TOWN COUNCIL
Special Meeting & Town Hall Meeting
Civic Center, 500 Tazewell Avenue
August 7, 2025
6:00 PM

At approximately 6:00 p.m. Mayor Adam Charney, having established a quorum, called to order the Special Meeting and Town Hall Meeting of the Cape Charles Town Council. In addition to Mayor Charney, in attendance were Vice Mayor Buchholz, Councilmen Butta, Grossman and Newman, and Councilwomen Ashworth and Holloway. Staff in attendance were Town Manager Rick Keuroglian, Treasurer Marion Sofield, Capital Projects Manager Bob Panek, Planning & Zoning Director Katie Nunez, Planning & Zoning Assistant Jack Steinmayer, and Town Clerk Libby Hume. There were 19 members of the public in attendance and 16 viewers on Facebook.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

PUBLIC COMMENTS ON AGENDA ITEMS ONLY, EXCLUDING TOWN HALL TOPIC: (3 MINUTES PER SPEAKER)
There were no comments to be heard, nor any comments received in writing prior to the meeting.

SPECIAL MEETING ORDER OF BUSINESS:

A. *Trinity United Methodist Church Lease for Town Offices:*
Project Manager Bob Panek stated that a lease with Trinity United Methodist Church (UMC) to temporarily house the administrative functions had been drafted. The UMC would accommodate all staff currently in the Town Hall with the exception of the Police Department. The Police Department would move upstairs after some repairs had been completed. The UMC former classrooms offered approximately 4,700 square feet and was ADA compliant and also had fire alarms. The Town would have to outfit the buildings for our use. The lease agreement was a good compromise but still needed some minor tweaks in the language. There was no other comparable space available in Town. (Please see attached.)

There was some discussion as follows: i) Councilman Grossman asked if the Town would have to restore the building to its current condition. Bob Panek responded that the Town would not have to put the building back to its current condition; ii) Councilwoman Ashworth asked the expected cost to make the upgrades to the UMC building and make the actual move. Bob Panek felt that it would be less than the $100K included in the budget, adding that staff was working on cost estimates. A local contractor had been contacted about constructing the service counter. Some of our network servers were older and in need of replacement anyway. We would also be contacting with the Northampton County Sheriff's office regarding the labor to do the move; iii) Councilman Newman asked if the church was still operational. Bob Panek stated that the sanctuary and fellowship hall were still being used by the church and outside of the lease. They had a very small congregation, and the lease would allow them to continue services; iv) Councilwoman Ashworth asked if the area leased by the Town could be blocked off. Bob Panek stated that they were looking at measures to secure the space, possibly by adding a gate at the fellowship hall doorway and some added security measures on the doors; v) Councilwoman Ashworth asked about the 1.5% built-in escalation for subsequent years. Bob Panek stated that 1.5% was built in as well as early termination provisions for each year after the first two years; vi) Vice Mayor Buchholz expressed his concern about the police department staying in the current Town Hall with the health issues in the building. Bob Panek stated that the issues were safety-related and were being addressed before they moved upstairs. Vice Mayor Buchholz added that there were also health issues with mold, etc. and he wanted to make sure that all the issues were resolved; vii) Councilwoman Holloway stated that the second floor was not ADA accessible and asked how the police department would handle visitors having to go upstairs. Bob Panek stated that there would be no changes. The front door would be locked and an intercom installed for visitors to ring the police department. Visitors would be buzzed in and an officer would meet them downstairs; viii) Councilwoman Ashworth asked Rick Keuroglian if he was comfortable with the lease. Rick Keuroglian responded that he was.

Motion made by Councilman Grossman, seconded by Vice Mayor Buchholz, to authorize the Town Manager to finalize and execute the lease for space at Trinity United Methodist Church as discussed. The motion was approved by unanimous vote.

B. *Reappointment of Library Board Member:*
Town Clerk Libby Hume stated that the Library Board consisted of six members, each serving four-year terms, and a Town Council representative. Ms. Dianne Davis' term on the Library Board would be expiring on August 8, 2025. She initially notified us of her intention to "retire" from the board but graciously changed her mind after talking to the other members of the board.

Motion made by Councilwoman Ashworth, seconded by Councilwoman Holloway, to appoint Ms. Dianne Davis to the Library Board for another four-year term. The motion was approved by unanimous vote.

C. *Community Development Block Grant Opportunity for Harbor & Railroad Area Conceptual Master Plan and Area Design Guidelines:*
Katie Nunez stated that this matter was first brought to Council at the July 17, 2025 Town Council Regular Meeting to open the dialogue about the master planning process for the harbor and railroad area, and to make Council aware of a state grant that might help offset the costs for this type of planning process. Council requested that this matter be placed on the August agenda for further discussion. Staff was in active discussion and negotiations with the Berkley Group to provide planning services based on the outcome of this meeting. Michael Zehner, Director of Planning & Community Development for the Berkley Group, was in attendance via video conference to provide some information regarding this process and to answer any questions. Katie Nunez went on to outline specific items needing clarification and consensus: i) The area to be included in the master planning study needed to be refined. The map with the proposed areas broken down was reviewed in detail. (Please see attached.); ii) Confirmation of the scope of work envisioned in the planning process, specifically whether or not the Town planned to purchase any or all of the railroad property when it became available; iii) The establishment of a Harbor and Railroad Master Plan Steering Committee or Project Management Team consisting of key stakeholders to provide guidance and support, working with the consulting firm, in developing the draft Harbor & Railroad Master Plan. If the Town decided to apply for a Community Development Block Grant (CDBG), a Project Management Team (PMT) needed to be composed of the minimum: a locality official (town manager, mayor, etc.), representative from the regional planning district commission if applicable, grant manager or consultant, engineer or architect, appropriate consulting service based on the nature of the project, and project sparkplugs (representatives of the community). She suggested a possible composition of the project management team as follows: 2 Town Council members, 2 Planning Commission members, 2 harbor adjacent property owners, 1 railroad property owner representative, 1 Cape Charles Civic League representative, 1 Cape Charles Main Street representative, town manager, director of planning, harbor master and code official.

There was much discussion regarding the mapped area and which sections to include in the plan. It was noted that the Town had ordered an appraisal of the Canonie Atlantic property, and we were hopeful that the appraisal would be received by September 1st. A consensus was reached to include all areas that were proposed.

There was some discussion regarding the PMT as follows: i) Councilman Butta and Councilwoman Ashworth expressed their interest in serving on the PMT; ii) Councilwoman Ashworth asked that 1 representative from the Bay Creek Homeowners Association be included since there would be a representative from the Historic District Civic League; iii) It was suggested that instead of having 2 representatives from the Planning Commission, we have 1 member from the Planning Commission and 1 member from the Harbor Area Review Board; iv) Vice Mayor Buchholz suggested having 1 representative from each of the sections on the map (3, 7, 8, 9, 10, and 11), since John Kemp owned 2 parcels, Southport Investors had 3 parcels, and Virginia Marine Equipment also owned property in the harbor area. They all needed to be part of the team; v) Katie Nunez stated that the Town would solicit names from the citizens, adding that time was of the essence; vi) Councilman Butta cautioned that the larger the committee, the more members needed to make a quorum. Katie Nunez agreed, adding that other parties may participate in the meetings and provide their input, but did not necessarily have to be a member of the PMT. Councilwoman Holloway stated that we needed to include representation from relevant stakeholders as she did not want to repeat past mistakes such as the short-term rental committee. Mayor Charney interjected that if someone volunteered to serve on the PMT, they need to make a commitment and must attend all meetings.

Katie Nunez stated that she would work with Michael Zehner to refine the scope of work, along with the amount of the Berkley Group's fees, and the information regarding the contract award would be on the August 21st Town Council Regular Meeting Agenda.

TOWN HALL MEETING ORDER OF BUSINESS – DISCUSSION OF PUBLIC RESTROOM OPTIONS:
Rick Keuroglian thanked the members of the public for attending this Town Hall meeting about public restrooms. He stated that when he began his research process, he thought it would be an easy fix, but as he dug into the information, he realized that the issue was complex and very challenging to resolve. He was at a crossroads and needed direction from the Council and citizens. He went on to review his presentation with Council and attendees which outlined the background and current situation, operational review with Public Works, key strategic questions, evaluation criteria, and overviews of short-term, long-term and lease options. (Please see attached.)

There was discussion amongst Council as follows: i) Should the public restrooms be separated from the visitor center? The majority of the Council members were agreeable to separating the two projects; ii) Councilwoman Holloway provided background of how the projects got combined stating that the initial concept was developed using funding from the American Rescue Plan Act (ARPA). We found that we could not have a Virginia Tourism-certified visitor center without staff to manage it. That was why Cape Charles Main Street (CCMS) was brought into the picture. As it stood now, the two projects could be separated; iii) Rick Keuroglian stated that he and members of the CCMS board met with the Cape Charles Museum board regarding the possibility of moving the CCMS office and visitor center to Bloxom Station, the former train station currently located on the museum property. The building was currently used by the museum to store memorabilia. The building had approximately 700 square feet which was similar to the other locations. It had great charm, an ADA ramp, and the museum was next door. It had the potential to be a real visitor center on the way into town. The museum's board was willing to partner with CCMS for this project. There would be no room for a conference room, but it would be a viable option to consider as a visitor center; iv) There was a general consensus that the "silver bullet" was not big enough, even if the RV toilets were replaced with regular ones. The "silver bullet" could be repaired and moved to other locations as needed for events; v) Another restroom trailer would be good for a temporary fix but what if we had the same issues with a new unit? Also, an ADA trailer was much more costly so ADA porta potties would have to be retained; vi) A permanent structure would take more time with engineering, permitting, various approvals, having to go out for bids, construction, etc.; vii) If a permanent solution was preferred, it could be built on a location by the "silver bullet" on Canonie land or another town-owned property such as the lot behind the library. The Town could also purchase a building for the restrooms; viii) Location was important as it needed to be central to the commercial district. There were issues with the lot behind the library because it was surrounded by residences who would probably not want a public restroom facility next door or across the street from their homes; ix) If the location of the "silver bullet" was chosen for a permanent facility, it would have to be moved about 50' to the east to accommodate the expansion of the street grid at Peach Street. Canonie Atlantic had no problem with amending the long-term lease at $500 per year for a permanent structure; x) Rick

Keuroglian asked how important ownership would be. Leasing had its benefits where the Town would have a low monthly cost. The 11 Peach Street option was a great location and would be charming, fit in with the look of the historic district, etc. It was originally proposed for the CCMS office with a conference room and restrooms, but if the conference room were removed, it would be a better use of space to accommodate various displays about Cape Charles and things to do; xi) Councilwoman Holloway expressed her preference for the 11 Peach Street location stating that it screamed "visitor center." Councilwoman Ashworth agreed, adding that the Town had a unique opportunity to have the downtown restrooms in a historic building in the historic district; xii) There were two ADA parking spaces on the corner of Peach Street and Mason Avenue in close proximity to the 11 Peach Street location; xiii) Councilwoman Holloway stated that the Bloxom Station had challenges with visibility and parking. Councilwoman Ashworth added that walkability and golf cart access was paramount.

The floor was opened to the members of the public.

Carol Ann Sabo stated that walkability and golf cart access were important.

Elise McMath thanked the Town Council for holding a Town Hall meeting. It was refreshing and nice for the public to be able to participate in the conversation, but it would have been nicer if the public could have spoken sooner. She preferred the visitor center being located on the way coming into the town and would provide foot traffic to support the museum.

Kathy Glaser did not think dedicated parking was necessary for the 11 Peach Street location since people would park there and leave their cars there all day while they walked around town. She also felt that the location should not be used just for restrooms.

Carol Ann Sabo stated that the 11 Peach Street location seemed like a great idea but there were some barriers in that it would take 6 to 8 months for completion and had a significant cost.

Tiffany Gelzinis, owner of 11 Peach Street, stated that they were pursuing historic tax credits and were at phase 2 of the process. She sent the updated plans to Bob Panek but had some limitations to the layout due to the requirements for using historic tax credits. The approval process took about 30-60 days. They needed a fairly concrete idea of what the Town wanted prior to submitting their application. Once they received approval for the tax credits, it would only take administrative approval for the Historic District Certificate of Appropriateness since the state approval process was more restrictive than the Town's.

Kathy Glaser stated that the timeframe should not be an issue since we were almost at the end of the summer season. The construction would be done by next summer and we still had the "silver bullet" to hold us over until construction was completed.

Greg Gentry stated that portable restroom units had come a long way since the "silver bullet" was purchased. The newer ones were better although they still used RV toilets, but the toilets could be upgraded to regular toilets for about $250 each. If the Town purchased a new trailer and decided to sell it after construction of the permanent solution, they had good resale value. An ADA trailer typically did not hold many stalls due to the size requirements of each stall and most only have 2 stalls. The Town had the option of purchasing an ADA porta potty and having it cleaned by public works staff.

Rick Keuroglian presented 2 more permanent location options – 300C and 300D Mason Avenue were on the market for $289,000 and $349,900 respectively. The units were side by side and 1 could be used for bathrooms and 1 could be for a visitor center, or 4-6 restrooms could be placed in each. It would be about another $100K to retrofit them for restrooms.

Council went on to review the other long-term options included in the presentation. Councilwoman Holloway stated her preference for unisex restrooms, then added that a much more aggressive cleaning schedule was needed such as cleaning 6 times per day in the high season.

Council discussed purchasing a new temporary unit with 5 or more stalls, and an ADA unit so porta potties would not have to be used. After a permanent restroom facility was constructed, the units could be moved as needed to events.

Council asked the members of the public for their opinions. i) Carol Ann Sabo stated that the Town should purchase a 5-stall unit and an ADA trailer for a temporary solution to either sell of move as needed for events, and move forward with the 11 Peach Street location for the permanent solution; ii) Sam Jones stated that it all has to be subject to costs since the Town did not know the real costs; iii) Claudette Lajoie asked if CCMS would be paying rent for the office space at 11 Peach Street. Councilwoman Holloway responded that CCMS would have to add staff to manage the visitor center and volunteers so the $1K in rent needed to be reconsidered unless the Town were to increase their funding support to CCMS; iv) Ed Wells did not think CCMS needed to be included in this project.

Motion made by Councilwoman Holloway, seconded by Councilwoman Ashworth to direct the town manager to move forward to obtain pricing for a 5-stall restroom trailer and an ADA trailer and continue negotiations with the owners of 11 Peach Street for a permanent location for Council action at the August 21st regular meeting.

Katie Nunez stated that August 21, 2025 would not provide the owners of 11 Peach Street with enough time since they would have to submit their tax credit application after getting the Town's plans.

Councilwoman Holloway moved to amend her original motion removing the portion related to 11 Peach Street. Councilwoman Ashworth seconded the motion. The motion was approved by unanimous vote.

Mayor Charney called for a vote on the motion to charge the town manager to move forward to obtain pricing for a 5-stall restroom trailer and an ADA trailer for Council action at the August 21st meeting.

The motion was approved by unanimous vote.

Councilwoman Ashworth asked that 11 Peach Street be added to the September 4, 2025 Town Council Work Session for further discussion.

Motion made by Councilwoman Ashworth, seconded by Councilman Grossman, to adjourn the Town Council Special Meeting & Town Hall Meeting. The motion was approved by unanimous vote.

The meeting adjourned at 8:57 p.m.

____
Mayor Charney

____
Town Clerk

A. *Proposed Lease with Trinity United Methodist Church*

COMMERCIAL LEASE

THIS COMMERCIAL LEASE (this "Lease") is made as of the ___ day of ___________, 2025 (the "Effective Date"), by and between the **BOARD OF TRUSTEES OF THE TRINITY UNITED METHODIST CHURCH** ("Landlord"), and the **MUNICIPAL CORPORATION OF CAPE CHARLES**, a political subdivision of the Commonwealth of Virginia ("Tenant").

WITNESSETH:

A. Landlord is the owner of those certain parcels of land and the improvements thereon located in Northampton County, Virginia, and commonly known as 109 Plum Street, Cape Charles, Virginia 23310 (Tax Map No.'s 83A3-1-477, 83A3-1-480, 83A3-1-481, and 83A3-1-484) (the "Land"), which Land is improved with a building containing a total of approximately 13,751 square feet (the "Building") (the Land and the Building are collectively, the "Property").

B. Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, (i) a portion of the Property for Tenant's exclusive use, containing approximately 3,971 S.F., and (ii) a portion of the Property for Tenant's non-exclusive use, to be shared in common with Landlord, containing approximately 758 S.F., in each case, as more particularly set forth herein.

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

1. Leased Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the following:

1.1 *Exclusive Use.* For Tenant's exclusive use:

(a) all those certain portions of the old section of the Building, including (i) a total of seven (7) classrooms identified as O-1, O-2, O-3, O-4, O-5, O-6, and O-8, (ii) the two (2) restrooms located between classrooms O-1 and O-2, (iii) the closets connected to classrooms O-1 and O-2, (iv) the hallway connecting classrooms O-1 and O-2, and (v) the large hallway connecting classrooms O-1, O-2, O-3, O-4, O-5, and O-6, in each case, as highlighted in yellow on **Exhibit A** attached hereto and incorporated herein (collectively, the "Old Section Exclusive Space"); and

(b) all those certain portions of the new section of the Building, including (i) a total of five (5) classrooms identified as N-1, N-2, N-3, N-4, and N-5, (ii) the foyer leading into the hallway in between classroom N-1 and the restroom, and (iii) the large hallway connecting classrooms N-1, N-2, N-3, and extending around classroom N-1 and the utilities closet, in each case, as highlighted in yellow on **Exhibit B** attached hereto and incorporated herein (collectively, the "New Section Exclusive Space") (the Old Section Exclusive Space and the New Section Exclusive Space are collectively, the "Exclusive Space"). Landlord hereby represents, warrants and covenants that as of the Commencement Date, no parties other than Tenant shall be in possession of all or any portion of the Exclusive Space, and the Exclusive Space shall not be burdened by any leases, licenses, or occupancy agreements other than this Lease.

1.2 *Non-Exclusive Use.* For Tenant's non-exclusive use to be shared in common with Landlord:

(a) all that certain portion of the old section of the Building, including the foyer connected to classroom O-8, as highlighted in blue and shown on the **Exhibit A** attached hereto and incorporated herein; and

(b) all those certain portions of the new section of the Building, including (i) the utilities closet, (ii) the kitchen, (iii) the two (2) restrooms, (iv) the foyer connected to the kitchen, and (v) the large hallway connecting classrooms N-4, N-5, the kitchen, and the two (2) restrooms, in each case, as outlined in blue and shown on the attached **Exhibit B** (collectively, the "Shared Use Space"). Landlord and Tenant agree to use commercially reasonable efforts and to cooperate in good faith to maximize the benefits, efficiency, and use of the Shared Use Space for both parties throughout the Lease Term, all as more particularly set forth in Section 29 below.

The Exclusive Space and the Shared Use Space are collectively, the "Leased Premises."

2. Term.

2.1 The term of this Lease (the "Lease Term") shall begin on October __, 2025 (the "Commencement Date"), and shall continue until 11:59 p.m. on the last day of the twenty-fourth (24^{th}) full calendar month following the Commencement Date (the "Expiration Date"), subject to extension pursuant to Section 2.2 below.

2.2 Tenant, by written notice given at least ninety (90) days prior to the then-current Expiration Date, shall have the right to extend the Lease for up to four (4) additional successive periods of twelve (12) months each (each, a "Renewal Term"). Upon the exercise of any Renewal Term by Tenant, such Renewal Term shall become a part of the Lease Term and the last day of such Renewal Term shall be the "Expiration Date."

3. Basic Rent.

3.1 The basic rent (the "Basic Rent") for the Leased Premises shall be in the amount set forth below:

Months:	**Total Monthly Basic Rent:**
1-12 (Year One)	**$4,729.00**
13-24 (Year Two)	**$4,799.94**

Basic Rent for each Renewal Term, if exercised by Tenant pursuant to Section 2.2 above, shall be in the amount set forth below:

Months:	**Total Monthly Basic Rent:**
25-36 (Year Three), if exercised by Tenant	**$4,871.94**
37-48 (Year Four), if exercised by Tenant	**$4,945.02**
49-60 (Year Five), if exercised by Tenant	**$5,019.20**
61-72 (Year Six), if exercised by Tenant	**$5,094.49**

3.2 All payments of Basic Rent must be made in advance on the first day of each month, payable to Landlord at the address set forth in Section 25 hereof, or at such other place as Landlord may from time to time designate by reasonable advance written notice. If the Lease Term begins on a day other than the first (1st) day of a calendar month, Basic Rent from that date until the first (1st) of the next succeeding calendar month shall be prorated on the basis of the actual number of days in each such month and the rate of Basic Rent applicable to the first full month of the Lease Term, and shall be payable in advance on the Commencement Date. Tenant will, without previous demand, pay the Basic Rent at the times and in the manner above provided, without offset, deduction or abatement, except as expressly set forth herein. Tenant agrees to pay Landlord a late charge equal to five percent (5%) of the amount of any payment required hereunder received by Landlord more than ten (10) days after its due date.

4. Security Deposit. At the time of signing this Lease, Tenant shall deposit with Landlord $9,458.00 (the "Security Deposit"), to be retained by Landlord as security for the faithful performance and observance by Tenant of the provisions of this Lease. Tenant shall not be entitled to any interest on the Security Deposit. Landlord shall have the right to commingle the Security Deposit with its other funds. Landlord may use the whole or any part of the Security Deposit for the payment of any amount as to which there is an Event of Default (defined below) by Tenant or to compensate Landlord for any loss or damage it shall suffer by reason of an Event of Default by Tenant under this Lease. If Landlord uses all or any portion of the Security Deposit as herein provided, within ten (10) days after written demand, Tenant shall pay Landlord by check or wire transfer an amount equal to that portion of the Security Deposit used by Landlord. If Tenant complies fully and faithfully with all of the provisions of this Lease, the Security Deposit shall be returned to Tenant within thirty (30) days after the Expiration Date and surrender of the Leased Premises to Landlord.

5. Acceptance of Leased Premises; Landlord's Work.

5.1 Except as otherwise set forth herein, including without limitation, Landlord's obligation to perform the Landlord's Work (defined below),Tenant shall accept the Leased Premises "as is", in its present condition without any alterations by Landlord. Notwithstanding the foregoing or anything herein to the contrary, Landlord shall, on or before the Commencement Date, perform and complete at its sole cost and expense (subject to Section 5.2 below) those items of landlord's work as more particularly identified on **Exhibit C** attached hereto and incorporated herein (the "Landlord's Work").

5.2 As part of the Landlord's Work, Landlord shall perform and complete certain mold and mildew remediation work in the Leased Premises (including without limitation, to classroom O-6 in the old section of the Building and to the stairwell area connecting the old section and new section of the Building near classroom N-1 and the utilities closet) and, to the extent reasonably necessary, in adjacent areas of the Building that may affect the Premises (collectively, the "Remediation Work"). The Remediation Work shall be performed in accordance with applicable law and current industry standards, and in consultation with a qualified environmental or remediation professional. The purpose of the Remediation Work is to ensure the Leased Premises is delivered on the Commencement Date in a clean, safe, and tenantable condition, free of active mold or mildew growth. Tenant shall reimburse Landlord for the reasonable documented costs incurred by Landlord in connection with the Remediation Work, up to a maximum amount of Ten Thousand and 00/100 Dollars ($10,000.00) (the "Remediation Cap"). Landlord shall provide Tenant with reasonably detailed invoices or other documentation evidencing the costs of the Remediation Work, and Tenant shall reimburse Landlord for such costs within thirty (30) days after receipt thereof, up to the Remediation Cap. Landlord shall be responsible for any costs of the Remediation Work in excess of the Remediation Cap.

5.3 Tenant acknowledges that Landlord has not made any warranties or representations, oral or written, as to the use or fitness of the Leased Premises for any particular purpose, except for the Permitted Use (defined below). Landlord shall not be responsible or liable for obtaining any governmental approvals or permits necessary to enable Tenant to occupy or use the Leased Premises, all of which shall be the sole responsibility of Tenant. Landlord shall not be responsible for obtaining any certificates of occupancy or other approvals required in connection with construction work done by Tenant or contractors engaged by Tenant.

5.4 If delivery of the Leased Premises shall be delayed beyond the Commencement Date for any reason (including without limitation, Landlord's obligation to complete the Landlord's Work within the time frame set forth herein), Landlord shall not be liable to Tenant for any loss resulting from such delay and Tenant's obligation to pay Basic Rent shall be suspended and abated until possession of the Leased Premises is delivered to Tenant pursuant to the terms of this Lease. In the event of such a delay, it is agreed that the Commencement Date and Expiration Date shall be correspondingly extended.

6. Use.

6.1 Tenant shall be entitled to occupy and use the Leased Premises for the Tenant's general governmental, administrative, municipal, and legislative functions, expressly including but without limitation, the following: (i) offices for Tenant's officials, departments, or administrative personnel, (ii) public-facing service counters or reception areas for conducting Tenant's business, (iii) meeting rooms for governmental functions, advisory boards, and public hearings, (iv) Tenant's storage and document archiving, (v) community engagement or outreach events, (vi) information technology support functions, (vii) use by various non-profit civic organizations, and (viii) use by third-party contractors providing services to or on behalf of Tenant, in each case, together with any and all related ancillary uses (all such uses being collectively, the "Permitted Use"), and for no other purpose without Landlord's prior written consent. Tenant shall not use the Leased Premises for any unlawful purpose or so as to constitute a nuisance or trespass.

6.2 Landlord acknowledges and agrees that in connection with the Permitted Use, certain portions of the Leased Premises may be open to the public during regular business hours in the course of the Tenant's regular operations.

6.3 Tenant covenants and agrees to comply with all laws and regulations of governmental authorities applicable to the Leased Premises; provided, however, that Tenant shall not be required to modify the Leased Premises to comply with any subsequently enacted governmental requirements unless the same are applicable because of Tenant's Permitted Use of the Leased Premises.

6.4 Tenant shall, at its sole cost and expense, obtain and provide to Landlord all governmental permits, approvals and authorizations for any intended use of the Leased Premises.

7. Utilities.

7.1 Landlord shall pay for all water, sewer, and electricity services (collectively, the "Reimbursable Utilities") supplied to the Building. The Reimbursable Utilities shall remain in Landlord's own name and Landlord shall timely pay all charges for the Reimbursable Utilities directly to the providers thereof. Landlord shall send a monthly written invoice to Tenant setting forth the costs of the Reimbursable Utilities for the preceding month, including a copy of the monthly statement from each provider thereof. Tenant shall reimburse Landlord for the costs of the Reimbursable Utilities within thirty (30) days after receipt of the monthly invoice from Landlord. Landlord shall not be responsible or liable for any interruption in any of the above services supplied to the Building, nor shall such interruption affect the continuation or validity of this Lease, unless such interruption results directly from Landlord's failure to timely pay for any of the Reimbursable Utilities directly to the providers thereof as required herein. Landlord shall have the exclusive right to select, and to change, the companies providing the Reimbursable Utilities to the Building.

7.2 Landlord shall also pay for all propane supplied to the Building directly to the provider thereof. Landlord shall have the exclusive right to select, and to change, the company providing propane services to the Building.

7.3 Tenant shall pay for all telephone and other communication services supplied to the Leased Premises. Tenant shall obtain these services in its own name and timely pay all charges directly to the provider(s) thereof. Tenant shall have the exclusive right to select, and to change, the companies providing any of the above services to the Leased Premises.

7.4 The parties acknowledge that there are three (3) separate meters with respect to the electricity services supplied to the Building. In an effort to minimize unnecessary electricity consumption in those areas of the Building which are not included as part of the Leased Premises (the "Non-Leased Areas"), Landlord agrees to maintain the heating, ventilation and air conditioning systems (the "HVAC System") serving the Non-Leased Areas in accordance with the following standards:

(i) During the cooling season (May 1 through September 30), Landlord shall ensure that the HVAC System does not cool the temperature of the Non-Leased Areas below 78 degrees Fahrenheit, unless the Non-Leased Areas are being actively occupied for more than temporary maintenance or repair activities; and

(ii) During the heating season (November 1 through March 31), Landlord shall ensure that the HVAC System does not heat the temperature of the Non-Leased Areas above 55 degrees Fahrenheit, unless the Non-Leased Areas are being actively occupied for more than temporary repair or maintenance.

7.5 Any wiring, cabling or other equipment necessary to connect Tenant's telecommunications equipment shall be Tenant's responsibility and shall be installed in a manner approved by Landlord.

7.6 In the event that provider(s) of telephone and communications services for which Tenant is responsible hereunder invoice the cost of such services to Landlord, Tenant shall remit payment for such services (i) to Landlord within thirty (30) days after Tenant's receipt of such invoice from Landlord, which payment shall be applied promptly to the applicable invoice; or, at Tenant's election, (ii) directly to such service provider.

8. Real Estate Taxes. Landlord shall pay before delinquent all taxes assessed and levied against the Leased Premises or the Property during the Lease Term and any renewal thereof, if any.

9. Insurance on the Building. Landlord shall obtain insurance on the Building in which the Leased Premises are located against loss or damage by fire and against loss or damage by other risks embraced by the "all risk coverage endorsement" in amounts at all times sufficient to prevent Landlord or Tenant from becoming a co-insurer under the terms of the applicable policies but, in any event, in an amount not less than one hundred percent (100%) of the then full insurable value of the Leased Premises. The term "full insurable value" shall mean actual replacement value (exclusive of costs of excavation, foundations and footings) less physical depreciation. Landlord's insurance shall name Tenant as an additional insured.

10. Insurance Coverage. At all times subsequent to taking possession of the Leased Premises, Tenant shall, at its sole cost and expense, provide the following insurance coverages:

10.1 Comprehensive and general public liability insurance against claims for personal injury, death or property damage in connection with the use and occupancy of the Leased Premises or arising out of the improvement, repair or alteration of the Leased Premises. The limits of such insurance shall not be less than One Million Dollars ($1,000,000.00) for injury or death to any one person and One Million Dollars ($1,000,000.00) per occurrence.

10.2 Property damage insurance for damaged personal property arising out of any one occurrence. Tenant shall procure and maintain throughout the Lease Term a property insurance policy (written on an "All Risk" basis) insuring all of Tenant's personal property, including but not limited to equipment, furniture, fixtures, furnishings and leasehold improvements which are the responsibility of Tenant for not less than the full replacement cost of said property.

10.3 All insurance required hereunder shall name Landlord and any other associated or affiliated entity as their interests may appear and at Landlord's request, any Mortgagee(s), as additional insureds. Tenant shall deliver to Landlord copies of policies of such insurance or certificates evidencing the existence and the amount of such insurance with loss payable clauses satisfactory to Landlord.

11. Notification of Damages; Liability for Damage.

11.1 Tenant shall notify Landlord in writing promptly upon the occurrence of any material damage to the Leased Premises.

11.2 Except to the extent caused by the gross negligence or willful misconduct of Landlord or its agents, Tenant shall, to the extent permitted by applicable law, indemnify, defend, and hold harmless Landlord and its agents from any and all claims, actions, damages, liability and expenses (including reasonable fees of attorneys, investigators and experts) which are asserted against, imposed upon, or incurred by Landlord or its agents and arising out of or in connection with loss of life, personal injury or damage to property in or about the Leased Premises or arising out of the occupancy or use of the Leased Premises by Tenant or its agents or occasioned wholly or in part by any act or omission of Tenant or its agents, whether prior to, during or after the Lease Term. Tenant's obligations pursuant to this subsection shall, to the extent permitted by applicable law, survive the expiration or termination of this Lease.

11.3 Except to the extent caused by the gross negligence or willful misconduct of Tenant or its council members, officers, employees, consultants or agents, Landlord shall indemnify, defend, and hold harmless Tenant and its council members, officers, employees, consultants and agents from any and all claims, actions, damages, liability and expenses (including reasonable fees of attorneys, investigators and experts) which are asserted against, imposed upon, or incurred by Tenant or its council members, officers, employees, consultants or agents and arising out of or in connection with loss of life, personal injury or damage to property in or about the Property (excluding the Exclusive Space) or arising out of the occupancy or use of the Property (excluding the Exclusive Space) by Landlord or its agents or occasioned wholly or in part by any act or omission of Landlord or its agents, whether prior to, during or after the Lease Term. Landlord's obligations pursuant to this subsection shall survive the expiration or termination of this Lease.

12. Alterations, Additions or Improvements to Leased Premises.

12.1 Tenant covenants that it will not make any alteration, addition or improvement to (i) the Exclusive Space costing more than Five Thousand and 00/100 Dollars ($5,000.00), or (ii) the Shared Use Space (regardless of cost), in each case, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. All such alterations, additions and improvements, except movable office furniture, trade fixtures and professional equipment owned by or installed at the expense of Tenant, shall become the property of Landlord and shall be surrendered along with the Leased Premises at the expiration or earlier termination of this Lease.

12.2 Should Tenant make alterations, additions, or improvements, all of the same shall be made in accordance with the rules and regulations of all governmental agencies having jurisdiction over the Leased Premises. All alterations, additions, or improvements shall be made in a good and workmanlike manner. Tenant hereby agrees, to the extent permitted by applicable law, to indemnify and hold Landlord harmless from any claims, losses, or damages resulting from Tenant's making such repairs, alterations, or additions, including but not limited to, liens claimed by mechanics or materialmen.

12.3 Subject to obtaining Landlord's consent to make alterations, additions, or improvements when applicable, Tenant shall be responsible for all costs and expenses incurred as a result of such alterations, additions, or improvements made to the Leased Premises pursuant to this Section 12.

12.4 Tenant shall not, without the prior written consent of Landlord, place any signs, door plaques or advertising matter or material on the exterior of the Leased Premises or in the interior of the Leased Premises if it is visible from the exterior of the Leased Premises. Notwithstanding the foregoing, subject to compliance with local signage ordinances, Tenant shall be entitled to install its standard free-standing "Town Hall" sign on the exterior of the Building and its standard directional signage on the exterior or in the interior of the Building as may be reasonably necessary in connection with Tenant's Permitted Use of the Leased Premises.

12.5 Notwithstanding anything herein to the contrary, the Tenant shall have the right to convert the two (2) restrooms located between classrooms O-1 and O-2 in the old section of the Building into one (1) larger restroom. Tenant shall obtain the Landlord's reasonable approval of the plans for the conversion into one (1) large restroom prior to beginning construction.

13. Casualty.

13.1 If the Leased Premises shall be damaged by fire or from some other cause the damages shall be repaired by Landlord with all reasonable dispatch, it being the intention of the parties that the insurance coverage required by this Lease shall be the source of financing said repairs. The Basic Rent, until such repairs be made, shall be apportioned or abated according to the loss of use of the Leased Premises until the Leased Premises have been restored to substantially the same condition they were in prior to such damage, unless such damage is caused by the negligence or improper conduct of Tenant, its agents, employees or invitees, in which event there shall be no such abatement unless Landlord elects to terminate this Lease as provided hereunder. Notwithstanding the foregoing, if the damage is so extensive as to render the Building or the Leased Premises untenantable in Tenant's discretion or to an extent that Landlord determines it advisable to demolish the Building then, and in either of said events, either party may upon written notice to the other party within thirty (30) days after the occurrence of said casualty, cancel and terminate this Lease. Basic Rent shall be apportioned to the date of occurrence of such casualty, and Tenant shall fully quit the Leased Premises. Notwithstanding any provision of this Lease to the contrary, in the event that Landlord fails to repair any damage that is Landlord's obligation to repair under this Section 13 within ninety (90) days after the date of such damage, Tenant shall be entitled to terminate this Lease by written notice to Landlord.

13.2 Tenant shall not be entitled to terminate this Lease if Tenant, its agents or employees' gross negligence or willful misconduct caused the damage.

13.3 If either party cancels this Lease as permitted by this Section 13, then this Lease shall end on the day specified in the cancellation notice. The Basic Rent and other charges shall be payable up to the cancellation date and shall account for any abatement. Landlord shall promptly refund to Tenant any prepaid Basic Rent, accounting for any abatement, plus Security Deposit, if any, less any sum then owed by Tenant to Landlord.

14. Landlord Maintenance.

14.1 Landlord shall be responsible, at its sole cost and expense, for the maintenance, repair, or replacement of all common areas of the Property and every part thereof, including paved and concrete areas, parking lots, landscaping, driveways and all other components of the common areas of the Property, the exterior of the Building, all utilities systems serving the Leased Premises, including the water lines and the HVAC System, fire system, electrical feeds and electrical main breakers (including maintenance and monthly testing for those systems), and the Shared Use Space, and shall take reasonable steps to keep such areas free from snow and debris. All costs associated with such maintenance, repair and/or replacement are included in the Basic Rent.

14.2 Subject to the provisions of this Section 14, if Landlord shall fail to make required alterations, repairs or replacements within a reasonable time after such repairs become necessary, then Tenant shall have the right (but not the obligation) to cure and make such alterations, repairs or replacements, provided Tenant shall have provided thirty (30) days' written notice to Landlord of the need for such alterations, repairs or replacements and provided further Landlord shall have failed to commence such alterations, repairs or replacements within such thirty (30) day period and thereafter diligently and continuously pursue such alterations, repairs or replacements to completion. No notice shall be required by Tenant in the event of an emergency. Such alterations, repairs or replacements shall, at Tenant's option, be charged to and paid by Landlord to Tenant within thirty (30) days after a bill for such charges is presented to Landlord, or Tenant may deduct the costs thereof from future installments of Basic Rent due hereunder until reimbursed in full.

15. Tenant Maintenance.

15.1 During the Lease Term, Tenant at its sole expense shall keep the Exclusive Space, and the fixtures, improvements, equipment, and finishes, and any alterations therein in clean, safe and sanitary condition and in good order and repair and will cause no waste or injury thereto. Alterations, repairs and replacements to the Leased Premises made necessary because of Tenant's alterations or installations (including without limitation, the installation of Tenant's communications, security, and IT systems), any use or circumstances special or particular to Tenant, or any act or omission of Tenant or its agents shall be made at the sole expense of Tenant to the extent not covered by any applicable insurance proceeds paid to Landlord. All such alterations, repairs and replacements to the Leased Premises shall be performed in a good and workmanlike manner and in compliance with the laws and other requirements of all federal, state, and municipal governments, including all appropriate boards, commissions and underwriting agencies or other bodies now or hereafter exercising similar rights and powers.

15.2 Tenant shall keep the Exclusive Space and all portions of the Exclusive Space in a clean, safe and orderly condition, free of dirty, rubbish, termites and other insects.

15.3 Subject to the provisions of this Section 15, if Tenant shall fail to make required alterations, repairs or replacements within a reasonable time after such repairs become necessary, then Landlord shall have the right (but not the obligation) to enter the Leased Premises to cure and make such alterations, repairs or replacements, provided Landlord shall have provided thirty (30) days' written notice to Tenant of the need for such alterations, repairs or replacements and provided further Tenant shall have failed to commence such alterations, repairs or replacements within such thirty (30) day period and thereafter diligently and continuously pursue such alterations, repairs or replacements to completion. No notice shall be required by Landlord in the event of an emergency. Such alterations, repairs or replacements shall be charged to and paid by Tenant to Landlord within thirty (30) days after a bill for such charges is presented to Tenant.

15.4 At the termination of this Lease, Tenant shall deliver the Leased Premises broom clean, with all removal and repairs properly completed as may be required and otherwise in the same good and sanitary order and condition in which Tenant is obligated to maintain the Leased Premises during the Lease Term.

15.5 All trash in the Exclusive Space shall be kept in containers to be provided and maintained by Tenant at Tenant's sole cost and expense. Tenant shall bear the cost of the removal of Tenant's trash from the Exclusive Space.

15.6 If necessary to prevent damage to the Leased Premises, Tenant shall at all times during the Lease Term provide and maintain heat in the Leased Premises sufficient to keep the interior of the Leased Premises and the plumbing facilities therein from freezing.

15.7 Tenant shall at all times keep the Exclusive Space free of unreasonable accumulations of dirt and debris.

16. Assignment and Subletting of Leased Premises. Tenant shall not assign and/or sublet this Lease, in whole or in part, without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Immediately following any approved assignment or sublease, Tenant shall deliver to Landlord an assumption agreement reasonably acceptable to Landlord executed by Tenant and the assignee or sublessee, together with a certificate of insurance evidencing the assignee or sublessee's compliance with the insurance requirements of Tenant under this Lease. Tenant agrees to reimburse Landlord for reasonable administrative and attorneys' fees in connection with the processing and documentation of any assignment or sublease for which Landlord's consent is requested.

17. Subordination, Non-Disturbance and Attornment of Lease. Tenant agrees to attorn to Landlord's successors in interest and assigns, including Landlord's mortgagees or purchasers at foreclosure from deeds of trust encumbering the Leased Premises or grantees under deeds in lieu of foreclosure, provided that the successor in interest to Landlord shall not disturb the rights of Tenant under this Lease. This Lease is subject and subordinate to all mortgages or deeds of trust which may now or hereafter affect such Lease, the Building or the land on which the Building is situated and to all renewals, modifications, replacements and extensions thereof, provided that any successor in interest to Landlord shall not disturb the rights of Tenant under this Lease. If the Leased Premises are subject to a mortgage or deed of trust, Landlord shall use commercially reasonable efforts to obtain a Subordination, Non-Disturbance and Attornment Agreement executed by the mortgagee.

18. Condemnation. If all or part of the Leased Premises shall be taken, under any statute or by right of eminent domain or by private purchase in lieu thereof by a public body vested with the power of eminent domain, Landlord may, by notice to Tenant not later than thirty (30) days after such taking, terminate this Lease; and if so much of the Leased Premises shall be so taken, as to leave the untaken part thereof insufficient for the conduct of Tenant's business, either Landlord or Tenant may, by notice to the other not later than thirty (30) days after such taking, terminate this Lease. In the event of a termination pursuant to either of the foregoing provisions, this Lease shall terminate as of the date of title vesting; Tenant shall have no claim against Landlord for the value of the then unexpired term hereof; and Basic Rent shall be apportioned as of the date of such title vesting. Any Basic Rent paid in advance beyond such date shall be refunded to Tenant, so long as Landlord has no superior claim to said money. If this Lease shall continue after such taking, Landlord shall promptly at its expense restore the Leased Premises to a tenantable condition; Basic Rent shall be abated to an extent corresponding with the time during which and the extent to which the Leased Premises shall be untenantable. Basic Rent shall be reduced in the proportion which the part of the Leased Premises taken bears to the entire areas of the Leased Premises immediately prior to such taking, and any Basic Rent paid in advance at the former rate shall be properly adjusted. Except as provided below, Tenant shall have no claim against Landlord for the value of the unexpired term hereof or be entitled to any part of any condemnation award, damages or purchase price. Tenant, however, shall be entitled to claim, prove and receive in the condemnation proceedings such award as may be allowed for Tenant's trade

fixtures and equipment and for reasonable moving expenses if allowable, but only if such award to Tenant shall be made by the condemnation court in addition to and stated separately from the award by it to Landlord.

19. Landlord's Covenant of Quiet Enjoyment. Subject to the other terms, provisions and conditions set forth in this Lease, Landlord covenants that Tenant, upon performing all its obligations hereunder, shall have and enjoy the quiet and peaceable possession of the Exclusive Space during the Lease Term.

20. Tenant Events of Default; Landlord's Remedies. Any of the following occurrences, conditions, or acts shall constitute an "Event of Default" under this Lease:

20.1 Tenant's failure to pay when due of any installment of Basic Rent and failure to cure such default within ten (10) days after Landlord gives written notice thereof;

20.2 Tenant's failure to observe or perform any of the terms, covenants, conditions, and provisions of this Lease and failure to cure such default within thirty (30) days after Landlord gives written notice thereof, or, if such terms, covenants or conditions cannot reasonably be satisfied within thirty (30) days, then the failure to commence a cure within thirty (30) days and diligently pursue such cure;

20.3 The voluntary or involuntary filing of Tenant into bankruptcy or into receivership, or Tenant's making of a general assignment for the benefit of creditors.

Upon an Event of Default, Landlord, in addition to other remedies provided by law, shall have the right to reenter the Leased Premises with or without force or process of law, and such reentry shall constitute a termination of this Lease. No such termination of this Lease, however, nor recovery of possession of the Leased Premises, shall deprive Landlord of any other action or remedy against Tenant for possession, rent (accrued or to accrue) or damages nor constitute a waiver of any lien of Landlord on the property of Tenant.

21. Landlord Events of Default; Tenant's Remedies. Landlord shall not be deemed to have defaulted in the performance of any covenant, obligation or provision of this Lease unless and until Tenant has provided Landlord with written notice of the default and Landlord has failed to cure such default within thirty (30) days of such notice or, if such default is not capable of cure within such period, if Landlord has failed to commence to cure the default within such period and thereafter continuously pursue the cure to completion. In the event of Landlord's default, Tenant shall have the right, but shall not be obligated, to remedy such default. All sums expended or obligations incurred by Tenant shall be paid by Landlord to Tenant within thirty (30) days of written demand. If Landlord fails to reimburse Tenant promptly, Tenant shall have any and all rights or remedies that Tenant may have under this Lease, at law or in equity. If a dispute arises and results in litigation, the non-prevailing party shall pay and reimburse the prevailing party for its expenses, court costs and fees, including reasonable attorney's fees.

22. Complete Understanding. All the terms, understandings and agreements binding upon Landlord and Tenant are herein set forth; and this instrument shall not be amended or modified except in writing signed by both the parties hereto.

23. Successors in Interest. All rights and liabilities herein given to or imposed upon either of the parties hereto shall extend to the administrators, successors and, so far as same are assignable by the terms hereof, to the assigns of such party. Tenant agrees that Landlord may sell or assign its interest in the Leased Premises and Tenant agrees that Landlord's rights and privileges hereunder shall vest fully in any such assignee of Landlord.

24. Liability of Landlord. Landlord shall have absolutely no personal liability with respect to any provision of this Lease, or any obligation or liability arising therefrom or in connection therewith. The obligations of Landlord shall be binding only upon those assets of Landlord consisting of Landlord's fee simple or leasehold interest in the Leased Premises, and not upon any other assets of Landlord or upon Landlord personally. Such exculpation of liability shall be absolute and without any exception whatsoever.

25. Notices. Any notices, demands or requests given pursuant to this Lease shall be in writing and deemed given (i) when delivered, if hand-delivered, (ii) three (3) business days after being deposited in the United States mail, certified, postage prepaid, return receipt requested, or (iii) one (1) business day after being accepted for overnight delivery by any reputable, national overnight courier, such as, for example, Federal Express, or Express Mail, delivery charges prepaid or with delivery not conditioned upon payment of charges. Addresses to which notices shall be sent are as follows:

To Landlord:

Board of Trustees of the Trinity United Methodist Church
c/o Jim Granger
299 Randolph Ave
Cape Charles, VA 23310-9998
Email: shputz8@gmail.com

with a copy to:

Wesley Community Development
c/o Christina Metheney
13816 Professional Center Drive
Suite 200
Huntersville, NC 28078
Email: cmetheney@wesleycdc.com

To Tenant:

Town of Cape Charles
Attn: Town Manager
2 Plum Street
Cape Charles, Virginia 23310
Email: townmanager@capecharles.org

with a copy to:

Woods Rogers Vandeventer Black PLC
Attn: James B. Rixey, III
101 West Main Street
500 World Trade Center
Norfolk, Virginia 23510
Email: jay.rixey@woodsrogers.com

Any party may at any time designate by written notice to the other a change of address for notices.

26. Force Majeure. Notwithstanding anything in this Lease to the contrary, if Landlord or Tenant shall be delayed or hindered in, or prevented from the performance of, any act required under this Lease by reason of (any of the following being a "Force Majeure" event under this Lease) strike, lockout,

civil commotion, warlike operation, invasion, rebellion, hostilities, military or usurped power, sabotage, pandemics, government regulations, orders or controls, inability to obtain any material, utility, service, or financing, through hurricanes, floods, other natural disasters, or acts of God, governmental restrictions, or for any other cause beyond the direct control of the party who is seeking additional time for the performance of such act, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a reasonable period, in no event to exceed a period equivalent to the period of such delay. In the event that Landlord or Tenant experiences a Force Majeure event, it shall provide written notice to the other party of the commencement of such Force Majeure event within thirty (30) days after the commencement thereof. Notwithstanding any provision herein to the contrary, in the event that such Force Majeure event results in Tenant's inability to utilize, operate, and/or occupy the Leased Premises for a period of more than five (5) consecutive business days, and continues beyond five (5) consecutive business days from the date of such Force Majeure event, then, the Basic Rent and any other additional rent owed under this Lease will abate, commencing on the sixth (6th) consecutive business day that the Leased Premises remain untenantable, and continuing until the date on which the Force Majeure event has concluded and the Leased Premises are again tenantable, and if such Force Majeure event results in Tenant's inability to utilize, operate, and/or occupy the Leased Premises for a period of more than thirty (30) consecutive days or sixty (60) combined days during any twelve (12) month period, Tenant may terminate this Lease upon delivery of written notice to Landlord.

27. Tenant Access.

27.1 Tenant and its authorized representatives, employees, invitees, and agents shall have access to the Exclusive Space twenty-four (24) hours per day, three hundred sixty-five (365) days per year. Tenant and its authorized representatives, employees, invitees, and agents shall have access to and use of the Shared Use Space on a schedule and at such times as may be mutually agreed upon between Landlord and Tenant as more particularly set forth in Section 29 below. Tenant shall also have reasonable access to any other areas of the Building (including without limitation, hallways, foyers, and stairwells) or the Property as are reasonably necessary to access the Leased Premises.

27.2 Tenant and its authorized contractors, employees, agents, and vendors shall be permitted reasonable access to the Premises during the period after the Effective Date and prior to the Commencement Date of this Lease, solely for the purposes of (i) installing Tenant's furniture, fixtures, and equipment, including cabling and technology systems, (ii) performing interior decorating, and (iii) constructing and installing such improvements, alterations, or cabling as may have been approved by Landlord, such approval not to be unreasonably withheld, conditioned, or delayed. All such work shall be coordinated in advance with Landlord and Landlord's contractors, if any, to ensure that such entry does not conflict with or delay Landlord's Work or any other ongoing construction activities in the Building or on the Property. Tenant's early access to the Leased Premises pursuant to this Section 27.2 shall be at Tenant's sole risk and expense, and shall be subject to all of the terms and conditions of this Lease other than the obligation to pay Basic Rent, which shall not commence until the Commencement Date. Early access shall not be deemed to accelerate the Commencement Date or otherwise affect the Lease Term.

28. Parking. Tenant shall have the non-exclusive right, along with Tenant's employees, agents, and invitees, to use any and all parking spaces on the Property. Tenant shall comply with all reasonable parking regulations promulgated by Landlord from time to time for the orderly use of the vehicle parking areas. All vehicles entering or parking in the parking areas shall do so at owner's sole risk and Landlord assumes no responsibility for any damage, destruction, vandalism or theft.

29. Shared Use Space. Landlord warrants to Tenant that (i) the sanctuary in the old section of the Building (which is not a part of the Leased Premises) will not be actively used by Tenant during the Lease Term, and (ii) the fellowship hall in the new section of the Building (also not a part of the Leased Premises), will only be used by Tenant for weekly Sunday services, monthly Tenant council meetings,

annual state and federal elections, and a few annual community events during the Lease Term. As a result, Tenant expects only minimal usage of the Shared Use Space during the Lease Term. Notwithstanding the foregoing, Landlord and Tenant mutually agree that the use of the Shared Use Space requires flexibility, cooperation, and a commitment to respectful use. In connection therewith, Landlord and Tenant agree to use commercially reasonable efforts and to cooperate in good faith to maximize the benefits, efficiency, and use of the Shared Use Space for both parties throughout the Lease Term. Each party shall communicate in a consistent, timely, and reasonable manner regarding scheduling and use of the Shared Use Space. The parties shall work together in good faith to implement a shared schedule for the Shared Use Space, which is subject to change from time to time upon mutual agreement of the parties. Both parties shall designate primary points of contact for coordinating use, resolving issues, and ensuring communications related to the Shared Use Space. Each party shall be responsible for leaving the Shared Use Space in a clean and orderly condition following its use, including removing personal items and disposing of trash.

30. Tenant's Limited Early Termination Right During Renewal Term. Notwithstanding anything in this Lease to the contrary, provided Tenant exercises one (1) or more Renewal Terms pursuant to Section 2.2 above, Tenant shall then have the right to terminate this Lease at any time during any such Renewal Term (but not during the initial Lease Term), by delivering to Landlord no less than thirty (30) days' prior written notice of such early termination. The early termination notice shall specify the effective date of the termination, which shall be no earlier than thirty (30) days following Tenant's delivery of such early termination notice. Upon any such early termination, Tenant shall vacate and surrender the Leased Premises in accordance with the terms of this Lease, and both parties shall be released from any further liability under this Lease arising from and after the effective date of such termination, except for obligations that expressly survive the expiration or earlier termination of this Lease.

31. Miscellaneous.

31.1 This Lease shall be construed and interpreted in accordance with the laws of the Commonwealth of Virginia. If any action or proceeding at law or in equity (including any appellate proceeding) is brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover all fees, costs, expenses, and disbursements that such party may incur in connection with or incident to such action or proceeding, including, without limitation, reasonable attorney's fees, costs and disbursements (including paralegal fees), reasonable accounting fees, costs and disbursements, and all court costs, at all levels of litigation and appeal, in addition to any other relief to such the prevailing party may be entitled.

31.2 Each individual signing this Lease warrants that such execution has been duly authorized by the party on behalf of whom he is signing. The execution and performance of this Lease by each party has been duly authorized pursuant to all applicable laws and regulations and all necessary internal procedures, and this Lease constitutes the valid and enforceable obligations of each of the parties in accordance with its terms.

31.3 This Lease may be executed in any number of duplicate originals or counterparts, all of which shall constitute a single agreement. Any counterpart of this Amendment may be executed and delivered by electronic transmission (including, without limitation, e-mail) or by portable document format (PDF) and shall have the same force and effect as an original.

31.4 Nothing contained in this Lease shall be deemed to constitute or be construed to create the relationship of principal and agent, partnership, joint venturers or any other relationship between the parties hereto, other than the relationship of landlord and tenant.

31.5 No delay or omission by any party hereto to exercise any right or power accruing upon any noncompliance or default by any party with respect to any of the terms of this Lease shall impair any such right or power nor be construed to be a waiver thereof, except as may be otherwise herein provided. A waiver by any party hereto of any covenant, condition, or agreement to be performed by any other party hereto must be in writing and shall not be construed to be a waiver of any succeeding breach thereof or any other covenant, condition or agreement herein contained.

[*Signature Page Follows*]

[*Signature Page to Commercial Lease*]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first above written.

LANDLORD:

BOARD OF TRUSTEES OF THE TRINITY UNITED METHODIST CHURCH

By: ___________________________ (SEAL)
Name: ___________________________
Title: ___________________________

[*Signature Page to Commercial Lease*]

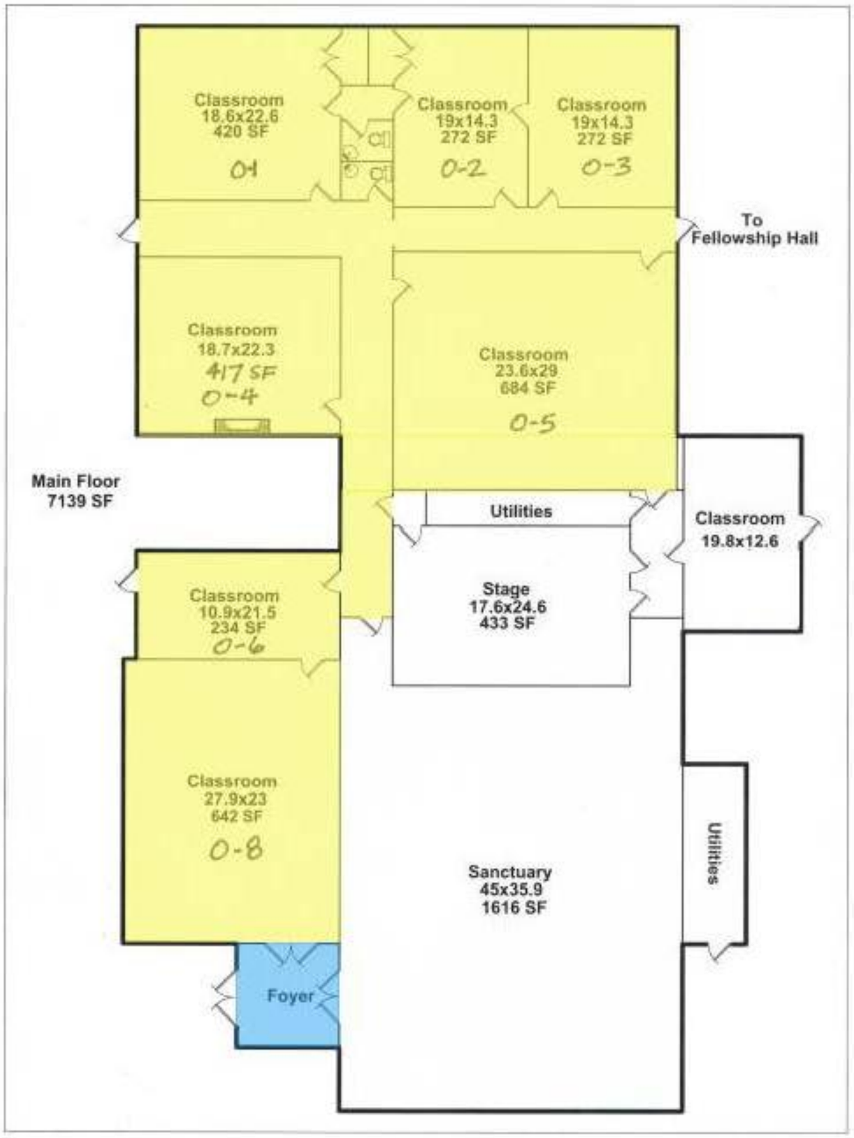
TENANT:

MUNICIPAL CORPORATION OF CAPE CHARLES
a political subdivision of the Commonwealth of Virginia

By: ___________________________ (SEAL)
Name: ___________________________
Title: ___________________________

EXHIBIT A

Building – Old Section

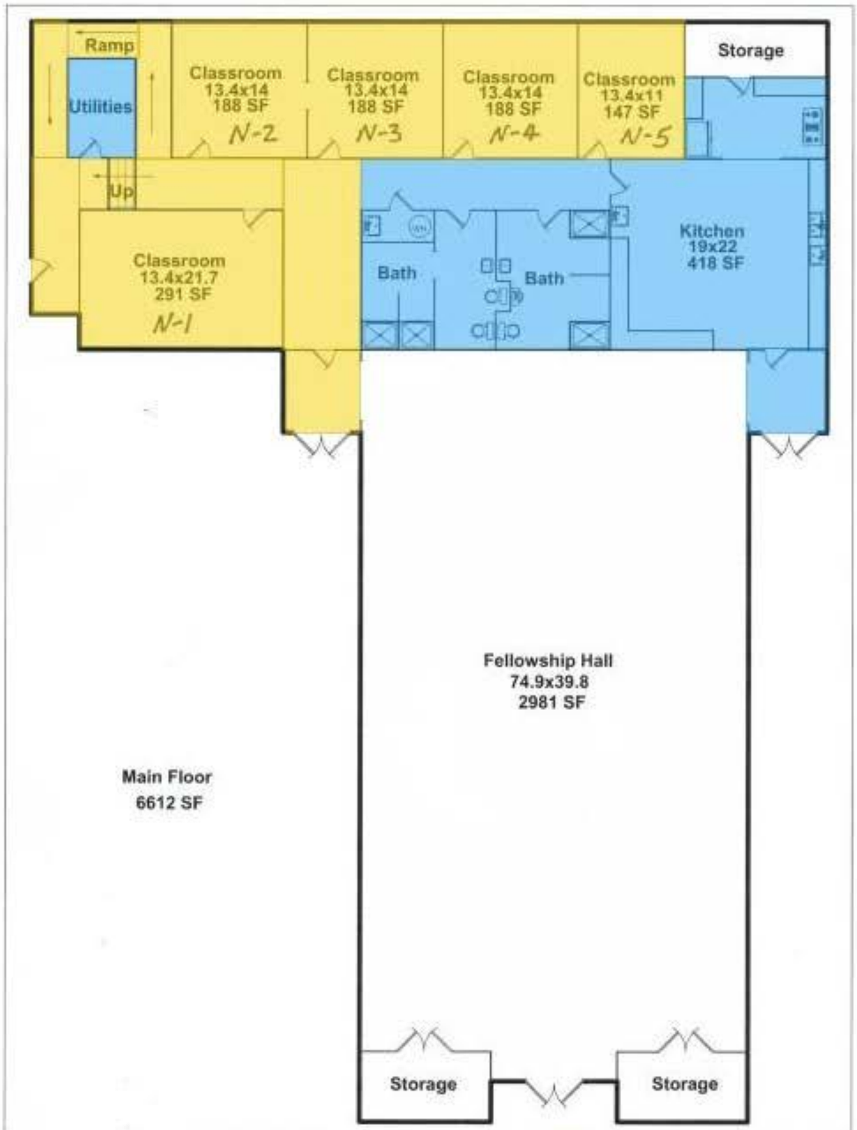


The Exclusive Space is highlighted in yellow. The Shared Use Space is highlighted in blue.

17

EXHIBIT B

Building – New Section



The Exclusive Space is highlighted in yellow. The Shared Use Space is highlighted in blue.

EXHIBIT C

Landlord's Work

Landlord shall, on or before the Commencement Date, perform and complete at its sole cost and expense the following improvements to the Property:

Interior Repairs

1. Repair water damage to ceiling and walls in stairway area connecting the old section and new section of the Building.
2. Repair damage to ceiling in classroom O-8 in the old section of the Building.
3. The Remediation Work (as defined in, and subject to reimbursement pursuant to, Section 5.2 of the Lease).

Exterior Repairs & Clean-Up

1. Repair roof leak and replace several missing roof shingles.
2. Secure downspout to west wall of Fellowship Hall.
3. Unclog/repair downspout collector at entrance to Sanctuary.
4. Repair downspout and collector at northeast corner.
5. Repair downspout collector on east side of building. Secure downspout to wall.
6. Repair security light on east side of building.
7. Wood ramp structure on east side of building:
   a. Replace all rotted or warped decking boards.
   b. Replace inboard handrail.
   c. Remove vegetation from under ramps.
8. Install missing gable trim on south side of old section.
9. Remove debris from outside area between Sanctuary and Fellowship Hall.
10. Trim and/or remove overgrown shrubbery and other vegetation, particularly near Tazewell and Plum entrances.

C. *Harbor/Railroad Area Map*

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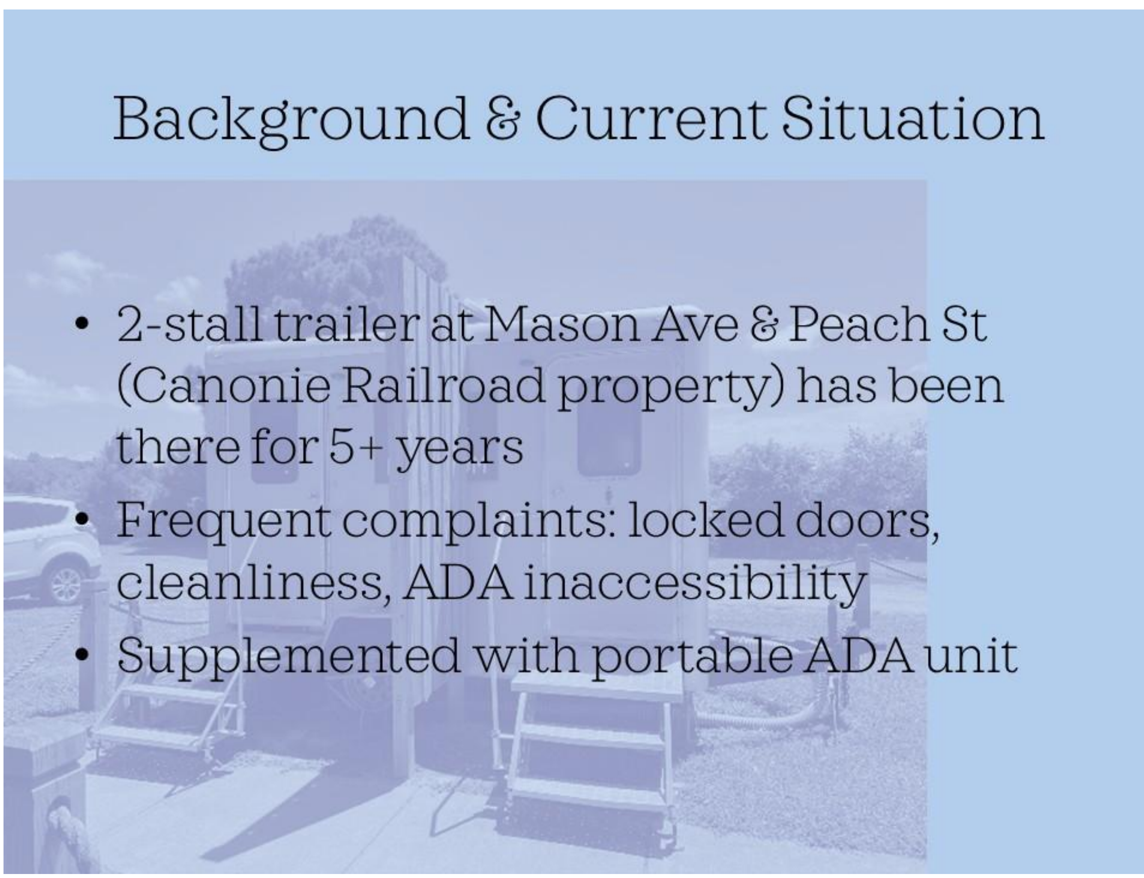
Presentation from Town Hall Meeting



Operational Review

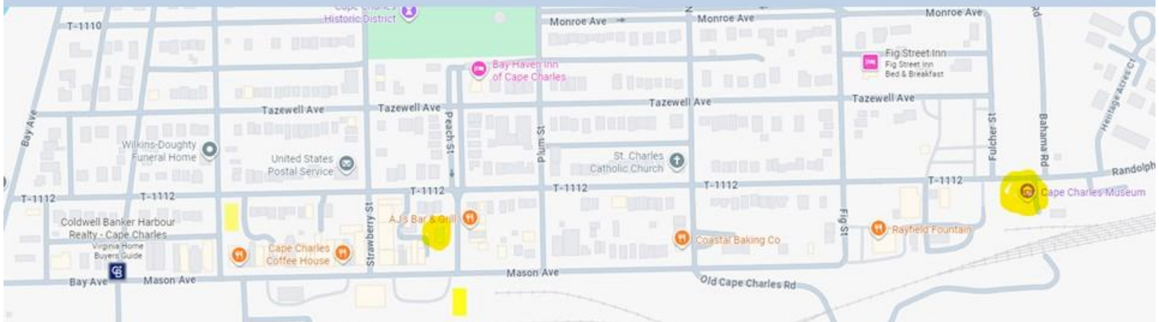
- Flushing valve issues fixed in <24 hours
- Cleaned 3x daily (can increase)
- Portable ADA unit not a long-term fix
- Issues solvable but not ideal

Key Strategic Questions

- Combine restrooms with Visitors Center?
- Maintain Silver Bullet to buy time?
- Short-term trailer or permanent solution?
- Site: Canonie vs Town property?
- Lease or own facility?

Decision Tree Summary

- Combine with VC → Lease 11 Peach
- Keep Silver Bullet → Monitor conditions
- Replace now → Trailer or Build
- Canonie land or Town-owned land
- Lease or build permanent facility



Evaluation Criteria

- Cost
- Durability
- Fiscal Responsibility
- Ownership
- ADA Accessibility
- Aesthetic Fit
- Speed of Deployment

<u>Score 1-3</u>
1-Low
2-Med
3-High

Exception:
Cost: 1-High, 2-Med, 3-Low

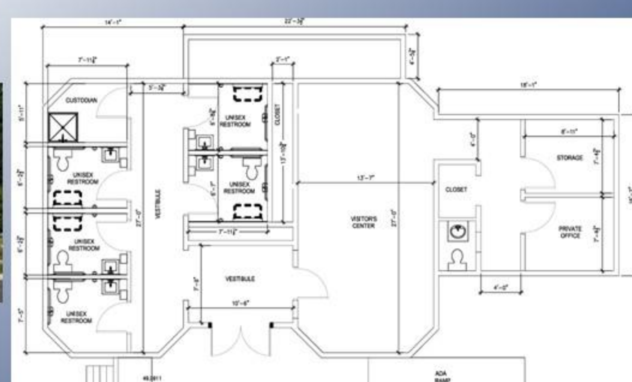
The Good, Fast, Affordable Triangle

Pick two — you can't have all three:

- Good + Fast = Not Affordable
- Fast + Affordable = Not Good
- Affordable + Good = Not Fast

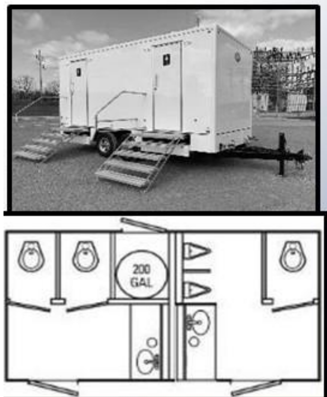
Lease Option – 11 Peach Street

- 5 ADA stalls + visitor center space
- $5,500-$7,500/month = $660,000-$900,000 over 10 years
- 6–8 month build timeline
- Option to buy later



Short-Term Purchase Options

- **JAG Mobile**: $69,970 (5 stalls, no ADA)
- **Portable RT**: $70,465 (6 stalls, no ADA)
- **Tailgating Sports:** $72,099 (6 stalls, no ADA)
- **BOXX**: $97,500+ (4 stalls, ADA accessible)

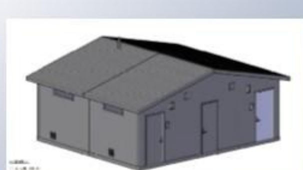


Long-Term Modular Options

- **Green Flush**: $292K–$445K, 5–6 stalls, ADA, 9–11 months
- **Precast Concrete**: $330K–$350K, quick install, highly durable
- **Romtec**: $250K–$590K, 4–6 stalls, stick-built kits, 7–9 months

Green Flush:

Precast Concrete:



Romtec:

Long-Term Modular Options

- HBA Stick Built: $600K–$700K, 5–stalls, ADA, 9–11 months
- 300-D Mason Ave.: $350K, 4-6 stalls, highly visible, 6 months
- 300-C Mason Ave.: $289K, 4-6 stalls, highly visible, 6 months

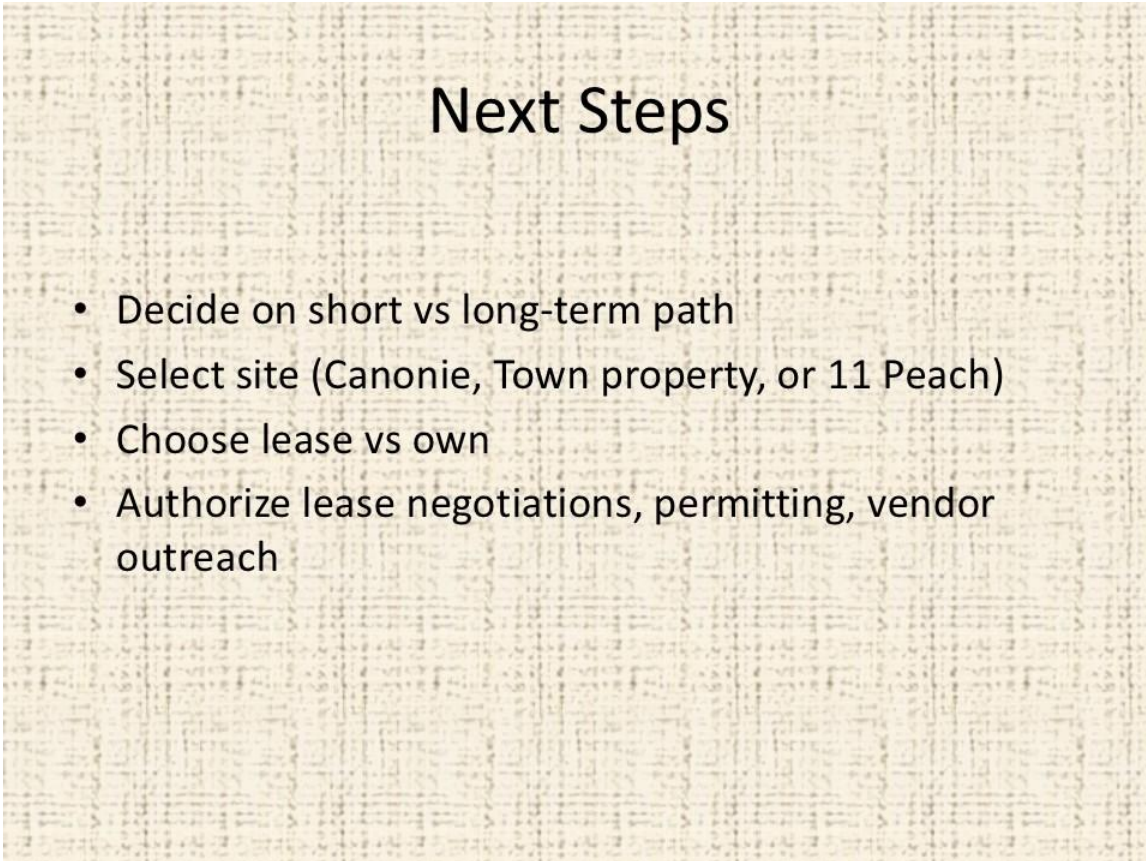
HBA Stick Built

300-C Mason Ave

300-C Mason Ave

Preliminary Recommendations

- Short-term: Trailer replacement (4–6 stall)
- Long-term: Build on Canonie or Town property
- Visitor Center combo: 11 Peach lease (most costly)



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Laurie Klingel, resident & business owner
To: Cape Charles Town Council
From: Laurie Klingel, Owner, Chuckletown Productions & Chessie’s Toys
Re: Public Restroom Access in Cape Charles

Dear Members of the Town Council,

I wanted to take a moment to speak plainly about something we all agree is important—public restrooms.

Not having accessible public toilet facilities in the commercial district puts an ongoing burden on small business owners like myself. We face a tough choice: either turn people away—creating a negative and often emotional encounter—or allow access to private restrooms that were never designed for public use. That means staff interruptions, concerns over theft, and wear and tear on aging infrastructure in our historic buildings.

My staff and I have to face these people—ten times a day or more. Potty-training toddlers, pregnant women, grandparents with limited mobility. It's heartbreaking to send them off to the beach or the “Silver Bullet” trailer, especially when they're clearly in need and simply trying to enjoy their time in town. This isn't just a comfort issue—it’s a business issue. Numerous studies have shown that clean, accessible public restrooms improve shopper experience, increase time spent in retail areas, and foster loyalty.

As a town that relies heavily on tourism, we are behind the curve on this. In most towns like ours, public restrooms are a standard part of the infrastructure.

A well-placed temporary facility would make an immediate difference, especially during our busiest seasons. I fully support the Town Manager, Town Council, and Public Works in identifying and implementing a reasonable, short-term solution as soon as possible.

Thank you for your continued service to our town.