



CITY COUNCIL AGENDA
April 18, 2022
CERTIFICATIONS

J. Lloyd Snook, III, Mayor
Juandiego Wade, Vice Mayor
Sena Magill, Councilor
Michael K. Payne, Councilor
Brian R. Pinkston, Councilor
Kyna Thomas, Clerk

4:00 PM OPENING SESSION

Register at www.charlottesville.gov/zoom. This meeting is being held electronically in accordance with a local ordinance amended and re-enacted March 7, 2022, to ensure continuity of government and prevent the spread of disease during a declared State of Emergency. 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 4 present; Wade excused absence (medical)

Agenda Approval APPROVED 4-0 (PINKSTON/MAGILL)

Reports

1. Presentation: UVA Law class presentation on tax relief (30 minutes)
2. Discussion: Climate Action discussion

5:30 PM ~~CLOSED SESSION as provided by Sections 2.2-3711 and 2.2-3712 of the Virginia Code (TBD)~~

6:30 PM BUSINESS SESSION

This portion of the meeting will accommodate a limited number of in-person public participants in City Council Chamber at City Hall as we employ a hybrid approach to public meetings during the locally declared state of emergency. Registration is available for a lottery-based seating selection at www.charlottesville.gov/1543/Reserve-a-Seat-for-City-Council-Meeting. Reservation requests may also be made by contacting the Clerk of Council office at clerk@charlottesville.gov or 434-970-3113.

Moment of Silence

Announcements

Recognitions/Proclamations

- Proclamation: Charlottesville Band 100th Anniversary
- Proclamation: Fair Housing Month

Consent Agenda* APPROVED 4-0 (PINKSTON/PAYNE)

3. Minutes: March 7 Council meeting, March 10 budget work session
4. Resolution: Appropriating funding received from the Virginia Department of Social Services for Driving and Transportation Assistance for Foster Care Youth - \$13,877 (2nd reading)
#R-22-043
5. Resolution: Appropriating additional funding received from the Virginia Department of Social Services for the Promoting Safe and Stable Families Program - \$16,435 (2nd reading)
#R-22-044
6. Resolution: Appropriating Virginia Tourism Corporation American Rescue Plan Act supplemental funds for the Charlottesville Albemarle Convention and Visitors Bureau - \$280,000 (2nd reading)
#R-22-045
7. Resolution: Authorizing a refund of \$12,866.44 to a taxpaying entity or business, for business license taxes paid in error for 2020 (2nd reading)
#R-22-046

- 8. **Resolution:** #R-22-047 Appropriating state funds for the State of Good Repair Program project account for Dairy Road Bridge Replacement - \$7,210,664.00 (2nd reading)
- 9. **Resolution:** Charlottesville Affordable Housing Fund (CAHF) Award Recommendations
 - a. **Resolution:** #R-22-048 Allocating CAHF funds for Charlottesville Redevelopment and Housing Authority (CRHA) South First Phase Two - \$425,000 (2nd reading)
 - b. **Resolution:** #R-22-049 Allocating CAHF funds for Habitat for Humanity of Greater Charlottesville Equity Homeownership Initiative 2022 Down Payment Assistance - \$75,000 (2nd reading)
 - c. **Resolution:** #R-22-050 Allocating CAHF funds for Albemarle Housing Improvement Program (AHIP) Charlottesville Critical Repair Program - \$100,000 (2nd reading)
 - d. **Resolution:** #R-22-051 Allocating funds from the Charlottesville Affordable Housing Fund for Local Energy Alliance Program (LEAP) Assisted Home Performance and Electrification Ready – Owner Occupied - \$50,000 (2nd reading)
 - e. **Resolution:** #R-22-052 Allocating funds from the Charlottesville Affordable Housing Fund for Local Energy Alliance Program (LEAP) Assisted Home Performance and Electrification Ready – Renter Occupied - \$100,000 (2nd reading)
- 10. **Ordinance:** #O-22-053 Amending, reenacting and reordaining Chapter 30 of the City Code, Section 30-283, to increase the meals tax (2nd reading)
- 11. **Report:** Calendar Year 2020 Annual Report for Human Rights Commission and Office of Human Rights
- 12. **Report:** Rivanna Authorities Quarterly Report

City Manager Report

Community Matters

Public comment for up to 16 speakers (limit 3 minutes per speaker). Preregistration available for first 8 spaces; speakers announced by Noon on meeting day (9:00 a.m. sign-up deadline). Additional public comment at end of meeting. Public comment will be conducted through electronic participation while City Hall is closed to the public. Participants can register in advance at www.charlottesville.gov/zoom.

Action Items

- 13. **Public Hearing/Ord.:** Community Development Block Grant (CDBG) and HOME Citizen Participation Plan Amendment
 - a. **Ordinance*:** Amending and reenacting Sections 2-417, 2-418 and 2-419 of the Code of the City of Charlottesville to establish a new CDBG and HOME Taskforce (1 reading)
 - b. **By Motion:** Approving the proposed amendments to the 2016 Citizen Participation Plan for the City's CDBG and HOME Investment Partnership Act programs
- 14. **Resolution:** #R-22-054 Approving the issuance by the Charlottesville Redevelopment and Housing Authority of its up to \$23,000,000 multifamily revenue bonds for Standard Midway Manor Venture LP (1 reading)
APPROVED 4-0 (PINKSTON/MAGILL)
- 15. **Ordinance:** Amending the Friendship Court (Phase 1) Loan Agreement (1st of 2 readings)
- 16. **Ordinance*:** 240 Stribling Avenue
 - a. **Ordinance*:** #O-22-055 Re-enacting the Zoning Map for the City of Charlottesville, Virginia, to reclassify certain property from R-1S and R-2 to Planned Unit

Development ("240 Stribling PUD") and granting a critical slope waiver for the 240 Stribling PUD (2nd reading)

APPROVED 4-0 (PINKSTON/PAYNE)

b. Ordinance*:
#O-22-056

Consideration of a voluntary Infrastructure Funding Agreement in the amount of \$2.9 Million with Belmont Station, LLC, for construction of sidewalk along Stribling Avenue (2nd reading)

APPROVED 4-0 (PINKSTON/PAYNE)

General Business

17. Discussion: Reviewing Draft Operating Procedures for the Police Civilian Oversight Board (Discussion Only; No Vote)

Other Business

Community Matters (2)

*Action Needed

RESOLUTION

Appropriating Funding Received from the Virginia Department of Social Services for the Driving and Transportation Assistance for Foster Care Youth, in the amount of \$13,877

WHEREAS, the Charlottesville Department of Social Services has received an allocation in the amount of \$13,877 in the Fiscal Year 2022 budget from the Virginia Department of Social Services to be used for Driving and Transportation Assistance for youth in, and formerly in, foster care.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$13,877, upon receipt by the City, is hereby appropriated for expenditure for a period running through August 31, 2022, in the following manner:

Revenue – \$13,877

Fund: 212 Cost Center: 9900000000 G/L Account: 430080 \$13,877

Expenditures - \$13,877

Fund: 212 Cost Center: 3333006000 G/L Account: 540060 \$13,877

RESOLUTION
Appropriating Additional Funding Received from the Virginia Department of Social Services for the Promoting Safe and Stable Families (PSSF) Program
In the amount of \$16,435

WHEREAS, the Charlottesville Department of Social Services has received an allocation of \$16,435 in the Fiscal Year 2022 budget from the Virginia Department of Social Services to be used for the Promoting Safe and Stable Families (PSSF) program.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$16,435, upon receipt by the City, is hereby appropriated for expenditure within the FY22 budget in the following manner:

Revenue – \$16,435

Fund: 212	Cost Center: 9900000000	G/L Account: 430080	\$16,435
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Expenditures - \$16,435

Fund: 212	Cost Center: 3343008000	G/L Account: 540060	\$16,435
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RESOLUTION APPROPRIATING FUNDS for
Charlottesville Albemarle Convention and Visitors Bureau Budget
Supplemental Appropriation of Virginia Tourism Corporation American
Rescue Plan Act Funds - **\$280,000**

WHEREAS, the City of Charlottesville and Albemarle County jointly fund the efforts of the Charlottesville Albemarle Convention and Visitors Bureau (CACVB); and

WHEREAS, the Commonwealth of Virginia has chosen to allocate a portion of its American Rescue Plan Act (ARPA) funding to the Virginia Tourism Corporation (VTC) in support of enhancing the impact of tourism throughout the state; and

WHEREAS, VTC has determined a mechanism for distributing these funds by locality and the City of Charlottesville and Albemarle County working with the CACVB to develop a coordinated plan to increase awareness of the Charlottesville and Albemarle markets; and

WHEREAS, this plan has been approved by VTC;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of **\$280,000** is hereby appropriated as a supplemental appropriation in the following manner:

Revenue – \$280,000

Fund: 209	Internal Order: 1900462	G/L Account: 430120	\$280,000
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Expenditures - \$280,000

Fund: 209	Internal Order: 1900462	G/L Account: 540100	\$260,000
Fund: 209	Internal Order: 1900462	G/L Account: 530670	\$20,000

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$280,000 from Virginia Tourism Corporation’s ARPA funding and shall hereby be considered a continuing appropriation and shall not be deemed to expire unless further altered by Council.

RESOLUTION

**Authorizing a refund of \$12,866.44 to a taxpaying entity or business, for
business license taxes paid in error for 2020**

WHEREAS, the Commissioner of the Revenue has determined that a taxpaying entity or business paid 2020 Business License 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 \$12,866.44; and

WHEREAS, City Code Section 30-6(b) requires City Council approval for any tax refund exceeding \$2,500.00; 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 \$12,866.44, payable to that taxpaying entity or business.

RESOLUTION

Appropriating State of Good Repair Funding in the amount of \$7,210,664.00 Awarded by the Commonwealth of Virginia for Costs of Replacement of the Dairy Road Bridge

WHEREAS the City of Charlottesville has been notified that the Commonwealth has awarded state funding in the amount of \$7,210,664.00 from the Commonwealth’s State of Good Repair Program (“SGR Funding”), for a locally-administered transportation construction project to replace the Dairy Road Bridge (“Project”), and the awarded funding covers one hundred percent (100%) of the costs of engineering, design, project administration and construction; and

WHEREAS the Department of Public Works is prepared to commence work on the Project, using a design-build procurement process; therefore, the award of this funding allows the Project to be promoted to an active Capital Project within the City’s Capital Improvements Plan, beginning in Fiscal Year 2023; and

WHEREAS the SGR Funding will be payable to the City on a reimbursement basis, and the Department of Public Works expects to submit reimbursement applications periodically over the course of the Project;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that, upon receipt of each reimbursement payment from the Commonwealth for the Project, the SGR Funding received shall be appropriated to the following accounts:

Revenues

\$7,210,664 Fund: 426 WBS: P-01068 G/L Account: 430110

Expenditures

7,210,664 Fund: 426 WBS: P-01068 G/L Account: 599999

RESOLUTION

**Allocation of Charlottesville Affordable Housing Fund (CAHF) for Charlottesville
Redevelopment and Housing Authority (CRHA) South First Phase Two - \$425,000**

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$425,000 be allocated from previously appropriated funds in the Charlottesville Affordable Housing Fund (CAHF) to Charlottesville Redevelopment and Housing Authority (CRHA) for the purpose of providing funds for the South First Phase Two project.

Fund: 426 Project: CP-084 G/L Account: 530670

Charlottesville Redevelopment and Housing Authority (CRHA) \$425,000

RESOLUTION

Allocation of Charlottesville Affordable Housing Fund (CAHF) for Habitat for Humanity of Greater Charlottesville Equity Homeownership Initiative 2022 Down Payment Assistance - \$75,000

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$75,000 be allocated from previously appropriated funds in the Charlottesville Affordable Housing Fund (CAHF) to Habitat for Humanity of Greater Charlottesville for the purpose of providing funds for the Equity Homeownership Initiative 2022 Down Payment Assistance program.

Fund: 426 Project: CP-084 G/L Account: 530670

Habitat for Humanity of Greater Charlottesville \$75,000

RESOLUTION

Allocation of Charlottesville Affordable Housing Fund (CAHF) for Albemarle Housing Improvement Program (AHIP) Charlottesville Critical Repair Program - \$100,000

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$100,000 be allocated from previously appropriated funds in the Charlottesville Affordable Housing Fund (CAHF) to Albemarle Housing Improvement Program (AHIP) for the purpose of providing funds for the Charlottesville Critical Repair program.

Fund: 426 Project: CP-084 G/L Account: 530670

Albemarle Housing Improvement Program (AHIP) \$100,000

RESOLUTION

Allocation of Charlottesville Affordable Housing Fund (CAHF) for Local Energy Alliance Program (LEAP) Assisted Home Performance and Electrification Ready (AHP) – Owner Occupied - \$50,000

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$50,000 be allocated from previously appropriated funds in the Charlottesville Affordable Housing Fund (CAHF) to Local Energy Alliance Program (LEAP) for the purpose of providing funds for the Assisted Home Performance and Electrification Ready (AHP) – Owner Occupied program.

Fund: 426 Project: CP-084 G/L Account: 530670

Local Energy Alliance Program (LEAP) \$50,000

RESOLUTION

Allocation of Charlottesville Affordable Housing Fund (CAHF) for Local Energy Alliance Program (LEAP) Assisted Home Performance and Electrification Ready (AHP) – Renter Occupied - \$100,000

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Charlottesville, Virginia that the sum of \$100,000 be allocated from previously appropriated funds in the Charlottesville Affordable Housing Fund (CAHF) to Local Energy Alliance Program (LEAP) for the purpose of providing funds for the Assisted Home Performance and Electrification Ready (AHP) – Renter Occupied program.

Fund: 426	Project: CP-084	G/L Account: 530670
Local Energy Alliance Program (LEAP)	\$100,000	

ORDINANCE

**Amending, reenacting and reordaining Chapter 30 of the City Code, Section 30-283,
to increase the meals tax**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CHARLOTTESVILLE, VIRGINIA, that Chapter 30 (Taxation) Article X (Meals Tax), Section 30-283 of the Code of the City of Charlottesville (1990), as amended, is hereby amended, reenacted and reordained, as follows:

Sec. 30-283. Levied.

(1) In addition to all other taxes and fees of any kind now or hereafter imposed by law, a tax is hereby levied and imposed on the purchaser of every meal sold in the city by a restaurant or caterer. The rate of this tax shall be **six (6) six and one-half percent (6.5%)** of the amount paid for the meal. There shall be no tax if the total amount paid is less than thirteen cents (\$0.13); on larger amounts a fractional cent of tax due shall be rounded to the next higher cent.

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BE IT FURTHER ORDAINED that the meals tax increase effectuated by this Ordinance shall be effective **July 1, 2022**.

RESOLUTION

Approving the issuance by the Charlottesville Redevelopment and Housing Authority of its up to \$23,000,000 multifamily revenue bonds for Standard Midway Manor Venture LP

WHEREAS the Charlottesville Redevelopment and Housing Authority (the “Authority”) is authorized to advertise and hold public hearings relative to the issuance of private activity bonds; and

WHEREAS the Authority has considered the application of Standard Midway Manor Venture LP, a Virginia limited partnership (the “Applicant”) requesting that the Authority issue up to \$23,000,000 of its revenue bonds (the “Bonds”) to assist the Applicant or an entity affiliated with and controlled by, or under common ownership with, the Applicant (the Applicant or such resulting ownership entity hereinafter referred to as the “Borrower”) in acquiring, constructing, renovating, rehabilitating and equipping an age restricted multifamily residential rental housing project to be known as Midway Manor Apartments, to consist of 94 one-bedroom units and 4 two-bedroom units, to be located on approximately 2.32 acres of land located at 100 Ridge Street in Charlottesville, Virginia 22902 (the “Project”), including the financing of reserve funds as permitted by applicable law and the costs of issuance incurred in connection with the issuance of the Bonds. Based on representations of the Applicant, the Project is structured to meet the requirements of a qualified residential rental project within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”). The Applicant has represented that the Project will be owned by the Borrower; and

WHEREAS the facilities related to the Project to be financed or refinanced with the Bonds are located in the City of Charlottesville, Virginia; and

WHEREAS, the City of Charlottesville, Virginia is the geographic jurisdiction that contains the site of the Project to be financed or refinanced with the Bonds (“Host”) the City Council of the City of Charlottesville, Virginia (the “City Council”) constitutes the governmental unit having jurisdiction of the Project Site, and Section 147(f) of the Code requires the City Council, as the governmental unit, to approve the issue; and

WHEREAS a copy of the Authority’s resolution authorizing the issuance of the Bonds, a certificate of the public hearing (including a summary of statements expressed at the hearing) and a fiscal impact statement have been filed with the City Council; and

WHEREAS the Authority has recommended that the City Council approve the issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, THAT:

1. The City Council approves the issuance of the Bonds by the Authority for the benefit of the Borrower, to satisfy the requirements of Section 147(f) of the Code, to permit the Authority to assist in the financing of the Project.
2. The approval of the issuance of the Bonds does not constitute City Council’s

endorsement to a prospective purchaser of the Bonds or the creditworthiness of the Project or the creditworthiness of the Borrower.

3. The Bonds shall provide that the City of Charlottesville, Virginia shall not be obligated to pay the Bonds or the interest thereon, or other costs incident thereto, and neither the full faith and credit nor the taxing power of the City of Charlottesville, Virginia is pledged to payment of the principal of the Bonds, or the interest thereon, or other costs incident thereto.

4. The Bonds shall provide that the Authority shall not be obligated to pay the Bonds or the interest thereon or other costs incident thereto except from the revenues and monies pledged thereto and that full faith and credit of the Authority shall not be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

5. In adopting this resolution, the City of Charlottesville, Virginia, including its elected councilors, representatives, officers, employees and agents, shall not be liable for, and hereby disclaim all liability for, any damages to any person, direct or consequential, resulting from the Authority's failure to issue the Bonds for any reason.

5. This resolution shall take effect immediately upon its adoption.

The undersigned Clerk of the City Council of Charlottesville, Virginia certifies that the foregoing Resolution was adopted by the City Council on April 18, 2022.

ORDINANCE

Amending and Re-enacting the Zoning Map for the City of Charlottesville, Virginia, to reclassify property from R-1S and R-2 to Planned Unit Development for the “240 Stribling PUD”, and granting a critical slope waiver for the 240 Stribling PUD

WHEREAS, Belmont Station, LLC (“Landowner”) submitted rezoning application ZM20-00002 (“Application”) seeking a change in the zoning district classification for approximately twelve (12) acres of land identified by City Real Estate Tax Parcel Identification No. 18A025000 (“Subject Property”), from R-1S (Residential Small Lot) and R-2 (Residential Two-Family) to Planned Unit Development (“240 Stribling PUD”), with such rezoning made subject to certain development conditions proffered by the Landowner (“Proffers”); and

WHEREAS, the purpose of the rezoning application is to allow a specific development project (“Project”) identified within a written PUD Development Plan, dated June 11, 2021, as revised through March 21, 2022, and the Statement of Final Proffer Conditions signed by the Landowner on November 11, 2021 for the “240 Stribling PUD”. The PUD Development Plan identifies the general or approximate location of the following housing types to be constructed: 20 rows of townhouses, two multifamily dwelling units, and two single-family attached dwellings. The PUD Development Plan also depicts two central greens, protection of a wooded area between the development and Moore’s Creek, a shared use path constructed to City Standard Detail TR-1, a public street connection to Morgan Court, and six (6) private streets intended for rear loading of the townhouses within the development. Structured parking will be provided within the multifamily dwelling units, and sidewalks will be constructed on both sides of all new public streets within the development, and along one side of each private street within the development. The development of the Subject Property will further be subject to the conditions of a critical slope waiver approved by City Council, as requested in Application P20-0079. (Collectively, all of the foregoing materials describe the specific “Project”); and

WHEREAS, a joint public hearing on the proposed rezoning of the Subject Property was held before the Planning Commission and City Council on September 14, 2021, after notice to the public and to adjacent property owners as required by law; and

WHEREAS, on November 9, 2021, following the joint public hearing, the Planning Commission voted to recommend that City Council should approve the proposed rezoning for the Project, subject to certain qualifications; and

WHEREAS, City Council has considered: the details of the specific Project, as represented within the Landowner’s various application materials, the Staff Reports relating to the application materials, the comments received from the public, and the Planning Commission’s recommendation; and

WHEREAS, this Council finds and determines that the public necessity, convenience, general welfare and good zoning practice require the proposed rezoning; that both the existing zoning classification (R-1S) and the proposed PUD zoning classification (subject to the proffered development conditions) are reasonable; and that the proposed rezoning is consistent with the Comprehensive Plan; now, therefore,

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia that, in order to allow the development of the Project described above within this Ordinance, the Zoning Map incorporated in Section 34-1 of the Zoning Ordinance of the Code of the City of Charlottesville, 1990, as amended, shall be and hereby is amended and reenacted as follows:

Section 34-1.Zoning District Map. Rezoning from R-1S and R-2 to 240 Stribling PUD, all of that certain land identified within the City of Charlottesville’s real estate tax records by Real Estate Parcel Identification Number 18A025000, consisting of approximately 12.07 acres (approx. 525,769 square feet), subject to the PUD Development Plan dated June 11, 2021, as revised through 3/21/2022, and also subject to the Proffers dated November 11, 2021, which were tendered by the Landowner in accordance with law and are hereby accepted by this City Council as set out below

within this Ordinance.

Approved Proffers

The use and development of the Subject Property shall be subject to the following development conditions voluntarily proffered by the Landowner, which conditions shall apply in addition to the regulations otherwise provided within the City's zoning ordinance:

1. The Owner shall establish affordable housing within the Property, as follows:
 - a. For the purposes of this Proffer:
 - i. The term "Affordable Dwelling Unit" means a dwelling unit reserved for occupancy by a Low- and Moderate-Income Household.
 - ii. "Low-and Moderate-Income Household" means a household that pays no more than thirty percent (30%) of its gross income for housing costs, including utilities, provided that the annual gross income of the household/occupant is sixty percent (60%) or less of the Area Median Income (AMI) for the City of Charlottesville, as said AMI is established annually by the federal Department of Housing and Urban Development (HUD).
 - b. Fifteen percent (15%) of all dwelling units constructed within the area of the Subject Property shall be Affordable Dwelling Units. ("Required Affordable Dwelling Units") The Required Affordable Dwelling Units shall be identified on a layout plan, by unit, prior to the issuance of any certificate of occupancy for a residential unit within the PUD ("Initial Designation"). The Owner reserves the right, from time to time after the Initial Designation, and subject to approval by the City, to change the unit(s) reserved as Affordable Dwelling Units, and the City's approval shall not unreasonably be withheld so long as a proposed change does not reduce the number of Required Affordable Dwelling Units and does not result in an Affordability Period shorter than required by these proffers with respect to any of the Required Affordable Dwelling Units.
 - i. Thirty percent (30%) or more of the Required Affordable Dwelling Units shall be reserved for rental to low- and moderate-income households ("Rental Affordable Dwelling Units") . Each of the Rental Affordable Dwelling Units shall be reserved as such throughout a period of at least ten (10) years from the date on which the unit receives a certificate of occupancy from the City's building official ("Rental Affordability Period"). All Rental Affordable Dwelling Units shall be administered in accordance with City regulations adopted pursuant to the provisions of City Code 34-12(g) as such regulations are in effect on the date of Owner's signature, below. For the purposes of this section and section 1.b.ii., below, if City regulations adopted pursuant to the provisions of City Code 34-12(g) are amended by the City after the date of Owner's signature, below, the Owner may elect in writing to the Zoning Administrator to instead be bound by the amended regulations.
 - ii. Thirty percent (30%) or more of the Required Affordable Dwelling Units shall be reserved for ownership by low- and moderate-income households ("For-Sale Affordable Dwelling Units"), throughout a period of thirty (30) years from the date on which the unit receives a certificate of occupancy from the City's building official. The For-Sale Affordable Units shall be administered in accordance with City regulations adopted pursuant to the provisions of City Code 34-12(g), as such regulations are in effect on the date of Owner's signature, below. During construction the For-Sale Affordable Dwelling Units shall be constructed incrementally, such that at least five (5) Affordable Dwelling Units shall be either completed or under construction pursuant

to a City-issued building permit, prior to the issuance of every 30th building permit for non-affordable for-sale dwelling units.

- c. The land use obligations referenced in 1.b.i, 1.b.ii, and 1.b.iii shall be set forth within one or more written declarations of covenants recorded within the land records of the Charlottesville Circuit Court, in a form approved by the Office of the City Attorney, so that the Owner's successors in right, title and interest to the Property shall have notice of the obligations. In the event of re-sale of any of the Required Affordable Rental Units that reduces the number of Required Affordable Dwelling Units below the thresholds set forth in this proffer, the declaration of covenants shall provide a mechanism to ensure that an equivalent Affordable Dwelling Unit is created within the City of Charlottesville, either on or off of the Subject Property, that satisfies the requirements contained herein for the remainder of the Affordability Period.

Critical Slope Waiver

BE IT FURTHER ORDAINED by the Council of the City of Charlottesville, THAT a waiver of the critical slopes requirements for the Subject Property, to allow for construction of the specific 240 Stribling PUD Project that is the subject of this Ordinance, is hereby granted subject to the following conditions (each, a "CS Waiver" condition):

CS Waiver condition #1: site Plans (VESCP Plans) shall include, at a minimum, 4 stages/phases of erosion and sediment control measures: the first shall be "Initial/Preliminary Controls" and outfall construction, and the second shall include the establishment of sediment traps and conveyances. The sequence shall dictate that no disturbance of the slopes can occur, other than to facilitate trap/conveyance construction, until after the establishment of the trap, conveyances and permanent outfall (until Stage/Phase III)

CS Waiver condition #2: "Super Silt Fence" (chain linked backing) shall be installed where perimeter silt fence is specified.

CS Waiver condition #3: Any disturbance occurring outside of conveyances to the trap, in either sequence or space, planned or unforeseen, shall be immediately stabilized with sod (for pervious areas, utilities should have other "same day stabilization).

CS Waiver condition #4: The proposed trail shall be a non-erodible surface (asphalt/concrete or similar) and provisions shall be made in the stormwater management plan to ensure runoff from the trail is conveyed in a non-erosive manner, and concentrated flows shall not be discharged above slopes, or flow along the toe of slopes, on or offsite the property.

CS Waiver condition #5: Trees removed from areas of critical slope(s) shall be replaced within those areas, at a three-to-one ratio ("Habitat Replacement Trees"). The Habitat Replacement Trees shall be locally native tree species appropriate for the site conditions. The specific number and species of Habitat Replacement Trees will be determined by the applicant and the City based on available space and site conditions, and the size, location and species of all Habitat Replacement Trees shall be specified within the landscaping plan required by Sections §§34-861 et seq. of the Charlottesville City Code, as amended.

CS Waiver condition #6: No tree(s) planted in any area(s) that contain buildings, parking lots, sidewalks, or other built improvements shall be counted as any Habitat Replacement Tree(s).

ORDINANCE

APPROVING A VOLUNTARY INFRASTRUCTURE FUNDING AGREEMENT IN THE AMOUNT OF \$2.9 MILLION UPON TERMS OFFERED BY BELMONT STATION, LLC FOR CONSTRUCTION OF SIDEWALK ALONG STRIBLING AVENUE

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia, that the following voluntary funding agreement offered to the City by Belmont Station, LLC, is hereby approved for a capital project to be undertaken by the City to construct public sidewalks on Stribling Avenue, and the Mayor is authorized to execute said agreement on behalf of the City:

THIS INFRASTRUCTURE FUNDING AGREEMENT (“Agreement”) is made this ___ day of _____, 2022, by and among the **City of Charlottesville, Virginia (the “City”)**, a municipal corporation and political subdivision of the Commonwealth of Virginia, and, **Belmont Station, LLC, a Virginia limited liability company (the “Developer”)**.

Recitals

R-1. The Developer’s purpose and intent is to invest a significant amount of money into real estate and improvements, described as: All that certain tract or parcel of land situated in the City of Charlottesville, Virginia (the “City”) on the south side of Stribling Avenue, containing 11.053 acres, more or less, according to the City land records, and currently shown as City Tax Map Parcel 18A025000, and as further **(the “Investment”)** described and depicted on **Exhibit A** hereto **(the “Property”)**, where Developer intends to design and develop a Planned Unit Development containing approximately 170 newly-constructed residential dwellings (the “PUD Project”), which will promote the safety, health, welfare, convenience or prosperity of the inhabitants of the City by promoting appropriate housing density and affordability within an area of the City, enhance the tax base in the City, create more housing opportunities, and promote other economic development in the City. The Developer’s Investment and the amounts and other requirements included in such Investment are set forth in part as **Exhibit B**.

R-2. The City has a documented need for pedestrian sidewalk improvements and related stormwater and utility infrastructure along Stribling Avenue in the City of Charlottesville, as noted in the City’s “Complete Sidewalks Projects List”, page 209 of the *Charlottesville Bicycle & Pedestrian Master Plan Update 2015*, as well as in the “Proposed Fiscal Year (YR) 2022 Capital Improvement Program (CIP) Revenue and Expenditure Description Summary”, page 8, and, the “Capital Improvement Program Final Request Form, 5-Year Program Span: Fiscal Year 20-24, Project Title: Stribling Sidewalk + Drainage Improvements” (“Sidewalk Improvements”). The Sidewalk Improvements will be made on both sides of Stribling Avenue from the intersection with JPA and ending in proximity to the City limits.

R-3. The Sidewalk Improvements are separate from the Developer’s Property; however, Developer acknowledges and agrees that, although a need for the Sidewalk Improvements already exists, the PUD Development will increase use of Stribling Avenue by both vehicular and pedestrian traffic, and the Developer desires to make a financial contribution that will facilitate the City’s commencement of the Sidewalk Improvements on an expedited basis.

R-4. The Developer has offered to enter into a funding agreement with the City, to provide

certain monies to the City through cash escrow or letter of credit, which may be utilized by the City under the terms and conditions set forth within this Agreement to construct the Sidewalk Improvements.

WHEREAS, the Developer and the City desire to set forth their understanding and agreement as to these matters in this Agreement.

NOW, THEREFORE, for and in consideration of the premises, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. The recitals are incorporated as part of this Agreement.
2. The Developer:
 - a. Shall make and maintain the Investment described on Exhibits A and B attached to this Agreement;
 - b. Shall have **\$2,900,000** in a pledged account (cash escrow), or Letter of Credit, or other drawable fund or account (“Funding”) which shall be made available to the City for use in constructing the Sidewalk Improvements; (i) prior to the date on which the City issues a land disturbing permit for the PUD Project, or (ii) by December 31, 2026, whichever first occurs. The Funding shall be made available for the City to draw upon to pay costs of constructing for the Sidewalk Improvements. In the event that the City’s final budget for the Sidewalk Improvements, based on bid(s) received, is less than \$2,900,000 then the Funding under this Agreement shall be amended and reduced to the actual budgeted amount based on the accepted bid(s);
 - c. At the request of the City, the Developer shall request that its contractor for the PUD provide a bid to the City for the construction of the Sidewalk Improvements, to assist the City’s efforts to achieve any efficiencies that may be possible if the Sidewalk Improvement can be worked on contemporaneously with the contractor’s construction of sidewalks within the PUD Project. The Developer shall give the City at least 60 days advance written notice of the date on which the Developer’s contractor will commence construction streets and sidewalks within the PUD Project;
 - d. Shall provide the City with the engineering and surveying work that the Developer has caused to be completed to date, and the cost of such work may be deducted by the Developer from the \$2,900,000 to be made available to the City~~City agrees to reimburse the Developer for the cost of that work;~~
 - e. Shall make its commercially reasonable efforts to obtain approvals of the Final Site Plan for the PUD from the City, and commence land disturbing activities, no later than **December 31, 2026 (“Commencement Date”)**, which may be extended due to force majeure or other administrative reasons approved by the City;
 - f. Shall make its commercially reasonable efforts to complete construction and equipping of the PUD Project, in accordance with the Site Plan for the PUD approved by the City, no later than **December 31, 2036 (“Completion Date”)**, which may be extended due to force majeure or other administrative reasons approved by the City.

g. Shall 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 and completion of the PUD Project and the occupancy thereof.

3. **The City:**

a. Shall be responsible for preparing its own final construction plans to be used for the City's construction of the Sidewalk Improvements, ~~and complete right-of-way acquisition, on or before the Commencement Date;~~

~~b. Shall use its best efforts to coordinate construction of the Sidewalk Improvements with the infrastructure construction schedule for the PUD Project, if that is possible with the same contractor(s) and if it will achieve any economies; May, but no earlier than the date on which the City issues a land disturbing permit for the PUD Project, submit a drawdown request, to obtain reimbursement from the Funding for the City's documented expenditures associated with planning and design-for-construction of the Sidewalk Improvements.~~

~~e.b. Upon commencement of construction of the Sidewalk Improvements, the City shall be responsible for preparing periodic drawdown requests from the Funding to pay for construction of the Sidewalk Improvements pursuant to the City's contract with a the contractor(s) for the Sidewalk Improvements. The City, ~~or other designee,~~ and the Developer shall each promptly complete all paperwork necessary to process the drawdown requests on a timely basis~~complete draw requests.~~~~

4. The City, subject to the availability of public funds and the annual appropriation of such funds by the Council, and subject further to the Developer's fulfillment of all of its obligations under this Agreement, shall reimburse the Funding to the Developer, as described herein. Reimbursement of the Funding shall be paid in annual installments, beginning on September 30 of the first Tax Year following the date of the City's issuance of the first building permit for a residential dwelling within the PUD Project ("Initial Reimbursement Installment") and continuing annually thereafter, on or before September 30th of each successive Tax Year, but ending on the later of: December 31, 2036, or 20 45 years after the issuance of the first building permit, in either case regardless of whether the Funding has been fully reimbursed to Developer.

a. Each annual reimbursement payment shall be equal to (and shall not exceed) ~~sixty one hundred percent (60100%)~~ of the total of the annual real property taxes actually received by the City attributable to the incremental increase in the assessed value of the Property ("**Incremental Increased Value**") over the value of the Property on the City's Land Book for the Tax Year 2022, which is \$1,198,000~~(2021 in which the land disturbing permit for the PUD Project is issued by the City (\$1,041,700) (the "Base Value").~~ An example of the calculation of the annual Funding reimbursement payment required by Paragraph 4, above, is attached as **Exhibit C** to this Agreement.

b. For the purpose of this Agreement, **(i)** the Incremental Increased Value shall be the assessed value of the Property, inclusive of all lots resulting from any subdivision(s) thereof, as set forth within the City's Land Book for each Tax Year subsequent to ~~2021~~the Base Value Tax Year, without regard to the ownership of the Property, **and (ii)** the Land

Book is the official record of real estate assessments for a given Tax Year, as referenced in City Code Section 30-66.

c. Notwithstanding the foregoing, no reimbursement payment shall be due or owing by the City to the Developer within any Tax Year in which the value of the Property on the City's Land Book does not exceed the Base Value.

d. To the extent that the assessed value of the Property is decreased for any reason during the term of this Agreement, the amount of Funding shall be reduced by the tax decrease based on the decrease in Incremental Increased Value.

5. The City shall pay interest to the Developer on the Funding ~~drawn by it for~~ ~~utilized by it to pay for construction~~ of the Sidewalk Improvements, at an ~~adjustable~~ rate equal to 1.5%, or the "true" interest cost (as defined by City Council resolution titled "\$18,000,000 Million [sic] Bond Issue" dated May 3, 2021) of Charlottesville's most recent General Obligation Bond issuance preceding the Commencement Date, whichever is higher. Interest shall begin accruing on the Commencement Date and continue until the earlier of: (i) the entire amount of interest and Funding utilized by the City for the Sidewalk Improvements has been reimbursed to the Developer, or (ii) the latest date established in Paragraph 4, being December 31, 2036 or 20 ~~45~~-years after the issuance of the first building permit.

6. Developer acknowledges and understands that the City is not empowered under Virginia law to make any binding contractual obligation committing payment of City funds beyond the current fiscal year of the City. However, so long as public funding is available to support the City's performance of this Agreement in subsequent fiscal years, it is the current intention of the Charlottesville City Council to make sufficient annual appropriations to fund the reimbursement obligations of the City 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 City Manager's proposed budget for each fiscal year subsequent to the date of this Agreement a request that the Council appropriate the amounts due under this Agreement during such fiscal year. If at any time the City or the Developer determines that the amount appropriated in any fiscal year budget is insufficient to support the City's performance under this Agreement, then, if sufficient public funding is available, then the City Manager 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.

7. This Agreement shall not create any joint venture, any agency, or any employer-employee relationship between the parties hereto.

8. The City reserves the right to approve in advance any assignment of this Agreement by the Developer to any individual or entity while any of the Developer's obligations under this Agreement are outstanding. The ownership interests of such entity must be disclosed to the City. The consent to any such assignment shall not be unreasonably withheld. After the completion of the Developer's obligations under Section 2 of this Agreement, the repayment of the Funding obligations may be sold, assigned, or transferred by the Developer, with the approval of all parties, which consent shall not be unreasonably withheld. All parties to any assignment, sale or transfer under this Section 8. shall be bound by all the terms and conditions of this Agreement.

9. The City may terminate this Agreement at any time if funds have not been drawn from the Developer's Cash Escrow or Letter of Credit. The City may terminate this Agreement after funds have drawn, by repaying all outstanding Funding amounts plus applicable interest.

There is no prepayment penalty if the City chooses to repay Funding in full sooner than otherwise called for under the Agreement. The City will provide written notice to the Developer of its decision to terminate the Agreement pursuant to this section, or if repayment funds sent from the City to the Developer are intended as the prepayment in full of all outstanding amounts, along with the corresponding notice of Agreement termination. The Agreement terminates without any action needed by the City or the Developer if no funds have been drawn by the City under this Agreement upon the earlier of: December 31, 2034, or, the receipt by the City of the increased cumulative tax increment revenues of \$4,833,333 (\$2,900,000 / 60%), in excess of the Base Value, from the PUD Project commencing after the rezoning.

10. This Agreement shall not be interpreted to establish any pledge, security interest, lien, or other encumbrance on property of the City or the Developer.

11. This Agreement shall be governed in all aspects by the laws of the Commonwealth of Virginia, without reference to conflict of laws provisions. In the event of litigation, jurisdiction and exclusive 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. Each of the parties to this Agreement have standing to enforce the terms, conditions and obligations set forth herein.

12. This Agreement sets forth the entire agreement between the parties hereto. There are no promises, agreements, conditions, or understandings between the parties respecting the subject matter hereof, other than those expressly set forth herein, and the provisions of this Agreement supersede all prior and contemporaneous negotiations, conversations, discussions, correspondence, memoranda, and agreements between the parties concerning the subject matter of this Agreement.

13. This Agreement may be modified by mutual agreement of the parties. The City Manager is designated as the City's agent to approve and execute amendments to this Agreement involving procedural or administrative matters. By way of example and not limitation, such procedural or administrative changes can include: date changes relating to any force majeure, changes in the scope of work necessary for the Sidewalk Improvements, or, approvals required by Section 8 of this Agreement.

14. Notices and communications relating to this Agreement shall be given in writing, and shall be deemed to be received by a party hereto (i) five (5) business days after being mailed by U.S. mail, first class, postage prepaid, return receipt requested, or (ii) one (1) business day after being placed for next day delivery with a nationally recognized overnight courier service, or (iii) upon being delivered by hand to a party, addressed as follows:

if to the City, to:

The City of Charlottesville, Virginia
Attention: City Manager
605 East Main Street, City Hall, Second Floor (P.O. Box 911)
Charlottesville, VA 22092

if to the Developer, to:

Belmont Station, LLC
142 South Pantops Drive
Charlottesville, VA 22911
ATTN: Frank T. Ballif, Manager

with a copy to:

Lois A. Haverstrom, General Counsel
142 South Pantops Drive
Charlottesville, VA 22911

15. 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 parties hereto. 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 parties to this Agreement represents that it is fully authorized to enter into this Agreement, and that it will be bound by this Agreement in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first written above.

CITY OF CHARLOTTESVILLE, VIRGINIA

By: _____

Title: _____

Date of Execution: _____

DEVELOPER

BELMONT STATION, LLC on its behalf and as Manager of Belmont Station LLC

By: _____

Frank T. Ballif, as Manager

Date of Execution: _____

EXHIBIT A TO VOLUNTARY INFRASTRUCTURE FUNDING AGREEMENT

(Description of Property)

All that certain tract or parcel of land situated in the City of Charlottesville, Virginia (the “City”) on the south side of Stribling Avenue, containing 11.053 acres, more or less, according to the City land records, and currently shown as City Tax Map Parcel 18A025000, and as further described within the Proposed Planned Unit Development (the “Investment”) described and depicted on Exhibit A below (the “Property”)

Property to be developed into a 170+/- Unit PUD



EXHIBIT B TO VOLUNTARY INFRASTRUCTURE FUNDING AGREEMENT

Investment

This Agreement only relates to the \$2,900,000 Cash Escrow or Letter of Credit posted by the Developer in favor of the City, and the reimbursement of amount(s) drawn by the City from of that Cash Escrow or Letter of Credit. Developer plans to construct 170+/- residential dwelling units within the PUD Project, with an estimated completed value after home construction averaging \$275,000, more or less.

EXHIBIT C VOLUNTARY INFRASTRUCTURE FUNDING AGREEMENT

Funding Calculation of Incremental Increased Value (Examples based on Estimated Assumptions below)

Sample Calculations are for Illustration Purposes Only: The Dates, Assessed Values, and Real Estate Tax Rates are not actual and are for Illustration Purposes Only. Calculations assume that the City has drawn funds that are to be repaid by real estate taxes received by the City and generated directly from the Developer's PUD after the issuance of the first Building Permit.

Example 1 - Issuance of First Building Permit

	1 Unit Averaging \$275,000 upon completion and 169 lots at \$65,000 each	Prior to Project (Based 20221 AV)	Estimated Annual Tax Increment Repayment w/ Issuance of First Building Permit @ 60%
Assessed Value of Real Estate	\$11,260,000	\$1,198,000 041,700	
Real Estate Tax Collected	\$106,970	- (\$11,381,009 ,896)*	<u>\$95,589 x 60% = \$57,35397,074</u>

Example 2 - Complete Project Build Out

	Estimated After Project Completion 170 Units Averaging \$275,000 upon completion	Prior to Project (Base 20221 AV)	Estimated Annual Tax Increment Repayment at the end of the Project
Assessed Value of Real Estate	\$46,750,000	\$1,198,000 041,700	
Real Estate Tax Collected	\$444,125.	- (\$11,381 9,896)*	<u>\$432,744 x 60% = \$259,646434,229</u>

*Based on real estate tax rate \$0.95 per \$100.