



**CITY COUNCIL AGENDA  
September 19, 2011**

**6:00 p.m. – 7:00 p.m.**

Closed session as provided by Section 2.2-3712 of the Virginia Code  
(Second Floor Conference Room)

**TYPE OF ITEM**

**SUBJECT**

**CALL TO ORDER  
PLEDGE OF ALLEGIANCE  
ROLL CALL**

**AWARDS/RECOGNITIONS  
ANNOUNCEMENTS**

Infant Mortality Awareness Month; Celebrate 250!

**MATTERS BY THE PUBLIC**

Public comment will be permitted for the first 12 speakers to sign up in advance of the meeting (limit of 3 minutes per speaker) and at the end of the meeting on any item, provided that a public hearing is not planned or has not previously been held on the matter.

**COUNCIL RESPONSES TO MATTERS BY THE PUBLIC**

**1. CONSENT AGENDA\***

(Items removed from the consent agenda will be considered at the end of the regular agenda.)

a. Minutes of September 6

b. **APPROPRIATION:**

Virginia Juvenile Community Crime Control Act Grant (VJCCCA) – \$452,704  
(2<sup>nd</sup> of 2 readings)

c. **APPROPRIATION:**

FY2012 Friendship Court Sponsorship Agreement for Enhanced Police Coverage (1<sup>st</sup> Quarter) – \$22,130.50 (2<sup>nd</sup> of 2 readings)

d. **APPROPRIATION:**

McIntire Park Bike/Pedestrian Bridge Transportation Enhancement Funding Grant Phase I and II - \$517,500 (1<sup>st</sup> of 2 readings)

e. **APPROPRIATION:**

Donation for Riverview Park Improvement – \$2,000 (1<sup>st</sup> of 2 readings)

f. **APPROPRIATION:**

Recycled Railroad Steel Income - \$1,870 (1<sup>st</sup> of 2 readings)

g. **APPROPRIATION:**

2012 Department of Motor Vehicles Virginia Highway Safety Grant – \$30,386  
(1<sup>st</sup> of 2 readings)

h. **APPROPRIATION:**

2011 Edward Byrne Memorial Justice Assistance Grant (JAG) – \$37,336  
(1<sup>st</sup> of 2 readings)

i. **RESOLUTION:**

Honorary Street Name Designations (1<sup>st</sup> of 1 reading)

j. **RESOLUTION:**

Support of Restoration of State Funding for Aid to Localities (1<sup>st</sup> of 1 reading)

k. **RESOLUTION:**

Paving of School Bus Parking Lot - Transfer of Funds to Facilities Repair Fund - \$85,122.99 (1<sup>st</sup> of 1 reading)

l. **RESOLUTION:**

Buford Cooling Tower Replacement – Transfer of \$40,165 (1<sup>st</sup> of 1 reading)

m. **ORDINANCE:**

Spot Blight Abatement – 704 Montrose (2<sup>nd</sup> of 2 readings)

n. **ORDINANCE:**

Infrastructure Maintenance Bonds (2<sup>nd</sup> of 2 readings)

o. **ORDINANCE:**

IPP for 104 Stadium Rd. (2<sup>nd</sup> of 2 readings)

p. **RESOLUTION:**

Contribution to the Piedmont Council for the Arts (PCA) for Support of City Space Exhibits - \$3,000 (1<sup>st</sup> of 1 reading)

**2. PUBLIC HEARING/RESOLUTION\***

Sublease to Martha Jefferson Hospital at Jefferson School (1<sup>st</sup> of 1 reading)

**3. REPORT**

NDS Infrastructure & Development Project Updates

**4. REPORT**

CAT Services

**5. REPORT**

TJPDC Legislative Package

**6. REPORT**

TJPDC Regional Solid Waste Management Plan

**OTHER BUSINESS**

**MATTERS BY THE PUBLIC**

Limit of 3 minutes per speaker.

\*ACTION NEEDED

Reasonable accommodations will be provided for persons with disabilities upon request.

**APPROPRIATION**  
**Virginia Juvenile Community Crime Control Act Grant (VJCCCA)**  
**\$452,704**

**WHEREAS**, the City of Charlottesville has been awarded \$292,058 from the Virginia Department of Juvenile Justice, and \$52,231 from Albemarle County;

**WHEREAS**, the funds will be used to operate the VJCCCA Programs. The grant award covers the period from July 1, 2011 through June 30, 2012

**NOW, THEREFORE BE IT RESOLVED** by the Council of the City of Charlottesville, Virginia, that the sum of \$452,704 is hereby appropriated in the following manner:

**Revenue – \$452,704**

\$292,058	Fund: 220	Cost Center: 3523001000	G/L Account: 430080
\$52,231	Fund: 220	Cost Center: 3523001000	G/L Account: 432030
\$108,415	Fund: 220	Cost Center: 3523001000	G/L Account: 498010

**Expenditures - \$452,704**

\$452,704	Fund: 220	Cost Center: 3523001000	G/L Account: 530010
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**BE IT FURTHER RESOLVED**, that this appropriation is conditioned upon the receipt of \$292,058 from VA Department of Juvenile Justice, and \$52,231 from Albemarle County.

**APPROPRIATION**  
**2012 Friendship Court Sponsorship Agreement for Enhanced Police Coverage**  
**(1<sup>st</sup> Quarter)**  
**\$22,130.50**

**WHEREAS**, the City of Charlottesville has received a donation from Friendship Court to fund enhanced police coverage for the areas defined in the Sponsorship Agreement, including salary, equipment, technology and related administrative expenses associated with provisions of such enhanced coverage, for the period of July 1, 2011 to September 30, 2011.

**NOW, THEREFORE BE IT RESOLVED** by the Council of the City of Charlottesville, Virginia, that the sum of \$22,130.50, to be received as a donation from Friendship Court, is hereby appropriated in the following manner, and is conditioned upon receipt of \$22,130.50 from Friendship Court.

**Revenues - \$22,130.50**

Fund: 105                      Internal Order: 2000005                      G/L Account: 451999

**Expenditures - \$22,130.50**

Fund: 105                      Internal Order: 2000005                      G/L Account: 510060

## **RESOLUTION**

**BE IT RESOLVED** by the Council for the City of Charlottesville, Virginia, that this Council hereby adopts an Honorary Street Name Policy, a copy of which is attached hereto, to honor individuals or events of local significance to Charlottesville.

## Honorary Street Name Policy

1. The following restrictions and process for honorary street name designations shall apply.
  - a. **Honorary street name designations should be limited to individuals, or events that have made an important and lasting contribution to the City of Charlottesville or represent a key part of its history.**
    - The street to be designated should have a connection to the individual/event and his/its contribution.**
    - This designation should not be used for an individual or event already recognized in some significant manner.**
  - b. The application form (see Attachment 1) should be submitted directly to the Clerk of City Council.
  - c. The application can be completed and submitted by any individual or group in Charlottesville.
  - d. The completed application will be circulated to Council before formal Council action is taken.
  - e. A Council Resolution will be prepared, outlining the proposed designation and providing an estimate of cost impacts including sign manufacture and installation and any other costs that might be incurred. NDS will prepare the appropriate staff memo.
  - f. Upon approval, the Public Works Department will implement the honorary street name designation.
2. Application Form. Attachment 1 is a proposed application form for requesting honorary street name designation. The forms will be made available at City Hall and can be downloaded from the City's website. The forms require submission directly to the Clerk of City Council.
3. Proposed Process. The proposed procedure includes the following steps.
  - a. Individuals or groups wishing to propose honorary street name designation will complete application form and submit it to the Clerk of City Council.
  - b. The Clerk will determine if there is sufficient support on Council for the request to be considered by Council.
  - c. NDS will prepare a brief memo to Council that identifies any cost impacts associated with the request and background on the individual nominated for the honor.
  - d. A Council Resolution will be prepared.
  - e. Upon final approval by City Council, the Public Works Department will install the sign.
  - f. Upon approval, NDS staff will send notice to all impacted properties and to public safety agencies.

**Resolution**  
**Support of Restoration of State Funding for Aid to Localities**

**WHEREAS**, state financial assistance for mandated and high priority programs, including public education, health and human services, public safety and constitutional officers, is \$800 million less in FY12 than in FY09; and

**WHEREAS**, cities and counties must balance their budgets during a time in which future state assistance is unreliable, federal stimulus dollars are dwindling, and other local revenues are unpredictable; and

**WHEREAS**, the Appropriation Act contains \$60 million in across-the-board cuts to cities and counties for both FY11 and FY12, under which localities are required to either elect to take reductions in particular state aid programs, or to send the State a check for the amounts determined by the Department of Planning and Budget (“Local Aid to the State”); and

**WHEREAS**, the reductions are applied to essential services, including law enforcement, jail administration, foster care and child protection services, election administration and social services; and

**WHEREAS**, the City of Charlottesville does not have the authority to unilaterally decide to discontinue providing services such as election administration or to refuse to house and care for State prisoners in local and regional jails; and

**WHEREAS**, the state budget cuts are not accompanied by any reductions in state-imposed mandates, standards and service requirements, nor do they provide any administrative flexibility for local agencies; and

**WHEREAS**, the City of Charlottesville remitted \$547,533 in FY11 and will be required to remit another \$571,493 in FY12; and

**WHEREAS**, cities and counties will have provided the State with \$220 million by the close of FY12 for this “Local Aid to the State” program; and

**WHEREAS**, these reductions shift State costs to local taxpayers and artificially increases the amount of state surplus revenue; and

**WHEREAS**, State revenues have begun to recover and the State is expecting to have a revenue surplus for the second year in a row; and

**WHEREAS**, the State should not shift its share of the costs for mandates and responsibilities to local governments.

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Charlottesville asks Governor Bob McDonnell to submit a budget amendment to the 2012 session of the General Assembly to reverse the \$60 million-a-year reduction for the current year, FY12, and to eliminate the aid to localities reduction in the budget submitted for FY13 and FY14.

**BE IT FURTHER RESOLVED** that the members of the General Assembly support a budget amendment to the 2012 session of the General Assembly to reverse the \$60 million-a-year

reduction for the current year, FY12, and to eliminate the aid to localities reduction in the budget submitted for FY13 and FY14.

**RESOLUTION**  
**Paving of School Bus Parking Lot – Transfer of Funds to**  
**Facilities Repair Fund**  
**\$85,122.99**

**WHEREAS**, \$85,122.99 in the Pupil Transportation Operating Budget in the General Fund is designated for the paving of the School Bus Lot at Avon Street.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Charlottesville that funds be transferred to the Facilities Repair Fund as follows:

**Transfer From:**

<b>Amount</b>	<b>Fund</b>	<b>Cost Center/Project</b>	<b>G/L Account</b>
\$85,122.99	105	2491001000	530670

**Transfer To:**

\$85,122.99	105	9803030000	561107
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**Transfer To:**

<b>Amount</b>	<b>Fund</b>	<b>Cost Center/Project</b>	<b>G/L Account</b>
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***Revenue:***

\$85,122.99	107	FR-001	498010
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***Expenditure:***

\$85,122.99	107	FR-001	530670
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**RESOLUTION**  
**Buford Cooling Tower**  
**Transfer of \$40,165**

**WHEREAS**, the City of Charlottesville Facilities Development Division has committed additional funding in the amount of \$40,165.00 to the Buford Cooling Tower Project to cover relocating the cooling tower.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Charlottesville, Virginia that the sum of \$40,165 received from the Facilities Development Division is hereby appropriated in the following manner:

**Transfer To - \$40,165**

Fund: 424	Project: P-00504-18 (SH-060)	G/L Account: 498010
Fund: 424	Project: P-00504-18 (SH-060)	G/L Account: 599999

**Transfer From - \$40,165**

Fund: 426	Project: P-00602-01-01 (SH-011)	G/L Account: 561424
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**AN ORDINANCE  
DECLARING PROPERTY LOCATED AT 704 MONTROSE AVENUE  
TO BE A PUBLIC NUISANCE**

**BE IT ORDAINED** by the Council of the City of Charlottesville , Virginia, pursuant to Sec. 5-198 of the Code of the City of Charlottesville:

IT APPEARING TO THIS COUNCIL, based on information presented by the Director of Neighborhood Development Services (“Director”) and the Planning Commission, pursuant to Sections 5-193 through 5-195 of the City Code, THAT the property located at 704 Montrose Avenue (City Tax Map 59, Parcel 189), hereinafter the “Property”, constitutes a Blighted Property, as defined within City Code Sec. 5-192; and

IT APPEARING FURTHER THAT the Owner of the Property, despite having full notice and an opportunity to be heard and to present a plan for curing the blight, has failed to cure, or present a reasonable plan to cure, the conditions constituting the blight; now, therefore

THIS COUNCIL hereby declares the Property at 704 Montrose Avenue to be a nuisance and orders the Director to proceed with demolition and removal of the building located on the Property following the abatement process specified in City Code Sec. 5-198.

**AN ORDINANCE  
AMENDING AND REORDAINING SEC. 34-1104 OF THE  
CODE OF THE CITY OF CHARLOTTESVILLE, 1990, AS AMENDED,  
RELATED TO PUBLIC INFRASTRUCTURE MAINTENANCE BONDS.**

**BE IT ORDAINED** by the Council for the City of Charlottesville, Virginia, that Section 1104 of Article IX (Generally Applicable Regulations) of Chapter 34 (Zoning) of the Charlottesville City Code, 1990, as amended, is hereby amended and reordained as follows:

**ARTICLE IX. GENERALLY APPLICABLE REGULATIONS  
Division 6. Buildings and Structures — Generally**

**Sec. 34-1104. Compliance with building code.**

(a) No building or structure shall be used or occupied except in accordance with a valid certificate of occupancy issued by the city's building code official.

- (1) Upon receipt of a zoning application proposing a change in use of the property, the employee or official receiving the application shall forward it to the city's building code official for review. The building code official will determine whether the property in question has previously been issued a certificate of occupancy and whether any certificate of occupancy or equivalent approval is required by the state building code.
- (2) The zoning administrator's signature on a certificate of occupancy shall constitute his certification that the use that is the subject of the certificate is lawful under the provisions of the city's zoning ordinance.

(b) Within any development containing more than one (1) building or structure, where any buildings or structure have been completed, and are ready for occupancy, prior to the completion of all of the improvements required by the approved site plan for the development, the owner may provide a bond with surety adequate to guarantee the completion of the remaining improvements by a date certain. Upon the provision of such bond, and upon payment of any fee required by the most recent fee schedule adopted by city council, then a certificate of occupancy may be issued by the city's building code official to allow occupancy of buildings or structures already completed.

- (1) The city attorney may approve any of the following substitutes for the required surety bond: letter of credit, joint savings account or other like surety.
- (2) In any case in which any other escrow agent (such as an attorney for a mortgage lender) is holding funds to ensure compliance with the terms of other regulations or agreements, and such funds are in an amount sufficient to ensure compliance both with the terms of this chapter and such other regulations or agreements, the developer shall make arrangements for the city attorney to become a party to such other escrow agreement, as escrow agent for the city; provided, that such other escrow agreement must contain provisions satisfactory to the city attorney to ensure compliance with the requirements of this chapter.

(c) The Director of Neighborhood Development Services may require a public infrastructure maintenance bond from the developer and property owner of a single-family or two-family home at the time of issuance of a certificate of occupancy in instances where the home is (1) not subject to the provisions of Chapter 29 of this Code, and (2) all other required performance and maintenance bonds posted have been fully released. A public infrastructure maintenance bond required shall not exceed an amount reasonably necessary to maintain and repair publicly owned streets, sidewalks, and infrastructure depicted or provided for in the approved plan, plat, permit application, or similar document for which such bond is applicable, on site or immediately adjacent to the construction, and shall not be used for the purpose of repairing infrastructure damage that preexisted the construction, unless otherwise agreed upon by the developer, property owner, and the City, but in no case shall the bond requirement exceed five thousand dollars (\$5,000.00). Upon notification from the developer or property owner that all bonded improvements are complete, an inspection will be conducted by the Department of Neighborhood Development Services within five (5) business days. Any remaining portion of the performance guarantee shall be released within five (5) business days of a satisfactory inspection.

State Code reference—Code of Virginia § 15.2-2209.2.

**AN ORDINANCE  
AMENDING AND REENACTING THE ZONING MAP INCORPORATED  
WITHIN SECTION 34-1 OF THE CHARLOTTESVILLE CITY CODE,  
1990, AS AMENDED, BY THE REZONING OF 104 STADIUM ROAD TO ADD AN  
HISTORIC OVERLAY DISTRICT DESIGNATION TO THE PROPERTY, AND ALSO  
AMENDING AND REENACTING SECTION 34-273 OF THE CHARLOTTESVILLE  
CITY CODE TO ADD THE PROPERTY TO THE CITY'S LIST OF INDIVIDUALLY  
PROTECTED PROPERTIES.**

**WHEREAS**, at its meeting on May 16, 2011, City Council directed the Board of Architectural Review (BAR) and the Planning Commission to research and pursue individually protected property designation for the property at 104 Stadium Road (City Real Estate Tax Map Parcel 16-2); and

**WHEREAS**, on July 19, 2011, the BAR considered the factors set forth within Sec. 34-274 of the City Code and unanimously recommended the designation of 104 Stadium Road as an individually protected property, hereinafter the "Subject Property," and rezoning of the Subject Property to add an historic overlay district designation to the Subject Property on the City's Zoning Map, and to include the Subject Property on the City's list of individually protected properties identified within Sec. 34-273(b) of the Charlottesville City Code (together, the "Proposed Rezoning"); and

**WHEREAS**, a joint public hearing on the Proposed Rezoning was held before the City Council and Planning Commission on August 9, 2011, following notice to the public, to the property owner, and to adjacent property owners as required by law; and

**WHEREAS**, on August 9, 2011 the Planning Commission voted to recommend the Proposed Rezoning; and

**WHEREAS**, this Council finds and determines that:

- (1) The Proposed Rezoning is consistent with the Comprehensive Plan, and with the purpose and intent of Chapter 34, Article II, Division 2 of the City's Zoning Ordinance (Historical Preservation and Architectural Design Control Overlay Districts), including Sec. 34-273 thereof (Individually Protected Properties); and
- (2) Upon consideration of the criteria set forth within Sec. 34-274 of the City Code, the Subject Property is suitable and appropriate for designation as an individually protected historic property; and
- (3) The public necessity, convenience, general welfare, or good zoning practice requires the Proposed Rezoning, and granting the Proposed Rezoning will further the goals and objectives set forth within Sections 34-271 and 34-273 of the City Code; now, therefore,

**BE IT ORDAINED** by the Council for the City of Charlottesville, Virginia, that:

1. The Zoning District Map incorporated by reference within Chapter 34, Article I, Division 1, Section 34-1 of the Code of the City of Charlottesville, 1990, as amended, is hereby amended and reenacted, to designate 104 Stadium Road as an Individually Protected Property and minor design control district.
2. Section 34-273 of Article II of Chapter 34 (Zoning) of the Charlottesville City Code, 1990, as amended, is hereby amended and reordained, as follows:

**Sec. 34-273. Individually protected properties.**

(a) ....

(b) Following is a list of landmarks, buildings and structures outside the city’s major design control districts, which are deemed by city council to be of special historic, cultural, or architectural value (each, individually, a “Protected Property”). Each parcel containing a protected property is hereby designated a minor design control district.

1.	759	Belmont Avenue	Tax Map 58	Parcel 172
2.	123	Bollingwood Road	Tax Map 7	Parcel 22
3.	1102	Carlton Avenue	Tax Map 56	Parcel 86, Lots 1, 2, 3
	...	...		
<b>xx</b>	<b>104</b>	<b>Stadium Road</b>	<b>Tax Map 16</b>	<b>Parcel 2</b>
	...	...		
	...	...		

**RESOLUTION**

Contribution to the Piedmont Council for the Arts (PCA) for Support of City Space Exhibits  
\$3,000

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Charlottesville, Virginia that the sum of up to \$3,000 is hereby paid from currently appropriated funds in the Council Priority Initiatives Account in the General Fund to support City Space exhibits that highlight and provide learning opportunities for children:

Fund: 105

Cost Center: 10110010000

## **RESOLUTION**

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

Sublease Agreement between the City of Charlottesville and Martha Jefferson Hospital for the lease of a portion (1,771 square feet) of the property known as 233 4<sup>th</sup> Street, N.W., for operation of a health clinic.



**THIS SUBLEASE AGREEMENT** (this "Sublease") is made as of this September \_\_\_\_, 2011 (the "Effective Date") by and between the **CITY OF CHARLOTTESVILLE** (hereinafter, "Landlord" or "City"), whose address is P. O. Box 911, Charlottesville, Virginia 22902, and **MARTHA JEFFERSON HOSPITAL**, a Virginia non-profit, non-stock corporation, whose address is 500 Martha Jefferson Drive, Charlottesville, Virginia 22911 (hereinafter, "Subtenant").

**1. DEMISED PREMISES; SUBLEASE TERM.**

- A. This Sublease is made pursuant to the Lease Agreement dated March 1, 2011 by and between Jefferson School Community Partnership, L.L.L.P. and the City of Charlottesville, Virginia and is attached hereto as EXHIBIT "A". The covenants, terms and conditions of that Lease Agreement applicable to the Premises, are hereby incorporated by reference as if set forth verbatim, except to the extent they conflict with this Sublease, in which case the covenants, terms, and conditions of this Sublease shall control.
- B. In consideration of the promises and covenants herein, Landlord hereby subleases to Subtenant a portion of that property located in the City of Charlottesville, Virginia known as 233 4<sup>th</sup> Street, N.W. (the "Building") comprising approximately 1,771 square feet and shown in the plans attached hereto as EXHIBIT "B" (hereinafter, the "Premises").
- C. Subtenant shall have nonexclusive access to the parking structure for staff and visitor use, together with nonexclusive use of all common areas of the Building, including but not limited to corridors, stairwells, entrance ways, restrooms and surrounding grounds, which shall be maintained by Landlord in a good, clean, secure and safe condition as more particularly set forth in the Lease Agreement.
- D. The Term of this Sublease shall commence within 30 days of the City's receipt of a certificate of occupancy, upon delivery of the Premises to Subtenant ("Commencement Date") and shall end, if not sooner terminated, five (5) years thereafter, expiring automatically at midnight ("Expiration"). In the event that the Commencement Date does not occur within twenty-four (24) months of the Effective Date, Subtenant may, by written notice to Landlord, terminate this Sublease, which shall have no further force or effect.

**2. BASE RENT AND REIMBURSEMENT FOR UP-FIT COSTS.**

- A. Commencing as of the Commencement Date, Subtenant agrees to pay to the Landlord rent in the annual amount of Forty-Four thousand and Two Hundred and Seventy Five dollars (\$44, 275.00) for the first year. The Subtenant shall pay the Landlord the rent, in advance, in twelve (12) equal monthly installments on the fifteenth day of each calendar month for the duration of the Term of this Sublease.

- B. Commencing as of the Effective Date, Subtenant agrees to reimburse the Landlord for the costs of the up-fit work shown in the plans attached in EXHIBIT "B" and the description of work and cost estimates attached hereto as EXHIBIT "C". Landlord shall regularly invoice Subtenant, providing copies of Landlord's itemized contractor invoices or receipts marked "paid," and Subtenant agrees to pay to the Landlord the amount of the invoice within thirty (30) days of receipt until the total costs of the up-fit have been reimbursed to the Landlord. Landlord will obtain Subtenant's advance approval of any material deviations from the plans attached in EXHIBIT "B" and of any costs or charges that exceed the estimates attached in EXHIBIT "C". The total approved cost of the up-fit must be reimbursed to the Landlord prior to the Commencement Date.
3. **RENT ADJUSTMENT.** The Base Rent shall be adjusted by the lesser of (a) three (3) percent annually after the first year during the Term of this Sublease, or (b) the change in the Consumer Price Index for Urban Earners and Clerical Workers, United States and Selected Areas, All Items (CPI-W) for the preceding 12-month period, as published by the Bureau of Labor Statistics, United States Department of Labor, using the most current data available as of each anniversary of the Commencement Date. Notwithstanding the foregoing, in no case shall the annual adjustment be less than zero percent. Landlord shall notify Subtenant of the rent increase percentage and the net adjusted amount of the annual base rent no less than thirty (30) days prior to the effective date of the rent increase. Failure to notify will not result in abatement of the increase, and the increased rate shall be due and payable notwithstanding failure to notify per the above terms.
4. **SUBLET; USE OF PREMISES FOR SPECIFIC PURPOSE.**
- A. The Premises shall be used by the Subtenant primarily as a health clinic providing routine medical advice, vaccinations and laboratory testing, medications for patients (not a commercial pharmacy) and preventive care, but not including any on-site surgical, radiological, hospital or emergent care services.
- B. Subtenant may not sublet any portion of the Premises.
5. **SUBTENANT ALTERATIONS.** Any permanent alterations, additions and improvements to the Premises must be approved in writing by Landlord prior to the commencement of construction. All such alterations, additions, and improvements to the Premises, excluding any trade fixtures that may be removed by Subtenant provided any damage to the Premises occasioned by removal is repaired, shall inure to the benefit of and shall be the property of the Landlord.
6. **LANDLORD INSPECTIONS; RIGHT OF ENTRY.** Landlord shall have the right to enter the Premises at reasonable times to make inspections of the condition of the Premises, repairs, alterations or improvements, and to show the Premises to prospective purchasers, tenants, workers and/or contractors. Except in emergencies

or when circumstances otherwise render advance notice impractical the Landlord will give Subtenant reasonable notice (no less than 24 hours) of Landlord's intent to exercise this right of entry. Landlord's agents shall check-in with Subtenant's on-site personnel upon entering the interior of the Premises. Subtenant reserves the right to escort Landlord's personnel or contractors, at Subtenant sole cost, while on the Premises. During the performance of this Sublease, Landlord may have access to patient healthcare, billing, or other confidential patient information ("Patient Information"). Patient Information, as the term is used herein, includes all "Protected Health Information," as that term is defined in 45 CFR 164.501. With respect to Patient Information observed or obtained from Subtenant or on the Premises, Landlord shall comply with all laws, rules and regulations relating to the confidentiality of such Patient Information, including the applicable provisions of state law and the privacy regulations promulgated pursuant to Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), to the extent such laws, rules and regulations are applicable to Landlord. Landlord understands and acknowledges that it is fully responsible for ensuring compliance with these obligations by its employees, agents, representatives and subcontractors.

## **7. LANDLORD'S COVENANTS.**

### **A. Landlord covenants and agrees to:**

1. Comply with the requirements of applicable building and housing codes materially affecting health and safety;
2. Pay electric, water, sewer and HVAC utility bills assessed to the Premises.
3. Pay any applicable property taxes and insurance costs pursuant to Section 2(b) of the Lease Agreement, attributable to the Premises.
4. Provide for routine maintenance and repairs of HVAC systems, plumbing, structural systems, including the roof, exterior walls, windows and doors of the Building, and electrical distribution system within the Premises.
5. Provide for exterior keying sequence.

### **B. Landlord further covenants that the Subtenant, on paying the rent and performing the covenants and conditions contained in this Sublease, may peaceably and quietly have, hold and enjoy the leased Premises, subject to the other terms of this Sublease.**

### **C. To the extent permitted by applicable law, Landlord agrees to release, indemnify, protect, and hold the Subtenant, its officers, agents and employees harmless from any loss, liability or obligation of any nature whatsoever, which may occur by reason of the Landlord's negligent acts or omissions in the performance of this Sublease or its use or occupancy of the Building. This indemnification shall continue in full force and effect notwithstanding the termination of this Sublease.**

## 8. SUBTENANT'S COVENANTS.

Subtenant covenants and agrees to:

- A. Pay any and all costs associated with IT, cable and network connections, and telephone service.
- B. Reimburse the Landlord for the full amount of the up fit costs/alterations, as agreed to in writing by separate agreement and signed by the Landlord and Subtenant.
- C. Purchase lost keys from the Landlord, and reimburse the Landlord for the cost of re-keying the exterior doors.
- D. Keep and maintain the Premises in good, clean, secure and safe condition, including:
  - 1. Subtenant shall comply with obligations imposed upon subtenants by applicable building and housing codes materially affecting health and safety;
  - 2. Subtenant shall use all appliances, and all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other systems, in a reasonable and safe manner;
  - 3. Subtenant agrees to pay all costs resulting from the intentional or negligent destruction, damage or removal of any part of the Premises by the Subtenant or its invitees;
  - 4. Subtenant agrees to provide for all janitorial tasks of the Premises;
  - 5. Subtenant agrees to maintain laboratory equipment and special fixtures related to Subtenant's health care activities;
  - 6. Subtenant agrees to be responsible for interior painting and routine maintenance within the Premises such as maintaining light fixtures;
  - 7. Subtenant agrees to dispose of medical waste pursuant to applicable regulations and laws;
  - 8. Subtenant agrees to secure all medications, vaccinations and prescription pads in locked and secure areas.
- E. Subtenant shall immediately notify the Landlord of any condition on the Premises that constitutes a fire hazard or other serious threat to the life, health or safety of the occupants of the Premises. Additionally, the Subtenant shall provide prompt written notice to the Landlord of any defects or malfunctions in the Premises or in any of the equipment, appliances or parts thereof, as soon as the Subtenant becomes aware of them.
- F. Subtenant covenants and agrees that upon the expiration or termination of this Sublease: (i) the Subtenant will deliver the Premises in the same condition in

which they were received, ordinary wear and tear excepted; and (ii) the Premises shall be thoroughly cleaned. In the event any of the above conditions have not been met by Subtenant prior to its vacation of the Premises, the Subtenant agrees to pay all costs and expenses incurred by the Landlord to do so.

- G. Subtenant agrees to release, indemnify, protect, and hold the Landlord, its officers, agents and employees harmless from any loss, liability or obligation of any nature whatsoever, which may occur by reason of the Subtenant's use of the Premises, unless caused by the negligent acts or omission of Landlord or its agents. This indemnification shall continue in full force and effect notwithstanding the termination of this Sublease. The Subtenant shall maintain in force comprehensive general liability insurance coverage in a minimum amount of \$4,000,000 in respect to injury or death and \$1,000,000 in respect to any instance of property damage, with an insurer authorized to do business in Virginia. Such policy shall name the City as an additional insured and shall provide that such coverage shall not be cancelled without thirty (30) days written notice to the City. The Subtenant shall submit evidence of such insurance coverage to the Charlottesville City Attorney for approval prior to the Commencement Date of this Sublease.
- H. The Subtenant shall not deliberately or negligently destroy, deface, damage, impair or remove any part of the Premises or permit any other person to do so. Subtenant shall be liable for all costs and expenses necessary to repair or replace the Premises, or any portion thereof, as a result of such deliberate or negligent acts.
- I. Subtenant shall not commit or permit any waste or nuisance on or about the Premises, nor do anything that might create a hazard of fire on or within the Premises.

## **9. DAMAGE TO PREMISES**

- A. In the event the Premises are destroyed or substantially damaged by fire or other casualty, and thereby rendered unfit for occupancy, the Term of this Sublease shall, at the option of either party upon reasonable notice to the other, terminate as of the date of such damage. Under those circumstances, accrued rent shall be paid up to the time of such damage. If neither party desires to terminate the Sublease, the Landlord shall enter and repair the Premises with reasonable speed and rent shall be waived during any period in which the Premises remain unfit for occupancy. Once the Premises have been restored to a condition which is suitable for occupancy, the Subtenant's rental obligation shall re-commence, but may be reduced by a reasonable amount for any period during which repairs continue, until such repairs have been completed.
- B. The Landlord shall maintain fire and extended coverage insurance on the Premises in an amount deemed adequate by the Director of Finance for the City of Charlottesville.

- C. The Subtenant shall, at its own cost and expense, obtain adequate coverage for insuring the contents of the Premises against fire, theft or other peril, and the City expressly disclaims any liability for damages or loss of any nature whatsoever which may occur to the property of the Subtenant, its employees, or invitees while such property is located on the Premises.

**10. HOURS OF OPERATION.** Subtenant shall establish regular hours during which the Premises will be open to the public. At a maximum, the Premises shall be open from 7 a.m. to 10 p.m., and shall be closed on holidays.

**11. DEFAULT; TERMINATION.**

- A. The following shall constitute events of Default by Subtenant: (i) any material breach of this Sublease by Subtenant, including, without limitation, any breach that substantially endangers the health or safety of any person; (ii) Subtenant's abandonment of the Premises; (iii) Subtenant's failure to make any payment of past-due rent under this Sublease for a period of fifteen (15) days after written notice; (iv) use of the Premises by Subtenant, its employees or agents to intentionally violate federal, state or local law; (v) Subtenant's denial of any right reserved in this Sublease to the Landlord; (vi) filing by the Subtenant or against the Subtenant in any court pursuant to any statute of a petition of bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Subtenant's property or an assignment by the tenant for the benefit of creditors, provided that such proceedings are not dismissed within 90 days after the commencement of same; (vii) failure by the Subtenant to maintain its status as a non-profit, non-stock organization, and (viii) the institution of legal proceedings by or against Subtenant to levy upon or dispose of Subtenant's leasehold interest in the Premises.

1. If Subtenant is in default for non-payment of rent, and such default continues for thirty (30) days following written notice from the Landlord demanding possession of the Premises or the payment of rent, then the Subtenant shall thereby forfeit its right to possession of the Premises. In such case, Subtenant's possession may, at the Landlord's option, be deemed unlawful and the Landlord may proceed to recover possession through all lawful means and proceedings.
2. In the event of a default for reasons other than failure to pay rent, the Landlord shall serve Subtenant with a written notice stating the acts or omissions constituting the default and stating that the Lease will terminate, as set forth within the notice, upon a date not less than 30 days after Subtenant receives the notice, unless the default is remedied within 21 days. If the breach is remediable by repairs or the payment of damages, and Subtenant adequately remedies the breach within 21 days or such longer period of time as Landlord may specify in writing, the Sublease shall not terminate.

3. In the event the Landlord pursues any remedies referenced above, the Subtenant shall be liable as follows: (a) for all installments of rent and other charges that are past due, (b) for all installments of rent and other charges that are due and owing for the remainder of the Term of this Sublease, in an amount not to exceed twelve (12) months of the then-current base rent, as fixed, agreed and liquidated damages; (c) for any court costs incurred by the Landlord for possession of the Premises and for collection of unpaid rent or other charges under this Sublease; and (d) for reasonable attorney's fees incurred by the Landlord to obtain possession of the Premises or to collect rent, damages, or other charges under this Sublease.
- B. The following shall constitute events of Default by Landlord: (i) any material breach of this Sublease by Landlord, including, without limitation, any breach that substantially endangers the health or safety of any person; (ii) Landlord's failure to enforce the material obligations of Jefferson School Community Partnership, L.L.L.P., as landlord under the Lease Agreement with respect to the Premises or common areas of the Building; and (iii) Landlord's failure to comply with any federal, state or local law pertaining to this Sublease.
1. In the event of a Default by Landlord the Subtenant shall serve a written notice to the Landlord specifying the acts or omissions constituting the Default and stating that this Sublease will terminate on a specific date not less than 30 days after receipt of the notice if such breach is not remedied within 21 days. If the breach can be remedied by payment or repairs, and the Landlord adequately remedies the breach prior to the date specified in the notice, this Sublease shall not terminate.
  2. The Subtenant may not terminate this agreement for a condition caused by the deliberate or negligent act of the Subtenant, or its invitees.
  3. The Subtenant may recover damages and reasonable attorney's fees and may obtain any other action or remedy permitted by law for Landlord's failure to abide by the provisions of this Sublease. The Subtenant's recourse to any particular remedy shall not deprive him of any other action or remedy.
- C. Prior to Expiration, if the Subtenant deserts the Premises, the Landlord may deem the Sublease in default and the Premises to be abandoned. The Landlord shall post in a conspicuous area on the Premises a notice declaring the Premises abandoned. Thereafter, the Landlord may enter and secure Premises and, after compliance with any applicable provisions of state law, the Landlord shall be entitled to possession.
- D. Upon termination or expiration of this Sublease, Landlord shall have the right to reenter and repossess the Premises and may dispossess the Subtenant and remove the Subtenant and all other persons and property from the Premises. Subtenant shall leave the Premises in good and clean condition, ordinary wear and tear excepted.
12. **NOTICES.** All notices required by this Sublease, and all correspondence concerning

this Sublease, shall be sent by first class United States mail (postage prepaid) and effective two (2) business days after mailing or by reputable overnight courier and effective one (1) business day after deposit with such courier, to the following individuals:

- A. To Landlord: to the attention of the City Manager for the City of Charlottesville, addressed as follows: P. O. Box 911, Charlottesville, Virginia 22902.
- B. To Subtenant, to the address appearing on the first page of this Sublease, or such other address as the Tenant may designate in writing from time to time.

13. **HEADINGS.** The headings of the sections of this Sublease are inserted for convenience only and do not alter or amend the provisions that follow such headings.

14. **GOVERNING LAW.** This Sublease shall be construed, interpreted and applied in accordance with the laws of the Commonwealth of Virginia.

15. **SEVERABILITY.** Any provision of this Sublease which is prohibited by, or declared by a court of competent jurisdiction to be unlawful or unenforceable under Virginia law shall be ineffective only to the extent of such prohibition or declaration; the remaining provisions of this Sublease shall remain in full force and effect.

16. **NO WAIVERS.** Failure of the Landlord to insist, in any one or more instances, upon a strict performance of the covenants of this Sublease, or to exercise any option herein contained, shall not be construed as a waiver or a relinquishment of such right, but the same shall continue and remain in full force and effect. No waiver by the landlord of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Landlord.

17. **AMENDMENTS.** This Sublease may not be amended or modified except by written agreement signed by both parties.

18. **BENEFITS.** This agreement is binding upon and shall inure to the benefit of all the respective parties hereto, their respective successors, legal representatives and assigns.

19. **ENTIRE AGREEMENT.** This Sublease shall constitute the full and complete agreement between the parties, and no other prior or contemporaneous writings or statements shall be of any consequence or have any legal effect.

20. **COUNTERPARTS.** This Sublease may be executed in multiple original counterparts, each of which shall be an original, but all of which shall constitute one and the same agreement.

[Signatures on following page]



WITNESS the following signatures and seals.

LANDLORD  
CITY OF CHARLOTTESVILLE

---

Maurice Jones, City Manager

SUBTENANT  
MARTHA JEFFERSON HOSPITAL

---

By:  
Name:  
Title:

**EXHIBIT “A”**  
Lease Agreement

(attach here)

**EXHIBIT “B”**  
Space Plan for Premises

(attach here)