

CITY COUNCIL AGENDA August 1, 2022 CERTIFICATIONS

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

4:00 PM OPENING SESSION

Register at www.charlottesville.gov/zoom. This portion of the meeting is held electronically in accordance with a local ordinance amended and re-enacted March 7, 2022, to ensure continuity of government and prevent the spread of disease during a declared State of Emergency. Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call (434) 970-3182 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide a 48-hour notice so that proper arrangements may be made.

Call to Order/Roll Call

Agenda Approval APPROVED 3-0 (PAYNE/PINKSTON; Magill and Wade absent)

Reports

1. Presentation: FY2024 City Budget overview (Magill joined at 4:37 p.m.)

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

6:30 PM BUSINESS SESSION

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

Moment of Silence

Announcements

Recognitions/Proclamations

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

2.	Minutes:	June 21 special meeting; July 18 special meeting
3.	Resolution: #R-22-090	Authorizing a refund of \$8,132.19 to a taxpaying entity or business, for business license tax paid in error for 2022 (2nd reading)
4.	Resolution: #R-22-091	Approving Settlement of Disputed Real Estate Assessment (Omni Hotel) (2nd reading)
5.	Resolution: #R-22-092	COVID Homelessness Emergency Response Program-Community Development Block Grant Amendment - \$250,816 (2nd reading)
6.	Resolution: #R-22-093	Appropriating Funds for the Virginia Department of Education Special Nutrition Program Summer Food Service Program - \$250,000 (2nd reading)
7.	Resolution: #R-22-094	State Criminal Alien Assistance Program (SCAAP) Grant for \$4,748 (2nd reading)
8.	Resolution: #R-22-095	Comprehensive Signage Plan for 920 E. High Street (1 reading)

City Manager Report

Report: City Manager Report

Community Matters

Action Items

9. Public Plastic Bag Tax (2nd reading and Public Hearing)

Hearing/Ord.: APPROVED 4-0 (PAYNE/MAGILL)

#O-22-096

10. Public Hearing/Res.: American Rescue Plan Fund Allocations (1 of 2 readings)

11. Ordinance: 415 10th Street NW, Rezoning from R-1S to B-2 (1 of 2 readings)

12. Ordinance: 415 and 415-B 10th Street NW - Designation of Property as an Individually

Protected Property (1 of 2 readings)

13. Resolution: Resolution of Support for four (4) TJPDC / MPO Grant Applications (1)

#R-22-097 reading) APPROVED 4-0 (PINKSTON/PAYNE)

General Business

14. Report: Sister Cities Commission Annual Report (written report only)

Other Business

Community Matters (2)

Adjournment

Authorizing a refund of \$8,132.19 to a taxpaying entity or business, for business license taxes paid in error for 2022

WHEREAS, the Commissioner of the Revenue has determined that a taxpaying entity or business paid 2022 Business License Tax to the City of Charlottesville in error; and

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

WHEREAS, the Commissioner of the Revenue has certified that a refund of taxes paid is due in the amount of \$8,132.19; and

WHEREAS, City Code Section 30-6(b) requires City Council approval for any tax refund exceeding \$2,500.00; now, therefore,

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia, that the City Council hereby authorizes the City Treasurer to issue a refund of \$8,132.19 from GL 410150 (business license tax revenue) or from GL 1631001000 (Citywide reserve) as necessary, payable to that taxpaying entity or business.

Approving a Settlement Agreement and Release between the Omni Charlottesville Virginia Corporation and the City of Charlottesville, made as of July 1, 2022

WHEREAS the Omni Charlottesville Virginia Corporation ("Omni") and the City of Charlottesville ("City") are parties to an action pending in the Circuit Court of the City of Charlottesville styled Omni Charlottesville Virginia Corporation v. City of Charlottesville, Virginia, Case No. CL21-116 (the "Action"), addressing the real estate tax assessments for the Omni property for tax years 2020 and 2021; and

WHEREAS Omni currently has an appeal of the City's assessment of the Omni property for tax year 2022 pending before the City's Board of Equalization (the "BOE Appeal"); and

WHEREAS Omni and the City wish to settle the disputes between them and dismiss the Action and the BOE Appeal on the terms and conditions stated below; now, therefore,

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia THAT a Settlement Agreement and Release made between Omni and the City as of July 1, 2022 is hereby ratified and approved, upon the following terms and conditions:

- 1. <u>Settlement Payment</u>. In consideration of the release set forth in this Agreement, the City shall refund to Omni, and agrees to accept, a payment in the principal amount of \$135,304.57, plus accrued interest in the amount of \$14,794.62 as of June 20, 2022, with interest accruing thereafter at the rate of \$37.07 per diem (collectively the "Settlement Payment"), as a refund of a portion of the real property taxes imposed on real property owned by Omni, known as 212 Ridge McIntire Road, Charlottesville, Virginia, bearing Parcel No. 330155L00 (the "Property"). The Settlement Payment amount includes the refunds of taxes and interest due to Omni based on the revised assessments set forth in Paragraph No. 3 of this Agreement.
- 2. <u>Dismissal</u>. Upon receipt of the Settlement Payment, counsel for Omni shall endorse and deliver to counsel for the City an Agreed Order dismissing the Actions, with prejudice.
- 3. <u>Compromise Assessments for Tax Years 2020, 2021, and 2022</u>. For purposes of this settlement, the City shall set the assessment of the Property for tax years 2020-2022 as follows: \$40.0 million for tax year 2020, \$30.0 million for tax year 2021, and \$30.6 million for tax year 2022. Due to the compromise assessment for tax year 2022, the real estate tax installment due on the Property to the City no later than December 5, 2022, shall be \$146,880.00.
- 4. <u>No Admissions.</u> The parties acknowledge that the City's assessments of the Property for tax years 2020-2022 remain in dispute. Omni maintains that the City's assessments are erroneous and significantly exceed the fair market value of the Property. The City maintains that its assessments are not erroneous and are at the fair market value of the Property. Accordingly, the parties agree that nothing in this Agreement or the performance hereof shall be taken as an admission or concession of any type or kind regarding or relating to the Property's actual fair market value for tax years 2020-2022.

5. <u>Mutual Releases</u>. In consideration of the promises and rights granted in this Agreement, the sufficiency of which is expressly acknowledged, Omni discharges and releases the City and its officers, employees, agents, attorneys, and representatives, from all claims, debts, suits, actions, charges, demands, judgments, costs, executions, liabilities and all other obligations, whether in contract, tort, or other, known and unknown, both legal and equitable, which have been brought or could have been brought, relating to the subject matter of the Actions or related in any way to the City's real property tax assessments of the Property for the tax years 2020, 2021, and/or 2022.

In consideration of the promises and rights granted in this Agreement, the sufficiency of which is expressly acknowledged, the City discharges and releases Omni and its shareholders, officers, employees, agents, attorneys, and representatives, from all claims, debts, suits, actions, charges, demands, judgments, costs, executions, liabilities and all other obligations, whether in contract, tort, or other, known and unknown, both legal and equitable, which have been brought or could have been brought, relating to the subject matter of the Actions or related in any way to the City's real property tax assessments for the Property for the tax years 2020, 2021, and/or 2022.

- 6. Fees and Costs. Each party shall bear its own attorney's fees and costs.
- 7. Merger. No promise or agreement not herein expressed has been made by, between or among the parties, and in executing this Agreement, the parties are not relying upon any statement or oral representations made to them by each other or by anyone else who has not acted for them or on their own behalf but are each relying solely upon their own judgment. No consideration has been given, or is or has been offered, promised, expected, or held out other than as provided herein, and no conditions precedent to the effectiveness of this Agreement exist other than as expressly provided herein. This Agreement creates no new rights other than as expressly provided herein.
- 8. <u>Full and Final Settlement</u>. The parties understand that this is a full and final disposition of the claims and disputes between them, both as to the existence, and the nature and extent of, liability by any party except as specified herein. The parties understand and agree fully that this Agreement constitutes a compromise settlement and is mutual, final, and binding upon the parties.
- 9. <u>Compromised Claims</u>. The parties understand and agree that this Agreement constitutes the settlement of disputed claims, that liability has been denied by all parties, and that this Agreement, the consideration therefor, and all negotiations relating thereto, are for settlement purposes only and shall not be construed as an admission of liability or responsibility for any wrongful act or omission at any time on the part of any party. Accordingly, the parties agree to this compromise in lieu of litigation and in consideration of the avoidance of litigation, its expenses, and the potential risk of loss, and for no other reason. The parties further agree that this Agreement shall not be admissible or usable in any future lawsuit or tax controversies between the parties relating to the City's assessments of the Property for ad valorem tax purposes for tax year 2023 and/or any subsequent tax years.

- 10. <u>Modifications</u>. No modification of this Agreement shall be valid unless it is in writing and signed by all parties, with the approval of the Charlottesville City Council as may be required by Virginia law.
- 11. <u>Successors and Assigns</u>. This Agreement shall bind and inure to the benefit of all parties, their successors, and permitted assigns, and each of them.
- 12. <u>Counterparts</u>. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.
- 13. <u>Authority</u>. Each signor warrants that he/she has full legal authority to execute this Settlement Agreement on behalf of the parties.
- 14. Governing Law. This Agreement shall be governed and construed in accordance with Virginia law. In the event any litigation arises concerning enforcement of this Agreement, venue shall be a court of competent jurisdiction in the City of Charlottesville, Virginia. This Agreement has been read by the parties hereto, and where appropriate, by the attorneys for all of the parties hereto, and the parties understand its content and are satisfied with its terms.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute a written Settlement Agreement and Release, upon the terms stated above within this Resolution, upon the approval of the City Attorney as to the form of such written Settlement Agreement and Release.

Appropriating Supplemental Funding in the Amount of \$250,816 to be received from Community Development Block Grant for the COVID Homelessness Emergency Response Program (C.H.E.R.P.)

WHEREAS, The City of Charlottesville, through the Department of Human Services, has received the C.H.E.R.P. Grant from the Virginia Department of Housing and Community Development in the amount of \$250,816.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of **\$250,816** is hereby appropriated in the following manner:

Revenues

\$250,816 Fund: 209 IO: 1900448 G/L: 430120 Federal Pass Thru

Expenditures

\$250,816 Fund: 209 IO: 1900448 G/L: 530550 Contracted Services

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon receipt of \$250,816 in funds from the Virginia Department of Housing and Community Development.

RESOLUTION APPROPRIATING FUNDS FOR Virginia Department of Education Special Nutrition Program Summer Food Service Program - \$250,000

WHEREAS, the City of Charlottesville, through Parks and Recreation, has received approval for reimbursement up to \$250,000 from the Virginia Department of Education Special Nutrition Program to provide free breakfast and lunch to children attending summer camp programs; and

WHEREAS, the grant award covers the period from period June 22, 2022 through October 31, 2022.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, which the sum of \$250,000, received from the Virginia Department of Education Special Nutrition Program, is hereby appropriated in the following manner:

Revenue – \$250,000

Fund: 209 Internal Order: 1900473 G/L Account: 430120

Expenditures - \$250,000

Fund: 209 Internal Order: 1900473 G/L Account: 530670

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

Appropriating funds for State Criminal Alien Assistance Program (SCAAP) Grant for 2020 reimbursement - \$4,748

WHEREAS, the State Criminal Alien Assistance Program (SCAAP) grant, providing federal payments for correctional officer salary costs incurred for incarcerating certain undocumented criminals has been awarded the City of Charlottesville, on behalf of the Albemarle-Charlottesville Regional Jail, in the amount of \$4,748.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that a total of \$3,703.44 be appropriated and passed through to the Albemarle-Charlottesville Regional Jail and \$1,044.56 be appropriated and passed through to Justice Benefits, Inc.

Revenues \$4,748.00	Fund: 211	Internal Order: 1900474	G/L Account: 431110
Expenses			
\$3,703.44	Fund: 211	Internal Order: 1900474	G/L Account: 530550
\$1,044.56	Fund: 211	Internal Order: 1900474	G/L Account: 530670

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$4,748 from the U. S. Bureau of Justice Assistance.

RESOLUTION Approving a Comprehensive Signage Plan for 920 East High Street

WHEREAS the owner of a development located at 920 East High Street ("Landowner") submitted an application seeking approval of a comprehensive signage plan for the medical office building located on this site as presented, referenced, and incorporated into the City staff report dated July 12, 2022 in this matter ("Proposed Comprehensive Signage Plan"); and

WHEREAS on July 12, 2022, the City's Entrance Corridor Review Board and the City's Planning Commission reviewed the Landowner's Proposed Comprehensive Signage Plan and recommended approval of the plan with conditions; and

WHEREAS in accordance with Section 34-1045(c) of the Charlottesville City Code, City Council has determined that:

- (1) There is good cause for deviating from a strict application of the requirements of Section 34-1020, et seq. (City Code Chapter 34, Article IX, Division 4 Signs), and
- (2) The Proposed Comprehensive Signage Plan, with the modifications recommended by the Planning Commission/Entrance Corridor Review Board, will serve the public purposes and objectives set forth within City Code Section 34-1021 at least as well, or better, than the signage that would otherwise be permitted for this development; now, therefore

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia, that the Proposed Comprehensive Signage Plan for 920 East High Street is approved subject to the following conditions:

- a. Signs N01, N05, and N06: (Monuments) Externally lit. Lamping will be dimmable, have a Color Temperature (CT) not exceeding 3,000K, and have a Color Rendering Index (CRI) not less than 80, preferably not less than 90, and
- b. Signs N02, N03 and N04: (Building address numbers) Not illuminated. Holes for anchors will be within the mortar joints. No holes will be made into the brick and/or stone.

ORDINANCE

TO AMEND AND REENACT CHAPTER 30 (TAXATION) OF THE CODE OF THE CITY OF CHARLOTTESVILLE, TO ESTABLISH A NEW ARTICLE XIX (DISPOSABLE PLASTIC BAG TAX)

WHEREAS the Virginia General Assembly passed Virginia Code § 58.1-17.45 et seq. enabling localities to enact a disposable plastic bag tax; and

WHEREAS the funds collected from this tax shall be used to provide funding for local environmental cleanup, litter and pollution mitigation, environmental education efforts, and to provide reusable bags to SNAP or WIC benefit recipients within the City of Charlottesville; and

WHEREAS the Charlottesville City Council finds that it is in the best interest of the City to mitigate the use of disposable plastic bags within the City of Charlottesville and collect funds to promote healthy and safe environmental conditions; and

WHEREAS the Community has been afforded an opportunity to comment on this tax levy after due notice in accordance with Virginia Code § 58.1-3007 and the City Council has thoroughly considered the interest of its citizens and the need to issue this tax levy for the benefit of the City's overall environment and pollution mitigation efforts; and now, therefore,

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia, THAT Chapter 30 (Taxation) is hereby amended and reenacted, as follows:

1. Enact a new Article XIX (DISPOSABLE PLASTIC BAG TAX), as follows:

ARTICLE XIX. DISPOSABLE PLASTIC BAG TAX

Sec. 30-480- - Disposable plastic bag tax imposed; Exceptions.

- (a) There is hereby imposed a tax in the amount of five cents (\$0.05) for each disposable plastic bag provided, whether or not provided free of charge, to all consumers of tangible personal property by retailers in grocery stores, convenience stores, or drug stores.
- (b) Any tax imposed pursuant to the provisions of this article shall not apply to the following:
 - (1) Durable plastic bags with handles that are specifically designed and manufactured for multiple reuse and that are at least four mils thick;
 - (2) Plastic bags that are solely used to wrap, contain, or package ice cream, meat, fish, poultry, produce, unwrapped bulk food items, or perishable food items to avoid damage or contamination;
 - (3) Plastic bags used to carry dry cleaning or prescription drugs; and
 - (4) Multiple plastic bags sold in packages and intended for use as garbage, pet waste, or leaf removal bags.

State law reference(s)—Va. Code § 58.1-1745 and § 58.1-1746.

Sec. 30-481- Definitions.

As used in this Division:

"Convenience store" means an establishment that (i) has an enclosed room in a permanent structure where stock is displayed and offered for sale and (ii) maintains an inventory of edible items intended for human consumption consisting of a variety of such items of the types normally sold in grocery stores.

"Disposable plastic bag" means a plastic bag not intended for reuse that is provided by a retail establishment to a customer at the point of purchase to transport items purchased.

"Drugstore" means an establishment that sells medicines prepared by a licensed pharmacist pursuant to a prescription and other medicines and items for home and general use.

"Grocery store" means an establishment that has an enclosed room in a permanent structure and that sells food and other items intended for human consumption, including a variety of ingredients commonly used in the preparation of meals. This definition does not include food banks, farmers markets, or mobile food units.

"Retail establishment" means any grocery store, convenience store, or drugstore that maintains regular business hours at a fixed place of business within the City of Charlottesville. The term Retail establishment includes any large retailer within the City that contains a grocery store, convenience store or drug store.

Sec. 30-482 – Collection, Administration, Appropriation of Revenue and Adoption of State Law.

- (a) Any tax imposed under this section shall be collected by the retail establishment, along with the purchase price and all other fees and taxes, at the time the consumer pays for such personal property.
- (b) All revenue accruing to the City from the tax imposed under this ordinance are to be used for one or more of the following purposes:
 - (1) environmental cleanup,
 - (2) providing education programs designed to reduce environmental waste,
 - (3) mitigating pollution and litter, or
 - (4) providing reusable bags to recipients of Supplemental Nutrition Assistance Program (SNAP) or Women, Infants, and Children Program (WIC) benefits or such other programs as authorized by the laws of the Commonwealth of Virginia.
- (c) Virginia Code Title 58.1, Chapter 17, Article 12 (Virginia Code § 58.1-1745 et seq.) is incorporated into this division by reference and made applicable to the City, mutatis mutandis.

State law reference(s)—Va. Code § 58.1-1745 et seq.

- 2. The Clerk of Council shall provide a certified copy of this ordinance to the Tax Commissioner of the Commonwealth on or before September 30, 2022; and
- 3. This ordinance shall become effective January 1, 2023.

Endorsing the Submission of Smart Scale (HB2) Applications Requesting Transportation Funding by the Charlottesville-Albemarle Metropolitan Planning Organization

WHEREAS the Charlottesville-Albemarle Metropolitan Planning Organization (MPO), in cooperation with the Virginia Department of Transportation (VDOT) and the Thomas Jefferson Planning District Commission (TJPDC) completed a comprehensive Long Range Transportation Plan ("2045 LRTP") in May 2019; and

WHEREAS the 2045 LRTP includes certain transportation improvements described within this resolution; and

WHEREAS the Hydraulic Small Area Plan was adopted as an amendment to the Charlottesville Comprehensive Plan on May 7, 2018; and

WHEREAS the MPO Policy Board has identified transportation projects which are critical to improve safe and efficient movement of people and goods along public roadways in the Charlottesville- Albemarle Metropolitan area; and

WHEREAS during its 2014 session, the Virginia General Assembly enacted legislation in the form of House Bill 2 ("HB2") which established new criteria for the allocation of transportation funding for projects within the state ("Smart Scale"); and

WHEREAS the Commonwealth Transportation Board, during its board meeting on June 17, 2015, approved the Policy and Guidelines for Implementation of a Project Prioritization Process in accordance with Smart Scale; and

WHEREAS many of the transportation projects identified by the MPO meet the eligibility criteria for Smart Scale funding; and

WHEREAS it is in the best interests of the Charlottesville-Albemarle Metropolitan Transportation Planning Area that the City of Charlottesville, Albemarle County, and the MPO should submit Smart Scale applications requesting state funding for eligible transportation projects; NOW, THEREFORE,

BE IT RESOLVED by the Council of the City of Charlottesville that the Council fully endorses the submission of a Smart Scale application by the MPO to the Commonwealth to seek funding for the following transportation projects:

Projects within the City of Charlottesville:

- 1. Avon Street Multimodal Improvements
- 2. District Avenue (at Hydraulic Road) Roundabout
- 3. Fifth Street Multimodal Improvements
- 4. Rivanna River Bicycle and Pedestrian Bridge Crossing

ADOPTED the 1st day of August 2022 by the Charlottesville City Council