didn't, and what you need that may not have been provided in this class. You're important to us, and to the growth of our community! The more we learn from those taking the class, the better our training can be for future rounds, and the stronger we can make our business family here in America's Coolest Hometown!

Again, thank you for sharing your life with us. Your dreams, your fears, your aspirations. Each one of you inspires us, because it is each of you that builds our community. We're just in the most fortunate place in the world to be able to help you along, watch you grow, and help celebrate your success!

Ken Heath  
kheath@marionva.org  
(276) 378-5026

Olivia McDonald  
omcdonald@marionva.org  
(276) 783-4190



HOPE  
FOR A  
FUTURE

Church Hill North Better Block Report



## Project Team and Sponsors



Photos by:  
Grant Fanning  
John Murden

Transcript:  
Catherine Komp



# Overview



A project that temporarily transformed two blocks of North 25<sup>th</sup> Street in Church Hill North neighborhood of Richmond, VA into a model active community. Team Better Block conducted a series of workshops to build pedestrian and bicycle infrastructure, active public spaces and pop-up shops with the community.

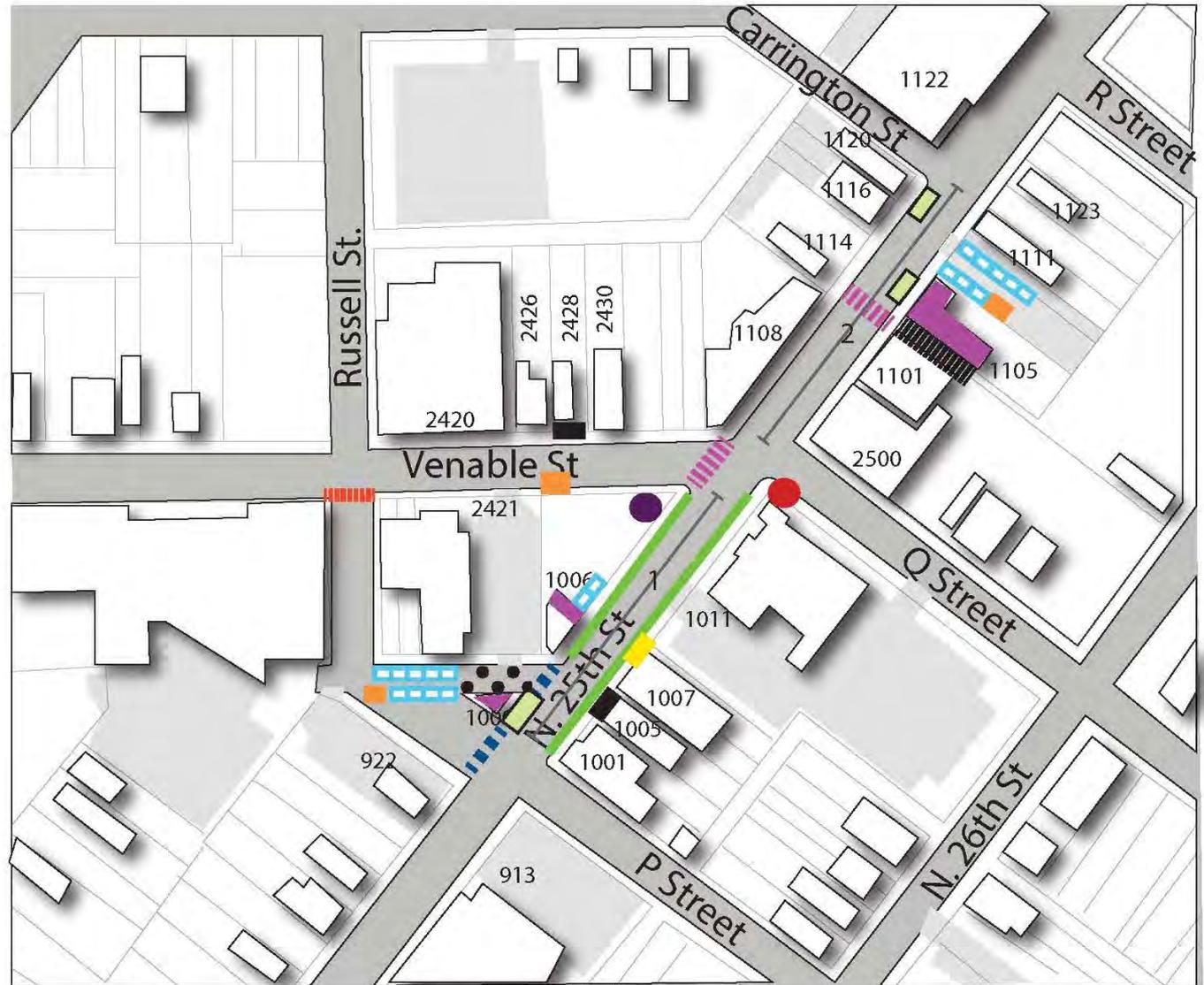
# Community Walk



Richmond's Better Block targeted a commercial intersection along North 25th Street in the Church Hill North neighborhood. The initiative began in March, with a community walk and discussion that asked residents what changes they'd like to see on the block. The walk informed the build plan on the next page.

# Church Hill North Better Block Build Plan

-  Bike Lanes
-  Pop Up Shops
-  Planter Boxes
-  Market Tents
-  Food Truck
-  Decorative Crosswalk
-  Parklet
-  Cafe Seating
-  Chalk Board Wall
-  Info Kiosk
-  Public Art
-  Fruit Stand
-  Activated Alley
-  Road Closure Barricades



# Build Workshops



Better Block is a Texas-based organization that has worked in dozens of cities around the country. They use a placemaking method called tactical urbanism, which brings residents together to create rapid, temporary improvements. Through the process, neighbors meet each other, share skills, tools and resources, and the community builds social capital. In the lead-up to the Richmond project, dozens participated in hands-on workshops like how to build pallet furniture and make a street more pedestrian friendly. Those skills were applied directly to the block, with newly created seating to encourage socializing, and bike lanes and a mid-street crosswalk to calm traffic.



*Tamera Tazewell: The classes have been awesome. The pallet class was awesome, we made benches and chairs and everyone's been helpful, I just like the area and I think it's going to turn-around for the better and we're having a good time out here.*



In just three months, the efforts of an estimated 100 volunteers culminated in a two-day event that showcased building improvements, local artists and entrepreneurs, and ways to make the area more safe and welcoming.

## FRIDAY, JUNE 13, 2014

### 3 PM. TO 5 PM. EAST END ECONOMIC SUMMIT

DOUBSON THEATER COMMUNITY ARTS CENTER // 2003 Q STREET

### 5 PM. TO 9 PM. CHURCH HILL NORTH BETTER BLOCK PROJECT

**FOOD TRUCK COURT** FEATURING THE DON SECOURS CLASS A ROLL MOBILE KITCHEN AND OTHER LOCAL VENDORS

**STREET PERFORMERS** FROM THE GREAT BUSK AT THE TEMPORARY OUTDOOR THEATER // N 25TH STREET AND VENABLE STREET

#### POP-UP SHOPS

#### FARMERS MARKET PLAZAS

**ENHANCED STREETSCAPES** INCLUDING PARKLETS, NEW TEMPORARY CROSSWALKS AND BIKE LANES AND PUBLIC GATHERING SPACES

**PUBLIC ART INSTALLATIONS** THROUGHOUT THE BETTER BLOCK AREA

### 8 PM. TO 10 PM. OUTDOOR FAMILY THEATER

SHOWING DISNEY'S ANIMATED HIT 'TNOZEN' // N 25TH STREET AND NINE MILE ROAD

44 1100 N 25TH STREET

#### CHURCH HILL ALLEY MARKET

THE CLOTHES RACK, SECOND HAND SHOP PROVIDING NEW AND GENTLY USED QUALITY APPAREL, ACCESSORIES AND HOME FURNISHINGS

BRITANNY AUBREY THRIFT BOUTIQUE STOP FEATURING

ANTIQUES, ART AND HOUSEHOLD ITEMS

THE VIBRANT LIFESTYLE, CLOTHING AND ART WORK

EMPOWERING THE MODERN MAN & WOMAN

CHURCH HILL ACTIVITIES AND TOURING

MICHAEL'S WORKSHOP WOODWORKING AND

SCREEN PRINTED T SHIRTS

THE CLUB GRANT PROGRAM EDUCATIONAL MATERIALS

FOR BUSINESSES LOOKING TO LOCATE TO CHURCH

HILL & SURROUNDING AREA

SHANNA WHITE VINTAGE & CONTEMPORARY

CLOTHING AND ACCESSORIES

LEAH HITCHCOCK CLOTHING & ACCESSORIES

WEN SECOURS ACTIVATION TENT

#### OCEAN GROCERY

44 2000 Q STREET

#### VENABLE STREET PLAZA

NUTTY BUTTER HAND CIPPED ICE CREAM AND ROASTED PEANUTS BAG & WHEELS BICYCLE COOPERATIVE BICYCLE REPAIR, MAINTENANCE, EDUCATION AND PRACTICE SVETLE SOUVENIR CUSTOM MADE HULA HOOPS OUTDOOR STAGE WITH LIVE PERFORMANCES THROUGHOUT THE WEEKEND

44 2000 Q STREET

#### COMMUNITY MESSAGE BOARD

ENCOURAGING AND ENABLING DIALOGUE BETWEEN COMMUNITY MEMBERS

44 1100 N 25TH STREET

#### 25TH ST MAKER SPACE

BRECKA GREETER FINE ART & CRAFTS ARTIST GALLERY AND SHOP APRIL SCOTT HAND MADE GIRL'S DRESSES, HOODED CAPES, SHIRTS AND PANTS

44 1100 N 25TH STREET

#### JEWELS GENERAL CONTRACTORS

44 1100 N 25TH STREET

#### PLAZA MARKET

FARMERS MARKET COLORFUL PRODUCE, FRESH DAIRY, BAKED GOODS, SWIN CARE AND HANDMADE CRAFTS, AMONG OTHER SEASONAL AND SPECIALTY ITEMS

44 1100 N 25TH STREET

44 701 A STREET

#### P STREET PLAZA

CLAIRE REEF HAND PAINTED WOODEN BEAD NECKLACES & KNITTED FLOWERS EBELI WIRREBE VARIOUS GOODS FOR CYCLISTS FROM RECLAIMED MATERIALS

WILE BARN CLOTHING & JEWELRY, PLUS ART ACTIVITIES FOR THE WHOLE FAMILY

RECI STEIN VISUAL ARTS CENTER OF RICHMOND PRESENTS

SHIRING MARRON CREATIVE DESIGN CRAFTS CUSTOM MADE SPORT CLOTHING & ACCESSORIES

GREY PELLETIER JEWELRY & SCARVES NEW HERRAL COO FRIENDLY AMERICAN CROWN AND SEMI TESS HOODIES

YOGA WEAR & JEWELRY

WEN SECOURS ACTIVATION TENT

44 1110 WESTMOUNT

#### CHURCH HILL BARRAM AND THRIFT STORE

44 1110 WESTMOUNT

#### MIRACLES COFFEE SHOP

COFFEE SHOP SPORTS BACKPACKS SELLING CHURCH HILL NORTH T SHIRTS

44 1110 WESTMOUNT

#### URBAN ART OASIS

WALL HISTORY LIVE ACTION DRAL HISTORY PROJECT TO RECORD THE HISTORY AND FUTURE OF THE BUILDINGS

44 1110 N 25TH STREET

#### HERSTORY REPEATED

THRIFT AND CONVENIENCE STORE FRESH MARKET GROP OFFERING FRUIT, WATER, JUICE, MOSTALGIC CANDY AND NUTS, PROVIDING COMMUNITY EDUCATION CLASSES

44 1110 N 25TH STREET

## SATURDAY, JUNE 14, 2014

### 7:30 A.M. WALK-UP REGISTRATION FOR 5K

### 9 A.M. TO 3 PM. CHURCH HILL NORTH BETTER BLOCK PROJECT DAY 2

9 A.M. FREE INAUGURAL BETTER BLOCK 5K // INTERSECTION OF N 25TH STREET AND P STREET

FOOD TRUCK COURT

10 A.M. PARTNERSHIP FOR SMARTER GROWTH COMMUNITY WALK AND TALK // BEGINS AT EAST END PUBLIC LIBRARY, 1200 N 25TH STREET

10:30 A.M. TO NOON MUSICAL PERFORMANCES BY LOCAL ARTISTS

NOON GRASS BAND // OUTDOOR STAGE AT N 25TH STREET AND VENABLE STREET

1 PM TO 2 PM MUSICAL PERFORMANCES BY LOCAL ARTISTS

GRASS BAND // OUTDOOR STAGE AT N 25TH STREET AND VENABLE STREET

#### POP-UP SHOPS

#### FARMERS MARKET PLAZAS

**ENHANCED STREETSCAPES** INCLUDING PARKLETS, NEW TEMPORARY CROSSWALKS AND BIKE LANES AND PUBLIC GATHERING SPACES

**PUBLIC ART INSTALLATIONS** THROUGHOUT THE BETTER BLOCK AREA

5 Pop-up Shops

2 Parklets

650 Feet of cycle track

Over 100 Volunteers

3000 SQ feet of new public space

6 existing

business storefronts remodeled w/ \$1300 grants

# Capital One Micro Grants Various Locations on North 25<sup>th</sup> Street



*Pam Crews: By Capital One and the Better Block project coming in, it's given us a chance to paint the building, redo the storefront and the glass, it made it so much better, it gave it an uplift.*

Crews was one of five property owners who received a \$1300 grant from Capital One to fix up the outside of their buildings.

# Five Pop-Up Shops Various Locations on North 25<sup>th</sup> Street



Jacole Thomas: *This is kind of a depressed area if you will and I thought it was something positive and it really, really has been. I'm re-energized because being an entrepreneur can be hard, it can be discouraging. This is good, this puts me back to where I knew I wanted to be, to realign my vision. So I just think it's a great project.*

# Community Fab Lab

## 1105 N. 25<sup>th</sup> Street



Richmond's Better Block also emphasized local talent through an open air art studio in the large brick courtyard of the upcoming coffee shop Miracles. There, painters worked on murals sized to fit in windows previously boarded up with weathered plywood.



*David Marion: They wanted to get a collection of artists out to help enlighten, inspire, bring some inspiration to the area. We were brought together as joint community of artists to help out with the effort and the community, which is really important.*

# Mural North 25<sup>th</sup> Street



Other artists included Sir James Thornhill, Hamilton Glass, Latasha Dunston and Ed Trask, who independently sought permission from a property owner to transform the side of a brick building. Already painted mossy green, it became the canvas for Trask's large piece depicting a youth playing the violin, a blue bird perched on the top of bow.

# New Streetscape North 25<sup>th</sup> Street



Michael Wynn: *What this event did is bring out the diversity that was already in the neighborhood, it was just everybody was in their own corner. There's a lot of demographics in this neighborhood, rich, black, white and poor so this event brought everybody out.*

# Activate and Invest



Along with a 5k run/walk hosted by Sports Backers, local leaders also held the East End Economic Development Summit. The city has been working on revitalization plans for the larger area for years, investing in the new MLK Middle School, library renovations and healthy food access. Bon Secours Community Hospital says it's also committed to the physical, social and economic health of the East End. The healthcare organization plans to build a "Center for Healthy Communities" and a medical office building which officials say will create dozens of new jobs. And they've allocated \$300,000 in grants to small businesses and start-ups in the neighborhood.

# Public Plaza: North 25<sup>th</sup> Street



A vacant lot featuring a giant sculpture spelling out the word "love" became a **Public Plaza** for the diverse crowd. On a grassy area, youth tossed a beach ball and swung inside hula hoops while listening to local musicians No BS! Brass Band. Many other improvements were made to public spaces and the street.

# Parklet

## 1105 North 25<sup>th</sup> Street



A **parklet** is a small space serving as an extension of the sidewalk to provide amenities and green space for people using the street. It is typically the size of several parking spaces. Parklets typically extend out from the sidewalk at the level of the sidewalk to the width of the adjacent parking space

# First divided cycle track in Richmond: North 25<sup>th</sup> Street



A **cycle track** is a form of cycling infrastructure consisting of marked lanes, tracks, shoulders and paths designated for use by cyclists and from which motorized traffic is generally excluded. The term includes bike lanes, cycle tracks, separated bike lanes, road shoulders and side paths located within a road right-of-way.

# Crosswalks and Bicycle Markings: North 25<sup>th</sup> Street

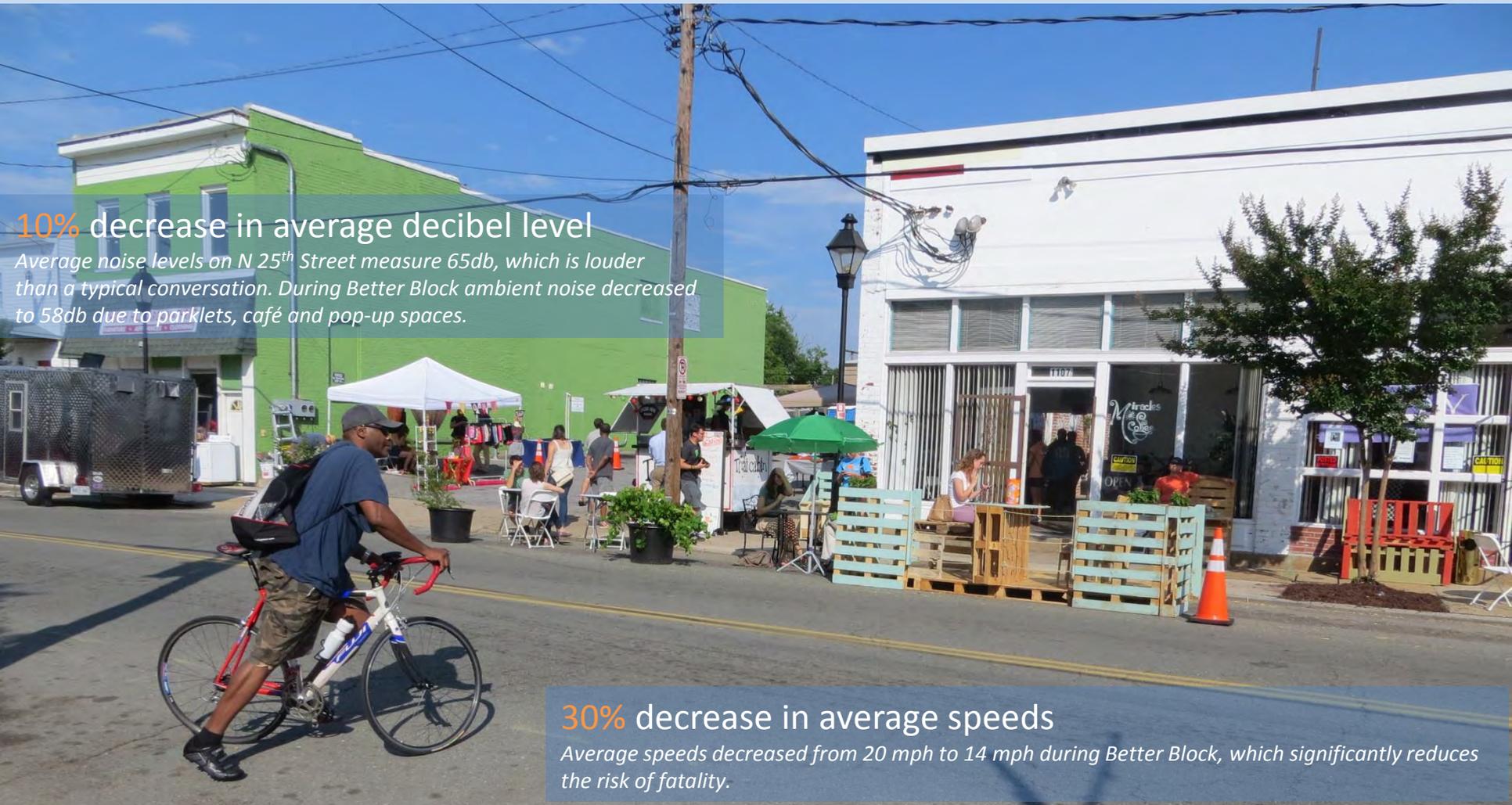


The Better Block allows for innovation and in this project a buffered bicycle lane used green skip markings to highlight an approaching driveway and vinyl colorful markings for a crosswalk. These and other improvements led to quantifiable changes to the safety and livability of the block.

# Metrics: North 25<sup>th</sup> Street

## 10% decrease in average decibel level

Average noise levels on N 25<sup>th</sup> Street measure 65db, which is louder than a typical conversation. During Better Block ambient noise decreased to 58db due to parklets, café and pop-up spaces.



## 30% decrease in average speeds

Average speeds decreased from 20 mph to 14 mph during Better Block, which significantly reduces the risk of fatality.

# Before/After Perceptions: North 25<sup>th</sup> Street



**Most** like the history, barbershop, and potential of the area.

**Most** feel the area is safe, but needs:  
*To be cleaned, more police, more light and businesses that activate the street with food and neighborhood services.*

**What** is missing?  
*More police, lighting, access to healthy food and activities for children.*

**What** would make you walk or bike more?  
*More destinations to walk to and clean up area.*



**Does** the area feel safer? **100%** Said Yes!  
*More people and activities make it feel safer.*

**What** would make it even safer?  
*More police presence, program the public spaces and keep the cycle tracks.*

**What** is missing?  
*More retail, restaurants and a grocery store were the most mentioned along with programming of public spaces with events.*

**What** would make you walk or bike more?:  
*More cycle tracks and parklets.*

# Recommendations: North Church Hill Merchants Association



## Association:

Starting with the property owners and businesses that participated in the Better Block develop a partnership between them and the Robinson Theater to program the area with events at least once a quarter. Build off this doing model with the formation of a formal merchants association after one year of loose affiliation.

# Recommendation: North 25<sup>th</sup> Street



## Clean It:

Multiple property and business owners began cleaning and repairing buildings during the better block! This indicates a strong perception change in the area and appetite for revitalization.

**City:** Conduct a free building permit month once yearly to aid in building repair and upgrades.

**Private:** Assist owners with design and continue storefront grants. Also, the roll-off dumpster was a big hit. In conjunction with the free permit month, stage two free dumpsters.

# Recommendation: North 25<sup>th</sup> Street



## Activate It:

Make the Better Block and 5k an annual event! The combination of community performances, food trucks, pop-up shops, bicycle lanes and placemaking created a lively scene. It allows the community to continually test improvements, build-momentum and advertise the budding destination of Church Hill North.

# Recommendations: North 25<sup>th</sup> Street



**City of Richmond:** Use **cycle tracks** in the City's Bicycle Master Plan and integrate North 25<sup>th</sup> Street into the network.

**Community:** Advocate for wheelchairs and scooters to use cycle tracks with proper signage.

**Private:** Advance crowdfunding and public – private partnerships to fund infrastructure.

# Recommendations: Church Hill North Fab Lab

## Community Fab-Lab:

A **fab lab** (*fabrication laboratory*) is a small-scale workshop offering (personal) digital fabrication. A fab lab is generally equipped with an array of flexible computer controlled tools that cover several different length scales and various materials, with the aim to make "almost anything".

**Owner:** Consider hosting a Fab Lab on North 25<sup>th</sup> Street.

**City:** Support a zoning change that allows for small scale manufacturing, gathering, housing, retail and restaurant.

**Private:** Incentivize and fund the machines, materials, build-out and first year operating costs.



# Recommendations: North 25<sup>th</sup> Street

**City:** Create a policy and incentive package to convert parking spaces into **parklets** and bicycle parking spaces on North 25<sup>th</sup> Street as a pilot project for entire city.

**Private:** host a competition for parklet design and award construction grants.



# Recommendations: 1006 North 25<sup>th</sup> Street



## Pop-up and Public Space:

**Property owner:** use the space to develop a series of pop-up businesses that activate the building and adjacent vacant lot at least once a quarter.

**Private:** Continue grants for pop-up shops.

**City:** Loosen rules for temporary certificates of occupancy and purchase adjacent vacant lot and allow for food trucks and community markets. Building a permanent stage and adding public art should be a public-private partnership.

# Recommendations: Walking Tours

## Tours:

During events, local REALTORS®, members of Historic Richmond Foundation, City of Richmond Economic and Community Development should host walking tours of vacant and underused properties aimed at attracting potential investors.



# Recommendations: Development Strategy



## **Block by Block:**

Capital One, Bon Secours, the Richmond Association of REALTORS®, DaVita, the Sports Backers, Councilmember Newbille, and many other people and organizations invested significant time and resources to make permanent changes to the area. Several investors and property management firms were there, checking out the vacant buildings and speaking with the property owners about possibilities. In short, it is going to take East End people and new people from outside of the area to revitalize Church Hill North.

# Recommendations: Next Steps



## Action:

Schedule a meeting of the potential Merchants Association (better block businesses and property owners/ Robinson Theater) and create an action list based on this report's recommendations. Don't meet again until progress is made (don't over meet).



*In a short amount of time, we rehabilitated four vacant storefronts to house pop-up shops for the weekend, and reprogramed public space to house many more. Some of those vacancies were more work than others to restore and we definitely went above and beyond the call of duty! For example, we painted a historical building the right color scheme, cleared a fire exit where there wasn't one before, built 15 picnic tables, created a number of canvasses for local artists, pulled a ton of weeds and mowed a lot of lawn, and a whole lot more than that. Over the week of June 8, those two blocks of saw quite the transformation. Max Hepp-Buchanan - Sports Backers*

9

**ORDINANCE TO AMEND AND RE-ENACT FRONT ROYAL TOWN CODE CHAPTER 138  
REGARDING FLEA MARKETS, PEDDLERS, VENDORS, SOLICITORS AND CANVASSERS**

**Chapter 138  
FLEA MARKETS, PEDDLERS, VENDORS, SOLICITORS AND CANVASSERS**

**138-1. Permit Required.**

To promote the safety of our residents, it shall be unlawful for any person to engage in the business of peddling, itinerant merchandising, soliciting or canvassing as defined in this Chapter, within the limits of Front Royal, Virginia, without first obtaining a permit as provided herein. Issuance of a permit does not relieve an individual from obtaining a business license from the Town's Finance Department prior to engaging in operation in the business of peddling, itinerant merchandising, or soliciting.

**138-2. Definitions.**

*Canvasser:* One who travels from place to place seeking signatures on petitions or to provide information about a religious or not-for-profit organization by traveling from place to place or from a central location within the Town.

*Commercial Solicitor:* Any person, whether a principal, agent, or salesman, who engages in transient business by going from residence to residence for the purpose of taking orders or offering to take orders for the sale of goods, wares, or merchandise or taking orders for services to be performed in the future. A commercial solicitor shall not carry goods, ware, or merchandise except for display purposes only, and shall not sell items directly.

*Flea Market:* An assembly of itinerant merchants selling used goods in the open air or within temporary structures, who display and sell their wares on the lands of another for a consideration. Sale of new goods or food shall be permitted provided the merchant has been issued an individual Itinerant Merchant permit and license.

*Itinerant Merchant:* One who offers merchandise, goods, food or services for sale or barter from a stationary but temporary site within the Town.

*Town:* Front Royal, Virginia.

*Town Manager:* The Town Manager of Front Royal, Virginia or their designated agent.

*Peddler:* One who moves from place to place within the Town and offers merchandise, goods, food or services for sale or barter at no definite place of business.

*Vehicle:* Every device in, upon or by which any person or property is or may be transported or drawn including any wheeled conveyance.

**138-3 Permit Application**

### **138-3.1. Exemption from Permit Requirements.**

- A. The following shall be exempt from the permit requirements but shall be required to comply with Sections 7,8,9, and 10 of this Chapter:
1. Persons selling fresh farm products or family supplies in accordance with Virginia Code Section 58.1-3717;
  2. Persons selling newspapers;
  3. Persons selling for wholesale concerns who only solicit orders from or sell to retail dealers in Front Royal for resale or other commercial purposes or to manufacturers for manufacturing or other commercial purposes;
  4. Wholesalers soliciting orders or selling to others for retail, resale, or upon manufacturers for manufacturing and selling at wholesale at place of manufacture;
  5. Individuals involved with Political Activity;
  6. Children of or under the age of 16, except when they are acting as agents of adults covered by this article;
  7. Delivery of food or merchandise ordered by phone, internet, or mail from a fixed place of business issued a business license for operation;
  8. Merchants selling food and merchandise during a Special Event that has been issued permit by the Town; and
  9. Tax exempt civic, charitable, government or educational organizations receiving a waiver of this Chapter by the Town Manager.
- B. All persons qualifying for exemptions from this Section must present proof of such qualification and be granted exemption from the permit requirements of this Chapter as provided in Section 138-3.1.

### **2. Application for Permit or Exemption.**

- A. Applicants for permits under this Chapter must file with the Town Manager a sworn application in writing on a form to be furnished by the Town, which shall give the following information:
1. Name, date of birth, social security number (optional), contact phone number, and email address.
  2. Address.
  3. A brief description of the nature of the business and the goods to be sold.
  4. Driver's License Number or State ID Number.

(Additional information required for non-exempt applications)

5. If employed, the name and address of the employer, federal employment identification number (optional), together with a written employment contract or other written document from the employer establishing the exact relationship.
  6. The location and the length of time during the current year when the peddling or canvassing will take place in the Town.
  7. Name and address of Virginia registered agent, if there is a registered agent for the business.
  8. If a vehicle is to be used, a description of the same, together with the license number or other means of identification.
  9. Proof of Virginia retail sales tax registration and the retail sales tax number issued, if applicable.
  10. The finger and thumb prints of the applicant shall be taken at the time of application.
  11. The names and contact phone numbers of at least two (2) persons who will certify as to the applicant's good character and business responsibility, or in lieu of the names of references, any other available evidence as to the good character and business responsibility of the applicant as will enable an investigator to promptly evaluate such character and business responsibility.
  12. A statement as to whether or not the applicant has been convicted of any crime, misdemeanor or violation, the nature of the offense and the penalty affixed therefor.
  13. The application shall provide two (2) recent front facing passport size photographs which accurately depict the applicant's appearance at the time of application.
- B. At the time of filing of the application for permit, a fee of twenty dollars (\$20.00) shall be paid to the Town Manager, to cover the cost of investigation and processing of the application. There shall be no fee for an exemption application.

#### **138-4. Investigation and Issuance.**

Upon receipt of such application, the original shall be referred to the Town Manager, who shall make an investigation of the applicant's business responsibility and character.

- A. Unless the Town Manager determines otherwise after completion of an investigation, the Town Manager will issue the applicant a permit within thirty (30) days following the date of the filing of the application.
- B. After investigation and finding that the health, safety, and welfare of the public so demands, the Town Manager may refuse to issue a permit to an applicant for reasons including, but not limited to, the following:
  1. Conviction of any felony or crime of moral turpitude (including, by way of illustration and not limitation, crimes of sexual misconduct and distribution of controlled substances or paraphernalia) within the five (5) years immediately preceding the date of filing of the application.
  2. Fraud, misrepresentation or intentional false statement of material or relevant facts contained in the application.

3. Lack of necessary permits or licenses to conduct the business proposed to be conducted.
- C. The Town Manager shall endorse on the application their approval, execute a permit addressed to the applicant for the carrying on of the business applied for and deliver to the applicant their permit. Such permit shall contain the signature of the issuing officer and shall show the name, address and photograph of said applicant, the kind of goods to be sold thereunder, the date of issuance and the length of time the same shall be operative, as well as the permit number and other identifying description of any vehicle used in such peddling, vending or canvassing. The Town Manager shall keep a permanent record of all permits issued.
  - D. In determining whether the applicant's character and business responsibility is satisfactory, the Town Manager, or their designated agent, shall consider evidence revealed by the investigation which shows honesty, reliability, and knowledge of the business to be engaged in. A permit shall be denied or revoked if the applicant is shown to be dishonest, immoral or substantially lacking in business reliability and responsibility. In the event the results of the initial investigation are unclear as to the nature of the applicant's character and business responsibility, an additional investigation of the applicant shall be made.

#### **138-5. Transfer.**

No permit or exemption letter issued under the provisions of this Chapter shall be used by any person other than the one to whom it was issued.

#### **138-6. Renewal**

Permits issued under the provisions of this Chapter shall be valid for the period requested, which shall in no event exceed ninety (90) days. All permits shall expire on December 31 of the year of issuance regardless of the date issued. The holder of any permit may seek renewal thereof upon the filing of a written renewal application. The renewal application shall reflect any information changed from the previous year's application and it shall be approved upon verification by the Town Manager that the applicant for renewal has complied with the laws of the Commonwealth.

#### **138-7. Peddling, Merchandising, or Canvassing**

No peddler, itinerant merchant, or canvasser shall have any exclusive right to any location on public property, nor shall he or she:

- A. Be permitted a stationary location on any public sidewalk or street;
- B. Display any sign on a street, sidewalk, or other public place visible to vehicular traffic, except for signs that are actually imprinted on the exterior body of a licensed motor vehicle;
- C. Make any sale or delivery to any person while such person is located in the roadway;

- D. Make any sale, offer or delivery to any driver or passenger in a motor vehicle while the motor vehicle is stopped at a red light or while in a moving traffic lane;
- E. Conduct business from any street or center median strip of any street;
- F. Restrict access to any legally parked vehicle;
- G. Operate in any other way that would restrict the flow of pedestrian or vehicular traffic;
- H. Conduct any business on any private or public property, street, or sidewalk between the hours of 8:00 pm and 6:00 am except if operating through a Special Events Permit issued by the Town; and
- I. Leave any cart or table unattended on any public property, street, or sidewalk.

Each peddler, vendor, or canvasser shall provide receptacles for the disposal of waste materials or other litter created in the immediate area of any stationary location from which sales, offers of sales or deliveries are taking place, and they shall request customers to place all waste and litter in the receptacles and they shall remove and dispose of the waste materials and litter.

#### **138-8. Place of Sale - Peddler & Itinerant Merchants**

- A. All peddlers and itinerant merchants may only be located in the areas designated by the Town's Zoning Map as C-1, Community Business District, or the C-2, Downtown Business District.
- B. It shall be unlawful for any itinerant merchants to occupy or partially occupy while selling, or sell from, the private property of another without written permission of the private property owner.
- C. All itinerant merchants shall obtain approval from the Department of Planning & Zoning prior to selling from private property. Approval shall be based upon submittal of a plat, site plan, or sketch plan identifying the location of the property on which the activity is to be conducted and showing the location of the structure from which the sale or exchange activity will occur, the area under the control of such person, parking spaces and provisions for well-defined vehicular entrances and exits. Such application shall state the name, address and telephone number of the person or persons conducting the activity, the days and hours of operation, and shall include evidence of the property owner's permission to use the property, as required above, as well as a copy of the approved plat or site plan. A copy of the permit issued by the Town Manager or the designee as well as a copy of the approved plat, site plan, or sketch plan and the written permission of the property owner shall be kept at the site of the activity.

#### **138-9. Residence Door-to-Door Hours.**

Door-to-door sales or canvassing shall only take place between the hours of 9:00 a.m. and 8:00 p.m.

#### **138-10. Exhibition of Permit or Exemption Letter.**

Peddlers, vendors, or canvassers are required to conspicuously display their permits at their vehicles or temporary stands or if they have none, to exhibit their permits or exemption letter upon request.

### **138-11. Records.**

The Town Manager shall maintain a record for each permit issued, and record the reports of violation thereon.

### **138-12. Revocation of Permit.**

- A. Permits issued under the provision of this Chapter may be revoked by the Town Manager after notice and hearing for any of the following causes:
  - 1. Fraud, misrepresentation or intentional false statement contained in the application for permit.
  - 2. Conviction of any felony or crime of moral turpitude (including, by way of illustration and not limitation, crimes of sexual misconduct and distribution of controlled substances or paraphernalia).
  - 3. Conviction of any crime involving fraud in the conduct of his or her business.
  - 4. Any violation of this Chapter or of Chapter 110 of the Front Royal Code.
- B. Notice of the hearing for revocation of a permit shall be given in writing, setting forth specifically the grounds of the revocation and the time and place of hearing. Such notice shall be mailed, postage prepaid, to the permit holder at their last known address at least five (5) days prior to the date set for hearing. Failure to appear for a hearing does not preclude permit revocation.

### **138-13. Appeal.**

- A. Any person aggrieved by the action of the Town Manager, or the designated agent, in the denial of an application for a permit or in the decision with reference to the revocation of a permit shall have the right of appeal. Such appeal shall be taken by filing with the Clerk of the Town Council within ten (10) days after the notice of action complained of has been mailed to such person's last known address, a written statement setting forth fully the grounds of appeal.
- B. The Clerk of the Town Council shall notify the Town Manager of the filing of an appeal.
- C. Upon filing an appeal, the party aggrieved shall be entitled to a hearing by the Town Council. The time and place of the hearing shall be scheduled by the Clerk of Council at any time after the filing of an appeal upon notice by the Clerk of Council mailed to the party to the action at the address required to be stated by the appellant at the time of the filing of the appeal. Such appeals may be continued by the Town Council.
- D. The party shall have the right to present their case in person or by counsel licensed to practice law in the Commonwealth of Virginia.
- E. The Town Council shall consider the case record as well as statements offered by an interested party and shall determine whether the Town Manager abused their discretion under the rules and standards set forth in this Chapter. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs,

regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence in civil actions.

### **138-14. License Tax.**

The License Tax for activities defined in this Chapter shall be provided in the following Chapters:

- A. Peddlers – Chapter 98-61
- B. Commercial Solicitors – Chapter 98-45
- C. Flea Markets – Chapter 98-46

### **138-15. Flea Markets.**

Operation of any Flea Market within the Town shall be subject to the following regulations:

- A. Goods and wares may be left on premises on Saturday nights only with the exception of Sundays followed by a Town recognized holiday.
- B. A night watchman may be allowed on weekends.
- C. No overnight trailers are allowed.
- D. No sale of live animals is allowed.
- E. The owner, operator, or manager of a Flea Market shall keep the flea market ground clean and free of refuse and shall provide trash containers in sufficient numbers to serve the customers and vendors on the flea market site.
- F. The owner, operator, or manager of a Flea Market shall rent no space unless the vendor produces a valid driver's license or DMV issued photo ID number. A list of all vendors with name, address, phone number, and driver's license number shall be maintained by owner, operator, or manager.
- G. The owner, operator or manager of a Flea Market shall rent no space to a vendor selling new goods or food that requires a separate business license issued by the Town unless a current license is exhibited.
- H. The owner, operator, or manager of a Flea Market shall display these regulations in a conspicuous location. In addition, contact information for the owner, operator, or manager and of the Town shall be displayed so that vendors or patrons may report violations.
- I. The owner, operator, or manager of a Flea Market shall inspect vendors daily to ensure that the sale of new merchandise is not performed.

### **138-16. Penalty for Violation of Chapter.**

Any person violating any provision of this Chapter shall be guilty of a Class 1 Misdemeanor with penalties specified in Town Code Chapter 1-15.

### **138-17. Severance Clause.**

The provisions of this Chapter are hereby declared to be severable, and if any section, sentence, clause or phrase of this Chapter shall, for any reason, be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses or phrases of this Chapter, but they shall remain in effect, it being the legislative intent that this Chapter shall stand, notwithstanding the invalidity of any part.

APPROVED:

\_\_\_\_\_  
Timothy W. Darr, Mayor

ATTEST:

\_\_\_\_\_  
Jennifer E. Berry, Clerk of Council

THIS ORDINANCE was approved at the Regular Meeting of the Town of Front Royal, Virginia on its second reading, conducted \_\_\_\_\_2014, upon the following recorded vote:

Daryl L. Funk	Yes/No	Bret W. Hrbek	Yes/No
N. Shae Parker	Yes/No	Thomas H. Sayre	Yes/No
Eugene R. Tewalt	Yes/No	Hollis L. Tharpe	Yes/No

-----  
A public hearing on the above was held on \_\_\_\_\_,2014 having been advertised in the Northern Virginia Daily on \_\_\_\_\_,2014 and \_\_\_\_\_,2014. The Ordinance was enacted at the Regular Meeting of the Town Council held \_\_\_\_\_2014, to become effective immediately.

Approved as to form and legality:

\_\_\_\_\_  
Douglas W. Napier, Town Attorney

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

# **CURRENT TOWN CODE 98-61**

## **98-61 PEDDLERS**

### **A. Peddlers defined.**

#### **(Ord. No. 4-98 Amended Title 2-9-98-Effective Upon Passage)**

1. Any person who shall carry from place to place any goods, wares, or merchandise and offers to sell or barter the same, or actually sells or barter the same, shall be deemed to be a peddler.
2. Persons who do not keep a regular place of business, whether it is a house, vehicle, vacant lot or elsewhere, open at all times in regular business hours and at the same place, who shall offer for sale goods, wares and merchandise, may be deemed peddlers under this Article. Persons who keep a regular place of business, open at all times in regular business hours and at the same place, who shall, elsewhere than at such regular place of business, personally or through their agents, offer for sale or sell and, at the time of such offering for sale, deliver goods, wares and merchandise, may also be deemed peddlers as above, except for sidewalk sales adjacent to a regular place of business, but this section shall not apply to those who sell or offer for sale, in person or by their employees, ice, wood, charcoal, meat, milk, butter, eggs, poultry, fish, oysters, game, vegetables, fruits or other family supplies of a perishable nature or farm products grown or produced by them and not purchased by them for sale, but a dairyman who uses upon the streets of the Town one (1) or more wagons may sell and deliver from his wagons, milk, butter, cream and eggs without procuring a peddler's license.
3. All persons who do not keep a regular place of business, whether it is a house, vehicle, vacant lot or elsewhere, open at all times in regular business hours at the same place, who shall offer for sale rugs, furniture, appliances or clothing which is delivered at the time of sale shall be deemed peddlers and shall not be licensed under any separate section.

#### **(Ord. No. 11-86 Amended (3) 7-28-86-Effective Upon Passage)**

4. Those vendors of secondhand merchandise who sell their goods and wares as part of an approved or permitted flea market or yard sale and are licensed as such shall not be deemed peddlers. Those vendors of new merchandise at flea markets shall be deemed peddlers.

#### **(Ord. No. 11-86 Amended (4) 7-28-86-Effective Upon Passage)**

5. a. All persons vending Christmas trees or fireworks who do not keep a regular place of business, whether it is a house, vehicle, vacant lot or elsewhere, open at all times during regular business hours at the same place, but who offer said items for sale during a portion of the year on or about the season of a celebrated holiday shall not be deemed peddlers except for purposes a license tax imposed pursuant to Virginia Code Section 58.1-3717.

- b. Christmas trees are defined as decorative bushes, trees, wreaths and like foliage associated with the celebration of a recognized holiday occurring on December 25 of each year. The term "Christmas" shall have no religious connotation under this ordinance.
- c. All vendors of Christmas trees and fireworks who do not keep a regular place of business as defined herein shall pay a license tax of one hundred dollars (\$100.). Any nonprofit civic, charitable or educational organization may receive a waiver of this license tax upon application to and approval of the Front Royal Town Council.

**(Ord. No. 8-92 Added (5) 7-27-92-Effective Upon Passage**

**B. Place of sale.**

**(Ord. No. 3-84 Added 4-23-84-Effective Upon Passage)**

- 1. It shall be unlawful for any peddler to occupy or partially occupy while selling, or sell from, the private property of another without written permission of the private property owner in the possession of the peddler while selling or peddling.

**(Ord. No. 2-96 Amended (1) 2-12-96-Effective Upon Passage)**

- 2. All peddlers shall be required to sell or offer for sale their goods, wares or merchandise only:
  - a. along the following streets: Royal and Shenandoah Avenues. Provided, however, that it shall be unlawful to occupy or partially occupy, while selling or to sell from, any portion of the street right of way.
  - b. upon the property of a shopping center as set forth in Section 175-111.
  - c. at all flea market sites in the Town of Front Royal operating as flea markets by special permit or otherwise operating as flea markets in accordance with the Town's Zoning Ordinance.

**(Ord. No. 11-86 Amended (c as e) 7-28-86-Effective Upon Passage)**

**(Ord. No. 2-96 Amended (2) 2-12-96-Effective Upon Passage)**

- 3. This subsection shall not apply to persons who sell or offer for sale, in person or by their employees, ice, wood, charcoal, meat, milk, butter, eggs, poultry, fish, oysters, game, vegetables, fruits or other supplies or farm products of a perishable nature.

**C. Delivery of goods on day of sale.** For the purpose of this section, any delivery made on the day of sale shall be construed as equivalent to delivery at the time of sale. Any person claiming exemption from the provisions of this section on the ground that he is delivering goods, wares or merchandise previously sold to the customer shall, upon request of any police, tax or revenue officer, or assessing official, furnish evidence of his claim other than his mere statement, which evidence may be an invoice or signed order describing the goods, wares or merchandise involved and the amount and price thereof. Failure to furnish such evidence shall be sufficient ground for

charging the person making such delivery with a violation of this section, and, in any prosecution for a violation of this section, the claim aforesaid must be corroborated by satisfactory evidence.

**(Ord. No. 13-96 Amended 12-16-96-Effective Upon Passage)**

D. Levy of license tax on retail peddlers.

1. There is hereby imposed upon peddlers license taxes in accordance with the following schedules:
  - a. Peddlers of meat, milk, butter, eggs, poultry, fish, oysters, games, vegetables, fruits or other family supplies of a perishable nature not grown or produced by the peddler: fifty dollars (\$50.00). There shall also be imposed a license tax of fifty dollars (\$50.00) per vehicle for every vehicle over one used to peddle the above-stated products.
  - b. All other peddlers shall pay a license tax of five hundred dollars (\$500.00).

**(Ord. No. 11-86 Amended (D) 7-28-86-Effective Upon Passage)**

2. The license tax authorized by this subsection shall not apply to a peddler who sells to licensed dealers or retailers only; a regular wholesaler dealer who shall at the same time sell or deliver merchandise to retail merchants; a distributor or vendor of motor fuels and petroleum products or seafood; a farmer; a farmers' cooperative association; a producer of agricultural products; a manufacturer who is subject to Virginia tax on intangible personal property and who peddles only the goods, wares or merchandise manufactured by him at a plant whose intangible personal property is taxed by the Commonwealth of Virginia.
3. Any peddler who shall peddle for sale or sell or barter without a license shall be guilty of a misdemeanor and shall be fined not less than fifty dollars (\$50.) nor more than five hundred dollars (\$500.) for each offense and, in addition, shall be required to purchase the appropriate peddler's license from the Town of Front Royal.

E. Exemption as to certain dealers in ice, etc. No peddler's license shall be required, under the provisions of this section, of dealers in ice, wood or coal, who peddle same from vehicles, provided that such dealers have taken out a merchant's license in the Town.

F. Exemption as to person selling farm or domestic products. Nothing contained in this section shall be construed as imposing any tax upon a person selling farm or domestic products within the Town when the products to be sold are grown or produced by such person, but proof shall be shown that such products are so raised by the party offering them for sale. Before any exemption certificate shall be issued to any person as a grower, producer or manufacturer, the applicant for such exemption certificate shall first file with the Assessor a written statement, duly sworn to and attested to by a Notary Public or Justice of the Peace to his community, setting out in full and in detail the facts claimed to make such applicant a grower, producer or manufacturer, and no exemption certificate shall be issued by the Assessor until such statement, duly sworn to, shall have been produced and filed. The notary public or Justice of the Peace executing such written statement shall be given in full.

G. Enforcement of section. It shall be the duty of the police officers and other officers of the Town to enforce the provisions of this section and to have warrants issued against any person committing a violation.

**Chapter 138****SOLICITORS AND VENDORS****Sections:****GENERAL PROVISIONS****138-1 GOING ON PRIVATE PREMISES****138-2 VIOLATIONS AND PENALTIES****SOLICITOR'S PERMIT****138-3 APPLICABILITY****138-4 PERMIT REQUIRED****138-5 APPLICATION****138-6 PHOTOGRAPHING AND FINGERPRINTING****138-7 FEE****138-8 ISSUANCE****138-9 TERM OF PERMIT****138-10 RENEWAL****138-11 TRANSFERABILITY****138-12 CONDITIONS****138-12.1 ENTERING UPON PRIVATE PREMISES RESTRICTED****138-13 REVOCATION; HEARING****138-14 DESIGNATION OF SUBORDINATE TO PERFORM DUTIES OF CHIEF OF POLICE WHEN ABSENT**

Adopted by the Town Council of the Town of Front Royal 3-11-85 (*Chapter 25 of the 1965 Code. Sections 138-1, 138-2 and 138-3 amended and sections 138-12.1 added at time of adoption of Code. Section 25-11, Subsection (e), of the 1965 Code, which immediately followed 138-12, was deleted at time of adoption of Code*). Other amendments noted where applicable.

**GENERAL PROVISIONS****138-1 GOING ON PRIVATE PREMISES**

The going upon the property of private residences in the Town by solicitors, peddlers, hawkers, and itinerant vendors, not having been requested or invited to do so by the owners or occupants of such residences, for the purpose of soliciting orders for the sale of goods, wares and merchandise, or for the purpose of disposing of, peddling or hawking goods, wares and merchandise, or for the purpose of soliciting contributions without having first obtained a permit or an exemption under the provisions of Virginia Code Section 57-48 et seq. shall be unlawful.

**(Ord. No. 3-85 Amended 3-11-85)**

**138-2 VIOLATIONS AND PENALTIES**

Any person violating the provisions of this Article shall be punished by a fine of not more than five hundred dollars (\$500.) and imprisonment for not more than six (6) months in jail, either or both.

**SOLICITOR'S PERMIT****138-3 APPLICABILITY**

A. For the purpose of this Article, any person who goes from house to house or from private residence to private residence in the Town selling or offering to sell, taking orders or offering to take orders, bartering or offering to barter any goods, wares or merchandise or offering services to be performed in the future or at any location soliciting funds and contributions shall be deemed a "solicitor"; provided, however, that this Article shall not apply to wholesalers or to insurance underwriters, but the requirements of this Article shall apply to any person collecting or attempting to collect any payment due from any purchaser where the collector and the original seller are not one and the same.

B. This Article shall not apply to those charitable and civic organizations registered with the Commissioner of Agriculture and Consumer Services in accordance with the provisions of Virginia Code Sections 57-49 et seq., pertaining to the registration of charitable organizations. Upon written application, the Front Royal Town Council may waive the requirement of a solicitor's permit for representatives of charitable, religious, civic, political, educational, service and fraternal organizations seeking contributions in the Town of Front Royal.

**Ord. No. 13-86 Amended 7-28-86-Effective Upon Passage)**

**138-4 PERMIT REQUIRED**

It shall be unlawful for any person to act as solicitor within the Town without first securing a solicitor's permit from the Chief of Police or his designated subordinate. The solicitor's permit shall be in addition to a business license for all commercial solicitation.

**(Ord. No. 13-86 Amended 7-28-86-Effective Upon Passage)**

**138-5 APPLICATION**

Any person desiring a permit, as required in Section 138-4, shall make application therefor to the Chief of Police or his designated subordinate on a form to be provided, stating the name and address of the person or firm which he represents, the kind of goods offered for sale or the kind of services to be performed. At the time of filing for such application the applicant shall also submit for the inspection of the Chief of Police or his designated subordinate written proof of his identity, which may be in the form of an automobile operator's or owner's license or a bona fide identification card issued to the applicant by the person for or through whom or under those

auspices the applicant is authorized to conduct such activity. Such applicant shall state whether he has ever been convicted of any offense involving moral turpitude and shall further furnish such information or evidence as the Chief of Police or his designated subordinate may deem necessary to confirm the identity and past experience of the applicant or person or firm he represents.

### **138-6 PHOTOGRAPHING**

The applicant for a solicitor's permit, as required in Section 138-4 shall be photographed.

(Ord. No. 8-91 Amended 3-11-91-Effective Upon Passage)

### **138-7 FEE**

The person issued a solicitor's permit, as required in Section 138-4 shall pay to the Town a fee of five dollars (\$5.) therefor, which fee shall cover the cost of investigation and issuance of the permit.

### **138-8 ISSUANCE**

Upon compliance by the applicant for solicitor's permit, as required by Section 138-4, with the preceding sections of this Article, the Chief of Police or his designated subordinate shall, after such investigation as reasonably appears necessary, issue to such applicant a solicitor's permit, which shall be dated and signed by the Chief of Police or his designated subordinate; provided, however, that the Chief of Police or his designated subordinate shall not be required to issue such a solicitor's permit to any person who shall have been convicted of any crime or misdemeanor involving moral turpitude or to any person who is unable to substantiate the prior reliability of himself or the person or firm he represents.

### **138-9 TERM OF PERMIT**

A solicitor's permit issued under this Article shall be good for a period of thirty (30) days and no longer.

### **138-10 RENEWAL**

A solicitor's permit issued under this Article may be renewed on its expiration date for an additional like period, upon the execution of a renewal application setting forth that the statements made in the original application are true and accurate statements at the time the renewal application is filed or a renewal application setting forth all changes in the original application required by a change in facts since the date of filing the original application. For each renewal permit, the applicant shall pay the town a fee of three dollars (\$3.).

### **138-11 TRANSFERABILITY**

A solicitor's permit issued under this Article shall be nontransferable.

**138-12 CONDITIONS**

A solicitor's permit, as required by Section 138-4, shall be issued subject to the following conditions:

A. The holder shall have his solicitor's permit in his possession at all times and shall exhibit the same at any time upon request by any police officer of the Town or by any purchaser or by any person being solicited.

B. The holder of a solicitor's permit shall make no false statements or misrepresentations of facts in the course of carrying on the activity for which the permit is granted and shall conduct himself at all times in an orderly and lawful manner.

C. For the sale or delivery, either or both, of any goods, wares or merchandise, there shall be a written order or invoice, in duplicate, showing name and address of firm represented by the solicitor, issued and signed by the solicitor, signed by the purchaser, stating the terms and conditions of the sale, a description of the goods, wares or merchandise, the quantity and price thereof, the date of sale or the date of delivery, either or both, and the amount paid in advance, if any. The duplicate of such order or invoice shall be given to the purchaser.

D. The holder shall not sell, distribute or circulate literary material or canvass or solicit orders therefor or for goods or merchandise from pedestrian or vehicular traffic on or adjacent to any streets within the limits of the Town, in such manner as will interfere with the normal and usual use of such street.

**138-12.1 ENTERING UPON PRIVATE PREMISES RESTRICTED**

Regardless of whether or not a solicitor's permit has been issued, no person shall enter in or upon any house, building or private property of any type without the prior consent of the owner or occupant thereof, where there is placed or posted on the premises in a conspicuous position at or near the usual means of ingress a sign or other form of notice stating or indicating that the owner or occupant thereof forbids or otherwise does not desire persons engaged in solicitation, peddling or selling to enter upon the premises.

**138-13 REVOCATION; HEARING**

A. Any solicitor's permit issued under this Article may be revoked by the Chief of Police, after notice and hearing, for any fraud, misrepresentation or false statement contained in the application, for failure to observe the conditions of the permit or upon any subsequent conviction of any crime or misdemeanor involving moral turpitude.

B. Notice of the hearing for revocation of a permit shall be in writing, setting forth the specific reason or reasons for the hearing and the time and place thereof. Such notice shall be given to the holder of the permit at least two (2) days, if by personal service, and at least three (3) days, if by local mail, addressed to the holder's last known local address, prior to the stated hearing.

C. In the case where protection of the public interest necessitates such action, the Chief of Police may direct immediate revocation of a solicitor's permit by personal service of a notice thereof by the Chief of Police or his designated subordinate upon the holder or the person he represents. Wherein action in this manner is taken, the holder of the permit shall immediately discontinue those activities granted by the permit and this Article, but the holder shall be entitled to a hearing within two (2) days from the revocation, and the notice of the revocation shall designate the time and place of the hearing.

**138-14            DESIGNATION OF SUBORDINATE TO PERFORM DUTIES OF CHIEF OF POLICE WHEN ABSENT.**

The Chief of Police, when personally unable to discharge the responsibilities herein set forth because of absence from the Town or otherwise, shall designate one (1) of his subordinates to perform the duties required of the Chief of Police under this Article.