CITY COUNCIL AGENDA Monday, April 15, 2019



| 6:00 p.m. | Closed session as provided by Section 2.2-3712 of the Virginia Code Second Floor Conference Room (Legal advice) |
|---|---|
| 6:30 p.m. | Regular Meeting - CALL TO ORDER Council Chambers |
| PLEDGE OF ALLEGIANCE ROLL CALL ANNOUNCEMENTS PROCLAMATIONS | |
| | (Items removed from consent agenda will be considered at the end of the regular agenda) ent) ecial and Regular meetings; April 8, 2019 Special meeting. Due to technical issues, the March 18, le for the May 6, 2019 meeting. Funds from VML Insurance Programs – \$11,374.00 (2 nd of 2 readings) Funds from Ryder – \$7,850.00 (2 nd of 2 readings) Funds from Trinity Steel Erection, Inc. – \$2,856.00 (2 nd of 2 readings) Funds from Penn National Insurance – \$12,500.00 (2 nd of 2 readings) Virginia Fire Equity & Diversity Conference - \$50,000 (2 nd of 2 readings) FM Global Fire Prevention Grant - \$3,268.00 (1 st of 2 readings) Virginia Housing Solutions Program Grant Award - \$27,728.46 (2 nd of 2 readings) Virginia Department of Social Services (VDSS) Employment for Temporary Aid to Needy Families (TANF) Participants Grant (2nd Renewal) - \$58,824 (2 nd of 2 readings) Telecommunications Franchise to MMI Atlantic, LLC (2 nd of 2 readings) CPA-TV/York Property Lease Agreement and The Ryal Thomas Show, LLC License Agreement (2 nd of 2 readings) |
| CITY MANAGER RESPONSE TO | D COMMUNITY MATTERS (FROM PREVIOUS MEETINGS) |
| COMMUNITY MATTERS | Public comment is provided for up to 16 speakers at the beginning of the meeting (limit 3 minutes per speaker.) Pre-registration is available for up to 8 spaces, and pre-registered speakers are announced by noon the day of the meeting. The number of speakers is unlimited at the end of the meeting. |
| 7. RESOLUTION*: | Resolution Approving City Manager Employment Agreement 4-0 (GALVIN/BELLAMY; SIGNER absent) – Council by Vote of 4-0 (Signer absent,) moved this item up in the agenda due to travel constraints for Mr. Richardson. |
| 2. PUBLIC HEARING/ RESOLUTION*: | Series 2019 Bond Issue - \$17,750,000 (1 st of 1 reading) 4-0 (HILL/GALVIN; SIGNER absent) |
| 3. ORDINANCE*: | Amend Charlottesville City Code Section 15-131 (Motor Vehicles and Traffic) (1st of 2 readings) |
| 4. ORDINANCE*: | Rezone Lyman Street Residences-Tax Map 58 Parcels 289.2 and 358E (Subject Properties)(2 nd of 2 readings) 4-0 (HILL/GALVIN; SIGNER absent) |
| 5. RESOLUTION*: | Special use permit - Lyman Street Residences-Tax Map 58 Parcels 289.2 and 358E (Subject Properties)(1 st of 1 reading) 4-0 (HILL/GALVIN; SIGNER absent) |
| 6. REPORT*: | Update on Proposed Changes to Alleys and Paper Streets Closing Policy |
| OTHER BUSINESS MATTERS BY THE PUBLIC | |
| *ACTION NEEDED | |

APPROPRIATION VML Insurance Programs Claim Payment - \$11,374.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of

Charlottesville, Virginia that \$11,374.00 from VML Insurance Programs is to be appropriated in the following manner:

<u>Revenues - \$11,374.00</u>

 Fund: 105
 Cost Center: 2471001000
 G/L Account: 451110

Expenditures - \$11,374.00

| Fund: 105 | Cost Center: 2471001000 | G/L Account: 510060 | Amount: \$680 |
|-----------|-------------------------|---------------------|------------------|
| Fund: 105 | Cost Center: 2471001000 | G/L Account: 520200 | Amount: \$10,694 |

APPROPRIATION VML Insurance Programs Claim Payment - \$7,850.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that \$7,850.00 from Ryder is to be appropriated in the following manner:

<u>Revenues - \$7,850.00</u>

 Fund: 105
 Cost Center: 2443001000
 G/L Account: 451110

Expenditures - \$7,850.00

 Fund: 105
 Cost Center: 2443001000
 G/L Account: 530550

APPROPRIATION VML Insurance Programs Claim Payment - \$2,856.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of

Charlottesville, Virginia that \$2,856.00 from Trinity Steel Erection, Inc. is to be appropriated in the following manner:

<u>Revenues - \$2,856.00</u>

 Fund: 105
 Cost Center: 2471001000
 G/L Account: 451110

Expenditures - \$2,856.00

| Fund: 105 | Cost Center: 2471001000 | G/L Account: 510060 | Amount: \$140 |
|-----------|-------------------------|---------------------|-----------------|
| Fund: 105 | Cost Center: 2471001000 | G/L Account: 520200 | Amount: \$2,716 |

APPROPRIATION VML Insurance Programs Claim Payment - \$12,500.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of

Charlottesville, Virginia that \$12,500.00 from Penn National Insurance is to be appropriated in the following manner:

<u>Revenues - \$12,500.00</u>

 Fund: 105
 Cost Center: 2471001000
 G/L Account: 451110

Expenditures - \$12,500.00

| Fund: 105 | Cost Center: 2471001000 | G/L Account: 510060 | Amount: \$5,464 |
|-----------|-------------------------|---------------------|-----------------|
| Fund: 105 | Cost Center: 2471001000 | G/L Account: 520200 | Amount: \$7,036 |

APPROPRIATION

Virginia Fire Equity & Diversity Conference \$50,000

WHEREAS, the City of Charlottesville, through the Charlottesville Fire Department will be hosting the 2019 Virginia Fire Equity and Diversity Conference in October 2019;

WHEREAS, the City of Charlottesville has received a Conference and Education Assistance Grant from Virginia Department of Fire Programs (VDFP) to host conference expenses and will also be receiving registration fees from conference attendees which will be used to cover the cost of hosting such a conference;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of \$50,000, received from the Virginia Department of Fire Programs (VDFP) and conference attendees is hereby appropriated in the following manner:

Revenue

| \$15,000 \$35,000 | Fund: 209 Fund: 209 | Internal Order: 1900325 Internal Order: 1900325 | G/L Account: 430110 G/L Account: 434410 |
|----------------------|------------------------|--|--|
| Expenditure | <u>s</u> | | |
| \$50,000 | Fund: 209 | Internal Order: 1900325 | G/L Account: 599999 |

BE IT FURTHER RESOLVED, this appropriation is conditioned upon the receipt of grant funds from the Virginia Department of Fire Programs and conference registration fees and shall be hereby considered a continuing appropriation unless further altered by Council.

APPROPRIATION Virginia Housing Solutions Program Grant Award \$27,728.46

WHEREAS, The City of Charlottesville, through the Department of Human Services, has received the V. H. S. P. Grant from the Virginia Department of Housing and Community Development in the additional amount of \$27,728.46;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the additional sum of \$27,728.46 is hereby appropriated in the following manner:

| Revenues \$ 9,656.51 \$18,071.95 | Fund: 209 Fund: 209 | IO: 1900313 IO: 1900313 | G/L: 430110 State Grant G/L: 430120 Federal Pass-Thru State |
|--|------------------------|----------------------------|--|
| Expenditures \$27,728.46 | Fund: 209 | IO: 1900313 | G/L: 530550 Contracted Services |

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon receipt of an additional \$27,728.49 in funds from the Virginia Department of Housing and Community Development.

APPROPRIATION Virginia Department of Social Services (VDSS) Employment for Temporary Aid to Needy Families (TANF) Participants Grant (2nd Renewal) \$58,824

WHEREAS, the City of Charlottesville has received funds from the Virginia Department of Social Services in the amount of \$50,000 requiring a \$8,824 in local in-kind match provided by the Office of Economic Development through the Workforce Investment Fund; and

WHEREAS, the funds will be used to support workforce development training programs provided by the Office of Economic Development; and

WHEREAS, the grant award covers the period from June 30, 2018 and July 1. 2019;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$66,667 is hereby appropriated in the following manner:

Revenue

| \$50,000 \$ 8,824 | Fund: 209 Fund: 209 | IO: 1900326 IO: 1900326 | G/L: 430120 State/Fed pass thru G/L: 498010 Transfers from Other Funds |
|----------------------|------------------------|----------------------------|---|
| Expenditure | <u>s</u> | | |
| \$58,824 | Fund: 209 | IO: 1900326 | G/L: 599999 Lump Sum |
| Transfer Fro | <u>om</u> | | |
| \$ 8,824 | Fund: 425 | WBS: P-00385 | G/L: 561209 Transfer to State Grants |

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$50,000 from the Virginia Department of Social Services and the matching in-kind funds from the Office of Economic Development through the Workforce Investment Fund.

AN ORDINANCE GRANTING A TELECOMMUNICATIONS FRANCHISE TO MMI ATLANTIC, 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

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia, that MMI Atlantic, LLC, (the "Company"), its successors and assigns, is hereby granted a telecommunications franchise for a period of five (5) years from the effective date hereof be and is hereby authorized and empowered to erect, maintain and operate certain telephone lines and associated equipment, including posts, poles, cables, wires and all other necessary overhead or underground apparatus and associated equipment on, over, along, in, under and through the streets, alleys, highways and other public places of the City of Charlottesville, Virginia (the "City") as its business may from time to time require; provided that:

ARTICLE I

SECTION 101 PURPOSE AND SCOPE

To provide for the health, safety and welfare of its citizens and to ensure the integrity of its roads and streets and the appropriate use of the Public Rights-of-Way, the City strives to keep the right-of-way under its jurisdiction in a state of good repair and free from unnecessary encumbrances.

Accordingly, the City hereby enacts this Ordinance relating to a telecommunications right-ofway franchise and administration. This Ordinance imposes regulation on the placement and maintenance of Facilities and equipment owned by the Company currently within the City's Public Rights-of-Way or to be placed therein at some future time. The Ordinance is intended to complement, and not replace, the regulatory roles of both state and federal agencies. Under this Ordinance, when excavating and obstructing the Public Rights-of-Way, the Company will bear financial responsibility for their work to the extent provided herein. Finally, this Ordinance provides for recovery of the City's reasonable out-of-pocket costs related to the Company's use of the Public Rights-of-Way, subject to the terms and conditions herein.

SECTION 102 AUTHORITY TO MANAGE THE RIGHT OF WAY

This Ordinance granting a telecommunications franchise is created to manage and regulate the Company's use of the City's Public Rights-of-Way along city roads pursuant to the authority granted to the City under Sections 15.2-2015, 56-460, and 56-462(A) of the Virginia Code and other applicable state and federal statutory, administrative and common law.

This Ordinance and any right, privilege or obligation of the City or Company hereunder, shall be interpreted consistently with state and federal statutory, administrative and common law, and such statutory, administrative or common law shall govern in the case of conflict. This Ordinance shall not be interpreted to limit the regulatory and police powers of the City to adopt and enforce other general ordinances necessary to protect the health, safety, and welfare of the public.

SECTION 103 DEFINITIONS

- 103.1 CITY means the City of Charlottesville, Virginia, a municipal corporation.
- 103.2 COMPANY means MMI Atlantic, including its successors and assigns.
- 103.3 DIRECTOR means the Director of Public Works for the City of Charlottesville.
- **103.4 FACILITY** means any tangible asset in the Public Rights-of-Way required to provide utility service, which includes but is not limited to; cable television, electric, natural gas, telecommunications, water, sanitary sewer and storm sewer services.
- 103.5 PATCH means a method of pavement replacement that is temporary in nature.
- **103.6 PAVEMENT** means any type of improved surface that is within the Public Rights-of-Way including but not limited to any improved surface constructed with bricks, pavers, bituminous, concrete, aggregate, or gravel or some combination thereof.
- **103.7 PUBLIC RIGHTS-OF-WAY or PROW** means the area on, below, or above a public roadway, highway, street, cartway, bicycle lane, and public sidewalk in which the City has an interest, included other dedicated rights-of-way for travel purposes and utility easements of the City, paved or otherwise. This definition does not include a state highway system regulated pursuant to the direction of the Commonwealth Transportation Board.

ARTICLE II

SECTION 201 INITIAL INSTALLATION

The initial installation of equipment, lines, cables or other Facilities by the Company shall be located primarily along and within VDOT Hwy 29, as shown on the attached drawing/map. As part of this initial installation, Company shall dedicate one Micro-Duct and handholes located within the City limits (total number of handholes to be determined) to the City in perpetuity, at no cost, through which the City may run fiber optic cable. The City will be responsible for all service laterals from the needed service point to the closest access point and for all fiber placement and additional handhold costs. The City shall have access to these handholes through a 1-800 ticket system provided by the Company.

Any additional installation of equipment, lines, cables or other Facilities shall be underground unless it shall be determined by the Director as set forth in Article III that it is not feasible to do so.

SECTION 202 SUBSEQUENT INSTALLATION

- **202.1** SUBSEQUENT INSTALLATION MADE PURSUANT TO AN APPROVED PROW PLAN: Additional Facilities installed within the PROW may be placed overhead or underground pursuant to an approved request by the Company made pursuant to Article III, and in accordance with such generally applicable ordinances or regulations governing such installations that have been adopted by the City from time to time.
- **202.2 GENERAL PREFERENCE FOR UNDERGROUND FACILITIES:** As a matter of policy, the City prefers that the installation of any Facility within the PROW occur underground. Notwithstanding this preference, the City recognizes that in some circumstances the placement of Facilities underground may not be appropriate. Any additional installation of lines, cable, equipment or other Facilities shall be underground unless it shall be determined by the Director, pursuant to Article III, that it is not feasible to do so.
- **202.3 INSTALLATION OF OVERHEAD FACILITIES:** Where a subsequent PROW plan is approved for overhead installation, the Company shall use its existing Facilities, or those of another utility where available. If the PROW plan calls for overhead installation and existing Facilities cannot accommodate the proposed installation, the Company will clearly indicate in the PROW plan its intended placement of new Facilities for the Director's review and consideration pursuant to Article III.
- **202.4 FUTURE ORDINANCES:** Nothing herein shall be construed to limit the authority of the city to adopt an ordinance that will restrict the placement of overhead lines for all utilities using the PROW within a defined area of the City.
- **202.5** CONDITIONS FOR RELOCATING UNDERGROUND: The Company agrees that if, at some future time, the telephone and other utility lines on the posts, poles, and other overhead apparatus upon which the Company has placed some or all of its Facilities in the City's PROWs are relocated underground, the Company will also, at such time, relocate its Facilities on those posts, poles, and other overhead apparatus underground at its expense. Notwithstanding the foregoing, the City shall reimburse Company for any such relocation expense if such reimbursement is required by Section 56-468.2 of the Code of Virginia, or other applicable law.

SECTION 203 INSPECTION BY THE CITY

The Company shall make the work-site available to the City and to all others as authorized by law for inspection at all reasonable times, during the execution of, and upon completion of, all work conducted pursuant to this Ordinance.

SECTION 204 AUTHORITY OF THE CITY TO ORDER CESSATION OF EXCAVATION

At the time of inspection, or any other time as necessary, the City may order the immediate cessation and correction of any work within the Public Rights-of-Way which poses a serious threat to the life, health, safety or well being of the public.

SECTION 205 LOCATION OF POSTS, POLES, CABLES AND CONDUITS

In general, all posts, poles, wires, cables and conduits which the Company places within the Public Rights-of-Way pursuant to this Ordinance shall in no way permanently obstruct or interfere with public travel or the ordinary use of, or the safety and convenience of persons traveling through, on, or over, the Public Rights-of-Way within the City of Charlottesville.

SECTION 206 OBSTRUCTION OF THE PROW

Generally, any obstruction of the PROW is limited to the manner clearly specified within an approved PROW plan.

- **206.1 REMOVAL OF OBSTRUCTIONS:** Obstructions of the PROW not authorized by an approved PROW plan shall be promptly removed by the Company upon receipt of notice from the City. The City's notice of the Obstruction will include a specified reasonable amount of time determined by the Director for the Company's removal of the obstruction, given the location of the obstruction and its potential for an adverse effect on the public's safety and the public's use of the PROW. If the Company has not removed its obstruction from the PROW within the time designated within the notice, the City, at its election, will make such removal and the Company shall pay to the City its reasonable costs within thirty (30) days of billing accompanied by an itemized statement of the City's reasonable costs. If payment is not received by the City within the thirty (30) day period, the City Attorney may bring an action to recover the reasonable costs of the removal and reasonable attorney's fees in a court of competent jurisdiction pursuant to Section 56-467 of the Virginia Code. Reasonable costs may include, but are not limited to administrative, overhead mobilization, material, labor, and equipment related to removing the obstruction.
- **206.2 NO OBSTRUCTION OF WATER:** The Company shall not obstruct the PROW in a manner that interferes with the natural free and clear passage of water through the gutters, culverts, ditches tiles or other waterway.
- **206.3 PARKING, LOADING AND UNLOADING OF VEHICLES SHALL NOT OBSTRUCT THE PROW:** Private vehicles of those doing work for the Company in the PROW must be parked in a manner that conforms to the City's applicable parking regulations. The loading or unloading of trucks must be done in a manner that will not obstruct normal traffic within the PROW, or jeopardize the safety of the public who use the PROW.

ARTICLE III

SECTION 301 ADMINISTRATION OF THE PUBLIC RIGHTS OF WAY

The Director is the principal City official responsible for the administration of this Ordinance granting a telecommunications franchise to the Company and any of its PROW Plans. The Director may delegate any or all of the duties hereunder to an authorized representative.

SECTION 302 SUBMISSION OF PROW PLAN

At least thirty (30) days before beginning any installation, removal or relocation of underground or overhead Facilities, the Company shall submit detailed plans of the proposed action to the Director for his or her review and approval, which approval shall not unreasonably be withheld, conditioned, or delayed. The Director shall approve the plans before a Street Cut Permit is issued by the City.

SECTION 303 GOOD CAUSE EXCEPTION

- **303.1 WAIVER:** The Director, at his or her sole judgment, is authorized to waive the thirty (30) day requirement in Section 302 for good cause shown.
- **303.2 EMERGENCY WORK:** The Company shall immediately notify the Director of any event regarding its facilities that it considers to be an emergency. The Company will proceed to take whatever actions are necessary to respond to the emergency, or as directed by the Director.

If the City becomes aware of an emergency regarding the Company's facilities, the City will attempt to contact the Company's emergency representative as indicated in Section 1202. In any event, the City shall take whatever action it deemed necessary by the Director to make an appropriate and reasonable response to the emergency. The costs associated with the City's respond shall be borne by the person whose facilities occasioned the emergency.

SECTION 304 DECISION ON PROW PLAN BY THE DIRECTOR

- **304.1 DECISION:** The Director, or his or her authorized representative, shall, within thirty (30) days, either approve the Company's plans for proposed action as described in Section 302 or inform the Company of the reasons for disapproval. The Company shall designate a responsible contact person with whom officials of the Department of Public Works can communicate on all matters relating to equipment installation and maintenance.
- **304.2 APPEAL:** Upon written request within thirty (30) days of the Director's decision, the Company may have the denial of a PROW Plan reviewed by the City Manager. The City

Manager will schedule its review of the Director's decision within forty-five (45) days of receipt of such a request. A decision by the City Manager will be in writing and supported by written findings establishing the reasonableness of its decision.

SECTION 305 MAPPING DATA

Upon completion of each project within the Public Rights-of-Way pursuant to this Ordinance, the Company shall provide to the City such information necessary to maintain its records, including but not limited to:

- (a) location and elevation of the mains, cables, conduits, switches, and related equipment and other Facilities owned by the Company located in the PROW, with the location based on (i) offsets from property lines, distances from the centerline of the Public Rights-of-Way, and curb lines; (ii) coordinates derived from the coordinate system being used by the City; or (iii) any other system agreed upon by the Company and the City;
- (b) the outer dimensions of such Facilities; and
- (c) a description of above ground appurtenances.

ARTICLE IV

SECTION 401 COMPLIANCE WITH ALL LAW AND REGULATIONS

Obtaining this telecommunications franchise shall in no way relieve the Company of its duty to obtain all other necessary permits, licenses, and authority and to pay all fees required by any applicable state or federal rule, law or regulation. The Company shall comply with and fulfill all generally applicable laws and regulations, including ordinances, regulations and requirements of the City, regarding excavations and any other work in or affecting the Public Rights-of-Way. The Company shall perform all work in conformance with all applicable codes and established rules and regulations, and it is responsible for all work conducted by the Company, another entity or person acting on its behalf pursuant to this Ordinance in the Public Rights-of-Way.

ARTICLE V

SECTION 501 RELOCATION OF COMPANY FACILITIES WITHIN THE PUBLIC RIGHTS-OF WAY

Upon written notice from the Director of a planned and authorized improvement or alteration of City sidewalks, streets or other property, or of a proposed relocation of any City-owned utilities that necessitate relocation of some or all of the Facilities owned by the Company and lines to accommodate same, the Company shall relocate at its own expense any such Facilities within

one hundred eighty (180) days of receipt of the notice. At Company's request, the city may consent to a longer period, such consent not to be unreasonably or discriminatorily withheld, conditioned or delayed. Notwithstanding the foregoing, the City shall reimburse Company for any such relocation expense if such reimbursement is required by Section 56-468.2 of the Code of Virginia, or other applicable law.

SECTION 502 RIGHTS-OF WAY PATCHING AND RESTORATION

- **502.1 RESTORATION STANDARD:** Where the Company disturbs or damages the Public Rightsof-Way, the Director shall have the authority to determine the manner and extent of the restoration of the Public Rights-of-Way, and may do so in written procedures of general application or on a case-by-case basis. In exercising this authority, the Director will consult with any state or federal standards for rights-of-way restoration and shall be further guided by the following considerations:
 - (a) the number, size, depth and duration of the excavations, disruptions or damage to the Public Rights-of-Way;
 - (b) the traffic volume carried by the Public Rights-of-Way; the character of the neighborhood surrounding the right-of-way;
 - (c) the pre-excavation condition of the Public Rights-of-Way and its remaining life expectancy;
 - (d) the relative cost of the method of restoration to the Company balanced against the prevention of an accelerated deterioration of the right-of-way resulting from the excavation, disturbance or damage to the Public Rights-of-Way; and
 - (e) the likelihood that the particular method of restoration would be effective in slowing the depreciation of the Public Rights-of-Way that would otherwise take place.
- **502.2 TEMPORARY SURFACING:** The Company shall perform temporary surfacing patching and restoration including, backfill, compaction, and landscaping according to standards determined by, and with the materials determined by, the Director .
- **502.3 TIMING:** After any excavation by the Company pursuant to this Ordinance, the patching and restoration of the Public Rights-of-Way must be completed promptly and, in a manner, determined by the Director.
- **502.4 GUARANTEES:** The Company guarantees its restoration work and shall maintain it for twenty-four (24) months following its completion. The previous statement notwithstanding, the Company will guarantee and maintain plantings and turf for twelve (12) months. During these maintenance periods, the Company shall, upon notification by the City, correct all restoration work to the extent necessary, using the method determined by the Director. Such work shall be completed after receipt of notice from the Director,

within a reasonably prompt period, with consideration given for days during which work cannot be done because of circumstances constituting force majeure. Notwithstanding the foregoing, the Company's guarantees set forth hereunder concerning restoration and maintenance, shall not apply to the extent another company, franchisee, licensee, permittee, other entity or person, or the City disturbs or damages the same area, or a portion thereof, of the Public Rights-of-Way.

- **502.5 DUTY TO CORRECT DEFECTS:** The Company shall correct defects in patching, or restoration performed by it or its agents. Upon notification from the City, the Company shall correct all restoration work to the extent necessary, using the method determined by the Director. Such work shall be completed after receipt of the notice from the Director within a reasonably prompt period, with consideration given for days during which work cannot be done because of circumstances constituting force majeure.
- **502.6 FAILURE TO RESTORE:** If the Company fails to restore the Public Rights-of-Way in the manner and to the condition required by the Director pursuant to Section 502.5, or fails to satisfactorily and timely complete all restoration required by the Director pursuant to the foregoing, the City shall notify the Company in writing of the specific alleged failure or failures and shall allow the Company at least ten (10) days from receipt of the notice to cure the failure or failures, or to respond with a plan to cure. In the event that the Company fails to cure, or fails to respond to the City's notice as provided above, the City may, at its election, perform the necessary work and the Company shall pay to the City its reasonable costs for such restoration within thirty (30) days of billing accompanied by an itemized statement of the City's reasonable costs. If payment is not received by the City within the thirty (30) day period, the City Attorney may bring an action to recover the reasonable costs of the restoration and reasonable attorney's fees in a court of competent jurisdiction pursuant to Section 56-467 of the Virginia Code. Reasonable costs may include, but are not limited to, administrative, overhead mobilization, material, labor, and equipment related to such restoration.
- **502.7 DAMAGE TO OTHER FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY:** The Company shall be responsible for the cost of repairing any Facilities existing within the Public Rights-of-Way that it or the Facilities owned by the Company damage. If the Company damages the City's Facilities within the Public Rights-of-Way, such as, but not limited to, culverts, road surfaces, curbs and gutters, or tile lines, the Company shall correct the damage within a prompt period after receiving written notification from the City. If the Company does not correct the City's damaged Facilities pursuant to the foregoing, the City may make such repairs as necessary and charge all of the reasonable costs of such repairs within thirty (30) days of billing accompanied by an itemized statement of the City's reasonable costs. If payment is not received by the City within such thirty (30) day period, the City Attorney may bring an action to recover the reasonable costs of the restoration and reasonable attorney's fees in a court of competent jurisdiction pursuant to Section 56-467 of the Virginia Code. Reasonable costs may include, but are not limited to, administrative, overhead mobilization, material, labor, and equipment related to such repair.

502.8 DIRECTOR'S STANDARD: All determinations to be made by the Director with respect to the manner and extent of restoration, patching, repairing and similar activities under the franchise granted by this Ordinance, shall be reasonable and shall not be unreasonably conditioned, withheld, or delayed. The Company may request additional time to complete restoration, patching, repair, or other similar work as required under the franchise granted by this Ordinance, and the Director shall not unreasonably withhold, condition, or delay consent to such requests.

ARTICLE VI

SECTION 601 INDEMNIFICATION AND LIABILITY

- **601.1 SCOPE OF INDEMNIFICATION:** Subject to the following, the Company agrees and binds itself to indemnify, keep and hold the City council members, officials and its employees free and harmless from liability on account of any third party claim for personal injury or property damage caused by or resulting from the acts or omissions of the Company, its affiliates, or its or their employees, subcontractors, or agents with respect to:
 - (a) the Company's use of the streets, alleys, highways, sidewalks, rights-of-way and other public places of the City pursuant to the franchise granted by this Ordinance;
 - (b) the acquisition, erection, installation, maintenance, repair, operation and use of any poles, wires, cables, conduits, lines, manholes, facilities and equipment by the Company, its authorized agents, subagents, employees, contractors or subcontractors; or
 - (c) the exercise of any right granted by or under the franchise granted by this Ordinance or the failure, refusal or neglect of the Company to perform any duty imposed upon or assumed by the Company by or under the franchise granted by this Ordinance.

601.2 DUTY TO INDEMNIFY, DEFEND AND HOLD HARMLESS: If a suit arising out of subsection (a), (b), (c) of Section 601.1, claiming such injury, death, or damage shall be brought or threatened against the City, either independently or jointly with the Company, the Company will defend, indemnify and hold the City harmless in any such suit, at the cost of the Company, provided that the City promptly provides written notice of the commencement or threatened commencement of the action or proceeding involving a claim in respect of which the City will seek indemnification hereunder. The Company shall be entitled to have sole control over the defense through counsel of its own choosing and over settlement of such claim provided that the City, which approval of City of any settlement of such claims against the City, which approval shall not be unreasonably withheld or delayed more than thirty (30) days. If, in such a suit, a final judgment is obtained against the City, either independently or jointly

with the Company, the Company will pay the judgment, including all reasonable costs, and will hold the City harmless therefrom.

SECTION 602 WAIVER BY THE CITY

The City waives the applicability of these indemnification provisions in their entirety if it:

- (a) elects to conduct its own defense against such claim;
- (b) fails to give prompt notice to the Company of any such claim such that the Company's ability to defend against such claim is compromised;
- (c) denies approval of a settlement of such claim for which the Company seeks approval; or
- (d) fails to approve or deny a settlement of such claim within thirty (30) days of the Company seeking approval.

SECTION 603 INSURANCE

- **603.1** The Company shall also maintain in force a comprehensive general liability policy in a form satisfactory to the City Attorney, which at minimum must provide:
 - (a) verification that an insurance policy has been issued to the Company by an insurance company licensed to do business in the State of Virginia, or a form of self insurance acceptable to the City Attorney;
 - (b) verification that the Company is insured against claims for personal injury, including death, as well as claims for property damage arising out of (i) the use and occupancy of the Public Rights-of-Way by the Company, its agents, employees and permittees, and (ii) placement and use of Facilities owned by the Company in the Public Rights-of-Way by the Company, its officers, agents, employees and permittees, including, but not limited to, protection against liability arising from completed operations, damage of underground Facilities and collapse of property;
 - (c) verification that the City Attorney will be notified thirty (30) days in advance of cancellation of the policy or material modification of a coverage term;
 - (d) verification that comprehensive liability coverage, automobile liability coverage, workers compensation and umbrella coverage established by the City Attorney in amounts sufficient to protect the City and the public and to carry out the purposes and policies of this Ordinance; and

(e) verification that the policy has a combined single limit coverage of not less than two million dollars (\$2,000,000).

The policy shall include the City as an additional insured party, and the Company shall provide the City Attorney with a certificate of such coverage before execution of this franchise.

603.2 The Company shall also require similar indemnification and insurance coverage from any contractor working on its behalf in the public right-of-way.

SECTION 604 NEGLIGENCE AND INTENTIONAL ACTS

Nothing herein contained shall be construed to render the Company liable for or obligated to indemnify the City, its agents, or employees, for the negligence or intentional acts of the City, its Council members, its agents or employees, or a permittee of the City.

ARTICLE VII

SECTION 701 GENERAL REQUIREMENT OF A PERFORMANCE BOND

Prior to the Effective Date of this Ordinance, the Company has deposited with the City a Performance Bond made payable to the city in the amount of twenty-five thousand dollars (\$25,000). The bond shall be written by a corporate surety acceptable to the City and authorized to do business in the Commonwealth of Virginia. The Performance Bond shall be maintained at this amount through the term of this franchise.

SECTION 702 CHANGED AMOUNT OF THE PERFORMANCE BOND

At any time during the Term, the City may, acting reasonably, require or permit the Company to change the amount of the Performance Bond if the City finds that new risk or other factors exist that reasonably necessitate or justify a change in the amount of the Performance Bond. Such new factors may include, but not be limited to, such matters as:

- (a) material changes in the net worth of the Company;
- (b) changes in the identity of the Company that would require the prior written consent of the City;
- (c) material changes in the amount and location of Facilities owned by the Company;
- (d) the Company's recent record of compliance with the terms and conditions of this Ordinance; and
- (e) material changes in the amount and nature of construction or other activities to be performed by the Company pursuant to this Ordinance.

SECTION 703 PURPOSE OF PERFORMANCE BOND

The Performance Bond shall serve as security for:

- (a) the faithful performance by the Company of all terms, conditions and obligations of this Ordinance;
- (b) any expenditure, damage or loss incurred by the City occasioned by the Company's failure to comply with all rules, regulations, orders, permits and other directives of the City issued pursuant to this Ordinance;
- (c) payment of compensation required by this Ordinance;
- (d) the payment of premiums for the liability insurance required pursuant to this Ordinance ;
- (e) the removal of Facilities owned by the Company from the Streets at the termination of the Ordinance, at the election of the City, pursuant to this Ordinance;
- (f) any loss or damage to the Streets or any property of the City during the installation, operation, upgrade, repair or removal of Facilities by the Company;
- (g) the payment of any other amounts that become due to the City pursuant to this Ordinance or law;
- (h) the timely renewal of any letter of credit that constitutes the Performance Bond; and
- (i) any other costs, loss or damage incurred by the City as a result of the Company's failure to perform its obligations pursuant to this Ordinance.

SECTION 704 FEES OR PENALTIES FOR VIOLATIONS OF THE ORDINANCE

- **704.1 FEE OR PENALTY:** The Company shall be subject to a fee or a penalty for violation of this Ordinance as provided for in applicable law.
- **704.2 APPEAL:** The Company may, upon written request within thirty (30) days of the City's decision to assess a fee or penalty and for reasons of good cause, ask the City to reconsider its imposition of a fee or penalty pursuant to this Ordinance unless another period is provided for in applicable law. The City shall schedule its review of such request to be held within forty-five (45) days of receipt of such request from the Company. The City's decision on the Company's appeal shall be in writing and supported by written findings establishing the reasonableness of the City's decision. During the pendency of the appeal before the City or any subsequent appeal thereafter, the Company shall place any such fee or penalty in an interest-bearing escrow account.

Nothing herein shall limit the Company's right to challenge such assessment or the City's decision on appeal, in a court of competent jurisdiction.

ARTICLE VIII

SECTION 801 COMPENSATION/PROW USE FEE.

The City reserves the right to impose at any time on the Company consistent with Section 253(c) of the Communications Act of 1934, as amended:

- (a) a PROW Use Fee in accordance with Section 56-468.1(G) of the Code of Virginia, and/or
- (b) any other fee or payment that the City may lawfully impose for the occupation and use of the Streets.

The Company shall be obligated to remit the PROW Use Fee and any other lawful fee enacted by the City, so long as the City provides the Company and all other affected certificated providers of local exchange telephone service appropriate notice of the PROW Use Fee as required by Section 56-468.1(G) of the Code of Virginia. If the PROW Use Fee is eliminated, discontinued, preempted or otherwise is declared or becomes invalid, the Company and the City shall negotiate in good faith to determine fair and reasonable compensation to the City for use of the Streets by the Company for Telecommunications.

SECTION 802 RESERVED

SECTION 803 NO CREDITS OR DEDUCTIONS

The compensation and other payments to be made pursuant to Article VIII: (a) shall not be deemed to be in the nature of a tax, and (b) except as may be otherwise provided by Section 56-468.1 of the Code of Virginia, shall be in addition to any and all taxes or other fees or charges that the Company shall be required to pay to the City or to any state or federal agency or authority, all of which shall be separate and distinct obligations of the Company.

SECTION 804 REMITTANCE OF COMPENSATION/LATE PAYMENTS, INTEREST ON LATE PAYMENTS

(1) If any payment required by this Ordinance is not actually received by the City on or before the applicable date fixed in this Ordinance, or (2), in the event the City adopts an ordinance imposing a PROW Use Fee, if such Fee has been received by the Company from its customers, and has not been actually received by the City on or before the applicable date fixed in this Ordinance or thirty (30) days after receipt of the PROW Use Fee from its customers, whichever is later, then the Company shall pay interest thereon, to the extent permitted by law, from the due date to the date paid at a rate equal to the rate of interest then charged by the City for late payments of real estate taxes.

ARTICLE IX

SECTION 901 RESERVATION OF ALL RIGHTS AND POWERS

The City reserves the right by ordinance or resolution to establish any reasonable regulations for the convenience, safety, health and protection of its inhabitants under its police powers, consistent with state and federal law. The rights herein granted are subject to the exercise of such police powers as the same now are or may hereafter be conferred upon the City. Without limitation as to the generality of the foregoing the City reserves the full scope of its power to require by ordinance substitution of underground service for overhead service, or the transfer of overhead service from the front to the rear of property whenever reasonable in all areas in the City and with such contributions or at such rates as may be allowed by law.

Notwithstanding anything herein to the contrary, nothing herein shall be construed to extend, limit or otherwise modify the authority of the City preserved under Sections 253 (b) and (c) of the Communications Act of 1934, as amended. Nothing herein shall be construed to limit, modify, abridge or extend the rights of the Company under the Communications Act of 1934, as amended.

SECTION 902 SEVERABILITY

If any portion of this Ordinance is for any reason held to be invalid by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

ARTICLE X

SECTION 1001 MAINTENANCE OBLIGATION

The Company will maintain the poles, wires, cable, conduits, lines, manholes, equipment and other Facilities it owns within the City's PROW in good order and operating condition throughout the term of the franchise granted by this Ordinance. The Company will reply to any City request for maintenance no later than twenty-four (24) hours of the City's request.

SECTION 1002 TREE TRIMMING

Should the Company install any overhead lines, it shall have the authority to trim trees upon or overhanging the streets, alleys, walkways or Public Rights-of-Way to prevent the branches of such trees from interfering with its lines or other Facilities. However, all such trimmings shall be

performed in a safe and orderly manner under the general direction of the Director of Public Works or his or her designee and in compliance with the pruning standards of the National Arborists Association as currently in effect.

ARTICLE XI

SECTION 1101 INITIAL TERM OF TELECOMMUNICATIONS FRANCHISE

The term of the franchise granted by this Ordinance shall be for a period of five (5) years from the effective date of this Ordinance.

SECTION 1102 APPLICATION FOR NEW TELECOMMUNICATIONS FRANCHISE

If the Company wishes to maintain its equipment within the City and to continue the operation of the system beyond the term of the franchise granted by this Ordinance, it shall give written notice to the City at least one hundred twenty (120) days before expiration of the franchise granted by this Ordinance, stating that it wishes to apply for a new franchise. Such application shall include a report of the location of the Facilities owned by the Company within the City's PROW, and a statement as to whether the Company has complied with the provisions of this Ordinance.

SECTION 1103 OPERATION OF FACILITIES OWNED BY THE COMPANY WHILE RENEWAL IS PENDING

Upon a timely request by the Company prior to the expiration of its initial franchise, the Company shall be permitted to continue operations of the Facilities owned by the Company within the City under the terms of the franchise granted by this Ordinance until the City acts. Nothing herein shall be construed to grant the Company a perpetual franchise interest.

ARTICLE XII

SECTION 1201 NOTICE

All notices, except for in cases of emergencies, required pursuant to the franchise granted by this Ordinance shall be in writing and shall be mailed or delivered to the following address: **To the Company:** MMI Atlantic, LLC 103 Foulk Rd., Suite 202 Wilmington, DE 19803 **To the City:** City of Charlottesville Attn: City Manager 605 East Main Street Charlottesville, VA 22902

All correspondences shall be by registered mail, certified mail or regular mail with return receipt requested; and shall be deemed delivered when received or refused by the addressee. Each Party may change its address above by like notice.

SECTION 1202 EMERGENCY NOTIFICATION

Notices required pursuant to Section 303.2 shall be made orally and by facsimile to the following:

To the Company: 24/7 Network Operations 833-658-7672

To the City: Gas Dispatchers (434) 970-3800 (office) Emergency (434)293-9164 (leaks) (434) 970-3817 (facsimile)

Director of Public Works (434) 970-3301 (office) (434) 970-3817 (facsimile)

SECTION 1203 REGISTRATION OF DATA

The Company, including any subleasee or assigns, must keep on record with the City the following information:

- (a) Name, address and e-mail address if applicable, and telephone and facsimile numbers;
- (b) Name, address and e-mail address if applicable, and telephone and facsimile numbers of a local representative that is available for consultation at all times. This information must include how to contact the local representative in an emergency; and
- (c) A certificate of insurance as required under Article VI, Section 603 of this telecommunications franchise, and a copy of the insurance policy.

The Company shall keep update all of the above information with the City within fifteen (15) days following its knowledge of any change.

ARTICLE XIII

SECTION 1301 TERMINATION OF TELECOMMUNICATIONS FRANCHISE

The franchise granted by this Ordinance may be terminated:

- (a) by the Company, at its election and without cause, by written notice to the City at least sixty (60) days prior to the effective date of such termination; or
- (b) by either the Company or the City, after thirty (30) days written notice to the other party of the occurrence or existence of a default of the franchise granted by this Ordinance, if the defaulting party fails to cure or commence good faith efforts to cure, such default within sixty (60) days after delivery of such notice.

Notwithstanding the provisions of this Section, the terms and conditions of the franchise granted by this Ordinance pertaining to indemnification shall survive a termination under this Section.

ARTICLE XIV

SECTION 1401 REMOVAL OF FACILITIES FROM THE PUBLIC RIGHTS-OF-WAY

The Company shall remove all Facilities owned by the Company from the streets, alleys and public places of the City at the expense of the Company within six (6) months after the termination, abandonment, or expiration of this franchise granted by this Ordinance, or by such reasonable time to be prescribed by the City Council, whichever is later. No such removal will be required while any renewal requests as provided for in Section 1102 and Section 1103, are pending before the City. If such renewal request is denied, the six (6) month period provided above shall commence on the date of denial or expiration, whichever is later. The City reserves the right to waive this requirement, as provided for in Section 1402 herein. The City shall grant the Company access to the Public Rights-of-Way in order to remove its telecommunications Facilities owned by the Company pursuant to this paragraph.

SECTION 1402 ABANDONMENT OF FACILITIES OWNED BY THE COMPANY IN THE PUBLIC RIGHTS-OF-WAY

The telecommunications Facilities owned by the Company may be abandoned without removal upon request by the Company and approval by the City. This Section survives the expiration or termination of this franchise granted by this Ordinance.

ARTICLE XV

SECTION 1501 PRIOR WRITTEN CONSENT FOR ASSIGNMENT

The franchise granted by this Ordinance shall not be assigned or transferred without the expressed written approval of the City, which shall not be unreasonably or discriminatorily conditioned, withheld or delayed.

In addition, the City agrees that nothing in this Ordinance shall be construed to require Company to obtain approval from the City in order to lease any Facilities owned by the Company or any portion thereof in, on, or above the PROW, or grant an indefeasible right of use ("IRU") in the Facilities owned by the Company, or any portion thereof, to any entity or person. The lease or grant of an IRU in such Facilities owned by the Company, or any portion or combination thereof, shall not be construed as the assignment or transfer of any franchise rights granted under this Ordinance.

SECTION 1502 SUCCESSORS AND ASSIGNS

Notwithstanding Section 1501, the Company may assign, transfer, or sublet its rights, without the consent of the City, to any person or entity that controls, is controlled by or is under common control with the Company, any company or entity with which or into which the Company may merge or consolidate, to any lender of the Company provided the City is advised of the action prior to enactment. Any successor(s) of the Company shall be entitled to all rights and privileges of this franchise granted by this Ordinance and shall be subject to all the provisions, obligations, stipulations and penalties herein prescribed.

ARTICLE XVI

SECTION 1601 NONEXCLUSIVE FRANCHISE

Nothing in the franchise granted by this Ordinance shall be construed to mean that this is an exclusive franchise, as the City Council reserves the right to grant additional telecommunications franchises to other parties.

ARTICLE XVII

SECTION 1701 ALL WAIVERS IN WRITING AND EXECUTED BY THE PARTIES

Subject to the foregoing, any waiver of the franchise granted by this Ordinance or any of its provisions shall be effective and binding upon the Parties only if it is made in writing and duly signed by the Parties.

SECTION 1702 NO CONSTRUCTIVE WAIVER RECOGNIZED

If either Party fails to enforce any right or remedy available under the franchise granted by this Ordinance, that failure shall not be construed as a waiver of any right or remedy with respect to any breach or failure by the other Party. Nothing herein shall be construed as a waiver of any rights, privileges or obligations of the City or the Company, nor constitute a waiver of any remedies available at equity or at law.

ARTICLE XVIII

SECTION 1801 NO DISCRIMINATION

The Company's rights, privileges and obligations under the franchise granted by this Ordinance shall be no less favorable than those granted by the City to and shall not be interpreted by the City in a less favorable manner with respect to any other similarly situated entity or person or user of the City's Public Rights-of-Way.

ARTICLE XIX

SECTION 1901 FORCE MAJEURE

Neither the Company nor the City shall be liable for any delay or failure in performance of any part of the franchise granted by this Ordinance from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations embargoes, epidemics, terrorist acts, riots insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, or unusually severe weather conditions.

ARTICLE XX

SECTION 2001 EFFECTIVE DATE

This Ordinance shall be effective upon its passage.

Adopted by the Council of the City of Charlottesville on the 15th day of April, 2019.

Kyna Thomas, Clerk of Council

ACCEPTED: This franchise is accepted, and we agree to be bound by its terms and conditions.

MMI Atlantic, LLC

| By | | | | |
|----|------|------|------|--|
| | Its | | | |
| | Date | | | |

RESOLUTION

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia, that the City Manager is hereby authorized to sign the following documents, in form approved by the City Attorney or his designee.

(1) Lease Agreement between the City of Charlottesville (Lessee) and York Property, LLC (Lessor) for the lease of property at 112 West Main Street, Suites 9 & 10 (York Place) for the Charlottesville Community Media Center, effective April 1, 2019; and

(2) License Agreement between the City of Charlottesville (Licensor) and Ryal Thomas (Licensee) for use of the Charlottesville Community Media Center at 112 West Main Street, effective April 1, 2019.

COMMERCIAL LEASE

THIS LEASE made this ______ day of ______, <u>2019</u> by and between <u>York</u> <u>Property, LLC</u>, a Virginia limited liability company, (hereinafter, "Landlord") and the <u>City of</u> <u>Charlottesville</u>, a Virginia municipal corporation, (hereinafter, "Tenant").

1. TERMS AND DEFINITIONS: For purposes of this Lease, the following terms shall have the following definitions and meanings:

| 1.1 | Landlord: Address: | York Property, LLC 112 West Main Street, Suite 5 Charlottesville, Virginia 22902 |
|-----|-----------------------|--|
| 1.2 | Tenant: Address: | City of Charlottesville 112 West Main Street, Suite 9 & 10 Charlottesville, VA 22902 |
| | Parcel #: Legal: | 280018000 LOTS |

1.2.1 Use: Public Broadcasting

1.3Project: The Project consists of that building commonly known as theYork PlaceBuilding and includes the following more particularly described real estate located inthe City/County ofCharlottesville, Virginia, 22902.

1.4 Premises: That building or portion of the building indicated on Addendum A attached hereto and made a part hereof, which is a portion of the Project referred to as:

YORK PLACE, 112 West Main Street, Suite 9 & 10

1.5 Rentable Area of Premises: Approximately <u>1,210</u> Square feet.

1.6 Building Standard Work: All the work to be completed at Landlord's expense in the premises as set forth in Addendum B attached hereto and made a part hereof.

1.7 Building Non-Standard Work: All the work to be completed in the Premises by Landlord and/or Tenant as set forth in Addendum C, the cost of which shall be paid by the Tenant.

1.8 Leasehold Improvements: The aggregate of the Building Standard Work

Initial _____

and the Non-Standard Work.

- 1.9 Commencement Date: April 1, 2019
- 1.10 Expiration Date: March 31, 2020
- 1.11 Rent: \$1,663.00 per month due on the first day of each month.
- 1.12 Security Deposit: \$1,663.00
 (\$) to increase with any renewal option exercised to equal one month's rent.

| 1.13 | Base Year: | The calendar year | 2019 |
|------|--------------|-----------------------|---|
| 1.14 | Amount of Li | ability Insurance: | \$1,000,000.00 per occurrence \$2,000,000.00 aggregate |
| 1.15 | Workman's C | ompensation Insurance | e: As required by state law. |
| 1.16 | Broker: | None | |

1.17 Tenant, at its sole cost and expense, shall pay all operating expenses associated with the Premises, inclusive of real estate taxes estimated to be \$1.28 per square foot per year (\$130.00 per month) and common area maintenance estimated to be \$50.00 per month.

2. PREMISES: Landlord does hereby lease to the Tenant and Tenant hereby leases from Landlord the Premises. This Lease is subject to the terms, provisions, covenants, and conditions herein set forth, and Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all said terms, provisions and conditions.

3. TERM: The term of this Lease shall commence on the Commencement Date as set forth in Section 1.9 and shall end on the expiration date as set forth in Section 1.10, unless sooner terminated as hereinafter provided. Tenant shall have the option to extend this Lease for: <u>One (1) Year</u> provided that written notice is delivered to Landlord at least One Hundred Eighty (180) days prior to the expiration of this Lease.

(A) If Landlord, for any reason whatsoever, cannot deliver possession of the Premises to Tenant on the Commencement Date, this lease shall not be void, or voidable, nor

shall Landlord be liable to Tenant for any loss or damage resulting therefrom, but in that event rent shall be waived for the period between Commencement Date and the time when the Landlord can deliver possession. No delay in delivery of possession shall operate to extend the term hereof.

(B) Prior to the Commencement Date, unless Tenant is leasing the Premises on an "as is" basis, Landlord shall substantially complete the Building Standard Work and that portion of the Building Non-Standard Work to be done by the Landlord ("Landlord's Work"). Substantial completion shall be deemed to have occurred when there remains to be completed only minor items of Landlord's Work, which do not materially impair the use of the Premises by the Tenant. In the event the Premises are ready for occupancy prior to the Commencement Date, and Tenant takes early occupancy of the Premises, notwithstanding anything else to the contrary contained herein, Tenant's obligation to pay rent under this Lease shall commence upon such occupancy, and shall continue until the Expiration Date.

4. RENT: Tenant shall pay to the Landlord, as rent for the Premises, the Base Rent set forth in Section 1.11 in the monthly installments set forth in Section 1.11. Rent shall be payable on or before the first day of the term hereof and on or before the first day of each and every successive calendar month hereafter during the term hereof. Rent payments shall be deemed late if received by the Landlord after the fifth day of the month when due, and a ten per cent (10%) late fee shall be assessed and shall be payable within five (5) days by Tenant. Tenant agrees to pay an additional charge of \$50.00, in addition to the late fee, for each check returned for insufficient funds or any other reason. In the event the term of the Lease commences on a day other than the first day of the calendar month, then the monthly rent for the fractional month shall be appropriately pro-rated. All rentals shall be paid to Landlord, without deduction or offset, in lawful money of the United States at the offices of York Property, LLC, 112 West Main Street, Suite 5, Charlottesville, Virginia 22902 or to such other person or at such other place as the Landlord may from time to time designate in writing. Any payment to Landlord following the service upon Tenant of a written five (5) day Notice to Pay Rent or Quit must be in the form of cash, certified or cashier's check. All amounts of money payable by Tenant to Landlord, whether in the nature of rent or otherwise, shall bear interest from due date until paid at the rate of fifteen per cent (15%).

5. SECURITY DEPOSIT: Tenant has deposited with Landlord the Security Deposit as set forth in Section 1.12. Said sum shall be held by Landlord as security for the faithful performance by Tenant of all the terms, provisions, covenants and conditions of this lease to be kept and performed by the Tenant during the term hereof. If Tenant defaults with respect to any provisions of this Lease, including but not limited to the provisions relating to the payment of rent, Landlord may (but not be required to) use, apply or retain all or any part of the Security Deposit for the payment of any rent or any other sum in default, or for the payment of any amount Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall within five (5) days after written demand, deposit cash with Landlord in an amount sufficient to restore the

Security Deposit to its original amount and Tenant's failure to do so shall be a material breach of this Lease. Except as may be required by state or local laws, Landlord shall not be required to keep this Security Deposit separate from its general funds, no trust relationship shall be created with respect thereto, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease, the Security Deposit, or any balance thereof shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) at the expiration of the Lease term. In the event of termination of Landlord's interest, and upon such transfer, Landlord shall be relieved of any and all liability therefore and obligation with respect thereto, and Tenant shall look solely to such successor in interest of Landlord for return of any applicable portion of such deposit.

6. USE: Tenant shall use the Premises for the use set forth in Section 1.2.1 and shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord which shall not be unreasonably withheld. Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein, which will in any way increase the existing rate or affect any fire or other insurance upon the Project or any of its contents, or cause cancellation of any insurance policy covering said Project or any part thereof or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises, which will in any way obstruct or interfere with the rights of other tenants or occupants of the Project or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose, nor shall Tenant cause, maintain, or permit any nuisance in, on or about the Premises.

6A. **SECURITY:** Tenant may install any locks, cameras, or other security devices that are reasonably necessary to protect its on-site equipment and facilities and may limit access to the property to authorized personnel only.

7. COMPLIANCE WITH LAW: Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or government rule or regulation now in force or which may hereinafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and government rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Premises.

8. ALTERATIONS AND ADDITIONS: Tenant shall not make or suffer to be made any alterations, additions, or improvements to the Premises or any part thereof, or attach any fixture or equipment thereto, without first obtaining Landlord's written consent, which consent shall not be unreasonably withheld. All such alterations, additions and improvements shall immediately become the Landlord's property, and at the end of the term hereof, shall remain on

Initial _____

the Premises without compensation to the Tenant unless Landlord elects by notice to Tenant to have the Tenant remove the same, in which event Tenant shall promptly restore the Premises to it's condition prior to the installation of such alterations, additions, and improvements. In the event that the use of the Premises is for commercial or business purposes, Landlord's consent to install a security and/or alarm system within the Premises shall not be unreasonably withheld.

9. REPAIRS:

A By entry hereunder Tenant accepts the Premises as being in the condition in which Landlord is obligated to deliver the Premises under the terms of this Lease. Tenant shall, at all times during the term hereof and at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair (ordinary wear and tear, damage thereto by fire, earthquake, act of God or the elements excepted), with Tenant hereby waiving all rights to make repairs at the expense of the Landlord or in lieu thereof to vacate the Premises as provided in any applicable law, statute or ordinance now or hereinafter in effect. Tenant shall at the end of the term hereof surrender to Landlord the Premises and all alterations, additions and improvements thereto in the same condition as when received, ordinary wear and tear and damage by fire, earthquake, act of God or the elements accepted. Landlord has no obligation and has made no promise to alter, remodel, improve, repair, decorate or paint the Premises or any part thereof, except as specifically set forth herein.

B Notwithstanding the provisions of Section 9 (A) above, Landlord shall repair and maintain the structural portions of the Project, including the basic plumbing, HVAC system and electrical systems, installed or furnished by the Landlord, unless the necessity of such maintenance and repairs are in any way caused by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees or invitee, in which case Tenant shall pay to Landlord the reasonable costs of such maintenance and repairs. Landlord shall not be liable for any failure to make such repairs or perform such maintenance for a reasonable period of time following such notice by Tenant. There shall be no abatement of rent and no liability of Landlord by reason of any injury or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Building or the Premises or in or to fixtures, appurtenances and/or equipment therein. Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereinafter in effect.

C. Notwithstanding anything else to the contrary, Tenant shall be responsible for obtaining an annual HVAC contract with a reputable HVAC contractor. This HVAC contract shall at a minimum include:

- Quarterly filter changes
- Spring Tune-up
- Fall Tune-up
- Annual belt changes
- Annual coil cleaning
- Annual drain pan service

Initial

Tenant shall be responsible for any damage caused by Tenant's failure to replace filters in a timely manner. Cleaning of duct work is the responsibility of the Tenant.

10. LIEN. Tenant shall keep the Premises and the Project free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant. Landlord shall have the right to post and keep posted on the Premises any notices that may be provided by law or which Landlord may deem to be proper for the protection of Landlord, the Premises and the Project from such liens. Tenant shall give Landlord at least ten (10) days written notice of date of commencement of any construction or work on the Premises in order to permit the posting of such notices by Landlord. Landlord may require, at Landlord's sole option, that the Tenant, at Tenant's expense provide to Landlord a lien and completion bond in an amount equal to one and one-half (1 and $\frac{1}{2}$) times any and all estimated costs of any improvements, additions, or alterations in the Premises, to insure Landlord against liability for mechanic's or materialmen's liens and to insure completion of work.

11. ASSIGNMENT AND SUBLETTING.

A. Without Landlord's written consent, which shall not be unreasonably withheld, Tenant (including without limitation any subsequent assignee or subtenant) shall not, either voluntarily or by operation of law, assign mortgage, hypothecate, or encumber this Lease, or any interest in this Lease, permit the use of the Premises by any person or persons, licensees or concessionaires, other than Tenant, or sublet the Premises or any part of the Premises. Any transfer of this Lease from Tenant by merger, conveyance, transfer by bequest or inheritance, or other transfer of a controlling interest in Tenant shall constitute an assignment for the purpose of this Lease. The performance by Tenant of any of the acts described in this section without Landlord's written consent shall be void, shall confer no rights upon any third person, and shall, at the option of the Landlord, terminate this Lease. Landlord's consent to one assignment or subletting shall not constitute waivers of the necessity for such consent to a subsequent assignment or subletting nor shall such consent constitute a release of Tenant from the full performance by Tenant of all terms, provisions, conditions and covenants of this Lease. Landlord's acceptance of rent or any other payment from Tenant's assignee or subtenant shall not constitute or be construed as Landlord's consent to such assignment or subletting.

B. Upon written notice from Tenant to Landlord of Tenant's desire to assign this Lease or sublease all of the Premises, Landlord shall have fifteen (15) days following Tenant's written notice within which Landlord shall have the option to terminate this Lease and take possession of the Premises, or any portion thereof. If Landlord elects to exercise such option to terminate this Lease, the date of such termination shall be as specified by Landlord in Landlord's notice of its said election. Should Landlord not exercise its option to terminate this Lease pursuant to the terms of this subsection, Landlord shall not unreasonably withhold its consent to Tenant's requested subletting or assignment for a period of Forty-five (45) days from that date Landlord informs Tenant of Landlord's election as provided immediately above; provided, that under no circumstances shall Landlord be required to consent to a subletting of a portion of the Premises.

C. Should Tenant (including any subsequent assignee or subtenant) requests Landlord's consent to an assignment of this Lease, or the subletting of any portion of the Premises, Tenant (or any subsequent assignee or subtenant) shall submit in writing to Landlord such information as Landlord may reasonably require with respect to the terms of the proposed assignment or subletting and information about the proposed assignee or subtenant.

D. Should this Lease be assigned, or should the Premises or any part thereof be sublet or occupied by a person or persons other than the original Tenant hereunder, Landlord may collect rent from the assignee, sublessee or occupant and apply the net amount collected to the monthly rent herein reserved, but no such assignment, subletting, occupancy or collection of rent shall be deemed a waive of any term of this Lease, nor shall it be deemed acceptance of the assignee, sublessee or occupant as a tenant, or a release of Tenant from the full performance by Tenant of all the terms, provisions, conditions and covenants of this Lease.

E. It is the intent of both Landlord and Tenant that the purpose of any assignment or subletting is to aid Tenant in meeting its obligations under this Lease and not to allow Tenant to gain financially from any such assignment or subletting. Landlord and Tenant agree that Landlord's consent to any assignment or subletting may be conditioned upon reaching mutual agreement upon a modification of the Base Rent.

F. In the event Tenant shall assign this Lease or sublet the Premises or shall request the consent of the Landlord to any assignment or subletting, then Tenant shall pay Landlord's reasonable attorney's fees incurred in connection therewith.

13. SUBROGATION. Landlord and Tenant each shall use every good faith effort to obtain from their respective insurers under all policies of fire and extended coverage insurance maintained by either of them at any time during the term hereof insuring or covering the Project or Premises or any improvements, fixtures, equipment, furnishings or other property including saleable goods, merchandise and inventory in, on or about the Premises, if any, a waiver of all rights of subrogation which the insurer of one party might have against the other party.

14. LIABILITY INSURANCE. Tenant agrees to carry and keep in force during the term hereof, at Tenant's sole costs and expense, the following types of insurance, in the amount and in the form provided for:

A. PUBLIC LIABILITY AND PROPERTY DAMAGE. Bodily and personal injury liability insurance with limits of not less than the amount set forth in Section 1.14 per occurrence, insuring against liability for injuries to or death of persons occurring in, on or about the Premises or arising out of the use or occupancy thereof (including, for purposes of "personal injury", coverage against false arrest, detention or imprisonment, malicious prosecution, libel, slander,

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and wrongful entry or eviction), and property damage liability insurance with a limit of not less than set forth in Section 1.14 per accident or occurrence. All such public liability and property damage insurance shall specifically insure the performance by Tenant of its indemnity obligations under this lease with respect to liability for injury to or death of persons and for damage to property.

B. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY.

Tenant shall obtain insurance covering workers' compensation and employers' liability in the amounts set forth in Section 1.14 of this Lease.

C. PLATE GLASS. Insurance against breakage of all plate and tempered glass within the Premises, in an amount not less than its full replacement costs.

D. TENANT IMPROVEMENTS. Insurance covering all improvements made by or for Tenant to Premises, and any and all fixtures, equipment, furnishings and personal property of Tenant from time to time in, on or about the Premises, providing protection against all perils included within a standard fire and extended coverage insurance policy ("all risk form"), together with insurance against vandalism and malicious mischief. Such insurance shall be in an amount no less than the full replacement cost of the property insured without a deduction for depreciation.

E. POLICY FORMS. All policies of insurance provided for herein shall be issued by insurance companies qualified to do business in the Commonwealth of Virginia; and except for Workman's Compensation and employers liability, all such policies shall be issued in the name of the Tenant and such other person or firms as Landlord specifies from time to time and shall be for the mutual and joint benefit and protection of Landlord, Tenant and others hereinabove mentioned. Copies of all certificates of insurance shall be delivered to Landlord within ten (10) days after delivery of possession of the Premises to Tenant, and thereafter within thirty (30) days prior to the expiration of the term of each such policy. As often as any policy shall expire or terminate, renewal or additional policies of insurance shall provide that the company writing said policy will endeavor to give Landlord thirty (30) days notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All public liability, property damage, and other casualty policies shall be written as primary policies, not contributing with, and not in excess of, coverage that Landlord may carry.

15. SERVICES AND UTILITIES. Tenant shall make all arrangements for and pay for all utilities and services furnished to or used by Tenant, including without limitation, electricity, gas, water and sewer, janitorial services if desired, trash collection, and telephone services, and for all connection charges.

16. PROPERTY TAXES. In addition to all rental or other charges to be paid by Tenant hereunder, Tenant agrees to pay, before delinquency, any and all taxes levied or assessed

during the term hereof upon Tenant's equipment, furniture, fixtures and other personal property located in, on or about the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures and personal property shall be assessed and taxed with the Project or to a Building within the Project, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

Tenant is responsible for property tax based on 1,210 sq ft. If any tax is levied by the City, Tenant shall be responsible for its portion of the building. Taxes will be pro-rated based on the beginning and end of lease.

17. RULES AND REGULATIONS. Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time promulgate. Landlord reserves the right from time to time to make all reasonable modifications to such rules and regulations. The additions and modifications to such rules and regulations shall be binding upon Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any such rules and regulations by any other tenants or occupants.

18. HOLDING OVER. Any holding over after the expiration of the term of this Lease by Tenant, without the written consent of Landlord delivered to Tenant, shall be construed to be a tenancy from month-to-month on all of the terms, provisions, covenants, and conditions herein specified, but at a monthly rent rate equal to one hundred fifteen per cent (115%) of the monthly rent in effect on the date of such expiration or termination. Acceptance by Landlord of monthly rent after such expiration or termination shall not constitute consent by Landlord to any such tenancy or any renewal of the term hereof. The provisions of this Section 18 are in addition to, and do not affect, Landlord's right of re-entry or other rights hereunder or provided by law.

19. DAMAGE AND DESTRUCTION. If the Premises or the Building in which Premises are located are damaged by fire, earthquake, act of God, the elements or other casualty Landlord shall promptly repair such damages, subject to the provisions of this Section 19, if in Landlord's judgement, such repairs can be made within One Hundred and Eighty Days (180) under the laws and regulations of the state, federal, county and municipal authorities having jurisdiction. During the making of such repairs by Landlord, this Lease shall remain in full force and effect, except that if the damage is not the result of any act, neglect, default or omission of Tenant, its agents, employees or invitees, Tenant shall be entitled to a reduction of rent while such repair is being made in the proportion that the net rentable area of the Premises rendered untenantable by such damage bears to the total net rentable area of the Premises. If such repairs cannot be made within One Hundred and Eighty (180) days, Landlord shall have the option to either (a) repair such damage, this Lease continuing in full force and effect but with the rent proportionately reduced upon the conditions and as hereinabove in this Section 19, provided, or (b) gives notice to Tenant at any time within thirty (30) Days after the occurrence of such damage terminating this Lease as of a date specified in such notice which date shall not be less than thirty (30) days nor more than sixty (60) days after the giving of such notice. If Landlord elects to terminate this Lease by giving such notice of termination to Tenant, this Lease and all interest of Tenant in the Premises shall terminate on the date specified in such notice, and the rent,

proportionately reduced as hereinabove in this Section 19 provided, shall be paid up to the date of such termination, Landlord hereby agreeing to refund to Tenant any rent, theretofore paid for any period of time subsequent to such date. If Landlord elects or is required to repair the Premises or the Building in which the Premises are located under this Section 19, Landlord shall repair at its cost any injury or damage to the Building, and Tenant shall be responsible for and shall repair at its sole cost all fixtures, equipment, furniture or any other property of Tenant in the Premises. Landlord shall in no event be required to repair any improvements installed in the Premises by Tenant at Tenant's sole cost and expense. Tenant hereby waives the provision of any state or local law, to the extent said provisions may be waived, which are in conflict with Section 19. Tenant shall not be entitled to any compensation or damages from Landlord for damage to any of Tenant's fixtures, personal property, or equipment, for loss of use of the Premises or any part thereof, for any damage to Tenant's business or profits or for any disturbance to Tenant caused by any casualty or the restoration of the Premises following such casualty. A total destruction of the Building shall automatically terminate this Lease.

20. DEFAULT. The occurrence of any one or more of the following events shall constitute a default and breach (a "Default") of this Lease by Tenant.

A. The vacating or abandonment of the Premises by Tenant.

B. The failure of Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder as and when due.

C. The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described in Section 20(B) above, where such failure shall continue for a period of fifteen (15) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion.

D. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or a petition of reorganization or arrangement under any law relating to bankruptcy (unless in the case of such petition filed against Tenant, the same is dismissed within sixty (60) days; or the appointment of a trustee or a receiver who is to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged in ten (10) days; the admission by Tenant in writing of the inability to pay its debts as they become due.

21. **REMEDIES IN DEFAULT.** In the event of any such Default as provided in

Section 20 above, Landlord shall have the following remedies, in addition to any other rights or remedies which Landlord may have by reason of such Default, and in addition to any other right or remedy Landlord may have at law or in equity:

A. Landlord shall have the right to cancel and terminate this Lease by written notice to Tenant and all of the right, title and interest of Tenant hereunder, but not Tenant's liability, shall terminate in the same manner and with the same force and effect as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.

B. Landlord may elect, but shall not be obligated, to make any payment required of Tenant herein or comply with any agreement, term, or condition required hereby to be performed by Tenant, and Landlord shall have the right to enter the Premises for the purpose of correcting or remedying any such Default and to remain until the Default has been corrected or remedied, but any expenditure for the correction by Landlord shall not be deemed to waive or release the Default of Tenant or the right of Landlord to take any action as may be otherwise permissible hereunder in the case of any Default.

C. Landlord may re-enter the Premises immediately and remove the property and personnel of Tenant (1) store the property in a public warehouse or at a place selected by Landlord, at the expense of Tenant or (2) dispose of and/or sell such property and apply the proceeds there from pursuant to applicable Virginia law, all as attorney-in-fact for Tenant. After re-entry Landlord may terminate this Lease by giving five (5) days written notice of termination to Tenant. Without notice, re-entry will not terminate this Lease.

D. After re-entry, Landlord may relet the Premises or any part thereof for any term without terminating this Lease, at such rent and on such terms as Landlord may choose. Landlord may make alterations and repairs to the Premises. If the Premises are relet as provided herein, in addition to Tenant's liability to Landlord for breach of this Lease, Tenant shall be liable for all expenses of the reletting, for the alterations and repairs made, and for the difference between the rent received by Landlord under the new lease and the rent installments that are due for the same period under this Lease.

E. Landlord shall apply the rent received from reletting the Premises (1) to reduce the indebtedness of Tenant to Landlord under this Lease, not including indebtedness for Rent, (2) to expenses of the reletting and alterations and repairs made, (3) to Rent due under this Lease, or (4) to payment of future rent under this Lease as it becomes due.

F. In the event of termination or repossession following a Default, Tenant shall pay to Landlord the amount of all Rent and Additional Rent (including, but not limited to, the reasonable attorneys' fees and costs incurred by Landlord) due through the earlier of the date of termination or repossession.

G. After termination, Landlord may accelerate all remaining Rent and additional

payments due hereunder ("Accelerated Rent") and Tenant shall pay to Landlord, on demand, the Accelerated Rent which shall be calculated as the present cash value (using an annual discount rate of 3%) on the date of demand of the Rent and additional amounts which would have been payable from the date of termination for what would have been the unexpired Term if it had not been terminated, plus the Rent and additional payments due through the date of termination, which remain unpaid. For the purposes of this calculation, future additional payments shall include any amounts which Tenant is obligated to pay under the Lease, including, but not limited to real estate taxes, utilities and insurance, which shall be calculated at the amount of such additional payments in effect prior to Tenant's Default.

22. OTHER REMEDIES OF LANDLORD.

A. In the event of a breach by Tenant of any of the terms or conditions hereof, Landlord shall have the right of injunction to restrain Tenant and the right to invoke any remedy allowed by law or in equity, as if the specific remedy of indemnity or reimbursement were not provided herein.

B. The rights and remedies given to Landlord in this Lease are distinct, separate, and cumulative, and no one of them, whether or not exercised by Landlord shall be deemed to be to the exclusion of any of the other herein, by law, or by equity provided.

C. No receipt of money by Landlord from Tenant after Default or termination of this Lease in any lawful manner shall (l) reinstate, continue, or extend the Term of this Lease or affect any notice given to Tenant, (2) operate as a waiver of the right of Landlord to enforce the payment of Rent then due or falling due, or (3) operate as a waiver of the right of Landlord to recover possession of the Leased Premises by proper suit, action, proceeding or other remedy.

23. COSTS OF ENFORCEMENT AND WAIVER OF EXEMPTIONS. Tenant shall pay all costs and expenses incurred by Landlord, including reasonable attorney's fees, in enforcing, by legal action or otherwise, any provision of this Lease, or incurred by Landlord in any litigation in which Landlord becomes involved or concerned by reason of the relationship of Landlord and Tenant. Tenant hereby waives the benefit of any homestead or similar exemption laws with respect to the obligations of this Lease.

24. EMINENT DOMAIN. If more than twenty-five per cent (25%) of the Premises shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, either party hereto shall have the right, at its option, to terminate this Lease, and Landlord shall be entitled to any and all income, rent, award or any interest therein whatsoever which may be paid or made in connection with such public or quasi-public use or purpose, and Tenant shall have no claim against Landlord for the value of any unexpired term of this Lease. Notwithstanding the foregoing, Tenant shall be entitled to receive any portion of any such award designated to compensate Tenant for (I) the taking of personal property or fixtures belonging to Tenant, (ii) the unamortized costs of any leasehold improvements paid for solely by Tenant and (iii) moving costs or relocation costs incurred by Tenant. If less than twenty-five per

cent (25%) of the Premises is so taken, or if more than twenty-five per cent (25%) of the Premises is so taken and neither party elects to terminate as herein provided, the rental thereafter to be paid shall be equitably reduced. If any part of the Building in which the Premises are located other than the Premises may be so taken or appropriated, Landlord shall have the right at its option to terminate this Lease and shall be entitled to the entire award as above provided.

25. PARKING. N/A

26. ESTOPPEL CERTIFICATE. At any time and from time to time but not less than fifteen (15) days' prior written request by Landlord, Tenant shall promptly execute, acknowledge and deliver to Landlord a certificate certifying (a) that this Lease is unmodified and in full force and effect, as modified, and stating the date and nature of each modification, and (b) such other matters as may be reasonably requested by Landlord. Any such certificate may be relied upon by Landlord and by any prospective purchaser, mortgagee or beneficiary considering the purchase of or a loan on the Project or any part thereof or interest therein.

27. AUTHORITY OF PARTIES. If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with a duly adopted resolution of the board of directors of said corporation or in accordance with the bylaws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms.

28. GENERAL PROVISIONS.

A. Plats and riders. Addenda and Exhibits, if any, referred to in this Lease are attached hereto and by this reference made a part hereof. Clauses, plats and riders, if any, signed by Landlord and Tenant and endorsed on or annexed to this Lease are hereby incorporated herein by this reference.

B. Waiver. The waiver by Landlord of Tenant's failure to perform or observe any term, covenant or condition herein contained to be performed or observed by Tenant shall not be deemed to be a continuing waiver of such term, covenant, or condition herein contained, and no custom or practice which may develop between the parties hereto during the term hereof shall be deemed a waiver of, or in any way affect, the right of Landlord to insist upon performance and observance by Tenant in strict accordance with the terms hereof. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding failure of Tenant to pay the particular rent so accepted, irrespective of any knowledge on the part of Landlord of such preceding failure at the time of acceptance of such rent.

C. Notices. All notices, demands, requests advises or designations which may be or are required to be given by either party to the other hereunder shall be in writing. All notices, demands, requests, advices or designations by Landlord to Tenant shall be sufficiently given,

made or delivered if personally served on Tenant by leaving the same at the Premises. All notices, demands, requests, advices or designations by Tenant to Landlord shall be sent by United States certified or registered mail, postage prepaid, addressed to Landlord at the address set forth in Section 1.1.

D. Examination of Lease. Submission of this instrument for signature by Tenant does not constitute a reservation or option for a lease, and this instrument is and shall not be deemed to be effective as a lease or otherwise until its execution and delivery by both Landlord and Tenant.

E. Joint Obligation. If there be more than one person or entity named hereunder as Tenant, the obligations of such persons or entities shall be joint and several. The article, section and paragraph headings of this Lease are for convenience of reference only and shall have no effect upon the construction or interpretation of any provision hereof.

F. Time. Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

G. Successors and Assigns. The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

H. Recordation. Tenant shall not record this Lease or a short form memorandum hereof without the prior written consent of Landlord.

I. Quiet Possession. Upon Tenant paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on the Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Lease.

J. Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or of a sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after due date, a late charge of ten per cent (10%) of the total amount due will be assessed. The parties hereby agree that such late charge represents a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges by the Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

K. Prior Agreements. This Lease, together with the other documents or agreements referred to in Section 31 hereof, if any, contains all of the agreements of the parties with respect to any matters covered or mentioned in this Lease, and no prior agreements or understandings pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. Tenant acknowledges that in executing and delivering this Lease, it is not relying on any verbal or written understanding, promise or representation outside the scope of this Lease and not described or referred to herein.

L. Inability to Perform. This Lease and obligations of the Tenant hereunder shall not be affected or impaired because the Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of the Landlord.

M. Attorney's Fees. In the event of any action or proceeding brought by Landlord against Tenant for failure to pay rent or other breach of this Lease the prevailing party shall be entitled to recover all costs and expenses including the fees of its attorneys in such action or proceeding in such amount as the Court may adjudge reasonable.

N. Sale of Premises by Landlord. In the event of any sale of the Project as a whole, or the transfer of the Building in which Premises are located and/or Project to any other party or entity, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission occurring after the consummation of such sale or transfer; and the purchaser or such transferee shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such purchaser or transferee, to have assumed and agreed to carry out any and all covenants and obligations of the Landlord under this Lease. Tenant hereby agrees to attorn to any such purchaser or transferee. Tenant agrees to execute any and all documents deemed necessary or appropriate by Landlord to evidence the foregoing.

O. Subordination, Attornment. Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this Lease shall be subject and subordinate at all times to: (1) All ground leases and underlying leases which may now exist or hereafter be executed affecting the Projector the land upon which the Project is situated or both, and (2) the lien of any mortgage or deed of trust which may now exist or hereafter be executed in any amount for which said Project, land, ground leases or underlying leases or Landlord's interest or estate in any of the said items is specified as security. Not withstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground leases or underlying leases or any such liens to this Lease. In the event that any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant of the successor in

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interest. Tenant covenants and agrees to execute and deliver upon demand by Landlord and in the form requested by Landlord, any additional documents evidencing the priority or subordination of this Lease with respect to any such ground leases or underlying leases or the lien of any such mortgage or deed of trust.

P. Name. Tenant shall not use the name of the Project for any purpose other than as an address of the business to be conducted by Tenant in the Premises.

Q. Separability. Any provision of this Lease which shall be prove to be invalid, void, illegal or unenforceable shall in no way affect, impair or invalidate any other provisions hereof and this Lease shall remain in full force and effect.

R. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or inequity.

S. Choice of Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

T. Signs and Auctions. Tenant shall not place any sign upon the Premises or Building or conduct any auction thereon without Landlord's prior written consent. All signs so consented to by Landlord and placed by Tenant upon or in the Premises shall comply in all respects with size, design, lettering and material guidelines established by Landlord for the Project, except that Tenant is authorized to install digital signage facing the York Place interior hallway. Landlord reserves the right to change or alter such guidelines at such times and for such tenants as Landlord may determine in its sole and absolute discretion. All signs must be professionally made and installed.

U. No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation hereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing subleases or subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any and all such subleases or subtenancies.

V. Right of Landlord To Perform. All terms, covenants and conditions of this Lease to be performed or observed by Tenant shall be performed or observed by Tenant at its sole cost and expense and without any reduction of rent of any nature payable hereunder. If Tenant shall fail to pay any sum of money, other than rent required to be paid hereunder or shall fail to perform any other terms or covenant hereunder on its part to be performed, and such failure shall continue for five (5) days after Landlord notifies Tenant thereof in writing, Landlord without waiving or releasing Tenant from any obligation of Tenant hereunder, may, but shall not be obligated to, make any such payment or perform any such other covenant on Tenant's part to be performed. All sums so paid by Landlord, together with interest thereon from the date of payment at the rate of fifteen per cent (15%) or the highest rate permissible by law, whichever is less, shall be paid (and Tenant covenants to make such payment) to Landlord on demand, and

Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of nonpayment thereof by tenant as in the case of failure in the payment of rent hereunder.

W. Notice of surrender on Termination. At least one hundred and eighty (180) days before the last day of the term hereof, Tenant shall give the Landlord a written notice of Tenant's intention to surrender the Premises at the end of the term hereof, but nothing contained herein shall be construed as an extension of the term hereof or as a covenant of Landlord to any holding over by the Tenant.

X. Upon reasonable notice to the Tenant and at reasonable times, Landlord or his duly designated representatives, may enter the property in order to show the property to prospective tenants, mortgagees, purchasers, workmen or contractors, and to place "For Rent" signs on the leased property. In the event that it is impractical for Landlord to give reasonable notice of his intent to enter the property, the property may be entered by Landlord without notice to the Tenant.

Y. Representation. Tenant hereby represents and warrants to Landlord that any and all financial information delivered by Tenant to Landlord in connection with this Lease is true and correct. In the event any such financial information proves to be inaccurate or misleading in any material respect, it shall constitute a material non-curable default.

29. BROKERS. Tenant warrants that it has had no dealings with any real estate broker or agents in connection with the negotiation of this lease, excepting only as set fourth in Section 1.16, and it knows of no other real estate broker or agent who is entitled to a commission in connection with this lease Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgements, costs and expenses (including reasonable attorney's fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of Tenants dealings with any real estate broker or agent other than specified above.

30. DEFAULT BY LANDLORD. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligations; provided, however, that if the nature of Landlord's obligation is such that Landlord shall not be in default if Landlord commences performance within a thirty (30) day period and thereafter diligently prosecutes the same to completion.

31. THE FOLLOWING PLATS, EXHIBITS, AND RIDERS, ARE HEREBY ATTACHED HERETO AND INCORPERATED BY THIS REFERENCE.

Addendum A Agreement of Personal Guaranty Addendum B Building standard Work

Addendum CBuilding Non-Standard WorkAddendum DOption to ExtendAddendum EEnvironmental Compliance ReportAddendum FRules and Regulations

WITNESS the following signatures and seals:

Accepted and agreed to this _____ day of _____, 2019

Tenant: City of Charlottesville

Landlord: York Property, LLC

By: _____

By: _____

Name & Title

By: _____

Name & Title

ADDENDUM A

AGREEMENT OF PERSONAL GUARANTY ATTACHED TO AND MADE PART OF THE LEASE AGREEMENT DATED ______, 2019 BETWEEN CITY OF CHARLOTTESVILLE ("TENANT") AND YORK PROPERTY, LLC ("LANDLORD")

The undersigned "Guarantor," in consideration of the making of the foregoing Lease Agreement between Tenant and Landlord, does hereby unconditionally guarantee the payment of the rent by the Tenant and the performance by Tenant of all the financial duties and obligations under the Lease Agreement. This is a continuing guarantee which applies to any renewal, extension, modification, or amendment of the lease agreement, without notice to Guarantor.

Guarantor also agrees that Landlord is not first required to enforce against Tenant or any other person any liability, obligation or duty guaranteed by this Agreement before seeking enforcement thereof against Guarantor. A lawsuit may be brought and maintained against the Guarantor by Landlord to enforce any liability, obligation or duty guaranteed by this Agreement without the necessity of joining the Tenant or any other person in the lawsuit.

It is expressly agreed and understood that Guarantor additionally and unconditionally guarantees the performance under the Lease of CITY OF CHARLOTTESVILLE (TENANT).

EXECUTED to be effective as of the day of _____, 2019.

GUARANTOR:

| Name: | | |
|----------|------|------|
| Address: | | |
| Phone #: | | |
| E-mail: | | |
| SS#: | | |
| | | |
| Name: | | |
| Address: | | |
| Phone #: | | |
| E-mail: | | |
| SS#: | | |
| | | |

ADDENDUM B

BUILDING STANDARD WORK

Landlord shall complete the following work:

Premises work:

Notwithstanding anything else to the contrary, Landlord Reserves the right to reasonably alter the plans as may be necessary to install and accommodate the installation of the heating and air conditioning system, electrical work and/or the plumbing work that has to be done either to the premises or the project. Tenant, at its sole cost and expense, shall be responsible for the installation of its own phone system.

ADDENDUM C

BUILDING NON-STANDARD WORK

Tenant shall be responsible for all other work.

Tenant is responsible for changing A/C filters every three (3) months, service A/C unit twice

per year and submit in writing to our office that this has been done.

Tenant is also responsible for changing all light bulbs.

Landlord reserves the right to charge a lock-out fee according to the lock-out fee schedule below.

No trash is allowed to accumulate outside of the space.

The property is for business use only and is not permitted to be used as living quarters.

Lock-out fee schedule

| Weekdays- | 4:00pm-9:30pm: | \$85.00 |
|-----------|----------------|----------|
| | 9:30pm-9:00am: | \$110.00 |
| Weekends- | Anytime | \$125.00 |
| Holidays- | Anytime | \$150.00 |

ADDENDUM D

OPTION TO EXTEND

Landlord hereby grants to Tenant the option to extend the term of this Lease for a <u>1 (one)</u> year period commencing when the original term expires and terminating <u>March 31, 2021</u>, upon each and all of the following terms and conditions:

1. Tenant shall not be in default at the time Tenant delivers notice of his election to extend the term or for a period of more than thirty (30) days at any time during the original term.

2. Tenant shall have given Landlord written notice of its election to extend the term not less than One Hundred Eighty (180) days prior to <u>March 31, 2020</u>, time being of the essence. If the notification is not so given, this option shall automatically expire. 3. The parties shall have thirty (30) days after the Landlord receives the option notice in which to agree on minimum monthly rent during the extended term. If the parties agree on the minimum monthly rent for the extended term during that period, they shall immediately execute an amendment to this Lease stating the minimum monthly rent. If the parties are unable to agree on the minimum monthly rent for the extended term during that period, they shall expire at the end of the term. Neither party to this Lease shall have the right to have a court or other third party set the minimum monthly rent. Tenant shall have no other right to extend the term beyond the extended term.

Option to Renew

<u>\$1,712.89</u> per month due on the first day of each month for the period <u>April 1, 2020</u> through <u>March 31, 2021.</u>

ADDENDUM E

ENVIRONMENTAL COMPLIANCE ADDENDUM

Covenants as to the Premises. Tenant represents, warrants and agrees that: (a) no hazardous materials (as hereinafter defined) will be brought into the Premises or stored, or used by Tenant on the Project or within the Premises that would be in violation of any applicable Environmental Laws (as hereinafter defined); (b) Tenant shall not store or permit the storage, release, disposal of Hazardous Material on the Project; (c) Tenant shall not permit a material release of Hazardous Material onto or from the Premises; (d) Tenant shall cause the Premises to comply with applicable Environmental Laws and keep the Premises free and clear of any liens unposed pursuant to any applicable Environmental Laws; and (e) Tenant shall obtain and maintain all licenses, permits and other governmental and regulatory actions necessary for Tenant to comply with Environmental Laws (the "Permits"), and Tenant shall assure compliance therewith including but not limited to any Permits required; and (f) Tenant shall give Landlord within five (5) days after Tenant's receipt thereof copies of all notices from governmental authorities or any other party alleging any threat to the environment or violation of any Environmental Law or requesting information regarding Tenant's compliance with the same, and shall conduct and complete all investigations and all cleanup actions necessary to comply with applicable Environmental Laws, including, if necessary, the removal of such Hazardous Material from the Premises. For purposes of this Addendum, "Hazardous Material" means polychlorinated, biphenyls, petroleum products, flammable explosives, radioactive materials, asbestos and any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the applicable Environmental Laws or listed as such by the Environmental Protection Agency or by the Commonwealth of Virginia." Environmental Laws" means any applicable current or future federal, state or local governmental law, ordinance, order, regulation or ruling applicable to environmental conditions on, under or about the Premises and/or Project, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Clean Water Act and applicable wetlands and flood plain statutes, ordinances and regulations. Tenant's obligations under this addendum shall survive the termination of this Lease. Landlord may undertake any voluntary environmental remediation in response to the action or threat of action by any third party, including a governmental agency or official. In addition, Landlord may, with full cooperation from Tenant, conduct environmental audits and site inspections of Premises. Any costs incurred by Landlord in such remediation, audits, or inspections shall be paid by Tenant to Landlord, and to the extent permitted by law, shall bear interest at twelve per cent (12%), or the legal rate, whichever is less.

ADDENDUM F

RULES AND REGULATIONS

1. No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed or printed or affixed on or to any part of the outside or inside of the Premises or on the building in which the Premises is located, or within the Project, without the prior written consent of Landlord, and Landlord shall have the right to remove without notice to and at the expense of Tenant. All approved sign or lettering shall be at the expense of Tenant. Tenant shall not place anything or allow anything to be placed near the glass or any window, door, partition, or wall which may appear unsightly from outside the Premises; provided however, that Landlord may furnish and install a standard window covering at all exterior windows. Tenant shall not, without prior written consent of Landlord, sunscreen any window. Notwithstanding the aforementioned conditions, Tenant is authorized to install digital signage facing the York Place interior hallway, as previously indicated in this agreement.

2. The sidewalks, halls, passages, exits, entrances, elevator, if applicable, and stairways shall not be obstructed by any of the tenants or used by them for any purpose other than for ingress and egress from their respective Premises.

3. Tenant shall not alter any lock or install any new additional locks or any bolts on any doors or windows of the Premises without prior consent of the Landlord which shall not be unreasonably withheld. Notwithstanding the aforementioned condition, Tenant may install any locks, cameras, or other security devices that are reasonably necessary to protect its on-site equipment and facilities and may limit access to the property to authorized personnel only, as previously indicated in this agreement.

4. The bathroom apparatus installed shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by Tenant who, or whose employees or invitees shall have caused it.

5. Tenant shall not overload the floor of the Premises or in any way deface the Premises or any part thereof.

6. No furniture, freight or equipment of any kind shall be brought into the Premises shall be done at such a time and in such a manner as Landlord shall designate. Landlord shall have the right to prescribe the weight, size and proportion of all safes and other heavy equipment brought into the Premises and also the times and manner of moving the same in and out of the Premises. Safes or other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as necessary to properly distribute the weight. Landlord will not be responsible for loss or of damage done to any such safe or property from any cause and all damage done to the Premises by moving or maintaining any such safe or other property shall be repaired at the expense of the Tenant.

7. Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other Tenants or those having business herein, nor shall any animals, reptiles or birds be brought in or kept about the Premises.

8. Tenant shall not use or keep on Premises any kerosene, gasoline or inflammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied by Landlord, if any.

9. Landlord will direct electricians as to where and how telephone, cable and telegraph wires are to be introduced. No boring or cutting for wires will be allowed without the prior consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

10. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of the Landlord, is intoxicated or under the influence of alcohol or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Project.

11. No vending machines or machines of any description shall be installed, maintained or operated upon the Premises without the prior written consent of the Landlord.

12. Tenant shall not disturb, solicit or canvas any occupants of the Premises and shall cooperate to prevent the same.

13. Without the prior written consent of Landlord, Tenant shall not use the name of the Project in connection with or promoting or advertising the business of Tenant, except as Tenant's address.

14. Landlord shall have the right to control and operate the public portions of the Project, and the public facilities, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally.

15. All entrance doors in the Premises shall be kept locked when the Premises are not in use, and all doors opening to public corridors shall be kept for normal ingress and egress from the Premises.

16. Landlord does not provide for trash collection or disposal, except for all common areas.. Tenant will be fully responsible for the removal and disposal of trash generated within their own Premises. Tenant will not dispose of their trash or refuse in any common area.

LICENSE TO USE PREMISES

THIS LICENSE AGREEMENT is entered into as of <u>April 1, 2019</u>, by and between THE CITY OF CHARLOTTESVILLE, VIRGINIA (hereinafter, "City" or "Licensor"), and RYAL THOMAS (hereinafter, "Licensee").

WHEREAS, the City will operate the Charlottesville Community Media Center, a program of the City's Department of Communications, from York Place on Charlottesville's Downtown Mall in order to facilitate community access to television production facilities, provide training opportunities, and raise community awareness of public television programming in Charlottesville;

WHEREAS, Licensee has produced content for public access television in Charlottesville for many years and is now seeking to market his television program to a national audience and to attract paid advertising;

WHEREAS, to accomplish this end, Licensee needs guaranteed, priority access to television production facilities that are located in a visible and well-known space in the Charlottesville community;

WHEREAS, the City is willing to permit Licensee to use the Charlottesville Community Media Center for this purpose subject to the terms and conditions of this agreement;

NOW, THEREFORE, the parties agree as follows:

1. <u>License to Use Property</u>. The City hereby grants Licensee permission to use the Charlottesville Community Media Center—located at 112 West Main Street, Suites 9 & 10, Charlottesville, VA, 22902—for three continuous hours each week. Licensee will select a three-hour time slot during York Place's regular daily operating hours of 6 A.M. to 10 P.M. and will receive guaranteed, priority access to all facilities within the Media Center during that period. Licensee shall communicate his preferred time slot to the City's Director of Communications in writing no later than April 1, 2019.

In addition, the City will utilize its best efforts to accommodate changes to Licensee's production schedule, so long as Licensee provides notice of such changes in writing and no less than 24 hours prior to the time at which Licensee needs to use the Media Center.

The parties expressly acknowledge and agree that this License Agreement is not a lease and that it does not create or convey to the Licensee any interest in the Charlottesville Community Media Center. Licensee will be entitled to occupy the Charlottesville Community Media Center solely for the purposes herein provided and for the term stated herein.

2. <u>Term.</u> The term of this License shall be for a period of one year, commencing on April 1, 2019 and expiring at midnight on March 31, 2020, unless earlier terminated by the City or the Licensee in accordance with the terms and conditions of this License Agreement.

- 3. <u>Fees and Costs</u>. In consideration of being permitted to use the Charlottesville Community Media Center, Licensee agrees to remit to the City \$1,663.00 per month. The first monthly payment shall be due on April 1, 2019; thereafter, a payment shall be due to the City on or before the first day of every calendar month. In the event that a termination of this License Agreement takes effect on a day other than the last day of a month, the last month's license fee may be prorated accordingly. The license fee is not subject to increase during the term of the License Agreement.
- 4. <u>Utilities</u>. City shall be responsible for the cost of ordinary and reasonable charges with respect to the Charlottesville Community Media Center for electricity, gas, water and sewer, internet, janitorial services, trash collection, and telephone services, and for all connection charges. Any extraordinary utility charges occasioned by Licensee's use of the Media Center shall be separately billed to Licensee. The City shall not be liable in any way for any failure, or termination of, or interruption in, any utility services to, or for the benefit of, the Media Center and Licensee hereby releases City from any and all liabilities or damages of any kind which may result by reason of any such failure, termination, or interruption.
- 5. <u>Use of Premises</u>. Licensee represents and warrants that it will utilize the Charlottesville Community Media Center solely for the purpose of filming, producing, and/or promoting a television program. Licensee shall not utilize the Media Center for any other purpose without the advance written permission of the City. In its use of the Media Center, Licensee shall comply with (i) applicable laws, ordinances, and regulations (including, without limitation, building and fire codes relating to the use and condition of the space), and (ii) any other rules that may be established by the City. In particular, should Licensee choose to utilize the Media Center to produce content for Charlottesville's public access television channel, Licensee shall comply with all applicable local, state, and federal policies concerning public access programming, including any restrictions on advertising content.
- 6. <u>Alterations to Premises.</u> Licensee may make alterations and improvements to the Charlottesville Community Media Center, but only with the City's advance written consent. Upon the expiration or earlier termination of this License, Licensee shall remove any alterations or improvements and return the Media Center to its condition as of the commencement of the License Agreement, unless the City agrees otherwise in writing.
- 7. <u>Production Team</u>. Licensee understands and agrees that Charlottesville Community Media Center personnel are City employees and that the City retains them in order to produce content for public access television in Charlottesville and for other public or governmental ends. Accordingly, Licensee understands and agrees that it will not utilize on-duty Media Center personnel to produce or promote any content not intended to appear on public access television in Charlottesville. Licensee further understands and agrees that it may not compensate Media Center personnel in any manner for operating any Media Center facilities or other City equipment, regardless of whether such work occurs during, or outside of, regular business hours.
- 8. <u>Insurance</u>. Licensee, at its sole cost and expense, shall obtain and keep in force for the duration of this License Agreement general liability insurance in a minimum amount of One

Million Dollars (\$1,000,000) per occurrence, and Workers' Compensation coverage statutory to the Commonwealth of Virginia, with an insurer authorized to do business in Virginia. Such general liability policy shall name the City of Charlottesville, its officers, employees, agents and volunteers as an additional insured and shall provide that such coverage shall not be cancelled without thirty (30) days written notice to the City. General liability and Workers' Compensation coverage shall waive subrogation against the City. The Licensee shall submit evidence of such insurance coverage to the City Attorney, via a certificate of insurance issued on the Acord Form 25 or such other form as acceptable to the City Attorney, for approval prior to the commencement date of this License Agreement and within ten (10) days of the renewal of said coverage.

- 9. <u>Indemnification</u>. Licensee shall indemnify City against all liabilities, expenses (including attorney's fees) and losses incurred by City as a result of (A) failure by Licensee to perform any duty required to be performed by Licensee hereunder; (B) any accident, injury or damage which shall happen in or about the Charlottesville Community Media Center or resulting from the condition, maintenance, or operation of the Charlottesville Community Media Center caused by Licensee; (C) failure to comply with any laws, ordinances, regulations or requirements of any governmental authority; (D) any mechanics' lien or security agreement or other lien filed against the Charlottesville Community Media Center or fixtures and equipment therein belonging to City; and (E) any negligent act or omission of Licensee, its officers, employees, and agents.
- 10. <u>Assignments</u>. Licensee shall not assign his rights or obligations under this License without the prior written consent of City.
- 11. <u>**Termination.**</u> This License Agreement shall automatically terminate on March 31, 2020. In addition, City may immediately terminate this License Agreement if Licensee fails to abide by the terms and condition of this License Agreement.
- 12. <u>Entire Agreement; Amendment.</u> This License Agreement contains the entire agreement of the parties, and no covenants, representatives, inducements or promises, oral or otherwise, not embodied herein, shall be in force or effect. This License Agreement may not be modified, nor any of its provisions waived, except by a writing signed by both parties.
- 13. <u>Notices</u>. Notices under this License Agreement shall be in writing, signed by the party giving such notice, and shall be hand-delivered or sent by: (i) United States Mail, or (ii) electronic mail, addressed to a party at its address given below, or to such other address as a party may have furnished to the other by written notice. Any notice sent by U.S. mail shall be deemed to have been given as of the time-said notice is deposited in the United States Mail. The parties' designated representatives and addresses for purposes of notices and communications pertaining to this Lease are as follows:

| Brian Wheeler |
|-------------------------------------|
| Director of Communications |
| City of Charlottesville |
| Charlottesville, Virginia 22902 |
| Email: wheelerb@charlottesville.org |
| |

- Licensee: Ryal Thomas 1994 Snow Point Ln Charlottesville, VA 22902 Email: ryalsfurniture@gmail.com
- 14. <u>Governing Law</u>. This license shall be construed under and governed by the laws of the Commonwealth of Virginia. All litigation arising out of this license agreement shall be commenced and prosecuted in the Circuit Court for the City of Charlottesville.

WITNESS the following signatures and seals as of the date first above written.

CITY: CITY OF CHARLOTTESVILLE, VIRGINIA

BY:___

Michael Murphy, Interim City Manager

LICENSEE: RYAL THOMAS

BY:_____

Print Name: _____

RESOLUTION APPROVING AN EMPLOYMENT AGREEMENT BETWEEN DR. TARRON RICHARDSON AND THE CITY OF CHARLOTTESVILLE, VIRGINIA

WHEREAS, the Charlottesville City Council is enabled to hire a City Manager pursuant to Virginia Code Section 15.2-1540 and Section 5 of the Charlottesville City Charter; and

WHEREAS, Dr. Tarron J. Richardson desires to serve as the Charlottesville City Manager.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the Employment Agreement between Dr. Tarron J. Richardson and the City of Charlottesville, Virginia dated April 8, 2019 is hereby approved; and

BE IT FURTHER RESOLVED by the Council of the City of Charlottesville, Virginia that Dr. Richardson will begin his duties as the Charlottesville City Manager on May 13, 2019.

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 \$17,750,000, TO FINANCE THE COSTS OF CERTAIN PUBLIC IMPROVEMENT PROJECTS AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, the City Council of the City of Charlottesville, Virginia (the "City"), desires to issue general obligation public improvement bonds (the "Bonds") to finance costs of certain capital improvement projects for the City, including, without limitation, (a) transportation and access improvements, including but not limited to constructing, equipping and repairing sidewalks and roads and street reconstruction, (b) renovations and improvements to public facilities, (c) public school improvements, (d) improvements to public parks, and (e) improvements to the City's water, wastewater and stormwater systems and equipment for such systems (collectively, the "Project"); and

WHEREAS, the City's administration and a representative of PFM Financial Advisors LLC, the City's financial advisor (the "Financial Advisor"), have recommended to the City Council that the City issue and sell one or more series of general obligation public improvement bonds through a competitive public offering;

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 Bonds in an aggregate principal amount not to exceed \$17,750,000 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).

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 elects to issue the 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").

3. Bond Details. (a) The Bonds shall be designated "General Obligation Public Improvement Bonds, Series 2019," or such other designation as may be determined by the City Manager (which term shall include the Interim City Manager and the Director of Finance). 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 9, 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 (i) shall have a "true" or "Canadian" interest cost not to exceed 4.5% (taking into account any original issue discount or premium), (ii) shall be sold to the purchaser thereof at a price not less than 99.5% of the principal

amount thereof (excluding any original issue discount) and (iii) shall mature in years, or be subject to mandatory sinking fund redemption in annual installments, ending no later than December 31, 2039.

(b) Principal of the Bonds shall be payable, or be subject to mandatory sinking fund installments, annually 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 and premium, if any, shall be payable to the registered owners upon surrender of Bonds as they become due at the office of the Registrar (as hereinafter defined). 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 interest 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. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

(c) Initially, one Bond certificate for each maturity 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 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.

In the event that (i) the Securities Depository determines not to continue to act as (d) 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 6; 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 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 8.

(e) 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 Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

4. Redemption Provisions. (a) The Bonds may be subject to redemption prior to maturity at the option of the City on or after dates, if any, determined by the City Manager, in whole or in part at any time, at a redemption price equal to the principal amount of the Bonds, together with any interest accrued to the date fixed for redemption, plus a redemption premium not to exceed 1.0% of the principal amount of the Bonds, such redemption premium to be determined by the City Manager.

(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 are called for redemption, the maturities of the Bonds 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. If less than all the Bonds of any maturity are called for redemption, the Bonds within such maturity 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, (i) the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof, and (ii) 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. 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 redemption date, to the registered owner of the Bonds. The City shall not be responsible for giving notice of redemption to anyone other than DTC or another qualified securities depository then serving or its nominee unless no qualified securities depository is the registered owner of the Bonds. If no qualified securities depository is the registered owner of the Bonds, notice of redemption shall be mailed to the registered owners of the Bonds. 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) 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 redemption date or (ii) the City retains the right to rescind such notice on or prior to the scheduled redemption date (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 redemption date 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.

5. 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 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.

6. Bond Form. The Bonds shall be in substantially the form of <u>Exhibit A</u>, 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.

7. 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, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the City sufficient to pay when due the principal of and premium, if any, and interest on the Bonds.

Registration, Transfer and Owners of Bonds. The Director of Finance is 8. hereby appointed paying agent and registrar for the Bonds (the "Registrar"). The City Manager is 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 5, 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.

9. Sale of Bonds. (a) The City Council authorizes the Bonds to be sold by competitive bid in one or more series, 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 in Section 1. The City Manager is also authorized to (i) 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, (ii) determine the redemption provisions of the Bonds, subject to the limitations set forth in Section 4, and (iii) 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.

(b) 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. Following the sale of the Bonds, 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 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.

10. 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 will be offered for sale to the public; 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, in collaboration with the best interest of the City. After the Bonds have been sold, 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.

11. Official Statement Deemed Final. 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.

12. 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.

13. 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 Internal Revenue Code of 1986, as amended (the "Code"), and regulations issued pursuant thereto, 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 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.

14. 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.

15. 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.

16. 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 proceeds of the Bonds. 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.

17. Continuing Disclosure Agreement. 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.

18. 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.

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

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

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

AN ORDINANCE APPROVING A REQUEST TO REZONE TWO PARCELS FRONTING ON LYMAN STREET FROM R-1 (SINGLE-FAMILY RESIDENTIAL) AND PUD (BELMONT LOFTS PLANNED UNIT DEVELOPMENT) TO R-2 (TWO FAMILY RESIDENTIAL)

WHEREAS, BKKW, LLC is the owner ("Landowner") of certain property fronting on Lyman Street, designated on 2018 City Tax Map 58 as Parcels 289.2 and 358E ("Subject Property"), and the Landowner is seeking to change the zoning classifications of the Subject Property from R-1 (Parcel 289.2) and Belmont Lofts Planned Unit Development (Parcel 358E) to R-2 (Two Family Residential), hereinafter referred to as the "Proposed Rezoning"; and

WHEREAS, a joint public hearing on the Proposed Rezoning was conducted by the Planning Commission and City Council on March 12, 2019, following notice to the public and to adjacent property owners as required by Virginia Code §15.2-2204 and City Code §34-44; and

WHEREAS, on March 12, 2019, following the joint public hearing, the Planning Commission voted to recommend that City Council should approve the Proposed Rezoning; and

WHEREAS, on April 1, 20198, this City Council considered the matters addressed within the Landowner's application, the NDS Staff Report, public comments, the Planning Commission's recommendation, and the Comprehensive Plan; 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 classifications (R-1 and Belmont Lofts PUD, respectively) and the proposed zoning classification (R-2) 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 the Zoning District Map Incorporated in Section 34-1 of the Zoning Ordinance of the Code of the City of Charlottesville, 1990, as amended, be and hereby is amended and reenacted as follows:

Section 34-1. Zoning District Map. Rezoning the property designated on 2018 City Tax Map 58 as Parcels 289.2 and 358E from R-1 Single-Family Residential and Belmont Lofts Planned Unit Development to R-2 Two-Family Residential

RESOLUTION GRANTING A SPECIAL USE PERMIT FOR INFILL DEVELOPMENT ON TWO PARCELS FRONTING ON LYMAN STREET

WHEREAS, BKKW, LLC is the owner ("Landowner") of certain property fronting on Lyman Street, designated on 2018 City Tax Map 58 as Parcels 289.2 and 358E ("Subject Property"), and pursuant to City Code §34-165, the Landowner requests a special use permit to authorize an infill development project, as more particularly described within the application materials submitted by the Landowner in connection with City Application No. SP19-00011; and

WHEREAS, the zoning classification of the Subject Property is R-2 (Two Family Residential); and

WHEREAS, the purpose of the application is to allow construction of a specific infill development project within the Subject Property, consisting of the following:

A common plan of development for the land area within Parcels 289.2 and 358E, including: (i) three (3) buildings, to be constructed as single-family dwellings (the "SFDs"), each on its own separate lot and with each building fronting on Lyman Street; (ii) each lot containing a single-family dwelling shall have an area no less than 2500 square feet (SF) and no more than 3500 SF; each such lot shall have frontage on Lyman street of no less than 34 feet and no more than 65 feet; and each such lot shall have side yards of at least 2 feet, but no required front or rear yard areas; (iii) each single-family lot, and the land on which it is constructed, may be used and occupied in any manner authorized within §34-420 of the R-2 zoning district regulations, including, without limitation, internal accessory apartments; (iv) the land area currently identified as tax Parcel 358E will not contain any buildings or structures (other than the SFDs), and will be used predominantly for access and parking for the SFDs described above and as landscaped open space with plantings, and for any additional driveway or parking as may be necessary to serve internal accessory apartments established within the SFDs; and (v) the general design and height of all buildings, the layout of the entire development area, and the characteristics of the development shall be in all material aspects the same as depicted within the site plan dated December 21, 2018, revised February 28, 2019, and the narrative materials accompanying Application No. SP19-00011 (hereinafter, the "Infill Project"); and

WHEREAS, a public hearing on the proposed Infill Project was conducted jointly by the Planning Commission and City Council on March 12, 2019, following notice to the public and to adjacent property owners as required by Virginia Code §15.2-2204 and City Code §34-44; and

WHEREAS, based on the representations, information, and materials included within the application materials submitted by the Landowner in connection with SP19-00011, and upon consideration of: information and analysis set forth within the Staff Report; factors set forth in City Code §34-157, §34-165, and §34-166; the recommendation of the Planning Commission; and comments received at the joint public hearing, this Council finds that the Infill Project is appropriate in the location requested and may be approved subject to suitable regulations and safeguards;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, **THAT** a Special Use Permit is hereby granted to authorize the Infill Project defined above within this Resolution to be constructed on the Subject Property, including, without limitation, approval of modified yard regulations, density standards, and parking standards otherwise applicable within the R-2 zoning district. Minor adjustments of the dimensional regulations set forth above, within the definition of this "Infill Project" shall be permitted when necessary for compliance with engineering, stormwater, utility or other legal requirements, any such adjustments not to exceed five percent (5%) of the dimensions included within the definition of "Infill Project". Nothing set forth within this Resolution shall be construed as limiting or requiring any particular architectural details or features, including, without limitation: exterior finishes or construction materials, window or door locations, etc.