



CITY COUNCIL AGENDA July 1, 2024

Juandiego R. Wade, Mayor
Brian R. Pinkston, Vice Mayor
Natalie Oschrein
Michael K. Payne
J. Lloyd Snook, III
Kyna Thomas, Clerk

4:00 PM OPENING SESSION

This is an in-person meeting with an option for the public to participate electronically by registering in advance for the Zoom webinar at www.charlottesville.gov/zoom. The meeting may also be viewed on the City's streaming platforms and local government Channel 10. Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call (434) 970-3182 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide a 48-hour notice so that proper arrangements may be made.

Call to Order/Roll Call

Agenda Approval

Reports

1. Report: United Way update
2. Report: Local Energy Alliance Program (LEAP) update
3. Report: Sidewalk Priority List update

5:30 PM CLOSED MEETING

6:30 PM BUSINESS SESSION

Moment of Silence

Announcements

Recognitions/Proclamations

- Proclamation: Park and Recreation Month
- Proclamation: Charlottesville PEG-TV 30th Anniversary

Community Matters

Public comment for up to 16 speakers (limit 3 minutes per speaker). Preregistration available for first 8 spaces at <https://www.charlottesville.gov/692/Request-to-Speak>; speakers announced by Noon on meeting day (9:00 a.m. sign-up deadline). Additional public comment at end of meeting. Comments on Public Hearing items are heard during the public hearing only.

Consent Agenda*

The consent agenda consists of routine, non-controversial items whereby all items are passed with a single motion and vote. Individuals speaking during Community Matters may address items on the Consent Agenda.

4. Minutes: March 18 regular meeting, June 25 Joint Council-CRHA meeting
5. Resolution: Resolution to appropriate funds for the Virginia Department of Education Special Nutrition Program Summer Food Service Program - \$100,000 (1 of 2 readings)

City Manager Report

- Report: City Manager Report

Action Items

6. Public Hearing/Res.: Resolution Authorizing The Issuance And Sale Of General Obligation Public Improvement Bonds Of The City Of Charlottesville, Virginia, In An Aggregate Principal Amount Not To Exceed \$65,000,000, To Finance The Costs Of Certain Public Improvement Projects, Providing For The Issuance And Sale Of General Obligation Refunding Bonds Of The City Of Charlottesville, Virginia, In An Aggregate Principal Amount Not To Exceed

\$25,000,000, Providing For The Form, Details And Payment Of Such Bonds, And Providing For The Refunding Of Certain Outstanding General Obligation Bonds Of The City

7. Ordinance: Ordinance authorizing a grant of public funding to subsidize the South First Street Phase Two Redevelopment Project of Charlottesville Redevelopment and Housing Authority (1 of 2 readings).

8. Resolution: Resolution to approve an Agreement of Lease with International Rescue Committee (IRC) for property at 410 Old Lynchburg Road

General Business

Community Matters (2)

Adjournment

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 1, 2024
Action Required:	Hear a report
Presenter:	Ravi Respeto - President, United Way of Greater Charlottesville
Staff Contacts:	Samuel Sanders, Jr., City Manager
Title:	United Way update

Background

Annual update from the United Way

Discussion

Alignment with City Council's Vision and Strategic Plan

Community Engagement

Budgetary Impact

Recommendation

Alternatives

Attachments

1. UW_Charlottesville City Council 7.1



United Way of
Greater Charlottesville



HELPING ALL FAMILIES THRIVE

CHARLOTTESVILLE CITY COUNCIL 2024 UPDATE

Monday, July 1, 4:00pm



OVERVIEW

01

The Work of
United Way

02

Crisis in Early
Childhood
Education & Care

03

Our Early Ed Focus
in the City of
Charlottesville

04

Financial Resiliency
Task Force

05

Family Investment
Program & Driving
Lives Forward

06

Small Business
Grantmaking



THE WORK OF UNITED WAY

We unite, collaborate, and convene communities (as well as provide direct services) which activate individual and family thriving and equity across the region.



Financial Stability

We collaborate with the ecosystem of service providers supporting working poor (ALICE) families to ensure families achieve self-sufficiency.



Early Education

We increase equitable access to high-quality early care and education for all children, ages 0-4, as a step towards reducing the opportunity gap.



Connected Community

We provide ongoing, as well as urgent, community convenings to ensure informed systems-building so all can thrive.

2024 EXAMPLE IMPACT CRISIS IN EARLY CHILDHOOD EDUCATION & CARE

SHORTFALL IN SLOTS

Available for children <200% FPL

	Ages 0-2	Ages 3-4	Total
Albemarle	929	304	1,233
Charlottesville	572	3	575
Total	1,501	307	1,808

RELINQUISHMENT OF HEAD START GRANT

- 205 additional low-income children were without a childcare placement as of April 1, 2024
- United Way provided \$45,000 in bonuses to encourage teacher retention
- United Way recommended to lead submission of new grant application by community workgroup





READY REGION BLUE RIDGE & MIXED DELIVERY

*Building a more equitable system for
ECE&C in 21 cities & counties*

- 514 placements throughout the region in FY24
 - 79 of which were in the City of Charlottesville
- 63 classrooms received CLASS observations in the City of Charlottesville (across 22 different sites)
 - Private centers
 - Charlottesville City Schools
 - Family Day Homes




COORDINATED ENROLLMENT

*Providing a single point-of-entry for Head Start,
City & County Public Schools, Mixed Delivery*

go2grow

- Childcare enrollment platform with access to free/reduced cost programs
 - Grew from a common application launched by UWGC in 2019
- 2,000+ families served in Charlottesville/Albemarle (doubled since FY21)
- Now managing sister platform in Staunton, Waynesboro, and Augusta

EARLY LEARNER SCHOLARSHIPS

40+ years of high-quality childcare placements for infants, toddlers, and preschoolers

- Average cost of care for infants and toddlers in Charlottesville/Albemarle = \$22,000 to \$24,000
 - 31 families served in the City of Charlottesville in FY24
 - More than 80% of which are single-parent homes
- 99% of 575-slot shortfall in the City of Charlottesville is for infant and toddler care
- \$192,400 annual contractual investment



FINANCIAL RESILIENCY TASK FORCE

A network of nonprofits working together to reduce poverty in the City of Charlottesville

- \$31,500 investment from Vibrant Community Fund in FY25
- Median income for cohort of 55 families = \$31,800
- Top Referrals: Childcare & Early Education, Transportation, Financial Coaching, Housing/Homeownership

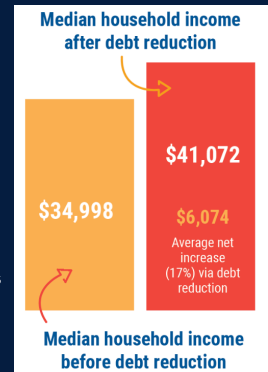




FAMILY INVESTMENT PROGRAM

Helping families decrease bad debt, raise household income/investments, and purchase their first homes

- 18 families have (or began the process of) purchasing homes in FY24
 - 8 in the City of Charlottesville
- Partners: Habitat for Humanity (current); Fountain Fund, IRC, International Neighbors (FY25 prospective)



DRIVING LIVES FORWARD

Providing reliable transportation while building credit

Typical Client:

- Single mother
- Hourly wage position
- Unable to afford auto loan/insurance
- Finds it difficult to access public transportation

FY25

Program Expansion:

- Increased down payment assistance
- Extended loan terms
- Funds to support insurance & repairs
- Access to short-term donated vehicles





SMALL BUSINESS GRANTMAKING



Pipeline of Support

- \$5,000 grants to Sustain (MBA)
- \$10,000 grants to Expand (OED)
- Add'l UWGC programs: Black Business Guide, ENVISION Radio, Black Business Expo



Year 2 Program Refinement

- Training sessions hosted with CIC & SBDC
- Adjustments to eligibility language
- 30 applicants in FY24; 23 up for consideration
- \$100,000 total investment from City OED in FY23/24



Success Story

Allen's Scottish Shortbread

- Doubled net income over grant period
- Enabled second FT hire



United Way of
Greater Charlottesville



HELPING ALL FAMILIES THRIVE

**THANK YOU FOR YOUR SUPPORT
AND INVESTMENT IN OUR
WORK!**



434.284.1321 (cell)



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**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 1, 2024
Action Required:	No action is required
Presenter:	Katie VanLangen and Wilson Ratliff, LEAP Co-Executive Directors
Staff Contacts:	Kristel Riddervold, Director of the Office of Sustainability Emily Irvine, Climate Program Manager
Title:	Local Energy Alliance Program (LEAP) update

Background

This report is to provide City Council and the public with an update from a community partner that the City of Charlottesville helped to establish in 2009 and has consistently closely working with.

LEAP is a Charlottesville-based, 501c3 nonprofit, that delivers energy efficiency solutions in Virginia to make homes safer, healthier, and more affordable, while also reducing energy usage and reducing greenhouse gas emissions. LEAP's alliance model is a community-based, public-private partnership. Website: www.leap-va.org

Discussion

LEAP's co-executive directors will provide a summary and update about the organization, their activities in Charlottesville, their funding sources, and plans to collaborate with the City and other local partners on upcoming initiatives.

Alignment with City Council's Vision and Strategic Plan

The work of LEAP aligns with the adopted 2023 Climate Action Plan and Council's 'Climate Action' Strategic Outcome Area.

Community Engagement

LEAP exists to provide programs and services to the community. Engagement occurs year-round through participation in community events, hosting learning opportunities, and marketing/outreach efforts.

Budgetary Impact

There is no budget impact associated with this report.

Recommendation

Staff recommends continued support and partnership with LEAP.

Alternatives

N/A

Attachments

1. LEAP City Council Presentation 2024

Bringing **Energy Efficiency** Home Since 2009



What is LEAP?

The **Local Energy Alliance Program** (LEAP) is a Charlottesville-based nonprofit. We deliver energy efficiency, electrification, and solar solutions in Virginia to make homes safer, healthier, and more affordable while reducing energy usage and mitigating climate change.



Timeline

Founded in 2009 in partnership with the City of Charlottesville and Albemarle County.

Moved into EcoRemod in 2011.

Launched first Solarize Virginia program in 2014.

Dominion Income-Qualified Programs starting in 2015.

CGEEP partnership launched in 2019.

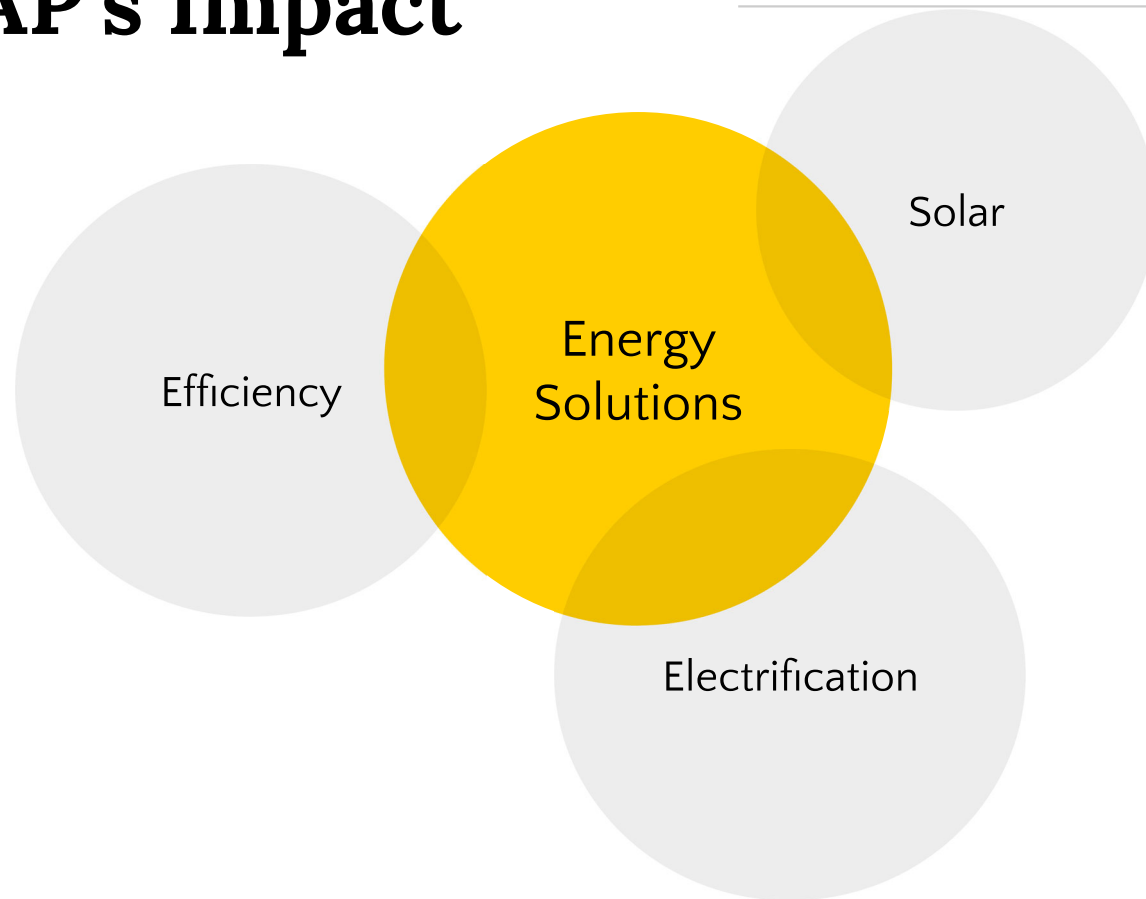
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"I'm grateful for you
and LEAP being a part
of our community,
helping people help
the environment!"

— Terri K.



LEAP's Impact



“

A huge thanks again for all the work you all did to get our HVAC replaced. Our electricity usage is down by about 20 percent!

— Dave B.,
Charlottesville
Resident





City of Charlottesville

LEAP provides services to both income- and age-qualifying and market rate households in the City of Charlottesville. We do this through the following:

- Climate Protection Team and Office of Sustainability
- CGEEP
- CDBG
- HOME
- Dominion Weatherization
- Solar (Solarize + LI Solar)

“

"I just walked in the kitchen after running some errands and realized it's just as cooled down as the rooms with window ACs in them, which is not usually the case. Usually I'd have to sit right by the AC for it to feel this cold!"

— Ida H.,
Charlottesville
Resident



Evolving Business Model

We are able to provide the services we do by leveraging and **braiding diverse funding sources**. We are grateful for our local partners that allow us to maximize our impact in the community.

- ◉ Albemarle Housing Improvement Program
- ◉ Building Goodness Foundation
- ◉ Habitat for Humanity of Greater Charlottesville
- ◉ Community Housing Partners
- ◉ Community Climate Collaborative

Board and Staff

- Jesse Warren – Sustainability Program Manager for Buildings & Operations, UVA, *Board Chair*
- Lance Stewart – Director of Facilities & Environmental Services, Albemarle County, *Vice Chair*
- Chris Weatherford – Director of Project Management, Apex Clean Energy, *Treasurer*
- **Kristel Riddervold – Director, Office of Sustainability, City of Charlottesville, *Secretary***
- Bob Lazaro – Executive Director, Northern Virginia Regional Commission
- Ann Mallek – Board of Supervisors, Albemarle County
- **Michael Payne – City Councilor, City of Charlottesville**
- Bill Prindle – Vice President, ICF International
- Louis O’Berry – Energy Services Administrator, Rappahannock Electric Cooperative
- Narissa Turner – Trainer and Facilitator, Habitus Incorporated

2024 and Beyond

LEAP is working to:

- Deepen our impact and widen our reach in the community
- Respond to the Inflation Reduction Act
- Build an Energy Resource Hub

**Thank you for your
partnership and support.**



local energy alliance program

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 1, 2024
Action Required:	Information Purposes Only
Presenter:	Ben Chambers, Transportation Planning Manager
Staff Contacts:	Steven Hicks, Director of Public Works Ben Chambers, Transportation Planning Manager
Title:	Sidewalk Priority List update

Background

The City's Comprehensive Plan sets goals and objectives for improving the safety and effectiveness of a variety of transportation modes operating on City streets. Looking at 2024 and beyond, the focus of transportation planning in the City will shift from responding to present-day concerns to more holistically aligning the City's goals and objectives with future actions and projects.

One of those areas where the City is focusing their efforts is to increase pedestrian movement and access through sidewalk improvements.

Discussion

Alignment with City Council's Vision and Strategic Plan

A presentation will be provided to council on the sidewalk priority list update.

Community Engagement

Planning projects described within this presentation have their own elements of public and stakeholder engagement, as appropriate for the subject topic of each project.

Budgetary Impact

N/A

Recommendation

To support the priority list presented.

Alternatives

N/A

Attachments

1. Sidewalk Priorities FINAL 0624

Street	Location	Begin	End	Length (ft)	Tier	Survey/Design Cost	Engineering/C onstruction Cost	Total Cost	Survey/Design Begins (Fiscal Year)	Engineering/C onstruction Begins (Fiscal Year)
8th Street NE	West	E Market Street	700 E Jefferson	290	Tier 1	\$ 39,530	\$ 92,800	\$ 132,330	2024	2024
Sycamore Street	North	St. Charles Avenue	601 Locust Avenue	150	Tier 1	\$ 21,060	\$ 57,600	\$ 78,660	2025	2025
9th Street SW	East	Elm Street	Existing	760	Tier 1	\$ 106,704	\$ 291,840	\$ 398,544	2025	2025
11th Street NW	West	West Street	Existing	200	Tier 1	\$ 28,080	\$ 76,800	\$ 104,880	2025	2026
Hazel Street	Southwest	E High Street	1424 Hazel	80	Tier 1	\$ 10,905	\$ 25,600	\$ 36,505	2024	2024
10 1/2 Street NW	East	Grady Avenue	West Street	420	Tier 1	\$ 58,968	\$ 161,280	\$ 220,248	2025	2026
Blenheim Avenue	South	Existing	Rialto Street	200	Tier 1	\$ 29,716	\$ 76,800	\$ 106,516	2027	2027
Orange Street	West	Poplar Street	Existing	200	Tier 1	\$ 28,898	\$ 76,800	\$ 105,698	2026	2027
Orange Street	East	E High Street	Existing	80	Tier 1	\$ 11,559	\$ 30,720	\$ 42,279	2026	2027
Montrose Avenue	South	Avon Street	Rialto Street	350	Tier 1	\$ 52,002	\$ 134,400	\$ 186,402	2027	2027
Riverdale Drive	Southwest	1319 Riverdale Drive	Willow Drive	120	Tier 1	\$ 18,320	\$ 46,080	\$ 64,400	2028	2028
St. Claire Avenue	Northwest	Pear tree Ln	Smith Street	280	Tier 1	\$ 42,747	\$ 107,520	\$ 150,267	2028	2028
Blenheim Avenue	North	Rialto Street	Meridian Street	500	Tier 1	\$ 76,334	\$ 192,000	\$ 268,334	2028	2029
Prospect Avenue	Southeast	Existing	Existing	645	Tier 1	\$ 87,920	\$ 206,400	\$ 294,320	2024	2024
Blenheim Avenue	North	Existing	Avon Street	260	Tier 1	\$ 39,694	\$ 99,840	\$ 139,534	2028	2029
Bolling Avenue	Either	Avon Street	6th Street SE	470	Tier 1	\$ 71,754	\$ 180,480	\$ 252,234	2028	2029
W Main Street	South	Ridge Street	Existing	150	Tier 2	\$ 21,060	TBD	TBD	2025	2025
9th Street NW	Both	Preston Avenue	West Street	450	Tier 2	\$ 65,020	TBD	TBD	2026	2026
Little High Street	Both	12th Street NE	Meade Avenue	1050	Tier 2	\$ 147,420	TBD	TBD	2025	2025
Albemarle Street	Northwest	Dale Avenue	Rivanna Avenue	1300	Tier 2	\$ 193,152	TBD	TBD	2027	2027
Greenleaf Lane	Both	Gentry Lane	Rose Hill Drive	2800	Tier 2	\$ 202,285	TBD	TBD	2026	2026
Oakleaf Lane	Both	Greenleaf Lane	RoseHill Drive	1100	Tier 2	\$ 93,918	TBD	TBD	2026	2026
Kelley Avenue	East	Taylor Street	Lexington Avenue	1000	Tier 2	\$ 152,668	TBD	TBD	2028	2028
Druid Avenue	Southwest	Monticello Avenue	Rialto Street	1500	Tier 2	\$ 222,867	TBD	TBD	2027	2027
Poplar Street	North	St. Claire Avenue	Gillespie Avenue	570	Tier 2	\$ 84,690	TBD	TBD	2027	2027
Franklin Street	Northwest	Carlton Ave	Nassau St	1300	Tier 2	\$ 198,468	TBD	TBD	2028	2028
E Market Street	South	Franklin Street	Meade Avenue	1400	Tier 2	\$ 219,460	TBD	TBD	2029	2029
Elliot Avenue	North	Ridge Street	Avon Street	1320	Tier 2	\$ 212,317	TBD	TBD	2030	2030
6th Street SE	West	Montrose Avenue	Blenheim Avenue	100	Tier 2	\$ 15,676	TBD	TBD	2029	2029
Montrose Avenue	Northeast	Avon Street	6th Street SE	470	Tier 2	\$ 73,676	TBD	TBD	2029	2029
Blenheim Avenue	North	Castalia Street	Monticello Avenue	435	Tier 2	\$ 68,189	TBD	TBD	2029	2029
Fairway Avenue	Either	Chesapeake Street	317 Fairway	400	Tier 2	\$ 64,338	TBD	TBD	2030	2030
Barracks Road	Southwest	Existing	250 Bypass	530	Tier 2	\$ 85,248	TBD	TBD	2030	2030
Cedar Hill Road	Either	Hydraulic Road	N Berkshire Road	1070	Tier 2	\$ 167,730	TBD	TBD	2029	2029
6th Street SE	West	Rockland Ave	Palatine Ave	440	Tier 2	\$ 65,374	TBD	TBD	2027	2027
Meade Ave	West	Jefferson St	E Market Street	340	Tier 2	\$ 51,907	TBD	TBD	2028	2028
Rugby Ave	North	Rose Hill Dr	Existing	460	Tier 2	\$ 70,227	TBD	TBD	2028	2028
Tarleton Dr	Either	Greenbrier Dr	Banbury St	1050	Tier 2	\$ 168,888	TBD	TBD	2030	2030
Jefferson Park Avenue	North	McCormick	W Main Street	3700	Tier 3	TBD	TBD	TBD	TBD	TBD
Rugby Road Extended	West	Dairy Road	250 Ramp	2600	Tier 3	TBD	TBD	TBD	TBD	TBD
Locust Avenue	Northwest	Poplar Street	Calhoun Street	2920	Tier 3	TBD	TBD	TBD	TBD	TBD

Alta Vista Avenue	Southwest	Monticello Avenue	6th Street SE	2600	Tier 3	TBD	TBD	TBD	TBD	TBD
Emmet Street N	West	Stadium Road	McCormick	485	Tier 3	TBD	TBD	TBD	TBD	TBD
Yorktown Drive	Northwest	Grove Road	Bunkerhill Drive	2700	Tier 3	TBD	TBD	TBD	TBD	TBD
St. Clair Avenue	Northwest	Calhoun Street	Hazel Street	2270	Tier 3	TBD	TBD	TBD	TBD	TBD
Rugby Road	North	Rugby Place	Preston Avenue	1400	Tier 3	TBD	TBD	TBD	TBD	TBD
Montrose Avenue	North	Monticello Avenue	Avon Street	2000	Tier 3	TBD	TBD	TBD	TBD	TBD
E High Street	Both	Locust Ave	Long St	3750	Tier 3	TBD	TBD	TBD	TBD	TBD
Jefferson Park Avenue	Southwest	Park Road	Camellia Drive	1800	Tier 3	TBD	TBD	TBD	TBD	TBD
McIntire Road	West	Schenk's Greenway	County Office Building	1000	Tier 3	TBD	TBD	TBD	TBD	TBD
Sunset Ave	Either	Jefferson Park Ave	Sunset Rd	620	Tier 3	TBD	TBD	TBD	TBD	TBD

CITY OF CHARLOTTESVILLE



PROCLAMATION

Park and Recreation Month 2024

WHEREAS parks and recreation are integral parts of communities throughout the country, promoting health and wellness, improving the physical and mental health of people who live near parks; promoting time spent in nature, which positively impacts mental health by increasing cognitive performance and well-being, and alleviating illnesses such as depression, attention deficit disorders, and Alzheimer's; and

WHEREAS parks and recreation encourage physical activities by providing space for popular sports, hiking trails, swimming pools and many other activities designed to promote active lifestyles; and

WHEREAS parks and recreation programming and education activities, such as out-of-school time programming, youth sports and environmental education, are critical to childhood development; and

WHEREAS parks and recreation increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS parks and recreation are fundamental to the environmental well-being of our community; our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS parks and recreation are essential and adaptable infrastructure that makes our communities resilient in the face of natural disasters and climate change; and

WHEREAS the City of Charlottesville recognizes the benefits derived from parks and recreation resources, offering over 200 programs such as swim lessons, dance, gymnastics, day camps, nature programs and athletics leagues, with over 2,000 registered participants for the summer of 2024; and

WHEREAS special events in July include Sounds of Summer on July 13 at Tonsler Park featuring The Tara Mills Band, bluegrass and a free meal off the grill from 6-8 p.m.; and the Sunday Sundown events on July 21 from 12-2 p.m. at Washington Park featuring free and meals and free access to the pools;

NOW THEREFORE, BE IT PROCLAIMED by the Charlottesville City Council that July is recognized as Park and Recreation Month in the City of Charlottesville.

Signed and sealed this 1st day of July 2024.

CITY OF CHARLOTTESVILLE



PROCLAMATION

Charlottesville PEG-TV 30th Anniversary September 2023 to August 2024

WHEREAS the current Charlottesville PEG-TV operation was launched in the fall of 1993; and

WHEREAS Channel 10 is designated for local government programming, Channel 13 for public programming, and Channel 14 for educational programming; and

WHEREAS the Charlottesville PEG-TV operation partnered with CATEC from 2000-2015 and offered vocational training in multimedia production to area students; and

WHEREAS the City of Charlottesville Office of Communications assumed management of the PEG-TV operation in 2004; and

WHEREAS the Charlottesville Community Media Center was launched in 2019 and provides training and production resources to the community, serving as the home of the PEG-TV operation; and

WHEREAS over 5,000 hours of local programming have been produced by community members and over 3,000 hours of civic meetings have been broadcast by dedicated City staff members; and

WHEREAS the Charlottesville PEG-TV operation continues to serve the citizens of Charlottesville and surrounding counties by encouraging the production of original, thought-provoking programming;

NOW, THEREFORE, the Charlottesville City Council recognizes September 2023 to August 2024 as the 30th Anniversary of Charlottesville PEG-TV. We call upon the community to join in celebrating 30 years of continuous service to the Charlottesville community and invite local residents and nonprofit organizations to become members and produce their own original programming.

Signed and sealed this 1st day of July 2024.



CHARLOTTESVILLE CITY COUNCIL MEETING MINUTES

March 18, 2024 at 4:00 PM

Council Chamber

The Charlottesville City Council met on Monday, March 18, 2024. Mayor Juandiego Wade called the meeting to order. Clerk of Council Kyna Thomas called the roll, noting all councilors present: Mayor Juandiego Wade, Vice Mayor Brian Pinkston and Councilors Natalie Oschrein, Michael Payne, and Lloyd Snook.

On motion by Payne, seconded by Oschrein, Council unanimously adopted an amended meeting agenda, adding an item to discuss the proposed resolution for a ceasefire in Gaza.

REPORTS

1. REPORT: City Grants Inventory

Taylor Harvey-Ryan, Grants Program Manager, presented the report on City grants inventory. With projects ongoing, she stated that the report is updated in-time and made public twice per year. The Grants Inventory Report provides an overview of the grants managed, administered, and implemented by the City of Charlottesville across all city offices, departments, and programs, and provides pertinent information regarding each grant which includes the finder, award allocation, renewable or recurring, period of performance, and summary of project. Ms. Harvey-Ryan shared areas of opportunity and answered questions from City Council.

Mayor Wade asked how Council should communicate ideas about grant opportunities, and City Manager Sanders stated that Council should send the information to Ms. Harvey-Ryan and she can make a determination if the grant is a fit for the city or feasible. Mr. Sanders summarized the transition from a decentralized grants system to a centralized system with the Grants Manager.

2. REPORT: Zoning Ordinance Work Plan

James Freas, Director of Neighborhood Development Services, provided an update on the Zoning Ordinance Work Plan. With the adoption of the Charlottesville Development Code, the City has completed the original Cville Plans Together program covering an affordable housing plan and comprehensive plan with new zoning to implement them both. Additional projects were identified that would need their own dedicated time, and not all the projects can be pursued simultaneously. Staff sought feedback from Council on priorities and adjustments to the presented schedule for the following projects:

- 10th & Page / Rose Hill / Preston Corridor Small Area Plan
- Environmental Regulation Review & Update
- Short Term Rental Requirements
- Starr Hill Plan Implementation
- On-Street Parking Policy
- Pre-Approved Building Program
- Entrance Corridor Design Guidelines
- Noise Ordinance Review & Update
- Transportation Planning Program

- Zoning Ordinance Education & Improvement
- Comprehensive Plan Implementation

Councilors encouraged prioritizing Entrance Corridor Design Guidelines and Councilor Payne stated that placemaking and architecture can both occur. Councilors agreed that early focus on Short-term rental requirements would help with other areas later.

With no items for a closed meeting, Mayor Wade recessed the meeting until 6:30 p.m.

BUSINESS SESSION

City Council began the Business Session by observing a moment of silence, with Mayor Wade announcing the passing of Lorraine Williams, retired Charlottesville teacher, local civil rights pioneer, and wife of Eugene Williams.

RECOGNITIONS/PROCLAMATIONS

• PROCLAMATION: Women's History Month

Councilor Oschrein presented the proclamation to Deputy City Manager Ashley Marshall, who made remarks in support of equity among genders.

CONSENT AGENDA

Clerk Thomas read the following Consent Agenda items into the record. No members of the public came forward to speak.

On motion by Payne, seconded by Snook, Council adopted the Consent Agenda by a vote of 5-0 (Ayes: Oschrein, Payne, Pinkston, Snook, Wade; Noes: none).

3. MINUTES: January 2 meeting, January 9 joint Council-Planning Commission meeting, March 7 budget work session
4. ORDINANCE for creating Shenandoah Mobile Franchise Agreement (2nd reading)
AN ORDINANCE GRANTING A TELECOMMUNICATIONS FRANCHISE TO SHENANDOAH MOBILE, LLC, ITS SUCCESSORS AND ASSIGNS TO USE THE STREETS AND OTHER PUBLIC PLACES OF THE CITY OF CHARLOTTESVILLE, VIRGINIA FOR ITS POLE, WIRES, CONDUITS, CABLES AND FIXTURES, FOR A PERIOD OF FIVE (5) YEARS
5. RESOLUTION to appropriate USDA Forest Service Urban and Community Forestry Inflation Reduction Grant for Charlottesville Urban Forest Management Planning - \$150,000 (carried)
6. RESOLUTION appropriating funding in the amount of \$21,458 to be received from Library of Virginia Circuit Court Records Preservation Grants Review Board (carried)
7. ORDINANCE amending the Charlottesville Code of Ordinances, Section 2-98(b) to

increase the appropriation amount requiring two readings from \$1001.00 to \$5000.00. (carried)

8. RESOLUTION for refund of Business Tangible Personal Property Tax payment

RESOLUTION

Authorizing a refund of \$10,941.56, plus an as yet to be determined amount of interest, to a taxpaying entity or business, for business tangible personal property taxes paid in error for 2023

WHEREAS, the Commissioner of the Revenue has determined that a taxpaying entity or business paid 2023 Business Personal Property Tax to the City of Charlottesville in error; and

WHEREAS, that taxpaying entity or business has requested a refund of the amount paid in error; and

WHEREAS, the Commissioner of the Revenue has certified that a refund of taxes paid is due in the amount of \$10,941.56; and

WHEREAS, an amount of interest that is dependent on the actual date of the refund will also be due; and

WHEREAS, City Code Section 30-6(b) requires City Council approval for any tax refund exceeding \$10,000.00; now, therefore,

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia, that the City Council hereby authorizes the City Treasurer to issue a refund of \$10,941.56, plus an as yet to be determined amount of interest (approximately \$275), payable to that taxpaying entity or business.

CITY MANAGER REPORT

Deputy City Manager announced that the Office of Social Equity applied to participate in a National League of Cities Capstone Challenge that paired the city in a competitive process with CityHealth Dashboard, becoming one of the first small cities to be added, and the CHD won the challenge. The following announcement provides additional details.

“After eight months of hard work with CityHealth Dashboard (CHDB), a program out of NYU's Grossman School of Medicine's Department of Population Health, the City of Charlottesville has been recognized as a winner of the National League of Cities (NLC) Capstone Challenge alongside Rochester, New York and Houston, Texas.

The Capstone Challenge is a competitive eight-month program that connects NLC's strategic and enterprise partners with member cities to create local solutions for member needs. The City, along with two other localities, established this partnership to look at the potential connection that historic housing segregation may have on modern health and economic disparities. The City's interdisciplinary Capstone team, led by Deputy City Manager for

Social Equity Ashley Marshall, wanted CHDB's support to make the connection between housing and health to guide the City as they seek to allocate this funding across the community in a fair, but data-driven manner given Council's commitment to both affordable housing and justice, equity, diversity and inclusion (JEDI).

Ashley Marshall, Deputy City Manager for Social Equity said, "I want to thank our team members here in the City for all of their hard work and the time they were willing to give to our CityHealth team: Misty Graves, Todd Niemeier, Steve Hawkes, and Lucas Lyons - as well as our Commissioner of Revenue - Todd Divers and Assessor Jeff Davis. Each of these team members here at the City gave of their time, talents, and data to help the CityHealth Dashboard team consider the impact of housing segregation on the health and wellness of our community."

The City of Charlottesville was formally recognized with an award at the Congressional Cities Conference in Washington, D.C., on March 11."

City Manager Sanders provided project updates, including sidewalk completions, as a result of improving processes. He announced a public involvement meeting on March 27 at 6:00 p.m. regarding the Stribling Avenue Corridor. He shared recent news about the Ragged Mountain Reservoir, providing clarity around a legal matter that reached resolution. The Belmont Bridge is on track to be complete in June or July. He previewed several upcoming agenda items: a presentation from Police Chief Kochis on the FLOCK program, a presentation from Director Steven Hicks on the VDOT portfolio, and a Community Budget Forum.

COMMUNITY MATTERS

Mayor Wade opened the floor for comments from the public.

1. Perri Meldon, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.
2. Jonathan Katz, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.
3. Kate Lambert, CEO of Boys & Girls Club of Central Virginia, thanked Council for supporting the organization with FY25 Vibrant Community Funding, and expressed the continued challenge of transportation.
4. Dr. Martha Diase, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.
5. David Swanson, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine. He spoke about the precedence for City Council to pass resolutions regarding international policy.
6. Charles Martinez, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.
7. Jared Shaw, army veteran from Troy, Virginia, spoke about the infringement of his rights regarding restrictions of freedom by the 13th Amendment.
8. Michael Keaveny, local restaurant owner, asked Council to consider not increasing the meals

tax rate.

9. Jessica Martinez, city resident, thanked the organization who put together the ceasefire resolution. She made a plea for consideration of the atrocities to humanity from war.
10. Holly McCassick, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine, and release of all hostages.
11. Em Gunter, city resident and UVA student, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.
12. Aya Yehia, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.
13. Laura Goldblatt and Rose Buckelew, city residents, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.
14. Sullivan McDowell, city resident and representative for the Virginia Restaurant Association, spoke in opposition to the proposed increase in meals tax.
15. Russ Linden, city resident, supported the content of the proposed resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine, and opposed the call for City Council to pass a resolution. He expressed that he did not know why any City Council should issue resolutions about foreign affairs or by what criteria they decide which of the many problems in the world to address.
16. Don Gathers, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine. He spoke about the need for support to UVA personnel involved with Diversity, Equity and Inclusion as they have been under attack. He expressed condolences for the community's loss of Ms. Lorraine Williams, and he requested renaming the Downtown Mall to the Vinegar Hill Mall.
17. Jake Wiener, city resident, spoke in support of City Council passing a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine, and shared instances when Charlottesville City Council supported actions on foreign affairs.

ACTION ITEMS

9. PUBLIC HEARING: Tax Rate Public Hearings

City Manager Sanders summarized the proposed tax increases as a part of the FY25 Proposed City Budget.

a. Real Estate Tax Rate for the City Manager's Proposed FY 2025 Budget

Mayor Wade opened the public hearing on the real estate tax rate.

- John Santoski, city resident, Executive Director for Arc of the Piedmont, spoke in opposition to tax increases and asked Council to operate within the existing budget.
- Dr. Emily Yen, city resident, spoke in favor of the real estate tax increase.
- Jeff Fogel city resident, spoke in support of the real estate tax increase correlated with funding for those who can't afford the increase.

Mayor Wade closed the public hearing.

b. Lodging Tax Rate for the City Manager's Proposed FY2025 Budget

Mayor Wade opened the public hearing on the lodging tax rate. No speakers came forward. Mayor Wade closed the public hearing.

c. Meals Tax Rate for the City Manager's Proposed FY2025 Budget

Mayor Wade opened the public hearing on the meals tax rate.

- Roy van Doorn, city resident, past director of the Virginia Restaurant and Lodging Association, and working for over 25 years with the local restaurant industry, spoke in opposition to the proposed meals tax increase.
- Russ Cromberg, manager of restaurant assets, UVA Foundation, asked Council to consider more ways to get visitors and increase volume to the area to help pay these taxes.

Mayor Wade closed the public hearing.

10. PUBLIC HEARING and RESOLUTION for lease renewal for communications equipment at Market Street Parking Garage

Chris Engel, Director of Economic Development, presented the request.

Mayor Wade opened the public hearing. There were no speakers, and Mayor Wade closed the public hearing.

On motion by Pinkston, seconded by Snook, Council approved the following resolution by a vote of 5-0 (Ayes: Oschrin, Payne, Pinkston, Snook, Wade; Noes: None).

RESOLUTION

**Approving Lease of Property on the Market Street Parking Garage
to Cellco Partnership (T/A Verizon Wireless)**

WHEREAS, Cellco Partnership, trading as Verizon Wireless ("Verizon"), proposes to renew and amend its existing lease of certain property on the Market Street Parking Garage structure, for the purpose of installing telecommunications equipment ("Lease"); and

WHEREAS, City Staff and Verizon have negotiated proposed terms and conditions for the Lease, as set forth within the draft proposed Lease Agreement submitted for City Council's consideration at a public hearing duly advertised and conducted on March 18, 2024; and

WHEREAS, upon consideration of the recommendations of staff and of the terms and conditions of the proposed Lease Agreement, this Council finds that the proposed Lease Agreement is in the public interest, will promote the public welfare, safety and convenience, will promote economic development and tourism in Downtown Charlottesville, and contains terms that are satisfactory and mutually advantageous; and

NOW, THEREFORE, BE IT RESOLVED by the Council for the City of Charlottesville, Virginia that the City Manager is hereby authorized to execute a final Lease Agreement consistent with the terms and conditions of the proposed Lease Agreement considered by Council at the March 18, 2024 Council meeting, which final Lease Agreement must be approved by the City Attorney as to form prior to signature.

11. PUBLIC HEARING and RESOLUTION to approve the New Hill Development Corporation's BEACON Commercial Kitchen Infrastructure Enhancements Project as a Minor Amendment to the CDBG Action Plan for Program Year 2023-24, in the Amount of \$89,896.51

Anthony Warn, Grants Coordinator, presented the request. At a public meeting on September 19, 2022, City Council approved a set of priorities for the city's CDBG program (#R-22-115), among which was that at least \$89,896.51 be dedicated to funding Public Facilities & Infrastructure activities. At a public meeting on June 5, 2023, Council approved the city's Annual Action Plan, and as no public facilities/infrastructure applications had been received in the initial Notice of Funding Availability (NOFA) round, an item was included in the action plan for a suitable program to be named later.

Mayor Wade opened the public hearing. With no speakers coming forward, Mayor Wade closed the public hearing.

On motion by Pinkston, seconded by Oschrein, Council approved the following resolution by a vote of 5-0 (Ayes: Oschrein, Payne, Pinkston, Snook, Wade; Noes: None).

RESOLUTION

To Approve the 2024 BEACON Shared-Use Commercial Kitchen Infrastructure Enhancements Program and to Award Associated Community Development Block Grant Funds to New Hill Development Corporation, in the Amount of \$89,896.51

WHEREAS the City of Charlottesville is and has been an Entitlement Community, as designated by the U.S. Department of Housing and Urban Development (HUD), and as such Council has previously approved the appropriation of \$89,896.51 within the Community Development Block Grant (CDBG) Fund to support Public Facilities & Infrastructure activities within the City of Charlottesville; and

WHEREAS activities that foster economic development within entitlement communities are a core priority for HUD and constitute a major category of eligible activities for CDBG programs; and

WHEREAS the proposed infrastructure enhancements outlined within the current proposal are anticipated to support the economic development of the local community with specific benefits for low- and moderate-income city residents seeking to obtain or enhance employment opportunities within the food and beverage industry;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the proposed BEACON Commercial Kitchen Infrastructure Enhancements

Program, as presented here before Council today, is approved and that the Office of Community Solutions (OCS) is hereby authorized to begin working with the staff of the New Hill Development Corporation (NHDC) to implement the approved program; and

BE IT FURTHER RESOLVED that in support of this program appropriations previously approved by Council (#R-23-084) to the following expenditure account(s) in the CDBG Fund be awarded for use by the New Hill Development Corporation in support of the proposal approved today by Council:

Fund	SAP Account Code	New Funded Program	Amount of Award
218	1900520	BEACON Commercial Kitchen Infrastructure Enhancements Program (NHDC)	\$89,896.51

Subtotal, Previously Approved Appropriation to be Awarded = \$89,896.51

As these funds were previously approved and appropriated by City Council on June 5, 2023, no new appropriations are called for in order to enact this program.

12. ORDINANCE adopting the WANRock Telecommunications Franchise Agreement

City Attorney Jay Stroman presented the proposed ordinance.

On motion by Pinkston, seconded by Snook, Council adopted the ordinance by a vote of 5-0, waiving the second reading (Ayes: Oschrin, Payne, Pinkston, Snook, Wade; Noes: none).

AN ORDINANCE GRANTING A TELECOMMUNICATIONS FRANCHISE TO WANRACK, LLC, ITS SUCCESSORS AND ASSIGNS TO USE THE STREETS AND OTHER PUBLIC PLACES OF THE CITY OF CHARLOTTESVILLE, VIRGINIA FOR ITS POLE, WIRES, CONDUITS, CABLES AND FIXTURES, FOR A PERIOD OF FIVE (5) YEARS

13. RESOLUTION: Award of FY24 Charlottesville Affordable Housing Fund (CAHF) and FY25 Housing Operations and Program Support (HOPS)

Antoine Williams, Housing Program Manager, presented the funding decisions for CAHF and HOPS and answered clarifying questions for Council. After careful consideration and discussion of all applications, the CAHF Committee recommended the following awards of CAHF funding:

- AHIP's Charlottesville Critical Rehabilitation Program: \$117,196
- Community Services Housing, Inc.'s Rehabilitation Repairs to Preserve CSH Properties: \$74,054
- Habitat for Humanity of Greater Charlottesville's Habitat Core 2024: \$393,750
- Piedmont Housing Alliance's 501 Cherry Avenue: \$250,000

After careful consideration and discussion of all applications, the CAHF Committee

recommended the following awards of HOPS funding:

- BRACH's Homeless System of Care Coordination Program: \$35,000
- BRACH's Homeless Information Line Program: \$28,000
- Community Services Housing's Community Services Housing Program: \$55,034
- Habitat for Humanity of Greater Charlottesville's Homeownership Program: \$65,250
- PACEM's Case Management Program: \$70,000
- Piedmont Housing Alliance's Charlottesville Affordable Housing Program: \$148,000
- The Haven's Vital Housing Services Program: \$95,716
- The Haven's Day Shelter Program: \$88,000

Council agreed to move the item to the April 1 Consent Agenda, pending additional information from Mr. Williams including CAHF meeting minutes.

- a. RESOLUTION to award FY24 Charlottesville Affordable Housing Funds (CAHF) Grants (carried)**
- b. RESOLUTION to award FY25 Housing Operations and Program Support (HOPS) Grants (carried)**

14. RESOLUTION amending and re-enacting City Council Rules and Procedures

City Attorney Stroman presented the proposed amendments to City Council's Rules and Procedures.

Councilor Payne stated for the record that he wished to continue holding joint public hearings with the Planning Commission for land use matters.

On motion by Snook, seconded by Pinkston, Council by a vote of 5-0 approved the resolution to amend and re-enact City Council Rules and Procedures (Ayes: Oschrein, Payne, Pinkston, Snook, Wade; Noes: none).

15. ORDINANCE Amending City Code Article II. Section 2-38. Organizational Meeting and Section 2-39. Elections, Terms and General Powers and Duties of Mayor, Vice-mayor and Mayor Pro Tempore; Mayor's Veto (carried)

City Attorney Stroman presented the request as a clean-up measure to address the timing of the Council organizational meeting and the biannual election to correspond with State law.

Councilor Snook suggested revisiting the portion of the City Code referencing the creation of the Council Finance Committee. Council unanimously agreed to carry the ordinance to the April 1 consent agenda for second reading and vote.

GENERAL BUSINESS

16. RESOLUTION Calling for an Immediate Ceasefire and an End to Violence in Israel and Palestine

Council agreed at the beginning of the meeting to add this item to the agenda in response to a community-led request for City Council to pass a resolution calling for an immediate ceasefire and an end to violence in Israel and Palestine.

Councilor Payne made remarks in support of the resolution and in support of City Council taking a stand on national issues.

Councilor Oschrein spoke in support of a resolution for peace and encouraged residents to share their concerns with state and national representatives.

Councilor Snook stated that he did not agree with Council opining on matters of national and international policy, although he previously supported Council's decision to establish a city policy for divestment from certain companies. He stated that Council should issue resolutions that endorse actions that the city intends to take and has the authority to make. He spoke in opposition to Council passing the proposed resolution.

Vice Mayor Pinkston spoke about the City Council member role, and expressed opposition to supporting the resolution, despite personal beliefs.

Mayor Wade expressed that City Council was elected to focus on local issues.

On motion by Payne to approve the resolution, seconded by Oschrein, the motion failed by a vote of 2-3 (Ayes: Payne, Oschrein; Noes: Pinkston, Snook, Wade).

COMMUNITY MATTERS (2)

Mayor Wade opened the floor for comments from the public.

- Cory Demchak, Executive Director for Albemarle Housing Improvement Program (AHIP), requested operational support for AHIP through HOPS funding.
- Claire Bateman, member of CBF, asked about the event that supporters of the resolution return to Council Chamber, what would it take for Mr. Pinkston to change his mind.
- Derek Bond, restaurant owner, spoke about issues with lighting and the lack of response for maintenance to have light bulbs changed. He stated that if the city creates a safer environment and improves maintenance, then restaurants sales could increase. He requested that the city manager ensure that departments know their responsibilities.
- Jeff Fogel, city resident, spoke about the conflict in Gaza and in support of the ceasefire resolution. He stated that the City Council Rules of Procedure approved earlier in the meeting will offer less opportunity for members of the public to speak on agenda items..
- Melissa Levy, city resident, spoke in support of the ceasefire resolution.
- Samyuktha Mahadevan, UVA Institute of Democracy, spoke about the importance of civic engagement and expressed disappointment that Council did not pass the resolution to support a ceasefire in Gaza.
- David Walsh expressed disappointment that Council did not pass the resolution to support a ceasefire in Gaza.

- Juss Mink, city resident, expressed disappointment that Council did not pass the resolution to support a ceasefire in Gaza.
- Laura Goldblatt, city resident, provided facts about the Muslim population in the city and worldwide. She expressed disappointment that Council did not pass the resolution to support a ceasefire in Gaza.
- Em Gunter expressed disappointment that Council did not pass the resolution to support a ceasefire in Gaza.
- Stephanie Gunst, city resident, acknowledge living on Monacan land and in a historically Black neighborhood, and expressed supported the ceasefire resolution. She spoke about gentrification of historically Black neighborhoods as analogous to the displacement of Palestinians.
- Kevin Cox, city resident, spoke about problems with Veo scooters not being picked up in the city. He encouraged the city to fine Veo and use the funds to provide more scooter parking spaces.
- Elissa Coffman, city resident, spoke about the importance of doing the right thing. She expressed concern about Council members not voting in support of the ceasefire resolution.
- Karim Habbab, city resident, expressed disappointment that Council did not pass the resolution to support a ceasefire in Gaza. He resigned as a member of the Planning Commission.
- Noah Solomon, city resident, expressed disappointment that Council did not pass the resolution to support a ceasefire in Gaza. He stated that approving the resolution could change the reputation of Charlottesville nationally and internationally to that of a welcoming community.
- Zoe Crilova, county resident working in Charlottesville, spoke in support of the resolution to support a ceasefire in Gaza.
- Jonathan Katz thanked the councilors who voted in support of the ceasefire resolution. He expressed disappointment about other councilors' reasons for not passing the resolution. He stated that not passing the resolution has created a larger issue and that Council has given people something to organize against.
- Nejua Labin, city resident and medical student at UVA, spoke about the duty of Council to act on the will of the people. She commented about the health and humanitarian crisis in the Gaza Strip.

The meeting adjourned at 9:45 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council



SPECIAL MEETING MINUTES
Charlottesville City Council and Charlottesville Redevelopment
and Housing Authority Board of Commissioners Joint Meeting
CitySpace, 100 Fifth Street NE

The Charlottesville City Council and the Charlottesville Redevelopment and Housing Authority Board of Commissioners (CRHA) held a joint meeting on Tuesday, June 25, 2024, at 6:00 p.m.

Mayor Wade called the meeting to order at 6:04 p.m. and Clerk of Council Kyna Thomas called the roll noting all councilors present: Mayor Juandiego Wade, Vice Mayor Brian Pinkston, and Councilors Oschrin, Payne and Pinkston. Six of the seven members from the CRHA were present at their roll call, including Council representative Michael Payne, and the final member arrived during the initial presentation.

Mayor Wade made opening remarks, stating the mutual desire between Council and CRHA to have this meeting.

Johns Sales, Executive Director of CRHA, made a presentation, which included information about CRHA strategic planning efforts; redevelopment at South First Street Phase 1, South First Street Phase 2, Sixth Street Phase 1, Sixth Street Phase 2, and Westhaven; and new initiatives. Mr. Sales also requested collaboration around safety and community policing to address issues in several communities and citywide.

Council asked clarifying questions during the presentation. CRHA is exploring the possibility of establishing a non-profit agency with a deadline of 2024 year-end.

Commissioner Laura Goldblatt spoke about resident safety as a crisis requiring immediate attention and a multi-year plan. She also requested a review of housing eligibility requirements and making processes as transparent as possible.

Council and CRHA engaged in discussion. Commissioner Goldblatt stated that some of the safety concerns expressed by residents involve use of their parking areas, drugs, and speeding. Commissioner Brigid Wicks mentioned her attendance at Safety Committee meetings and expressed concerns about shootings and other crime, which are problems for the entire community. Commissioner Goldblatt brought up the need to address trauma with mental health support when community members feel unsafe. Commissioner Wes Bellamy expressed the need to address gun violence as a public safety issue in CRHA communities and the Charlottesville community in general. Councilor Payne mentioned recent city department meetings focused on safety solutions. Mr. Sales stated that residents want to see more of a police presence and involvement. Commissioner Goldblatt stated that in the past, residents requested a Memorandum of Understanding MOU with the police department and that the then chief did not agree to have

different policing criteria for certain areas of the city. Councilor Snook asked about a previous request from the BUCK Squad to collaborate to address safety concerns. Mr. Sales stated that at a meeting in August the BUCK Squad will be given an opportunity to make a presentation. Commissioner Bellamy added that per regular procedures, outside agency requests are considered by the Resident Services Committee.

Mayor Wade opened the floor for public comments:

- Emily Dreyfus, city resident, expressed thanks to City Council and CRHA on behalf of the Public Housing Association of Residents (PHAR). She echoed concerns around safety and past issues of overpolicing, while hoping for a new solution for effective police presence. She suggested developing a sustained city effort to address safety issues, decrease conflicts and increase tolerance. Regarding Choice neighborhoods, she stated that PHAR's positive visioning for redevelopment envisioned increasing density for the sake of increasing deeply affordable housing, yet Choice neighborhoods would increase market rate housing, decreasing quality of life.

City Manager Sanders stated that PHAR requested a meeting, and he is working with the police chief and outside agencies, and efforts are underway to address several issues discussed during the meeting.

Councilor Pinkston suggested doing more to support funding for CRHA staffing, given the magnitude of their work. Mr. Sanders noted the suggestion for follow-up.

The meeting adjourned at 7:41 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 1, 2024
Action Required:	Staff recommends approval and appropriation of funds
Presenter:	Riaan Anthony, Interim Director
Staff Contacts:	Avery Watkins, Deputy Director Parks & Recreation - Recreation
Title:	Resolution to appropriate funds for the Virginia Department of Education Special Nutrition Program Summer Food Service Program - \$100,000 (1 of 2 readings)

Background

The City of Charlottesville, through the Parks and Recreation Department, has received approval for reimbursement of up to \$100,000 from the Virginia Department of Education Special Nutrition Program to provide free breakfast and lunch to children attending summer camp programs, and dinner to our community housing centers.

Discussion

Charlottesville Parks and Recreation will operate four Summer Camp programs and three community housing centers (Westhaven, South First Street, and Greenstone) throughout the City of Charlottesville. These sites serve children in Pre K-9th grades, for five weeks during the summer, June 17 – July 19. Various activities are planned from 9:00am-7:00pm, Monday through Friday.

The reimbursement will cover the costs of nutritious meals at these locations, which also have an educational/enrichment component. The Virginia Department of Education Special Nutrition Program provides a free, nutritious breakfast and lunch for these children, and the community housing centers will provide a free, nutritious dinner. Most of the children served receive free or reduced meals during the school year. The Parks & Recreation Camp has almost 2,000 enrollees this summer.

The \$100,000 appropriation covers the cost of the food and administration of the summer food service program. The breakfast, lunches, and dinners are purchased through the City of Charlottesville School Food Service. The Parks and Recreation Department pays the bills to the City of Charlottesville Food Service and is then reimbursed by the Virginia Department of Education Special Nutrition Programs.

Alignment with City Council's Vision and Strategic Plan

Charlottesville provides, encourages, and supports a wide range of recreation, green space, arts, and cultural programs and opportunities.

Community Engagement

Budgetary Impact

This has no impact on the General Fund as there is no local match required. The funds will be expensed and reimbursed to a Grants Fund.

Recommendation

Staff recommends approval and appropriation of funds.

Alternatives

If money is not appropriated, the free breakfast and lunch program will not be offered to youth, most of whom receive free or reduced meals during the school year.

Attachments

1. Resolution Appropriating Funds - Nutrition program \$100,000

**RESOLUTION APPROPRIATING FUNDS FOR
Virginia Department of Education Special Nutrition Program
Summer Food Service Program - \$100,000**

WHEREAS, the City of Charlottesville, through Parks and Recreation, has received approval for reimbursement up to \$100,000 from the Virginia Department of Education Special Nutrition Program to provide free breakfast and lunch to children attending summer camp programs; and

WHEREAS, the grant award covers the period from period June 17, 2024 through October 31, 2024.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, which the sum of \$100,000, received from the Virginia Department of Education Special Nutrition Program, is hereby appropriated in the following manner:

Revenue – \$100,000

Fund: 209 Internal Order: 1900562 G/L Account: 430120

Expenditures - \$100,000

Fund: 209 Internal Order: 1900562 G/L Account: 530670

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$250,000 from the Virginia Department of Education Special Nutrition Program.

	<u>Aye</u>	<u>No</u>
Oschrin		
Payne		
Pinkston		
Snook		
Wade		

Approved By Council
July ____, 2024

Kyna Thomas, MMC
Clerk of Council

Suggested Motion: I move to approve this resolution and appropriate \$100,000 for the Summer Food Service Program.



City Manager's Report

*Offices of the City Manager
Elected & Appointed Officials*

7-1-2024

City Manager – Sam Sanders (he/him)

- Attended the Office of Sustainability's Half Birthday Celebration for City employees. We celebrated 6 months of having an official Office of Sustainability, learned about their current efforts, and gave feedback on sustainability knowledge and our needs.
- Met with representatives from the City's financial team at PFM to review the City's credit standing.
- Attended the CHO board meeting on June 4th. We looked at facility needs to better support our flying public.
- Attended both Rivanna Authority meetings on June 25th.
- Attended the Quarterly Emergency Management Roundtable on June 26th to ensure the City is prepared for all-hazards emergency response.

Deputy City Manager for Administration – Eden Ratliff (he/him)

- Continuing internal staffing and procedures in the launch of the City's co-responder model, ANCHOR.
- Overseeing culture assessment of the City Attorney's office.
- Reviewing the philosophy of HR administration across the City.

Office of Communications & Public Engagement (CAPE) – Director Afton Schneider (she/her)

- Don't forget to catch our new Public Affairs TV show, Inside Charlottesville, on local channel 10. The show will include monthly updates from the City Manager, Police Chief and Fire Chief, various City departments, new hires, events, and more. The next episode premieres this Friday, July 5th.
- We are hosting a ribbon cutting for Blue Ridge Area Food Bank on Thursday, July 11th to celebrate the culmination of the Food Bank's 'Cold Storage Expansion 2024' project.

Office of Community Solutions – Director Alex Ikefuna (he/him)

- Bridge for Connectivity over Pollocks Branch Creek at CRHA on First Street: OCS, working with Parks & Recreation, submitted a grant application to the VA Department of Conservation & Recreation requesting \$350,000 to fund the construction of a trail bridge over the Pollocks Branch creek that would connect the Pollocks Branch Trail at 1st Street South at the CRHA community with

Rockland Avenue across the creek. Staff is expecting notification from the funding source on the status of the grant application.

- The 2024–2025 CDBG/HOME Annual Action Plan: The program year 2024-25 (PY24) Annual Action Plan has been approved locally by both City Council and the Board of the TJPDC and is in the process of being submitted to HUD for final approval. Funding Agreements for the City’s approved CDBG and HOME are currently being developed and have a period of performance that runs from July 1, 2024, through June 30, 2025.
- Blue Ridge Area Food Bank (BRAFB): Construction of the new, expanded CDBG-funded commercial cooler and the associated extension of the existing exterior roofline to cover both the existing freezer unit and the new cooler, as well as the staff/volunteer work area, is proceeding as anticipated. While no final date for completion of construction has been set yet, it is hoped that the project will be completed early Summer of 2024 and acknowledged with a ribbon cutting celebration through the Office of Communications and Public Engagement.
- Pollocks Branch Trail Bridge at Jordon Park: An update from the Parks & Rec project manager indicates that construction of the new CDBG-funded trail bridge connecting Jordan Park to the developing Moores Creek trail between Avon Street and 5th Street has commenced and is proceeding as anticipated. The contractor estimates they may complete their portion of construction as soon as Friday, June 21, after which Parks & Rec staff will complete the project with the installation of decking, handrails and associated final items. It is possible that a ribbon cutting celebration of some kind will be planned through the Office of Communications and Public Engagement.
- ADA Accessibility Enhancements Program at Johnson Elementary School Playground: City Council approved CDBG funding for Public Works on June 17 for a series of ADA enhancements at Johnson Elementary. No anticipated final date has been identified yet for the completion of this project, but Public Works hope to be completed mid-to-late July of 2024.
- BEACON Commercial Kitchen: Construction for the CDBG-funded portions of New Hill Development Corporation’s BEACON Commercial Kitchen project at 221 Carlton Road have been completed. Construction of the overall project continues, and an estimated date of completion has yet been reported but is anticipated for early Fall of 2024.
- Citywide Agreements Inventory Report: The Grants Inventory Report Volume II is slated to be released in July 2024.
- Friendship Court/Kindlewood, Phase 2: The Funding agreement for Phase 2 of the project has been approved by City Council. This phase of the project would create 104 affordable units. There are four phases in the project. The City Council has approved a total of \$5.750 million in the City Capital Improvements Plan to support infrastructure development and Friendship Court/Kindlewood

redevelopment of Phase 2. Staff will begin working on the funding agreement for Phase 3.

- City Leases: Staff has scheduled City Council approval of the IRC lease agreement for July 1st and is working on three additional lease agreements for approval by City Council.
- The Charlottesville Affordable Housing Fund (CAHF)/Housing Operation Program Support (HOPS): Completed the grant agreements for CAHF funding and HOPS. The agreements are currently being signed by agencies approved for funding. OCS is gearing up for application release this fall for FY25 CAHF and FY26 HOPS. HOPS will be timed to be released at the same times as VCF. CAHF will run on a separate timeline. We are tentative for September release for HOPS and October release for CAHF. OCS is preparing the NOFA for late summer release.
- Housing Equity and Anti-Displacement Toolkit (HEAT): Next week, OCS staff will review the draft of the Real Estate Tax Abatement Performance Grant Program, following preliminary public engagement meetings and discussions with Richmond City staff. Currently, the final drafts of the Land Bank Program/Ordinance and Tax Abatement/Performance Grants framework are under internal review. In May, OCS staff engaged with Fifeville's Anti-Displacement workgroup, and meetings with Meadows Neighborhood members are scheduled for June to discuss housing equity and the Anti-Displacement Toolkit. Updates to the City's HEAT and ADU information page are planned for mid-July, with outreach to Meadows neighborhood members expected to be completed by the end of June.
- CRHA's South First Street, Phase 2: The revised Memorandum of Agreement (MOA) has been reviewed by the City Attorney assigned and is set for the first reading on the July 1 Council agenda; Recall: Phase 2, consists of 113 units, is funded with an additional \$3 million from the City Council, bringing the total commitment to \$6 million.
- CRHA's Sixth Street, Phase 1: A Memorandum of Agreement and related Ordinance are being drafted to mirror the terms and structure of CRHA's MOA/Ordinance for South First Street Phase 2, as requested by CRHA and its development team. This project involves a \$3,000,000 grant for the redevelopment of Phase 1 at the 6th Street Site (715 6th Street SE), aiming to create 50 new affordable housing units in the City of Charlottesville. Staff anticipates having all related items prepared for presentation at the July 15 regular council meeting.
- Grants Management and City Investments Tracking Software – Contractor has been selected and agreement finalized. The contractor has conducted kickoff meeting with staff and the development and setup of the system will take eight weeks. Application will be phased in beginning in fall of 2024. The proposed

system is designed to assist staff in tracking grants' performance and city housing investments.

Treasurer's Office – City Treasurer Jason Vandever

- The Treasurer's Office is busy wrapping up work from the June 5th personal property and real estate tax deadline, and focusing on annual trash decal renewals, which are due from residents by July 1st. In mid-July we are planning on moving from our temporary office space back into the lobby of City Hall and look forward to welcoming residents back to City Hall. We will coordinate with the Communications team to alert residents and taxpayers when the move is completed.

Revenue Office – Commissioner of the Revenue Todd Divers

- Application letters for the Charlottesville Homeowner Assistance Program (CHAP) will be going in the mail this week (6/24-6/28). We will begin accepting online applications on Monday, July 1 at www.charlottesville.gov/COR. Questions should be directed to 434-970-3160 or taxrelief@charlottesville.gov.

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 1, 2024
Action Required:	Approval of Resolution
Presenter:	Krisy Hammill, Director of Budget
Staff Contacts:	Krisy Hammill, Director of Budget
Title:	Resolution Authorizing The Issuance And Sale Of General Obligation Public Improvement Bonds Of The City Of Charlottesville, Virginia, In An Aggregate Principal Amount Not To Exceed \$65,000,000, To Finance The Costs Of Certain Public Improvement Projects, Providing For The Issuance And Sale Of General Obligation Refunding Bonds Of The City Of Charlottesville, Virginia, In An Aggregate Principal Amount Not To Exceed \$25,000,000, Providing For The Form, Details And Payment Of Such Bonds, And Providing For The Refunding Of Certain Outstanding General Obligation Bonds Of The City

Background

The City regularly issues bonds as part of its on-going Capital Improvements Program. Capital spending and the related financing is projected for a 5-year period and updated annually. This bond issue represents part of the funding plan approved by City Council for the on-going Capital Improvements Plan. All projects to be funded by this bond issue have been previously approved and appropriated by City Council. The proceeds are proposed, but not limited, to fund portions of the following projects:

<u>Projects</u>	<u>Amount*</u>
Public Facilities	5,000,000
Public Schools	53,000,000
General Government Projects	\$ 58,000,000
Water System Improvements	\$ 3,200,000
Wastewater System Improvements	\$ 1,500,000
Stormwater System Improvements	800,000
Utility Projects	\$ 5,500,000
Total to Be Issued	\$ 63,500,000

**Amounts are estimates and subject to change based on actual project expenses and completion. Funds can be reallocated between categories as needed.*

Discussion

These bonds will be repaid over the next 20 years with level annual principal payments.

PFM Financial Advisors LLC (PFM), the City's financial advisor, along with City staff, continue to monitor the bond market and interest rate environment and we are anticipating a sale in early August. It is anticipated that the bonds will be sold by a public offering through a competitive bid. The resolution authorizes the City Manager to accept the lowest interest rate bid on the bonds.

In addition, as with each new bond issue, City Staff along with its financial advisors, will take the opportunity to evaluate and refund bonds previously issued at a higher interest rate with new refunding bonds issued at a lower interest rate. The resolution approves the issuance of refunding bonds to refund certain outstanding debt of the City. Market conditions will continue to be monitored until the time of sale. If suitable savings opportunities do not materialize, then only the bonds for the new money will be issued.

City management will be meeting with Moody's and Standard & Poor's in early July to discuss the City's financial condition and to obtain ratings on these bonds. City staff anticipates that the City will retain its Aaa bond ratings, the highest rating given by both ratings agencies.

Alignment with City Council's Vision and Strategic Plan

This item aligns with the Council's strategic outcome area of Organizational Excellence.

Community Engagement

As per the law, this public hearing has been advertised in the newspaper and the sale information will be advertised in other media outlets prior to the bond sale date.

Budgetary Impact

The City continues to manage its debt and plan its bond issuances in a manner to:

1. Provide a stream of funding as it is needed,
2. Keep annual debt service costs at a fairly level amount, (i.e., to avoid large spikes in debt service) and
3. To maintain and finance its physical facilities and infrastructure in such a manner that future users/beneficiaries will help to pay for them.

This bond issue is part of the City's on-going capital financing plan. The debt service on this issue will be paid from annual transfers from the General Fund for debt service and/or previously appropriated funds in the City's Debt Service Fund. No new appropriation of funds is required at this time.

Recommendation

Staff recommends that Council approve the resolution authorizing the general obligation bond sale.

Alternatives

The alternatives to not issuing new debt would be to either use funds on hand (cash) to fund projects or not construct projects.

Attachments

1. Series 2024 Bond Resolution

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE
CITY OF CHARLOTTESVILLE, VIRGINIA, IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED \$65,000,000, TO FINANCE
THE COSTS OF CERTAIN PUBLIC IMPROVEMENT PROJECTS,
PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL
OBLIGATION REFUNDING BONDS OF THE CITY OF
CHARLOTTESVILLE, VIRGINIA, IN AN AGGREGATE PRINCIPAL
AMOUNT NOT TO EXCEED \$25,000,000, PROVIDING FOR THE
FORM, DETAILS AND PAYMENT OF SUCH BONDS, AND
PROVIDING FOR THE REFUNDING OF CERTAIN OUTSTANDING
GENERAL OBLIGATION BONDS OF THE CITY**

WHEREAS, the City Council of the City of Charlottesville, Virginia (the “City”), desires to issue general obligation public improvement bonds (the “New Money Bonds”) to finance all or a portion of the costs to acquire, construct, renovate, rehabilitate, improve and equip certain capital improvement projects for various City purposes, including (without limitation) (a) transportation and access projects, (b) public facility projects, (c) public school projects, (d) parks and recreation projects, (e) public safety projects, and (f) water, wastewater and stormwater projects (collectively, the “Project”);

WHEREAS, the City has previously issued its General Obligation Public Improvement Bonds, Series 2012A, in the original principal amount of \$12,785,000 (the “Series 2012 Bonds”);

WHEREAS, the City has previously issued its General Obligation Public Improvement Bonds, Series 2013, in the original principal amount of \$14,030,000 (the “Series 2013 Bonds”);

WHEREAS, the City has previously issued its General Obligation Public Improvement and Refunding Bonds, Series 2014, in the original principal amount of \$15,995,000 (the “Series 2014 Bonds”);

WHEREAS, the City has previously issued its General Obligation Public Improvement and Refunding Bonds, Series 2015, in the original principal amount of \$28,965,000 (the “Series 2015 Bonds”);

WHEREAS, the City may effect debt service savings by issuing its general obligation public improvement refunding bonds (the “Refunding Bonds”) to refund all or a portion of the outstanding maturities of the Series 2012 Bonds, the Series 2013 Bonds, the Series 2014 Bonds and the Series 2015 Bonds (such refunded series and maturities or portions thereof shall be referred to herein as the “Refunded Bonds”); and

WHEREAS, the City’s administration, in consultation with PFM Financial Advisors LLC, the City’s financial advisor (the “Financial Advisor”), has recommended to the City Council that the City issue and sell one or more series of general obligation public improvement and refunding bonds through one or more of the following methods: (a) a direct bank loan through a banking or other financial institution (a “Direct Bank Loan”), (b) a public offering through a competitive sale (a “Competitive Sale”), or (c) a public offering through a negotiated underwriting (a “Negotiated

Sale”) (in any of such funding options, the purchaser(s) of the bonds shall be referred to herein as the “Purchaser”);

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTESVILLE, VIRGINIA:

1. Authorization and Issuance of Bonds. The City Council finds and determines that it is in the best interest of the City to authorize the issuance and sale of one or more series of New Money Bonds in an aggregate principal amount not to exceed \$65,000,000 and to use the proceeds thereof, together with other funds as may be available, to finance costs of the Project and to pay costs incurred in connection with issuing such bonds (if not otherwise paid from other City funds). The City Council further finds and determines that it is in the best interest of the City to provide for the issuance and sale of one or more series of Refunding Bonds, heretofore authorized, in an aggregate principal amount not to exceed \$25,000,000 and to use the proceeds thereof, together with other funds as may be available, to refund all or a portion of the Refunded Bonds and to pay costs incurred in connection with issuing such bonds and refunding the Refunded Bonds (if not otherwise paid from other City funds).

2. Election to Proceed under the Public Finance Act. In accordance with the authority contained in Section 15.2-2601 of the Code of Virginia of 1950, as amended (the “Virginia Code”), the City Council hereby elects to issue the New Money Bonds and the Refunding Bonds pursuant to the provisions of the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Virginia Code (the “Public Finance Act”), without regard to the provisions of the City Charter.

3. Bond Details. The New Money Bonds shall be designated “General Obligation Public Improvement Bonds, Series 2024,” or such other designation as may be determined by the City Manager (which term, for purposes of this Resolution, shall include any Acting, Interim or Deputy City Manager and the Director of Finance). The Refunding Bonds shall be designated “General Obligation Public Improvement Refunding Bonds, Series 2024,” or such other designation as may be determined by the City Manager. The New Money Bonds and the Refunding Bonds may be issued and sold together as one series and designated “General Obligation Public Improvement and Refunding Bonds, Series 2024,” or such other designation as may be determined by the City Manager. Any bonds issued as part of a series of New Money Bonds or Refunding Bonds, or as a combined series, shall be referred to herein as a “Bond” or the “Bonds,” as the case may be.

The Bonds shall be in registered form, shall be dated such date as may be determined by the City Manager, shall be in denominations of \$5,000 and integral multiples thereof and shall be numbered R-1 upward, or such other designation as appropriate. Subject to Section 10 of this Resolution, the issuance and sale of any series of Bonds are authorized on terms as shall be satisfactory to the City Manager; provided, however, that the Bonds of such series (a) shall have a “true” or “Canadian” interest cost not to exceed 5.25% (taking into account any original issue discount or premium), (b) shall be sold to the Purchaser thereof at a price not less than 98.00% of the principal amount thereof (excluding any original issue discount) and (c) shall mature, or be subject to mandatory sinking fund redemption in annual installments, in years ending no later than December 31, 2044; provided, however, that any series of Bonds (or portion thereof) issued to

refund the Refunded Bonds shall produce an aggregate net present value debt service savings to the City of at least 3.0% of the principal amount of the particular Refunded Bonds.

Principal of the Bonds shall be payable, or be subject to mandatory sinking fund installments, on dates determined by the City Manager. Each Bond shall bear interest from its date at such rate as shall be determined at the time of sale, calculated on the basis of a 360-day year of twelve 30-day months, and payable semiannually on dates determined by the City Manager. Principal installments and interest shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Registrar on a date prior to each payment date that shall be determined by the City Manager (the "Record Date"); provided, however, that at the request of the registered owner of the Bonds, payment may be made by wire transfer pursuant to the most recent wire instructions received by the Registrar from such registered owner; and provided further that the final principal amount or installment payable upon redemption or maturity, together with the redemption premium, if any, shall be payable to the registered owners upon surrender of Bonds at the office of the Registrar. If any payment date is not a business day, such payment shall be made on the next succeeding business day with the same effect as if made on the stated payment date, and no additional interest shall accrue. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

4. Securities Depository Provisions for Public Sale. If the Bonds are sold through a Competitive Sale or a Negotiated Sale, the following provisions shall apply:

(a) Initially, one Bond certificate for each maturity of each series of the Bonds shall be issued to and registered in the name of The Depository Trust Company, New York, New York ("DTC"), or its nominee. The City has heretofore entered into a Blanket Letter of Representations relating to a book-entry system to be maintained by DTC with respect to the Bonds. "Securities Depository" shall mean DTC or any other securities depository for the Bonds appointed pursuant to this Section 4.

(b) In the event that (i) the Securities Depository determines not to continue to act as the securities depository for the Bonds by giving notice to the Registrar, and the City discharges the Securities Depository of its responsibilities with respect to the Bonds, or (ii) the City in its sole discretion determines (A) that beneficial owners of Bonds shall be able to obtain certificated Bonds or (B) to select a new Securities Depository, then the Director of Finance shall, at the direction of the City, attempt to locate another qualified securities depository to serve as Securities Depository and authenticate and deliver certificated Bonds to the new Securities Depository or its nominee or to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Section 7 of this Resolution; provided, however, that such form shall provide for interest on the Bonds to be payable (1) from the date of the Bonds if they are authenticated prior to the first interest payment date or (2) otherwise from the interest payment date that is or immediately precedes the date on which the Bonds are authenticated (unless payment of interest thereon is in default, in which case interest on such Bonds shall be payable from the last date to which interest has been paid). In delivering certificated Bonds, the Director of Finance shall be entitled to rely on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such certificated Bonds will then be registrable, transferable and exchangeable as set forth in Section 9 of this Resolution.

(c) So long as there is a Securities Depository for the Bonds, (i) it or its nominee shall be the registered owner of the Bonds; (ii) notwithstanding anything to the contrary in this Resolution, determinations of persons entitled to payment of principal, premium, if any, and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository; (iii) the Registrar and the City shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants; (iv) references in this Resolution to registered owners of the Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Bonds; and (v) in the event of any inconsistency between the provisions of this Resolution and the provisions of the above-referenced Blanket Letter of Representations such provisions of the Blanket Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

5. Redemption Provisions. Subject to the limitations contained herein, the City Manager is hereby authorized to determine the redemption provisions of the Bonds, including provisions for optional and mandatory sinking fund redemption.

(a) The Bonds may be subject to redemption prior to maturity at the option of the City upon such terms and on such dates, if any, as the City Manager determines to be in the best interests of the City based on financial market conditions. Such redemption terms may include payment of a redemption premium not to exceed 1.00% of the principal amount to be redeemed as well as “make whole” redemption premium.

(b) Any Bonds sold as term bonds may be subject to mandatory sinking fund redemption upon terms determined by the City Manager.

(c) If less than all of the Bonds of a series are called for redemption, the maturities of the series of Bonds (or portion thereof) to be redeemed shall be selected by the Director of Finance in such manner as such officer may determine to be in the best interest of the City. In the case of a Competitive Sale or a Negotiated Sale, if less than all the Bonds of any maturity of a series are called for redemption, the particular Bonds within such maturity of such series (or portion thereof) to be redeemed shall be selected by the Securities Depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (x) the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof, and (y) in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by \$5,000. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof.

(d) The City shall cause notice of the call for redemption identifying the Bonds or portions thereof to be redeemed to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the date fixed for redemption, to the registered owner(s) of the Bonds. In all circumstances, the City shall be responsible for giving notice of redemption only to the registered owner(s) of the Bonds, which, in the case of a Competitive Sale or a Negotiated Sale, shall be DTC or another qualified

securities depository then serving or its nominee (unless no qualified securities depository is then serving as the registered owner of the Bonds). In the case of an optional redemption, the notice may state that (i) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, no later than the date fixed for redemption or (ii) the City retains the right to rescind such notice on or prior to the date fixed for redemption (in either case, a “Conditional Redemption”), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any Conditional Redemption may be rescinded at any time. The City shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an event of default. Further, in the case of a Conditional Redemption, the failure of the City to make funds available on or before the date fixed for redemption shall not constitute an event of default, and the City shall give immediate notice to all organizations registered with the Securities and Exchange Commission (“SEC”) as securities depositories or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

6. Execution and Authentication. The Bonds shall be signed by the manual or facsimile signature of the Mayor or Vice Mayor, the City’s seal shall be affixed thereto or a facsimile thereof printed thereon and shall be attested by the manual or facsimile signature of the Clerk of the City Council (which term, for purposes of this Resolution, shall include any Acting, Interim or Deputy Clerk of the City Council); provided, however, that no Bond signed by facsimile signatures shall be valid until it has been authenticated by the manual signature of an authorized officer or employee of the Registrar and the date of authentication noted thereon.

7. Bond Form. The Bonds shall be in substantially the form of Exhibit A, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing the Bonds, whose approval shall be evidenced conclusively by the execution and delivery of the Bonds.

8. Pledge of Full Faith and Credit. The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Bonds, the City Council shall levy and collect an annual ad valorem tax on all taxable property within the City, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any, and interest on the Bonds.

9. Registration, Transfer and Owners of Bonds. The Director of Finance is hereby appointed paying agent and registrar for the Bonds (the “Registrar”). The City Manager is hereby authorized, on behalf of the City, to appoint a qualified bank or trust company as successor paying agent and registrar of the Bonds if at any time the City Manager determines such appointment to be in the best interests of the City. The Registrar shall maintain registration books for the registration of the Bonds and transfers thereof. Upon presentation and surrender of any Bonds to the Registrar, or its corporate trust office if the Registrar is a bank or trust company, together with an assignment duly executed by the registered owner or the owner’s duly authorized attorney or legal representative in such form as shall be satisfactory to the Registrar, the City shall execute,

and the Registrar shall authenticate, if required by Section 6 of this Resolution, and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in the name(s) as requested by the then registered owner or the owner's duly authorized attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the Record Date.

10. Sale of Bonds. (a) The City Council authorizes the Bonds to be sold in one or more series, whether through a Direct Bank Loan, a Competitive Sale, a Negotiated Sale or any combination thereof, as determined by the City Manager to be in the best interest of the City, in a principal amount or principal amounts to be determined by the City Manager, in collaboration with the Financial Advisor, and subject to the limitations set forth below and in Sections 1 and 3 of this Resolution.

(b) If the City Manager determines that the Bonds (or a portion thereof) shall be sold through a Direct Bank Loan, the City Manager is authorized, on behalf of the City and in collaboration with the Financial Advisor, to solicit bids from banking institutions and other financial firms, to determine which bid (or bids) offers the best terms to the City, and, subject to the limitations set forth in Section 3 of this Resolution, to arrange for the issuance and sale of the Bonds to the Purchaser. Following a Direct Bank Loan, the City Manager shall file with the records of the City Council a certificate setting forth the final terms of the Bonds. The actions of the City Manager in selling the Bonds by Direct Bank Loan shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the City Council.

(c) If the City Manager determines that the Bonds (or a portion thereof) shall be sold through a Competitive Sale, the City Manager is authorized, on behalf of the City and in collaboration with the Financial Advisor, to take all proper steps to advertise the Bonds for sale, to receive public bids and to award the Bonds to the bidder providing the lowest "true" or "Canadian" interest cost, subject to the limitations set forth in Section 3 of this Resolution. Following a Competitive Sale, the City Manager shall file with the records of the City Council a certificate setting forth the final terms of the Bonds. The actions of the City Manager in selling the Bonds by Competitive Sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the City Council.

(d) If the City Manager determines that the Bonds (or a portion thereof) shall be sold through a Negotiated Sale, the City Manager is authorized, on behalf of the City and in collaboration with the Financial Advisor, to choose an investment banking firm to serve as underwriter for the Bonds and to execute and deliver to the underwriter, as Purchaser of the Bonds, a bond purchase agreement reflecting the final terms of the Bonds. The bond purchase agreement shall be in a form approved by the City Manager, in collaboration with the Financial Advisor and

the City's bond counsel. The actions of the City Manager in selling the Bonds by Negotiated Sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the City Council.

(e) Following the determination of which method(s) of sale shall be used, the City Manager is hereby authorized to (i) determine the principal amount of the Bonds, subject to the limitations set forth in Section 1 of this Resolution, (ii) determine the interest rates of the Bonds, the maturity schedules of the Bonds, and the price to be paid for the Bonds by the Purchaser, subject to the limitations set forth in Section 3 of this Resolution, (iii) determine the redemption provisions of the Bonds, subject to the limitations set forth in Section 5 of this Resolution, and (iv) determine the dated date, the principal and interest payment dates and the Record Date of the Bonds, all as the City Manager determines to be in the best interest of the City.

11. Official Statement. The draft Preliminary Official Statement describing the Bonds, copies of which have been made available to the City Council prior to this meeting, is hereby approved as the Preliminary Official Statement by which the Bonds may be offered for sale to the public in a Competitive Sale or a Negotiated Sale; provided that the City Manager, in collaboration with the Financial Advisor, may make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as the City Manager may consider to be in the best interest of the City. If the Bonds have been sold in a Competitive Sale or a Negotiated Sale, the City Manager, in collaboration with the Financial Advisor, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement. In addition, the City shall arrange for the delivery to the Purchaser of the Bonds of a reasonable number of printed copies of the final Official Statement, within seven business days after the Bonds have been sold, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom the Purchaser initially sells Bonds.

12. Official Statement Deemed Final. If the Bonds are sold in a Competitive Sale or a Negotiated Sale, the City Manager is authorized, on behalf of the City, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the "Rule") of the SEC, except for the omission in the Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of the Preliminary Official Statement and the execution and delivery of the Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the City, except for the omission in the Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

13. Preparation and Delivery of Bonds. After the Bonds have been awarded, the officers of the City are authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with their terms and to deliver the Bonds to the Purchaser thereof upon payment therefor.

14. Redemption of Refunded Bonds. The City Manager is authorized and directed to determine which maturities of the Series 2012 Bonds, the Series 2013 Bonds, the Series 2014 Bonds and the Series 2015 Bonds, if any, shall constitute the Refunded Bonds. The Escrow Agreement (as hereinafter defined) shall provide for notice of redemption to be given to the

registered owners of the Refunded Bonds in accordance with the resolutions providing for the issuance of the Refunded Bonds.

15. Escrow Deposit Agreement. The City Manager is authorized and directed to execute an escrow deposit agreement (an “Escrow Agreement”) between the City and an escrow agent to be appointed by the City Manager (the “Escrow Agent”) with respect to the Refunded Bonds. The Escrow Agreement shall be in the form approved by the City Manager, in collaboration with the City’s bond counsel, and shall provide for the deposit and investment of a portion of the Bond proceeds for the defeasance of the Refunded Bonds. The execution of the Escrow Agreement by the City Manager shall constitute conclusive evidence of such official’s approval of the Escrow Agreement. The Escrow Agreement shall provide for the irrevocable deposit of a portion of the Bond proceeds (the “Refunding Portion”) in an escrow fund that shall be sufficient, when invested in noncallable, direct obligations of the United States Government (the “Government Obligations”), to provide for payment of principal of and interest on the Refunded Bonds; provided, however, that such Refunding Portion shall be invested in such manner that none of the Bonds will be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the “Code”). The Escrow Agent is authorized and directed to execute initial and final subscription forms for the purchase of the Government Obligations and such other contracts and agreements necessary to provide for the defeasance of the Refunded Bonds as are approved by the City Manager, in collaboration with the City’s bond counsel.

16. Deposit of Refunding Bond Proceeds. The Director of Finance, in collaboration with the City Treasurer, is authorized and directed (a) to provide for the delivery of the Refunding Portion to the Escrow Agent for deposit in the escrow fund established by the Escrow Agreement, in an amount that shall be sufficient, together with any other funds deposited with the Escrow Agent and the interest thereon when invested as provided in the Escrow Agreement, (i) to pay when due the interest on the Refunded Bonds to the first respective dates on which they may be redeemed at the option of the City and (ii) to pay upon the earlier of maturity or redemption the principal of the Refunded Bonds and (b) to provide for the deposit of the remaining proceeds of the Bonds in a special account to be used to pay the costs incurred in refunding the Refunded Bonds and the costs of issuing the Bonds. The Director of Finance is further authorized and directed to take all such further action as may be necessary or desirable in connection with the payment and refunding of the Refunded Bonds.

17. Arbitrage Covenants. (a) The City represents that there have not been issued, and covenants that there will not be issued, any obligations that will be treated as part of the same issue of obligations as the Bonds within the meaning of Treasury Regulations Section 1.150-1(c).

(b) The City covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code, or otherwise cause interest on the Bonds to be includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of existing law that may require the City at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bonds, unless the City receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bonds

from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. The City shall pay any such required rebate from its legally available funds.

18. Non-Arbitrage Certificate and Elections. Such officers of the City as may be requested by the City's bond counsel are authorized and directed to execute an appropriate certificate setting forth (a) the expected use and investment of the proceeds of the Bonds in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code and (b) any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate shall be prepared in consultation with the City's bond counsel, and such elections shall be made after consultation with bond counsel.

19. Limitation on Private Use. The City covenants that it shall not permit the proceeds of the Bonds or the facilities financed or refinanced with the proceeds of the Bonds to be used in any manner that would result in (a) 5% or more of such proceeds or facilities being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or facilities being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the City receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the City need not comply with such covenants.

20. SNAP Investment Authorization. The City Council has previously received and reviewed the Information Statement (the "Information Statement"), describing the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP") and the Contract Creating the State Non-Arbitrage Program Pool I (the "Contract"), and the City Council hereby authorizes the City Treasurer in his discretion to utilize SNAP in connection with the investment of the portion of the proceeds of the Bonds used to finance the Project. The City Council acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the City in connection with SNAP, except as otherwise provided in the Contract.

21. Continuing Disclosure Agreement. If the Bonds are sold in a Competitive Sale or a Negotiated Sale, the Mayor and the City Manager, either of whom may act, are hereby authorized and directed to execute a continuing disclosure agreement (the "Continuing Disclosure Agreement") setting forth the reports and notices to be filed by the City and containing such covenants as may be necessary to assist the Purchaser of the Bonds in complying with the provisions of the Rule promulgated by the SEC. The Continuing Disclosure Agreement shall be substantially in the form of the City's prior Continuing Disclosure Agreements, which is hereby approved for purposes of the Bonds; provided that the City Manager, in collaboration with the Financial Advisor, may make such changes in the Continuing Disclosure Agreement not inconsistent with this Resolution as the City Manager may consider to be in the best interest of the City. The execution thereof by such officers shall constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

22. Provision of Financial Information. If the Bonds are sold through a Direct Bank Loan, the Director of Finance is hereby authorized and directed to make available to the Purchaser, for so long as the Bonds remain outstanding, a copy of the City's comprehensive annual financial report and such other financial information as may be reasonably requested by the Purchaser, as soon as is practicable upon the release of such information.

23. Other Actions. All other actions of officers of the City in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds are hereby ratified, approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bonds.

24. Repeal of Conflicting Resolutions. All prior resolutions or parts of prior resolutions in conflict herewith are repealed.

25. Filing With Circuit Court. The Clerk of the City Council, in collaboration with the City Attorney's Office, is authorized and directed to see to the immediate filing of a certified copy of this resolution in the Circuit Court of the City.

26. Effective Date. This Resolution shall take effect immediately.

[FORM OF BOND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

REGISTERED**REGISTERED**

No. R-_____

\$ _____

UNITED STATES OF AMERICA**COMMONWEALTH OF VIRGINIA****CITY OF CHARLOTTESVILLE****General Obligation Public Improvement [and Refunding] Bond****Series 2024**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	_____, ____	_____, 2024	_____

REGISTERED OWNER: CEDE & CO.**PRINCIPAL AMOUNT:****DOLLARS**

The City of Charlottesville, Virginia (the “City”), for value received, promises to pay, upon surrender hereof to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay interest hereon from its date semiannually on each _____ and _____, beginning _____, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Principal, premium, if any, and interest are payable in lawful money of the United States of America by the City’s Director of Finance, who has been appointed paying agent and registrar for the bonds, or by such bank or trust company as may be appointed as successor paying agent and registrar by the City Manager (the “Registrar”). If any payment date is not a business day, such payment shall be made on the next succeeding business day with the same effect as if made on the stated payment date, and no additional interest shall accrue.

Notwithstanding any other provision hereof, this bond is subject to a book-entry system maintained by The Depository Trust Company (“DTC”), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the City’s Blanket Letter of Representations to DTC.

This bond is one of an issue of \$ _____ General Obligation Public Improvement [and Refunding] Bonds, Series 2024, of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity, and is issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, without regard to the provisions of the City Charter. The bonds are being issued pursuant to a resolution adopted by the City Council of the City (the “City Council”) on July ____, 2024 (the “Resolution”), [to finance certain capital improvement projects for the City] [to refund certain of the City’s outstanding general obligation bonds] and to pay costs incurred in connection with issuing such bonds (if not otherwise paid from other City funds).

The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on this bond. Unless other funds are lawfully available and appropriated for timely payment of this bond, the City Council shall levy and collect an annual ad valorem tax on all taxable property within the City, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any, and interest on this bond.

Optional Redemption. Bonds maturing on or before ____, 20__, are not subject to redemption prior to maturity. Bonds maturing on or after ____, 20__, are subject to redemption prior to maturity at the option of the City on or after ____, 20__, in whole or in part (in any multiple of \$5,000) at any time, upon payment of the following redemption prices (expressed as a percentage of principal amount of bonds to be redeemed) plus interest accrued and unpaid to the date fixed for redemption:

Period During Which Redeemed (Both Dates Inclusive)	Redemption Price
--	-----------------------------

Mandatory Sinking Fund Redemption. [Bonds maturing on ____, 20__, are required to be redeemed in part before maturity by the City on ____ in the years and amounts set forth below, at a redemption price equal to the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
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Manner of Redemption. If less than all of the bonds are called for redemption, the maturities of the bonds (or portion thereof) to be redeemed shall be selected by the Director of Finance of the City in such manner as such officer may determine to be in the best interest of the City. If less than all of the bonds of any maturity are called for redemption, the particular bonds within such maturity (or portion thereof) to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and (b) in selecting bonds for redemption, each bond shall be considered as representing that number of bonds that is obtained by dividing the principal amount of such bond by \$5,000. If a portion of this bond is called for redemption, a new bond in the principal amount of the unredeemed portion hereof will be issued to the registered owner upon surrender hereof.

Notice of Redemption. The City shall cause notice of the call for redemption identifying the bonds or portions thereof to be redeemed to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the date fixed for redemption, to the registered owner hereof. Consistent with the terms of the Resolution, the City may give notice of redemption prior to a deposit of redemption moneys if such notice states that the redemption is to be funded with the proceeds of a refunding bond issue and is conditioned on the deposit of such proceeds. Provided that moneys are deposited on or before the date fixed for redemption, such notice shall be effective when given. If such proceeds are not available on the date fixed for redemption, no default will be deemed to have occurred and such bonds will continue to bear interest until paid at the same rate they would have borne had they not been called for redemption. On presentation and surrender of the bonds called for redemption at the place or places of payment, such bonds shall be paid and redeemed.

The Registrar shall treat the registered owner of this bond as the person exclusively entitled to payment of principal of and premium, if any, and interest on this bond and the exercise of all others rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the ____ day of the month [preceding] [in which] each interest payment [is due].

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in connection with the issuance of this bond have happened, exist and have been performed, and the issue of bonds of which this bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the City of Charlottesville, Virginia, has caused this bond to be to be signed by the Mayor or Vice Mayor, its seal to be affixed hereto and attested by the Clerk of the City Council, and this bond to be dated the date first above written.

(SEAL)

[Vice] Mayor, City of Charlottesville, Virginia

(ATTEST)

Clerk of Council,
City of Charlottesville, Virginia

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sell(s), assign(s) and transfer(s) unto

(Please print or type name and address, including postal zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFeree:

: :
: :
: :

the within bond and all rights thereunder, hereby irrevocably constituting and appointing

_____,
Attorney, to transfer said bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution such
as a Commercial Bank, Trust Company,
Securities Broker/Dealer, Credit Union
or Savings Association who is a member
of a medallion program approved by The
Securities Transfer Association, Inc.

(Signature of Registered Owner)

NOTICE: The signature above must
correspond with the name of the
registered owner as it appears on the
front of this bond in every particular,
without alteration or enlargement or any
change whatsoever.

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 1, 2024
Action Required:	Ordinance
Presenter:	Alexander Ikefuna, Director, Office of Community Solutions
Staff Contacts:	Samuel Sanders, Jr., City Manager James Freas, Deputy City Manager Antoine Williams, Housing Program Manager
Title:	Ordinance authorizing a grant of public funding to subsidize the South First Street Phase Two Redevelopment Project of Charlottesville Redevelopment and Housing Authority (1 of 2 readings).

Background

With the successful construction of 62 new affordable rental units, CRHA is actively helping to address community housing needs with the completion of Phase 1 of the South First Street redevelopment, which also received Low-Income Housing Tax Credits (LIHTC) approval in June 2019. Phase 2 aims to demolish existing units and build approximately 113 residential units alongside community and office spaces, with extensive resident input during planning.

Related council action includes Resolution #R-24-021, approved on February 20, 2024, reaffirming the city's commitment to CRHA's Phase 2 efforts. It endorses allocating \$3 million from prior appropriations and commits an additional \$3 million for FY 2026. The resolution also authorizes the City Manager to negotiate funding grant agreements with CRHA.

Discussion

CRHA requests \$6 million, which is inclusive of the \$3 million initially planned and adopted Capital Improvement Plan Fiscal Year 2026 from prior appropriations, supporting affordable housing redevelopment. This funding aligns with CRHA's project timeline, aiming for construction loan closing around August 2024 and project completion by July 2026.

Summary of Ordinance: This ordinance authorizes Charlottesville to grant up to \$6 million to CRHA for constructing at least 113 units of affordable for-rent housing at 900 First Street South for households of low-to-moderate median income levels (or 60% of Area Median Income or Below) for a period of no fewer than 15 years.

Key Provisions:

- **Purpose:** Funds are for constructing affordable for-rent housing for low and moderate-income households.

- **Allocation:** Disbursements from July 2024 to July 2026, contingent on city staff approval of project documentation.
- **Financial Oversight:**
 - Review and approval of disbursement documentation by city staff.
 - Monitoring compliance with disbursement guidelines and purposes.
 - Ensuring soft costs do not exceed \$600,000.
 - Verification of hard costs' eligibility and documentation.
 - Retainage of \$300,000 until project completion.
 - Evaluation of pre-disbursement conditions and milestones.
 - Periodic assessment of project progress and budget compliance.
- **Compliance:** The CRHA must comply with federal, state, and local laws, and project-specific requirements, including HUD approvals.
- **Administrative Procedures:** The City Manager establishes procedures for subsidy requests, ensuring financial transparency.
- **Effective Date:** Immediate upon City Council adoption.
- **Publication:** City Clerk to publish and distribute per legal requirements

Alignment with City Council's Vision and Strategic Plan

Strategic Outcome Area: Housing Supporting Phase 2 of the South First Street redevelopment aligns directly with the City Council's strategic objective of expanding affordable housing options and revitalizing communities. It addresses critical housing challenges within Charlottesville by providing for-rent housing units accessible to low and moderate-income households.

Community Engagement

CRHA has conducted extensive community engagement, involving residents in the planning process to ensure the project meets local needs and priorities. This inclusive approach fosters community support and enhances project outcomes.

Budgetary Impact

The proposed \$6 million grant consists of \$3 million already allocated from prior appropriations, combined with \$3 million initially planned for the Capital Improvement Plan Fiscal Year 2026.

Recommendation

Staff recommends to City Council to approve the ordinance authorizing public funding for CRHA's Phase 2 project, advancing critical housing goals.

Motion: Authorization of Funding for Affordable Housing at 900 First Street South

I move that the City Council approve the ordinance authorizing a grant of up to six million dollars (\$6,000,000.00) in support of the South First Street Phase Two Redevelopment Project, as requested by the Charlottesville Redevelopment and Housing Authority (CRHA).

Further Motion Details:

1. **Funding Commitment:** The City Council supports a new funding commitment of \$6,000,000 for Fiscal Year 2026 to facilitate the construction of affordable for-rent housing units at 900 First Street South.
2. **Authorization:** I further move to authorize the City Manager to negotiate and execute funding grant agreements with CRHA, ensuring proper facilitation of fund disbursement.
3. **Review and Approval Process:** As it may be further necessary, for ongoing grant performance and agreement maintenance, the Office of Community Solutions Housing and Compliance staff shall diligently review the project timeline, budgetary analysis, and community engagement summary report provided by CRHA.

Alternatives

The City Council may explore alternative funding models or project adjustments based on budget constraints or community feedback.

Attachments

1. MEMORANDUM OF AGREEMENT_ GRANT FUDNING_REDEVELOPMENT PROJECT (i.e., South First Street Phase Two)
2. ORDINANCE AUTHORIZING_ GRANT OF PUBLIC FUDNING_REDEVELOPMENT PROJECT (i.e., South First Street Phase Two)

**MEMORANDUM OF AGREEMENT FOR PUBLIC FUNDING TO THE
CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY FOR THE
CONSTRUCTION OF AFFORDABLE FOR-RENT HOUSING UNITS AT 900 FIRST
STREET SOUTH, CHARLOTTESVILLE, VIRGINIA IN A NOT-TO-EXCEED
AMOUNT OF SIX MILLION DOLLARS (\$6,000,000.00) FOR HOUSEHOLDS OF
LOW AND MODERATE AREA MEDIAN INCOME LEVELS.**

This MEMORANDUM OF AGREEMENT (this “MOA” or this “Funding Agreement” or this “Agreement”) for a single-time and purpose financial commitment for the South First Street Phase Two Redevelopment is entered into as of _____ day of _____, 2024, by and between the **CITY OF CHARLOTTESVILLE, VIRGINIA**, a municipal corporation and political subdivision of the Commonwealth of Virginia (the “City”), and **CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY**, a political subdivision of the Commonwealth of Virginia (“CRHA” or the “Grantee”), and CRHA’s entities, and the Project’s Owner, i.e., **CHARLOTTESVILLE COMMUNITY DEVELOPMENT CORPORATION**, a Virginia non-profit corporation (“CCDC”), and **SOUTH FIRST PHASE TWO, LLC** collectively referred to in this Agreement as the “Signatories” or as “Signatory Entities.”

SECTION 1: RECITALS AND TERMS OF FUNDING AGREEMENT

WHEREAS, CRHA has requested a total funding commitment of \$6,000,000 (six million dollars) inclusive in support of CRHA and its South First Street Phase Two Redevelopment Project located at 900 First Street South, Charlottesville, Virginia (the “Property”).

WHEREAS the Project now and shall maintain the purpose of using public funding to subsidize the construction of for-rent affordable housing to be occupied by low—and moderate-income households; and the production of new housing for persons of low and moderate-income is a public purpose and use for which the General Assembly has authorized public funds to be expended. Such production is a governmental function of concern to the Commonwealth of Virginia.

WHEREAS, pursuant to Virginia Code §15.2-958, the City of Charlottesville may make grants or loans to the owners of residential rental property occupied, or to be occupied, following construction, by persons of low or moderate income.

WHEREAS, pursuant to the City’s Charter, Sec. 50.7, Powers Relating to Housing and Community Development, the City shall have the power to make grants and loans of funds to the benefit of low- or moderate-income households to further a public purpose.

WHEREAS the City as a political subdivision of the Commonwealth, organized and operating under the laws of the Commonwealth; and CRHA having the purposes and authority within Virginia Code Title 36, Chapter 1 (Housing Authorities Law), and the City, acting by and through its City Council, is authorized to make grants or loans to CRHA to enable or assist CRHA to carry out its purposes.

WHEREAS, pursuant to Virginia Code § 36-19.2, the City has entered into this Agreement with the CRHA for its Project.

WHEREAS the redevelopment of existing public housing sites and the provision of additional affordable housing units that will be committed for rental to persons of low and moderate-income

align with the aims of the City's Affordable Housing Plan and its Strategic Outcome Area: housing.

WHEREAS, CRHA is planning the redevelopment of its property, funded by Low Income Housing Tax Credit (LIHTC) program funding, loans, private donations, and a grant of local funding from the City of Charlottesville.

WHEREAS, CRHA has requested the City award a grant of funding to subsidize the costs of producing new units of residential rental property occupied, or to be occupied, following construction, by persons of low and moderate-income, said undertaking being described in CRHA's Mixed Finance Development Proposal submitted to the Department of Housing and Urban Development, referred to as "South First Street Phase Two," and

WHEREAS the City is willing to provide the requested local funding, subject to specific certifications, assurances, and binding obligations as set forth in this MOA.

WHEREAS, considering the City's funding for the Project, CRHA has agreed to give certifications and assurances and to enter certain binding obligations, as set forth within this MOA.

NOW, THEREFORE, for and in consideration of the Project and undertakings of the Signatories of this MOA, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Signatories hereto covenant and agree as follows: the City Council hereby agrees that that local public funding is approved, subject to the following conditions:

SECTION 1 PUBLIC PURPOSE OF CITY GRANT AND TERMS OF AGREEMENT

Under the terms of this Agreement, this funding commitment shall be in the form of a grant of City funding ("Grant Funds") that is at this moment authorized for the following:

A. The Grantee shall provide the following project documentation:

1. The Signatories agree to provide a signed memo detailing the project timeline and milestones. This document shall outline the key stages of the project and associated deadlines, ensuring transparency and accountability throughout the duration of the project.
2. The CRHA shall furnish written correspondence, outlining the request as detailed and reported in the staff report. This correspondence shall serve to formalize the communication between the Signatories and ensure clarity regarding the scope and objectives of the project.
3. The Signatories shall submit a comprehensive project budgetary analysis/statement. This document shall provide a detailed breakdown of anticipated expenses, funding sources, and financial projections related to the project. It will enable a thorough evaluation of the project's financial feasibility and resource allocation.
4. The Signatories shall provide an updated Community Engagement Summary Report reflecting activities up to the date preceding this allocation request. This report shall document all community engagement efforts undertaken, including outreach events, stakeholder consultations, and feedback received from residents and stakeholders.

South 1st Street Phase Two Redevelopment Project Grant Agreement

- B. Purpose of Funds: to support the construction of new for-rental housing units within the Project, as more specifically described below, and to support the redevelopment of affordable residential units within the Project into residential rental units over a period of no less than fifteen (15) years or the expiration of the initial compliance period applicable to the Project under the Low-Income Housing Tax Credit Program ("LIHTC"), whichever first occurs.
- C. Accounting: The Grantees are responsible for maintaining adequate supporting records that document the expenditure of the funds in accordance with this MOA.
- D. Return of Grant Funds: The Grantees will return to the City of Charlottesville any funds not expended if the City Council makes a demand following a determination that the Grantees have not met the specific terms and conditions specified within this MOA.

SECTION 2: REPRESENTATIONS AND WARRANTIES; REMEDIES FOR BREACH

- (A) CRHA's Charlottesville Community Development Corporation ("CCDC") and South First Phase TWO, LLC (the "Project Owner") shall, through their duly authorized officers, members, or agents, execute a written acceptance of the terms and conditions of this MOA.
- (B) No sub-agreements of any type or form, verbal or written, shall be entered into without advance written notice to the City. They shall be communicated in writing and, upon approval of the City Manager, attached as an amendment to this agreement.

No subsequent or subordinate agreement between and any third party, service provider, or vendor shall effectuate a material change order to the funding amount, the disbursement schedule, or any rights reserved by the City.

- (C) As part of that written acceptance, each entity shall verify that they have made the following representations and warranties to the City, each of which is a material representation and warranty that has induced the City to make this Grant:
 - 1. The CCDC is the Developer of the Project.
 - 2. Grant Funds provided to support the production of affordable residential rental units shall be used or expended exclusively for costs and expenditures expressly authorized within Section 3, Paragraph (A).
 - 3. In the event of a breach of this warranty, in addition to any other remedies available to the City, CRHA and the CCDC shall be jointly and severally obligated to repay the City all amount(s) used or expended in breach of this warranty. All amounts to be repaid to the City shall be due and owing to the City within thirty (30) days after the written notice of breach unless the CCDC or CRHA cures the violation within the 30-day period. (Due Date: 30 days after the date of written notice of the breach).

South 1st Street Phase Two Redevelopment Project Grant Agreement

4. City shall receive payment in full within thirty (30) days. If full payment is not received within thirty (30) days, the City shall not make any additional disbursement(s) of Grant Funds referenced within Section 3 (A) of this MOA and shall have the right to institute proceedings to collect the amounts due under this paragraph.
5. Following construction completion, each of the residential units within the Project shall be reserved for rental by low—and moderate-income individuals throughout a term ("Affordability Period") that is co-extensive with the term of a long-term ground lease entered into between CRHA, as landlord, and the Project Owner, as tenant ("Ground Lease").
 - a. Subject to HUD approval, the Ground Lease shall contain the following terms and conditions: for the first forty (40) years of the term of the Ground Lease, the demised premises described therein shall be used exclusively for residential purposes and related amenities; after that, in addition to residential uses previously established within the Project, the premises may also be used for commercial purposes. CRHA shall not amend the Ground Lease to modify or delete the provisions required by this paragraph, except with the advance written notice to the City.
 - b. In the event of a breach of this warranty, the City shall give written notice to CRHA and the Project Owner. If the breach is not cured within thirty (30) days after the date of such notice, the City shall not thereafter make any additional payment(s) of Grant Funds under Section 3(B) of this MOA and/or subsequent amendment if applicable, in addition to any other remedies which may be available to City.

On the date on which construction of the Project is complete:

6. The Project shall include no fewer than 113 units of Public and/or Affordable Housing legally obligated to be operated in accordance with Va. Code §36-22 and/or federal public housing requirements, under either Section 8 or Section 9 of the US Housing Act of 1937 including, without limitation, a Declaration of Trust/ Restrictive Covenants recorded in the land records of the City; and
7. In addition to the required public housing units, the Project shall contain no fewer than 113 for-rent affordable dwelling units legally obligated to be operated as follows: 56 units shall participate in the project-based [federal] Section 8 program, and 34 units shall be legally obligated to be reserved for occupancy by persons having a household income at or below sixty-percent (60%) of Charlottesville's Area Median Income.
 - a. For purposes of this paragraph (C), the term "legally obligated" refers either to a land use restriction imposed within an instrument recorded in the land records of the Charlottesville Circuit Court or to a grant assurance or obligation given to the Department of Housing and Urban Development, the Virginia Department of Housing and Community Development, Virginia Housing or another federal or state public agency or funding source.
 - b. In the event of a breach of the warranties set forth in this paragraph (C), in addition to any other remedies available to the City, the City shall give written notice of a breach to CRHA and the Signatory Entities.

South 1st Street Phase Two Redevelopment Project Grant Agreement

If the violation is not cured within thirty (30) days after the date of such notice, the City shall not thereafter make any additional payment(s) of Grant Funds under Section 3 (B) of this MOA.

(D) CRHA will continue to make annual payments in lieu of taxes (PILOT) to the City, in accordance with the Cooperation Agreement entered between the City and CRHA, dated May 13, 1958, as amended, provided that any residential units within the Project that are owned by an entity other than CRHA or CCDC will not be part of the PILOT calculation.

(E) CRHA Sustainability Plan:

1. The CRHA shall adhere to its 2023 Sustainability Plan and any approved updates to said plan. In the event of any updates, CRHA shall demonstrate through the revised plan the levels at which it and the Project Owner will establish and provide operational funding, capital, and other reserves to ensure the continued use of all residential units within the Project as affordable rental units for a minimum period of forty (40) years from the Commencement Date of the Ground Lease for the Project.
2. If the 2023 Sustainability Plan as presented to the Council separately before this agreement should change, CRHA shall provide an updated Plan to the City Council upon the Council's request. The Plan, whether original or updated, shall be submitted in writing, and presented at a public meeting for the Council's discussion and consideration.

(F) Miscellaneous:

1. The City shall have all rights to compel the performance of these warranties by CRHA, the Signatory Entities, and to collect any payments due to the City through legal action initiated within a court having jurisdiction within the City of Charlottesville, Virginia and/or the State of Virginia.
2. Interest shall accrue at the rate of six percent (6%) per annum on all amounts due and owing to the City pursuant to this Section 2 from the Due Date until paid.
 - a. No forbearance by the City in exercising any right or remedy afforded either by this MOA or by the laws of the Commonwealth of Virginia shall constitute a waiver of or preclude the exercise of any such right or remedy. The rights and remedies set forth within this MOA are cumulative, and the City's use of any one right or remedy shall not preclude or waive its right to use any or all other remedies. All rights and remedies are in addition to any other rights the City may have by law, statute, MOA, or otherwise.
 - b. Throughout the fifteen (15) year initial compliance period of the LIHTC program, the Project Owner will promptly notify the City of its receipt of any notice or determination stating that the Project does not comply with the requirements of the LIHTC program and shall provide a copy of any such notice or determination to the City Attorney, and the Office of Community Solutions.

SECTION 3: FUNDING, AUTHORIZATIONS, AND DISBURSEMENT TERMS

- (A) Pursuant to the terms of this MOA, the City commits to providing a grant in an amount not to exceed six million dollars (\$6,000,000) in support of the Project.

This grant is intended to subsidize the production of new residential rental units for occupancy by low and moderate-income individuals. The following disbursement schedule outlines the conditions and timelines for the allocation of these funds, ensuring compliance with the designated purposes of soft costs, programmatic and operational support, and construction-related expenses.

- (B) Disbursement Guidelines: Supporting materials must be provided to the applicable city, housing, compliance, legal, finance, and executive staff for review and approval. In furtherance to these stated parameters, CRHA agrees that the remaining balance of the award shall be used strictly for hard costs for the redevelopment of the Project. For this MOA, hard costs shall be taken to mean at least direct expenses related to the physical construction of the project, including materials, labor, equipment, and fixtures.

1. **Soft Costs Limitation:** Up to the not-to-exceed amount of ten percent (10%) of the total award, six hundred thousand dollars (\$600,000), is allocated towards soft costs associated with the Project. For the purposes of this MOA, soft costs shall be taken to mean costs that are indirect or intangible expenses that support the construction project but do not directly impact the construction process, including planning, administration, legal fees, insurance, and property management. Note this not-to-exceed amount of six hundred thousand dollars (\$600,000) shall be used without limitation towards the cost of plans and specifications, surveys and estimates of cost and revenues, the cost of engineering, environmental assessment and mitigation, soil testing, legal and other professional services, expenses incident to determining the feasibility or practicability of the project.
2. **Construction and Development Costs:** The remaining balance of the award, after allocations for soft costs have been deducted, shall be disbursed between July 2024 and July 2026. These disbursements will occur on an as-needed basis, but no more than monthly, contingent upon the review and approval by the City staff of appropriate documentation that the funds have been spent toward the construction of the Project as defined above. Appropriate documentation shall include but not be limited to Applications for Payment from the General Contractors and invoices from vendors and other professionals associated with the project.
3. **Retainage:** An amount equal to 5% of the total grant award, or three hundred thousand dollars (\$300,000) will be retained by the City until the project achieves 100% construction completion of the residential units as documented by a Certificate of Occupancy issued by the City's Building Official.
4. **Pre-Disbursement Conditions:** Prior to the execution of this Agreement, and as a condition precedent to any disbursement of funds under the terms herein, CRHA shall provide to the City a detailed list of milestones, activities, and deliverables for each phase of the South First Street Phase Two redevelopment project.

South 1st Street Phase Two Redevelopment Project Grant Agreement

This list shall encompass, but not be limited to, the following phases:

- a. Predevelopment Completed (June 2024): All preparatory work was completed, all necessary permits were secured, and financing arrangements were finalized.
 - b. Financial Closing and Construction Start (July 2024) is scheduled to take place in July 2024. This includes the execution of financial agreements and the commencement of construction activities. If the construction of the buildings within the Project does not begin on or before July 31, 2024, this MOA (Memorandum of Agreement) will expire, and the city will not have any obligation to the CRHA or its assigns. The CRHA can request a one-time 90-day extension in writing, and this request must be filed with the City Manager's Office by certified mail no later than July 1, 2024.
 - c. Construction Completed (July 2026): Final construction deliverables, occupancy permits, and initial tenant placements. The CRHA and the Signatory Entities shall make commercially reasonable efforts to complete construction and equipping of the Improvements no later than July 2026 (the "Completion Date"), which may be extended due to force majeure or other reasons approved by the City Manager.
 - d. The CRHA or the assigned Signatory Entities: establish a budget for the construction of the project and submit it to the city for review. The City will communicate in writing to the CCDC and/or the CRHA within ten (10) business days after receipt of the Budget whether it has any concerns. After the Budget is reviewed and the City has responded to the Recipient, all subsequent changes to the Budget shall likewise be subject to review and comment by the City.
 - e. Comply with all applicable federal, state, and local laws and secure all plans, approvals, bonds, and permits as may be necessary or appropriate for the construction of the Improvements and the occupancy thereof.
 - f. Encourage contractors and sub-contractors during the construction of the Project to provide employment opportunities for City residents, and to that end, may work closely with the City of Charlottesville Office of Economic Development and the Central Virginia Partnership for Economic Development and the Virginia Workforce Center to support the recruitment, screening, and training residents and public housing residents within the City of Charlottesville is encouraged.
- (C) Other City Subsidies: In addition to the funding approved in Section 3(A), above, the City Council also hereby approves an annual recurring subsidy for the purpose of inducing CRHA, CCDC, and the Project Owner to undertake and complete the Project and as an inducement for the Project Owner to operate the Project pursuant to the terms of this Ordinance.
1. The amount of the annual subsidy shall be the dollar amount of the real estate taxes assessed and billed to the Project owner for each tax year (January 1 - December 31).
 2. This subsidy shall be available with respect to the Project for a total of fifteen (15) tax years, beginning with the first tax year in which the Project Owner receives a real estate assessment and bill for the Project, or until the expiration of the LIHTC initial compliance period, whichever first occurs.
 3. Notwithstanding the foregoing, the subsidy shall not be payable by the City within any tax year in which the household incomes of renters, and maximum rents, of residential units within the Project are not in compliance with income and rent requirements set forth within

the Extended Use Agreement executed by the Project Owner for and in connection with the LIHTC Tax Credit program.

4. The annual subsidy shall be paid as a grant by the City to CRHA. CRHA agrees to provide said grant funds to CCDC, which will in turn provide a loan of those funds to the Project Owner for use in the development and operation of the Project in compliance with the terms of this Ordinance.
 - a. While recognizing that it is not empowered under Virginia law to make any binding commitment beyond the current fiscal year of the City, it is the current intention of the Council to make sufficient annual appropriations to fund the annual subsidy for which Grant Funds are approved under this Section 3 (B). To that end, the City Manager or other officer charged with the responsibility of preparing the City's budget shall include in the proposed budget for each fiscal year of the City a request that the Council appropriate sufficient amounts to cover the annual subsidy referenced within this Section 3 (B).
 - b. If at any time during any fiscal year of the City, the amount appropriated in the City's annual budget is insufficient to pay the annual subsidy referenced within this Section 3 (B), then the City Manager or other officer charged with the responsibility of preparing the City's budget shall submit to the Council, as promptly as practicable, a request for a supplemental appropriation sufficient to cover the deficit.

(D) The payment of any Grant is dependent upon:

1. CRHA or its assigns making an investment in the Property no later than the Completion Date and providing the City and the City Manager or designee with reasonable evidence of the amount of such Investment, and evidence of continued compliance with the other requirements of the Investment in the Property, including, if requested by the City Manager or designee, copies of invoices that were paid.
2. CRHA or its assigns and any subsequent owner or owners of all or any portion of the Property agreeing not to contest any increase in assessed value for the Property for any year on which a Grant is based.
3. To the extent that the assessed value of the Property is decreased for any reason during the term of this Agreement, the amount of Grant shall be reduced by the tax decrease based on the decrease in Incremental Increased Value.
4. No Grant shall be paid so long as any taxes of any kind due and owing to the City by the Developer or subsequent owner or owners of all or any portion of the Property remain unpaid or if the assessed value for the Property is being contested. The CRHA or assigned Signatory Entities agree to pay all taxes due to the City in a timely manner.

- (E) While recognizing that it is not empowered under Virginia law to make any binding commitment beyond the current fiscal year of the City, it is the current intention of the Council to make sufficient annual appropriations during the term of this Agreement to fund all financial obligations of the City Manager or designee hereunder. To that end, the Council has directed the City Manager or other officer charged with the responsibility of preparing the City's budget to include in the proposed budget for each fiscal year of the City during the term of this Agreement a request that the Council appropriate the amounts due under this Agreement during such fiscal year.

South 1st Street Phase Two Redevelopment Project Grant Agreement

- (F) If at any time during any fiscal year of the City, the City Manager or designee or the Developer determines that the amount appropriated in the budget is insufficient to pay such funds when due that fiscal year, then the City Manager (or other officer charged with the responsibility of preparing the City's budget) shall submit to the Council at the next scheduled meeting of the Council or as promptly as practicable, a request for a supplemental appropriation sufficient to cover the deficit.
- (G) This Agreement shall not create a joint venture or any relationship of agency, employer-employee, or contractor between any of the Signatories of this Agreement.
- (H) The CRHA reserves the right to approve any assignment of this Agreement by the Signatory Entities to any individual or entity and, the ownership interests of any such entity must be disclosed to the City Manager or designee. Any change in the organizational structure of CRHA and/or Signatory Entities shall also be subject to approval by the City Manager or designee. Any such assignee shall be bound by all the terms and conditions of this Agreement, including but not limited to the Investment amounts and other requirements set forth in this Agreement.
- (I) The covenants of the City Manager or designee as stated in this Agreement shall not be interpreted to establish any pledge, security interest, lien, or other encumbrance on the property of the City and/or the City Manager or designee. All obligations of the City Manager or designee hereunder are contingent upon the satisfaction and continued performance by the Developer of its obligations set forth in paragraph numbered 1 above and the appropriation and receipt of funding from the City.
- (J) This Agreement shall be governed by the laws of the Commonwealth of Virginia, and, in the event of litigation, jurisdiction, and venue shall be in the Circuit Court of the City of Charlottesville, Virginia, and all legal actions involving this Agreement shall be brought only in such court. All Signatories hereto agree that in the event of any action brought to enforce the terms and provisions hereof, the prevailing party shall be entitled to reimbursement of reasonable attorney's fees and court costs. All Signatories to this Agreement have standing to enforce any covenants, terms, provisions, and agreements set forth herein.
- (K) This Agreement is the entire agreement between the Signatories hereto, sets forth all of promises, agreements, conditions, and understandings between the Signatories respecting the subject matter hereof, and supersedes all prior and contemporaneous negotiations, conversations, discussions, correspondence, memoranda, and agreements between the Signatories concerning such subject matter.
- (L) This Agreement is subject to modification only by written agreement signed by all Signatories hereto and all notices required under this Agreement shall be given in writing, and shall be deemed to be received five (5) business days after being mailed by the first class mail, postage prepaid, return receipt requested, or one (1) business day after being placed for next day delivery with a nationally recognized overnight courier service, or upon receipt when delivered by hand, addressed as follows:

If to the City Manager or designee, to:

The City Manager: Samuel Sanders Jr.
City of Charlottesville, Virginia
c/o Office of Community Solutions (OCS): OCS Housing Program Manager or Director
P.O. Box 911 Charlottesville, Virginia 22902

South 1st Street Phase Two Redevelopment Project Grant Agreement

With a copy to:

City Attorney
City of Charlottesville
P.O. Box 911 Charlottesville, Virginia 22902

If to the Developer or Signatory Entities, to:

c/o John Sales, Executive Director
Charlottesville Redevelopment and Housing Authority (CRHA)
PO Box 1405, Charlottesville, VA 22902

With a copy to

Delphine G. Carnes, Esq.
Delphine Carnes Law Group, PLC
101 W. Main Street
Norfolk, VA 23510

- (M) This Agreement may be executed, via facsimile or email and, in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument. This Agreement shall be binding upon and inure to the benefit of the Signatories hereto and their respective successors and assigns.
- (N) If any provision of this Agreement is determined to be unenforceable, then the remaining provisions of this Agreement shall be interpreted as in effect as if such unenforceable provisions were not included therein. Each of the Signatories to this Agreement represents that it is fully authorized to enter and that it will be bound by, this Agreement.
- (O) The provisions of this Agreement are intended to and shall survive closing, the delivery of any deed or other instrument, and any other event.

***** Signatures to Follow *****

South 1st Street Phase Two Redevelopment Project Grant Agreement

IN WITNESS WHEREOF, the Signatories hereto have executed this Agreement to be effective as this day the ____ of _____, 2024.

CITY OF CHARLOTTESVILLE:

City Manager (Printed)

City Manager (Signature)

Date: _____

ACCEPTED/ AGREED BY RECIPIENT:

CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY,

By: _____
Name: John Sales, Executive Director

SOUTH FIRST PHASE TWO, LLC
a Virginia limited liability company

By: SOUTH FIRST PHASE TWO MANAGEMENT, LLC,
a Virginia limited liability company,
its Managing Member

By: CHARLOTTESVILLE COMMUNITY DEVELOPMENT CORPORATION,

By: _____
Name: John Sales, President

CHARLOTTESVILLE COMMUNITY DEVELOPMENT CORPORATION,

By: _____
Name: John Sales, President

LEGAL REVIEW AND CONFORMANCE AS TO FORM:

City Attorney's Office (Printed)

City Attorney's Office (Signature)

Date: _____

FINANCE REVIEW

Dept. of Finance (Printed)

Dept. of Finance (Signature)

Date: _____

**ORDINANCE AUTHORIZING A GRANT OF PUBLIC FUNDING TO THE
CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY FOR THE
CONSTRUCTION OF AFFORDABLE FOR-RENT HOUSING UNITS AT 900 FIRST STREET
SOUTH, CHARLOTTESVILLE, VIRGINIA IN A NOT-TO-EXCEED AMOUNT OF SIX
MILLION DOLLARS (\$6,000,000.00) FOR HOUSEHOLDS OF
LOW AND MODERATE AREA MEDIAN INCOME LEVELS.**

WHEREAS, CRHA has requested a total funding commitment of \$6,000,000 (six million dollars) in support of its South First Street Phase Two Redevelopment Project located at 900 First Street South, Charlottesville, Virginia (the 'Property').

WHEREAS the Project now and shall maintain the purpose of using public funding to subsidize the construction of for-rent affordable housing to be occupied by low and moderate-income households; and

WHEREAS the production of new housing for persons of low and moderate-income is a public purpose for which the General Assembly has authorized public funds to be expended [Virginia Code Title 36, Chapter 1 (Housing Authorities Law); Virginia Code §15.2-958; City of Charlottesville Charter, Sec. 50.7].

WHEREAS, pursuant to Virginia Code § 36-19.2, the City of Charlottesville has entered into this Agreement with CRHA for its Project.

WHEREAS CRHA is planning the redevelopment of its property, funded by Low Income Housing Tax Credit (LIHTC) program funding, loans, private donations, and a grant of local funding from the City of Charlottesville.

WHEREAS the redevelopment of existing public housing sites and the provision of additional affordable housing units for rental to persons of low and moderate income align with the aims of the City's Affordable Housing Plan and its Strategic Outcome Area: housing.

WHEREAS CRHA has requested the City award a grant to subsidize the costs of producing new units of residential rental property for persons of low and moderate income, as described in CRHA's Mixed Finance Development Proposal submitted to the Department of Housing and Urban Development, known as 'South First Street Phase Two,' and

WHEREAS the City is willing to provide the requested local funding, subject to specific certifications, assurances, and binding obligations as outlined in this MOA.

NOW, THEREFORE, for and in consideration of the Project and undertakings of the Signatories of this MOA, and other good and valuable consideration, the Signatories hereto covenant and agree as follows:

Section 1. Authorization

- 1.1. Pursuant to the terms and conditions set forth in the attached Memorandum of Agreement (Exhibit A), between the City of Charlottesville and the Charlottesville Redevelopment and Housing Authority, and Resolution #R-24-021 (Exhibit B) the City Council hereby authorizes the allocation of public funding to the CRHA in a not-to-exceed amount of six million dollars (\$6,000,000.00).

Section 2. Purpose and Uses

- 2.1. The grant funds shall be utilized by the CRHA for the construction of affordable for-rent housing units at 900 First Street South, Charlottesville, Virginia, to be made available to households of low and moderate area median income levels.
- 2.2. The grant funds shall be used for the construction of no fewer than 113 units of Public and/or Affordable Housing for-rental housing units within the Project, as more specifically described herein below, and to support the redevelopment of affordable residential units within the Project into residential rental units for no less than fifteen (15) years or the expiration of the initial compliance period applicable to the Project under the Low-Income Housing Tax Credit Program ("LIHTC").
- 2.3. The Grant Funds disbursed as authorized by this Ordinance shall not be used or expended for payment of current expenses by any Signatory Entity of the companion Memorandum of Agreement or any other legal entity. The Grant Funds shall be used only to pay the following costs of the Project (subject further to the limit on "soft costs" as set forth below): the cost of improvements, property or equipment, the cost of construction or reconstruction, the cost of all labor, materials, machinery, and equipment, the cost of all land, property, rights, easements and franchises acquired, financing charges, interest before and during construction and for up to one year after completion of construction, Project start-up costs, and operating capital for the Project, and other expenses as may be necessary or incident to the financing or construction of the Project.

Section 3. Disbursement

- 3.1. *Supporting Materials and Preconditions*
 - 3.1.1. Supporting materials must be provided to the applicable city, housing, compliance, legal, finance, and executive staff for review and approval.
 - 3.1.2. In furtherance of these stated parameters, CRHA agrees that the remaining balance of the award shall be used strictly for hard costs for the redevelopment of the Project. For this MOA, hard costs shall be taken to mean at least direct expenses related to the physical construction of the project, including materials, labor, equipment, and fixtures.

3.2. *Soft Costs Limitation*

- 3.2.1. Up to the not-to-exceed amount of ten percent (10%) of the total award, six hundred thousand dollars (\$600,000), is allocated towards soft costs associated with the Project. For this MOA, soft costs shall be taken to mean costs that are indirect or intangible expenses that support the construction project but do not directly impact the construction process, including planning, administration, legal fees, insurance, and property management. Note this not-to-exceed amount of six hundred thousand dollars (\$600,000) shall be used without limitation towards the cost of plans and specifications, surveys and estimates of cost and revenues, the cost of engineering, environmental assessment and mitigation, soil testing, legal and other professional services, expenses incident to determining the feasibility or practicability of the project.

3.3. *Construction and Development Costs*

- 3.3.1. The remaining balance of the award, after allocations for soft costs have been deducted, shall be disbursed between July 2024 and July 2026. These disbursements will occur on an as-needed basis, but no more than monthly, contingent upon the review and approval by the City staff of appropriate documentation that the funds have been spent toward the construction of the Project as defined above. Appropriate documentation shall include but not be limited to Applications for Payment from the General Contractors and invoices from vendors and other professionals associated with the project.

3.4. *Retainage*

- 3.4.1. An amount equal to 5% of the total grant award, or three hundred thousand dollars (\$300,000), will be retained by the City until the project achieves 100% construction completion of the residential units as documented by a Certificate of Occupancy issued by the City's Building Official.

3.5. *Pre-Disbursement Conditions*

- 3.5.1. Prior to the execution of this Agreement, and as a condition precedent to any disbursement of funds under the terms herein, CRHA shall provide to the City a detailed list of milestones, activities, and deliverables for each phase of the South First Street Phase Two redevelopment project.

3.5.2. *This list shall encompass, but not be limited to, the following phases:*

- a. Predevelopment Completed (June 2024): All preparatory work was completed, all necessary permits were secured, and financing arrangements were finalized.
- b. Financial Closing and Construction Start (July 2024): Includes the execution of financial agreements and the commencement of construction activities. If construction does not commence on or before July 31, 2024, this MOA will expire unless extended by written request to the City Manager's Office.
- c. Construction Completed (July 2026): Final construction deliverables, occupancy permits, and initial tenant placements. The Completion Date may be extended due to force majeure or other reasons approved by the City Manager.

- d. Budget Establishment: The CRHA shall establish and submit a budget for the construction project to the City for review and approval. All subsequent changes to the Budget shall be subject to review and comment by the City.
- e. Compliance with Laws: Compliance with all applicable federal, state, and local laws, and securing necessary approvals, bonds, and permits.

3.6. *Preconditions, General*

No City official or employee shall disburse any Grant proceeds authorized herein this Ordinance unless and until the Recipient has furnished all of the following documents to the City for the Project:

1. Evidence of HUD Approval: copies of all written approvals required from the Department of Housing and Urban Development for the Project, specifically including, without limitation: HUD's approval of the Recipient's applications seeking approval of a Mixed Finance Development and for approval of a Demolition/Disposition of Recipient's property.
2. Documents of Record: copies of each of the following fully executed documents, or written notice given to the city identifying the deed book and page number at which the documents are recorded in the land records of the Charlottesville Circuit Court (if the documents are required to be recorded):
 - a. Memorandum of the Ground Lease for the Project (fully executed) along with a fully executed copy of the Ground Lease for the Project.
 - b. HUD Declaration of Trust/Restrictive Covenants for the Project.
 - c. The Regulatory and Operating Agreement executed for the Project by and among the members of the entity that is the Project Owner.
 - d. A copy of the Consolidated Annual Contributions Contract (ACC), number P-5513, dated August 30, 1996, and all amendments thereto.
 - e. Fully executed Mixed-Finance Development Certifications and Assurances (HUD) for the Project.
 - f. Fully executed Extended Use Agreement executed by the Project Owner for and in connection with the LIHTC Tax Credit Program.
3. Construction Contract and Schedule: a copy of the contract for construction executed between the Project Owner and the General Contractor for Construction, and a copy of the approved Construction Schedule that will be implemented by the Construction Contractor.
4. Building Permit: evidence that a building permit for the Project has been approved and issued consistent with the Contract and Schedule provided to city staff.
5. The Budget for the Project.

Section 4. Effective Date and Administrative Procedures

- 4.1. This ordinance shall take effect immediately upon adoption.

4.2. *Administrative Procedures for Annual Subsidy*

- 4.2.1. The City Manager, in consultation with the City Assessor and the Treasurer, shall establish administrative forms and procedures by which CRHA may request and receive the annual subsidy authorized by the Memorandum of Agreement and/or this Ordinance.

Section 5. General Grant Conditions

5.1. *Compliance with Government Requirements.*

- 5.1.1. In all its actions and activities undertaken to provide for the construction, management, and operation of the Project, the Recipient shall comply with:
- a. Any Recovery Agreement entered into between the Recipient and the Department of Housing and Urban Development on or after July 1, 2020.
 - b. The 1958 Cooperation Ordinance between CRHA and the City, as amended.
 - c. The Consolidated Annual Contributions Contract (ACC), number P-5513, dated August 30, 1996, and all amendments thereto.
 - d. The Ground Lease between CRHA and the Project Owner.
 - e. The Declaration of Trust/Restrictive Covenants for the Project.
 - f. The Regulatory and Operating Agreement between CRHA and the Project Owner.
 - g. HUD's Mixed-Finance Development Certifications and Assurances for the Project.
 - h. Any other legal obligations and requirements imposed on the Project, or any aspect of the Project, as a result of any federal or state law, regulation, grant ordinance, any City ordinance, or by the Memorandum of Agreement.

5.2. *Project Approval.*

- 5.2.1. By its adoption of this Ordinance, the City Council approves the Project for which the Grant Funds are awarded and requests the Recipient to construct and operate the Project.
- 5.2.2. Before the Recipient gives final approval to the Budget for the Project, the Recipient shall hold at least one public hearing to receive the views of residents of the City of Charlottesville. The Recipient shall cause public notice to be given at least 10 days prior to the public hearing, by publication in a newspaper having a general circulation within the City of Charlottesville, as required by Va. Code §36-19.2.

5.3. *Public Disclosure of Ordinance Documents.*

- 5.3.1. The Recipient acknowledges and understands that this Ordinance, and all related public proceedings and records, shall be open to the inspection of any citizen or any interested person, firm, or corporation, in accordance with the Virginia Freedom of Information Act (Va. Code §2.2-3700 et seq.) and the Virginia Public Procurement Act (Va. Code §2.2-4300 et seq.) to the extent that either of those laws applies.

5.4. *No Waivers.*

- 5.4.1. No failure on the part of the City to enforce any provision(s) of this Ordinance shall be construed as or deemed to be a waiver of the right to enforce such terms or conditions. No waiver by the City of any breach or failure to perform by the Recipient shall be construed as or deemed to be a waiver of any other and/or subsequent breach or failure to perform.

5.5. *Severability.*

- 5.5.1. If any term, provision, or condition of this Ordinance, or the application thereof to any person or circumstance, shall be held by a Court of competent jurisdiction to be invalid or unenforceable, the remainder of this Ordinance, and the application of any term, provision, or condition contained herein, to any person or circumstance other than those to which it has been held invalid or unenforceable, shall not be affected thereby.

5.6. *No Other Understandings.*

- 5.6.1. There are no understandings or agreements between the City and the Recipient, other than those set forth within this Ordinance, and the provisions of this Ordinance supersede all prior conversations, discussions, correspondence, memoranda, or other communications between or among any employees or officials of the City and the Recipient.

5.7. *Notices.*

- 5.7.1. All notices required by this Ordinance shall be given in writing, and shall be deemed to be received on the date that is either:

- a. Five (5) business days after being mailed by first-class mail, postage prepaid, return receipt requested, or
- b. One (1) business day after being placed for next-day delivery with a nationally recognized overnight courier service, or
- c. The same date on which the notice is delivered by hand to the city.

- 5.7.2. All notices shall be addressed as follows:

- a. If given to the city: to the City Manager, with a copy to the City Attorney, each to: 605 East Main Street, Second Floor, City Hall (P.O. Box 911), Charlottesville, Virginia, 22902.
- b. If given to the Recipient: to Charlottesville Redevelopment and Housing Authority, Attention: Executive Director, 500 South 1st Street, Charlottesville, Virginia, 22902.

5.8. *Authorized Signatures.*

- 5.8.1. The Clerk of Council shall provide a certified copy of this Ordinance, along with a written Grant Acceptance Form approved by the City Attorney. The Grant Acceptance Form shall be signed by a duly authorized officer, member, or agent of CRHA, the CCDC, and the Project Owner.

Section 6. Repeal of Conflicting Ordinances

- 6.1. All ordinances or parts of ordinances that are in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 7. Publication and Distribution

- 7.1. The City Clerk is hereby authorized and directed to cause this ordinance to be published and distributed as required by law.

Approved by Council
July 15, 2020

Kyna Thomas, CMC
Clerk of Council

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 1, 2024
Action Required:	Approve Resolution (1 reading)
Presenter:	Riaan Anthony, Interim Director, Brenda Kelley, Redevelopment Manager
Staff Contacts:	Chris Gensic, Park and Trail Planner Riaan Anthony, Interim Director Brenda Kelley, Redevelopment Manager
Title:	Resolution to approve an Agreement of Lease with International Rescue Committee (IRC) for property at 410 Old Lynchburg Road

Background

The City, through its Parks and Recreation Department, acquired an approximately 8.45 acre parcel of land located in Albemarle County at 410 Old Lynchburg Road (aka Moores Creek Farm) in August 2023.

At the time of purchase, and currently, the International Rescue Committee (IRC) operates the New Roots Farm on this property. An Agreement of Lease with the IRC is proposed for Council approval to allow continuation of these outdoor gardening activities. If approved, the lease will ensure the existing farm and gardens might remain on the property for up to approximately five years as the Parks and Recreation Department works with the IRC to determine a long-range home and plan for these farm and gardens, and while City staff continues to review lease processes and procedures on City-owned properties.

Discussion

IRC is a 501(c)(3) organization, currently operating the New Roots Farm at this property. They have been operating gardens at this location since Spring 2015. According to their website:

“IRC provides opportunities for refugees, asylees, victims of human trafficking, survivors of torture, and other immigrants to thrive in America... In Charlottesville and other offices across the country, the IRC helps them to rebuild their lives.”

“New Roots is a multi-faceted food and agriculture initiative that provides land access, material support, and education to help families make a healthy start in their new home. As part of this program, New Roots operates an urban farm, community garden and a neighborhood farm stand.”

More information about IRC and the programs they provide can be found at:

<https://www.rescue.org/united-states/charlottesville-va>

City staff provides the following information relative to this lease approval request:

Property area leased:	approximately 8.45 acres
Current Assessed Value:	\$9,300

The general terms of the Lease Agreement are:

Lease period:	18 months; with option of City or IRC, to renew three additional, one year terms
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Lease rate:	\$3,600/annually; prorated for initial term
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- Lessee accepts Property “as-is”
- The non-exclusive use of the Leased Property shall be for the purpose of gardening and small livestock (chickens)
- Lessee acknowledges that the City reserves the right to open up the property for public trail and park uses. A public trail may be developed by the City and/or applicable City partners at some point on the property

Alignment with City Council's Vision and Strategic Plan

Approval of this lease agreement aligns with City Council's Strategic Outcome Areas of Economic Prosperity; Partnerships; and Recreation, Arts, Culture.

Community Engagement

This Lease Agreement has been reviewed by IRC representative(s).

Budgetary Impact

This request does not require any funding from the City budget.

Recommendation

Staff recommends that City Council approve the attached Resolution

Alternatives

City Council could choose to not approve this Resolution which will result in the IRC needing to find another location for its farm and garden operations.

Attachments

1. IRC lease RESOLUTION 070124
2. IRC 410 Old Lynchburg Lease final061824

RESOLUTION

Approving an Agreement of Lease with International Rescue Committee (IRC) for lease of property at 410 Old Lynchburg Road

WHEREAS, IRC desires to lease certain City-owned property for a term of eighteen (18) months with City or Lessee option for additional three (3) one-year extensions;

WHEREAS, City Council has considered the terms of the lease of this city-owned property at 410 Old Lynchburg Road; NOW, THEREFORE,

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the Agreement of Lease of City-owned property located at 410 Old Lynchburg Road, Charlottesville, Virginia, to IRC, presented to Council this same date for consideration, is hereby APPROVED and the City Manager is hereby authorized to execute the approved lease on behalf of City Council.

Approved by Council
July 1, 2024

Kyna Thomas, CMC
Clerk of Council

AGREEMENT OF LEASE

THIS LEASE AGREEMENT is made as of the _____ day of _____, 2024, by and between the CITY OF CHARLOTTESVILLE, a municipal corporation ("City" or "Landlord"), and INTERNATIONAL RESCUE COMMITTEE INC., a charitable non-profit organization authorized to do business in the Commonwealth of Virginia ("Lessee" or "IRC").

WITNESSETH:

- 1. Leased Property.** The City, as the title holder of the subject property, in consideration of the rents and covenants to be paid and performed by Lessee, hereby leases to the Lessee the Property which consists of an approximately 8.45-acre tract of City parkland commonly known as Moore's Creek Farm or 410 Old Lynchburg Road, located in Albemarle County, being more particularly described on Exhibit A as the "Leased Property", which exhibit is attached and incorporated herein by reference.
- 2. Condition of Leased Property.** The Leased Property is currently used for agricultural purposes, including small garden plots, livestock pens, and other temporary structures associated with agricultural purposes, and has become a public recreational area under the supervision of the City Department of Parks and Recreation. The City makes no representation or warranty as to the condition or suitability of the Leased Property for the intended purpose of this Lease prior to or at the time of the execution of this Lease. Lessee accepts the Leased Property "as is" on the effective date hereof.
- 3. Term.** The initial term of this Lease shall be for a period of eighteen (18) months ("Initial Lease Term"), which shall begin on July 1, 2024 and expire at midnight on December 31, 2025, ("Expiration Date"), unless sooner terminated as provided herein.
- 4. Option to Renew.** Provided that Lessee is not in default in the performance of this Lease, City and Lessee may have the option to renew the Lease for up to three (3) additional one-year terms (each, a "Renewal Term"). Each of the Renewal Term options must be exercised by Lessee requesting renewal by written notice to the Landlord at least sixty (60) days prior to the expiration of the Initial Lease Term, or the then-applicable Renewal Term. A Renewal Term shall commence on the date following the Expiration Date of the Initial Lease term, or Renewal Term, as applicable. All of the terms and conditions of the Lease shall apply throughout the Initial Lease Term and each Renewal Term.
- 5. Rent.** The Lessee shall pay to the City rent at the rate of \$3,600.00 per year. The initial lease payment is prorated in the amount of \$5,400.00. The initial lease payment shall be due to the City within thirty (30) days after execution of the lease. Thereafter each subsequent annual payment(s) shall be payable on or before the lease renewal date, as applicable ("Due Date"). Tenant is responsible for ensuring that payment is received by the City by the Due Date.

Rent payments shall be delivered by check, cash or wire transfer to:

Mail Check:

Office of the City Manager
City of Charlottesville
P.O. Box 911
Charlottesville, VA 22902
Attn: Lease – IRC

In Person (cash or check):

City of Charlottesville
Customer Service, 1st Floor
600 E. Main Street
Charlottesville, VA 22902
Attn: Lease – IRC

Wire Transfer:

Information provided upon request.

The Fair Market Rent for the Leased Property is \$55,965.00. The difference between the basic annual rent and the Fair Market Rent is \$52,365.00 annually, which shall be deemed an in-kind financial contribution by City to Lessee.

- 6. Security Deposit.** The City acknowledges that an amount equal to \$600.00 as security for damages due to Lessee's failure to pay sums due hereunder, misuse of the Leased Property, etc. (hereinafter, the "Security Deposit"), has been received upon closing on the property. City shall not be required to pay interest on the Security Deposit or to maintain it in a separate account. Within ninety (90) days after (a) the expiration or earlier termination of the lease term, or (b) Lessee's vacating the leased property, City shall return the Security Deposit less such portion thereof as City may have used to satisfy Lessee's obligations.
- 7. Use.** Subject to the Lessee's compliance with all applicable laws, the City hereby grants permission to the Lessee to occupy the Leased Property for the purposes of outdoor gardening activities and raising small livestock.

 - a.** Use of the Leased Property shall be permitted during the operational hours for Azalea Park, which is currently from 6am – 10pm.
 - b.** There shall be no public parking of vehicles within the Leased Property. Vehicular access to or within the Leased Property shall be limited to garden maintenance by IRC staff members and Sublease Tenant(s). City, or other public agency, vehicles are permitted on the Leased Property.
 - c.** The Lessee shall not promote commercial businesses or corporations in outside signage on the Leased Property, except with prior written consent of the City.

- d. Lessee shall not use the Leased Property for the purpose of conducting business or raising funds on premises within the context of local regulations, except with prior written consent of the City.
8. **Purpose.** Unless otherwise agreed by the parties, the non-exclusive use of the Leased Property shall be for the purpose of gardening and small livestock (chickens).
9. **Public Admittance and Access.** Lessee hereby acknowledges that the City reserves the right to install, operate, and maintain a public bicycle and pedestrian trail(s), a stream restoration project, as well as water, sewer, gas, stormwater or other utilities ("Public Facilities"), within the area of the Leased Property. The trail corridor reserved for public bicycle and pedestrian use is to be maintained by the City, and consists of the centerline of the existing driveway through the Leased Property plus five feet on either side of center, for a total of ten feet of width. The City reserves the right to access the property for maintenance and repairs to City's infrastructure, as necessary.
10. **Zoning.** County staff has verified that the uses authorized within this Lease are allowed by right under the County's zoning ordinance.
11. **Nonprofit status.** If Lessee is required by this Lease to pay only nominal rent for the Leased Property, Lessee represents and warrants that it is a charitable organization, institution or corporation authorized to receive appropriations, gifts, or donations of money or property, real or personal, from the City, under the provisions of Virginia Code Sec. 15.2-953. Records which document Lessee's nonprofit status are attached as **Exhibit B**.
12. **Maintenance/Operational Expenses.**
- a. The Lessee shall, at its own cost and expense during the term of this Lease, maintain and keep the Leased Property, and the interior and exterior of all structures therein, in a clean and attractive condition, and not commit or allow any waste or damage to be committed on or to any portion of the Leased Property. Lessee shall provide janitorial services, trash removal, and any other services necessary to satisfy the requirements of this paragraph.
- b. Lessee shall give written notice to the City's Director of Parks and Recreation in advance of using any pesticides, cleaners, fertilizers, or other similar products within the Leased Property through the submittal of a proposed pesticide management plan to be approved by the City, and upon receipt of such notice the Director will promptly advise Lessee of City policies regarding the use of such products on or within City-owned property. Upon being notified of City policies and approval of a pesticide management plan, Lessee shall comply with the requirements of the policies. Lessee shall be responsible for determining any local, federal or state policies, laws or regulations that may apply to the use or application of such products, prior to using or applying them, and Lessee shall indemnify and hold the City harmless from any fines or penalties incurred by the City as a result of Lessee's failure to comply with local Integrated Pest Management (IPM) policies, VDACS, and other federal or state laws or regulations.

- c. As part of its maintenance responsibilities, Lessee agrees to comply fully with any applicable governmental laws, regulations and ordinances limiting or regulating the use, occupancy, or enjoyment of the Leased Property, and to comply with the Virginia Uniform Statewide Building Code and the Virginia Statewide Fire Prevention Code, as supplemented and modified by duly enacted ordinances of the City of Charlottesville.

13. Utilities. The Lessee shall be responsible for all deposits, costs, and expenses for utilities and communications services used by Lessee at the Leased Property. Lessee shall ensure that any such utilities are separately metered and billed solely in Lessee's name. The City will assume no responsibility for any charge, surcharge, debt, or liability incurred by Lessee for utilities or communications services used at the Leased Property.

14. Taxes and Assessments. Real property taxes shall not be imposed against the leasehold interest of Lessee if Lessee is exempt from the payment of real property taxes pursuant to Chapter 36 of Title 58.1 of the Code of Virginia; provided, however, that real estate taxes on the Lessee's leasehold interest shall become due and payable at any time that Lessee is no longer entitled to a tax exemption under the laws of the Commonwealth of Virginia.

15. Adequate Supervision. The Lessee shall be responsible for the well-being and safety of its employees, members, and Sublease Tenants while participating in events, programs, and activities sponsored by Lessee while on the Leased Property and shall at all times provide reasonable and customary supervision. The City will assume no responsibility for Lessee's failure to provide supervision at all times.

16. Development, Improvements and Signage.

- a. No improvements of any kind, including roadways and parking areas, shall be made by Lessee to the Leased Property except with the City's prior written consent both as to the improvements and as to the contractors and subcontractors performing the work.
- b. No improvements shall be undertaken on the Leased Property unless and until the Lessee shall have obtained any and all local, state, and federal governmental approvals and permits, and all such improvement shall be undertaken in strict compliance with all local, state and federal rules, regulations and laws.
- c. Upon the expiration or sooner termination of this Lease, the City shall have the option to require the Lessee to remove, at Lessee's sole cost and expense, any and all improvements made by the Lessee to the Leased Property which have not been made with the City's consent or approval. The City may elect to keep such improvements as the City's property. If the Lessee fails to properly restore the Leased Property, the City may perform the same at the Lessee's cost and expense. In the event that the City demands the removal or any improvement(s), the City must provide sixty (60) days' written notice to Lessee, except in the case of a termination of this Lease due to a default by the Lessee, in which case no such notice shall be required.

- d. The Lessee shall permit no mechanic's liens, materialmen's liens or other statutory liens to attach to the Leased Property as a result of any alterations, improvements, additions or repairs performed by the Lessee or at the Lessee's direction. If any such lien or notice of lien rights shall be filed with respect to the Leased Property, the Lessee shall immediately take such steps as may be necessary to have such lien released and shall permit no further work to be performed at the Leased Property until such release has been accomplished.
- e. The Lessee shall have the right to place signs on the Leased Property only in conformity with all local regulations and with the prior written approval of the City.

17. Insurance.

- a. Liability Insurance of Lessee. Lessee covenants and agrees that it will, at all times during the term of this Lease, keep in full force and effect a policy of public liability and property damage insurance with respect to the Leased Property and the operations of the Lessee, any Sublease Tenant(s), member, invitee, agent or employee on the Leased Property in which the limits of public liability for bodily injury and property damage shall not be less than One Million and 00/100 Dollars (\$1,000,000.00) per accident, combined single limit. The policy shall name the City as an additional insured. The policy shall provide that the insurance thereunder shall not be canceled without thirty (30) days written notice thereof to the City.
- b. Proof of Insurance. Copies of certificates of the insurers for insurance required to be maintained by the Lessee shall be delivered by the Lessee to the City, upon the issuance of such insurance, upon signing of this Lease, and thereafter no later than January 31 of each year.

18. Default. Each of the following occurrences relative to the Lessee shall constitute default:

- a. Failure by the Lessee in the performance or compliance with any of the terms, covenants, or conditions provided in this Lease, which failure continues uncured for a period of sixty (60) days after written notice from the City to the Lessee specifying the items in default; provided, however, if such failure is of a type that is not reasonably capable of being cured within such sixty (60) day period, such sixty (60) day period shall be extended for so long as the Lessee is making diligent efforts to cure such default;
- b. Failure or refusal by the Lessee to make the timely payment of rent or other charges due under this Lease when the same shall become due and payable, provided the City has given the Lessee fifteen (15) days written notice of the same;
- c. An incompatible change in the operation, charter, or ownership of the Lessee (including, but not limited to, loss of Internal Revenue Code 501(c)(3) tax-exempt status).

19. Damage or Destruction of the Leased Property. The Lessee shall be responsible for any damage caused to the facilities or the property of the City resulting from the action of any

employee or volunteer, or member, guest, or invitee of the Lessee, while participating in Lessee sponsored events, programs or activities, beyond normal wear and tear.

20. Storage and Installation of Property and Equipment. The Lessee agrees that all property of every kind and description kept, stored, or placed on the Leased Property shall be at the Lessee's sole risk and hazard and that the City shall not be responsible for any loss or damage to any such property. All equipment shall be stored in a safe manner and shall be installed and properly anchored per ASTM standards and all other local, state and federal regulations.

21. Indemnification.

- a. The Lessee shall indemnify, defend and hold the City and its officials, officers, and employees harmless from and against any and all liability, loss, claim, suit, damage, charge or expense suffered, sustained, incurred or in any way be subjected to, on account of death of or injury to any person and for damage to, loss of, and destruction of any property whatsoever, which arises out of, results from, or is in any way connected with actions taken in the performance of the Lessee's obligations under this Lease, or which occurs as a consequence of any negligence, omission, or misconduct of the Lessee and any contractors, subcontractors, Sublease Tenant(s), members, agents, or employees in the performance of the Lessee's obligations under this Lease.
- b. The City shall indemnify, defend and hold the Lessee and its officials, officers, and employees harmless from and against any and all liability, loss, claim, suit, damage, charge or expense suffered, sustained, incurred or in any way be subjected to, on account of death of or injury to any person and for damage to, loss of, and destruction of any property whatsoever, which arises out of, results from, or is in any way connected with actions taken in the performance of the City's obligations under this Lease, or which occurs as a consequence of any negligence, omission, or misconduct of the City and any contractors, subcontractors, members, agents, or employees in the performance of the City's obligations under this Lease.

22. Assignment. The Lessee shall have no right to assign, in any manner or fashion, any of the rights, privileges, or interests accruing to it under this Lease to any other individual or entity.

23. Sublease.

- a. Lessee shall have no right to assign or sublease, in any manner or fashion, any of its rights, privileges, or interest accruing to it under this Lease to any other individual or entity without the prior written consent of the City, except as provided for in 23.b of this Agreement.
- b. The sublease of individual garden plots to IRC clients and community members for garden/farm use only will be allowed, provided that: (i) Sublease tenants must enter into a written sublease agreement with Lessee; (ii) Lessee remains fully responsible for all

actions of Sublease Tenants; (iii) Sublease Tenants must also comply with all provisions of this Lease Agreement; (iv) any sublease agreement (template) used pursuant to this Agreement must be approved by the Office of the City Attorney prior to its use.

c. No Sublease shall extend beyond the term of this Agreement of Lease.

24. Nondiscrimination. Lessee shall not discriminate against any person in its membership, programs, or employment relating to the use or operation of the Leased Property, on the grounds of race, religion, color, gender, sexual orientation, national origin, disability, financial circumstances, or any other basis prohibited by law.

25. Surrender. Upon termination of the Lease, the Lessee shall quit and surrender to the City the Leased Property in good order and condition, except for ordinary wear and tear, provided that the Lessee shall remove from the premises any personal property belonging to the Lessee or third parties, and at its cost and expense shall repair any damage caused by such removal. Personal property not so removed shall become the property of the City, which may thereafter remove the property and dispose of it. On the termination of this Lease, the City may without further notice enter on, reenter, possess and repossess the Leased Property by any necessary means.

26. Right of Entry. At any time during the term of the Lease, the City shall have the right, upon prior notice to the Lessee (except in the event of an emergency), to enter the Leased Property at all reasonable times for the purposes of inspecting the Leased Property to ensure compliance with the terms of this Lease. Notwithstanding the City's right to inspect the Leased Property, the City shall have no obligation to inspect the same. The City's failure to detect any violation or to notify the Lessee of any violation shall not relieve the Lessee of obligations under the terms of this Lease.

27. Waiver. The waiver by the City or the Lessee of any breach of any term, covenant or condition contained herein shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant or condition contained herein. The subsequent acceptance of rent hereunder by the City shall not be deemed to be a waiver of any breach by the Lessee or the City of any term, covenant or condition of this Lease regardless of knowledge of such breach at the time of acceptance or payment of such rent. No covenant, term or condition of this Lease shall be deemed to have been waived by the Lessee or the City unless the waiver be in writing signed by the party to be charged thereby.

28. Entire Agreement. This Lease, and the exhibits attached hereto and forming a part of hereof, set forth all the covenants, promises, agreements, conditions and understandings, between the City and the Lessee concerning the Leased Property and there are no covenants, promises, agreements conditions or understandings, either oral or written, between them other than as herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon the City or the Lessee unless reduced to in writing and signed by them.

29. Headings. The section headings in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections of this Lease nor in any way do they affect this Lease.

30. Severability. If any term, covenant or condition of this Lease, or the application thereof, to any person or circumstance shall to any extent be invalid or unenforceable the remainder of this Lease, or the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

31. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. Any dispute arising out of this Agreement shall be litigated in the Circuit Court for the City of Charlottesville.

32. Notices. Any notice, demand, request, or other instrument which may be, or are required to be given under this Lease, shall be in writing and delivered in person or by United States certified mail, return receipt requested, postage prepaid, and shall be addressed as follows:

Lessee: Mailing Address:
 International Rescue Committee
 375 Greenbrier Drive, Suite 200
 Charlottesville, VA 22901

 Delivery Address:
 International Rescue Committee
 375 Greenbrier Drive, Suite 200
 Charlottesville, VA 22901

City: Mailing Address:
 Office of the City Manager
 City of Charlottesville
 P.O. Box 911
 Charlottesville, VA 22902
 Attn: City Lease

 Delivery Address:
 Office of the City Manager
 City of Charlottesville
 605 E. Main Street, 2nd Floor
 Charlottesville, VA 22902
 Attn: City Lease

or at such other address as designated by written notice of a party.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed by their duly authorized representatives, following below:

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____

Samuel Sanders, Jr.

Title: City Manager

Date: _____

Lessee: INTERNATIONAL RESCUE COMMITTEE INC.

By: _____

Date: _____

Print Name: _____

Title: _____

Funds are Available:

By: _____

Director of Finance

Date: _____

Approved as to Form:

By: _____

Office of the City Attorney

Date: _____

EXHIBIT A

LEASED PROPERTY

Proposed IRC lease of ~8.45 acres of parkland property from City of Charlottesville
Moore's Creek near Azalea Park - 410 Old Lynchburg Road



EXHIBIT B

Tenant's Non-Profit Status



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0752861031
Sep. 13, 2022 LTR 4168C 0
13-5660870 000000 00

00031977

BODC: TE



INTERNATIONAL RESCUE COMMITTEE INC
% GETENET AYANO
122 EAST 42ND STREET
NEW YORK NY 10168-0002



008818

Employer ID number: 13-5660870
Form 990 required: YES

Dear Taxpayer:

We're responding to your request dated Sep. 01, 2022, about your tax-exempt status.

We issued you a determination letter in April 1955, recognizing you as tax-exempt under Internal Revenue Code (IRC) Section 501(c)(3).

We also show you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If you're required to file a return, you must file one of the following by the 15th day of the 5th month after the end of your annual accounting period:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 990-EZ
- Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

According to IRC Section 6033(j), if you don't file a required annual information return or notice for 3 consecutive years, we'll revoke your tax-exempt status on the due date of the 3rd required return or notice.

You can get IRS forms or publications you need from our website at www.irs.gov/forms-pubs or by calling 800-TAX-FORM (800-829-3676).

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m.,

0752861031
Sep. 13, 2022 LTR 4168C 0
13-5660870 000000 00
00031978

INTERNATIONAL RESCUE COMMITTEE INC
% GETENET AYANO
122 EAST 42ND STREET
NEW YORK NY 10168-0002

local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

Sincerely yours,

Sheralyn C. Hanks

Sheralyn C. Hanks
Ops. Manager, AM Ops. 3005