

CITY COUNCIL AGENDA March 4, 2025 City Hall Council Chamber CERTIFICATIONS

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

4:00 PM OPENING SESSION

Call to Order/Roll Call

Agenda Approval APPROVED 5-0 (PINKSTON/PAYNE)

Reports

1. Report: Solid Waste Program Presentation

2. Report: Natural Gas Decarbonization Next Steps

5:30 PM CLOSED MEETING (if called)

Vote to meet in closed meeting APPROVED 5-0 (PINKSTON/SNOOK) Vote to certify closed meeting APPROVED 5-0 (PINKSTON/PAYNE)

6:30 PM BUSINESS SESSION

Moment of Silence

Announcements

Recognitions/Proclamations

Proclamation: Charlottesville Area Association of REALTORS® (CAAR) 100th Year

Proclamation: American Red Cross Month

Proclamation: Social Work Month

Proclamation: Multiple Sclerosis Education and Awareness Month

Proclamation: Zion Union Baptist Church 130th Anniversary

Community Matters

Consent Agenda* APPROVED 5-0 (PINKSTON/OSCHRIN)

3. Minutes: February 18 regular meeting

4. Resolution: Resolution to Approve Reimbursement of \$285,861.38 for #R-25-016 Buford/Charlottesville Middle School project (2nd reading)

5. Ordinance: Ordinance for Temporary Aerial Easement for the Verve Charlottesville #O-25-017 PUD at 409 Stadium Road (2nd reading)

6. Resolution: Resolution Supporting Kindlewood/Friendship Court Phase 3 #R-25-018 Redevelopment Efforts

7. Resolution: Resolution to appropriate funding from the FY24 State Criminal Alien

Assistance Program (SCAAP) Grant for Albemarle Charlottesville Regional

Jail - \$9,036 (1 of 2 readings)

8. Resolution: #R-25-019 Resolution for a Special Exception Permit at 818-820 E Jefferson

9. Resolution: #R-25-020 Resolution for a Special Exception Permit at 400-426 Garrett Street

City Manager Report

Report: City Manager Report

Action Items

10. **Resolution:** Resolution Approving Performance Agreement to Support 501 Cherry

#R-25-021 Avenue Redevelopment Efforts

APPROVED 5-0 (PINKSTON/PAYNE)

Resolution Designating Preservation of Affordable Housing, Inc.'s, Site at 11. **Resolution:**

10th and Wertland Street, SW Corner, as a Revitalization Area (Parcel

Numbers: 100053000: 100039000: 100038000, and 100037000): (1 of 2

readings)

APPROVED 5-0 (OSCHRIN/PINKSTON), waived 2nd reading.

12. Ordinance: Ordinance Amending Memorandum of Agreement and its corresponding **#O-25-023**

Ordinance (#O-24-089) authorizing a grant of public funding to subsidize

the South First Street Phase Two Redevelopment Project of Charlottesville Redevelopment and Housing Authority (1 of 2 readings).

APPROVED 5-0 (OSCHRIN/SNOOK), waived 2nd reading.

General Business

13. Presentation: School Board Adopted Budget for Fiscal Year 2026

14. Presentation: Proposed City Budget for Fiscal Year 2026

Community Matters (2)

#R-25-022

Adjournment

APPROVED 5-0 (SNOOK/PINKSTON)

RESOLUTION to APPROPRIATE FUNDS Appropriation of Funds from Charlottesville City Schools (CCS) to the Buford Middle School Project - \$285,861.38

WHEREAS, the Charlottesville City Schools has made a supplemental contribution to the Buford Middle School project for vape sensors at 54 student bathrooms and access controls at 14 ADA bathrooms;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that \$285,861.38 from CCS is to be appropriated in the following manner:

Revenues - \$285,861.38

Fund: 426 Funded Program: P-01012 G/L Account: 432085

Expenditures - \$285,861.38

Fund: 426 Funded Program: P-01012 G/L Account: 599999

ORDINANCE GRANTING A TEMPORARY AERIAL EASEMENT TO CHARLOTTESVILLE STADIUM ROAD PROPERTIES KP7, LLC FOR CONSTRUCTION OF THE VERVE CHARLOTTESVILLE PROJECT

WHEREAS, Charlottesville Stadium Road Properties KP7, LLC, a Delaware limited liability company, has requested the City Council grant to it a temporary aerial easement across a portion of the City-owned public right of ways for Montebello Circle, Stadium Road, Emmet Street South, and Jefferson Park Avenue, identified as "Temporary Tower Crane #1 Swing Easement," "Temporary Tower Crane #2 Swing Easement," and "Temporary Tower Crane #3 Swing Easement" on a plat dated October 16, 2024 prepared by Timmons Group; and

WHEREAS, the proposed aerial easements will facilitate construction of one or more buildings known as the Verve Charlottesville Project and construction should be completed within five (5) years; and

WHEREAS, in accordance with Virginia Code Section 15.2-1800(B) City Council held a public hearing on the proposed easements following notice as required by law; and

WHEREAS, City staff have reviewed the request and have no objection to the conveyance of said easements.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Charlottesville, Virginia that the Mayor is hereby authorized to execute a deed to convey the aerial easements requested by Charlottesville Stadium Road Properties KP7, LLC, as described within the above-referenced plat, provided that such easement shall commence as of the date on which a building permit is issued from construction of the Verve Charlottesville Project and shall extend not more than five (5) years from the date of issuance of the building permit; and further, the Mayor is authorized to execute such other documents as may be required in connection with this conveyance, and all documents shall be in a form approved by the City Attorney.

RESOLUTION SUPPORTING KINDLEWOOD/FRIENDSHIP COURT PHASE 3; PARCEL NUMBER: 280112000

- **WHEREAS**, the Piedmont Housing Alliance ("PHA") is continuing to redevelop the 11.75-acre Friendship Court property in the City of Charlottesville, Virginia ("City"), in four (4) Phases over the next four (4) to five (5) years; and
- **WHEREAS,** this \$100 million+ project ("Project") includes the creation of approximately 400 affordable units, with multiple tiers of affordability; and
- WHEREAS, the redevelopment Project will also include commercial and community space, as well as associated infrastructure and parking; and
- WHEREAS, to help facilitate Project financing, PHA has again requested that the City consider a Performance Agreement that will share the incremental increase in real estate tax revenue generated by the investment; and
- **WHEREAS,** with a commitment from the City to contribute the future revenue stream (as a Grant), PHA will leverage this to create a portion of the funds needed to fund Phase 3 of the Project; and
- **WHEREAS,** Phase 3 will specifically help to subsidize the creation of approximately seventy-nine (79) newly constructed affordable housing units; and
- WHEREAS, PHA's request does not ask for additional current revenue, it only requests future revenue that comes with an increased tax base. (As a point of clarification, the City has allocated a contribution to this Project as part of its annual Capital Improvement Plan. The proposed Performance Agreement discussed herein is separate and distinct from that contribution); and
- WHEREAS, the City, in conjunction with the Charlottesville Economic Development Authority, has used the Performance Agreement concept in the past to incentivize significant capital investment and the creation and preservation of affordable housing. There is no risk to the City, as the Grant occurs only after the investment has been made, and once the additional tax increment materializes. The City does forego a portion of the real estate tax generated by the Project until the Performance Agreement terminates; and
- WHEREAS, similar Performance Agreements are in place for Phases 1 and 2 of the Project.
- **NOW, THEREFORE BE IT RESOLVED,** that City Council hereby commits to PHA to pursue a Performance Agreement that shares a portion of the incremental increase in real estate tax created by the improvements contemplated for the Project, in the form of an annual Grant for

a specified period of years, all as specified in a Performance Agreement in a form and substance required by the City; and

BE IT FINALLY RESOLVED, that the Grant will support the redevelopment of Phase 3 of the Project, and the commitment will specifically help to subsidize the creation of approximately 79 newly constructed affordable housing units in the City, through Phases 3A and 3B.

RESOLUTION APPROVING A SPECIAL EXCEPTION PERMIT FOR PROPERTY LOCATED AT 818-820 E JEFFERSON STREET

WHEREAS, landowner East Jefferson Assemblage, LLC is the current owner of a lot identified on 2025 City Tax Map 53 as Parcel 180 (City Parcel Identification No. 530180000), having an area of approximately 0.67 acres (29,050 square feet) (the "Subject Property"), and

WHEREAS, the landowner proposes to install fences on the Subject Property in the 9th Street NE front yard and E Jefferson Street side street yard ("Project"); and

WHEREAS, the Project is described in more detail within the Applicant's application materials submitted in connection with Application PL-24-0132, as required by City Development Code Section 34-5.2.15.B.2 (collectively, the "Application Materials"); and

WHEREAS, the Planning Commission made a recommendation of approval at their February 25, 2025 public meeting per City Development Code Section 34-5.2.15.C.2; and

WHEREAS, upon consideration of the Planning Commission's recommendation and the Staff Reports discussing this application, as well as the factors set forth within City Development Code Section 34-5.2.15.D, this Council finds and determines that granting the proposed Special Exception Permit would serve the public necessity, convenience, general welfare or good zoning practice; now, therefore,

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that, pursuant to City Code Development Sections 34-2.5.5.B.6 and 34-5.2.15, a Special Exception Permit is hereby approved and granted to authorize the Project and permit installation of fences consistent with the Application Materials on the Subject Property within the 9th Street NE front yard and E Jefferson Street side street yard.

RESOLUTION APPROVING A SPECIAL EXCEPTION PERMIT FOR PROPERTY LOCATED AT 400-426 GARRETT STREET

WHEREAS, landowner NHTE Piedmont Garrett Square Limited Partnership is the current owner of a lot identified on 2025 City Tax Map 28 as Parcel 112 (City Parcel Identification No. 280112000), having an area of approximately 5.3 acres (230,870 square feet) (the "Subject Property"), and

WHEREAS, the landowner proposes to modify the minimum street-facing entry spacing requirements on the Subject Property for Building 12 along 2nd Street SE and Hinton Avenue Extended ("Project"); and

WHEREAS, the Project is described in more detail within the Applicant's application materials submitted in connection with Application PL-25-0021, as required by City Development Code Section 34-5.2.15.B.2 (collectively, the "Application Materials"); and

WHEREAS, the Planning Commission made a recommendation of approval at their February 25, 2025 public meeting per City Development Code Section 34-5.2.15.C.2; and

WHEREAS, upon consideration of the Planning Commission's recommendation and the Staff Reports discussing this application, as well as the factors set forth within City Development Code Section 34-5.2.15.D, this Council finds and determines that granting the proposed Special Exception Permit would serve the public necessity, convenience, general welfare or good zoning practice; now, therefore,

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that, pursuant to City Code Development Sections 34-2.4.4.B.5 and 34-5.2.15, a Special Exception Permit is hereby approved and granted to authorize the Project and require no minimum street-facing entry spacing for Building 12, as identified in the Application Materials, on the 2nd Street SE and Hinton Avenue Extended facades on the Subject Property with the following conditions:

- 1. At least two (2) street-facing entries with entry features meeting the requirements of Section 34-2.10.13.B are required on the 2nd Street SE building façade of proposed Building 12, as identified in the Application Materials.
- 2. Features to promote visual interest in the public realm and maintain walkability and public safety, which may include but are not limited to building-mounted decorative screening, hardscape features, and specialized plantings, are required along 2nd Street SE.

APPROVING RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTESVILLE, VIRGINIA

WHEREAS, the Economic Development Authority of the City of Charlottesville, Virginia (the "Authority"), a political subdivision of the Commonwealth of Virginia (the "Commonwealth"), was established to promote the safety, health, welfare, convenience or prosperity of the inhabitants of the City of Charlottesville, Virginia a municipal corporation and body politic and a political subdivision of the Commonwealth of Virginia (the "City") by improving and rehabilitating a distressed area of the City which will enhance the tax base in the City and create opportunities for commercial and other economic development in the City; and

WHEREAS, the City Council of the City (the "City Council") is empowered pursuant to Section 15.2-953 of the *Code of Virginia*, 1950, as amended (the "Code"), to make appropriations of public funds to the Authority for the purpose of promoting economic development in the City; and

WHEREAS, the Authority is empowered pursuant to Section 15.2-4901, *et seq.*, of the Code to, among other things, accept contributions, grants and other financial assistance from the City and make grants to any person, partnership, association, corporation, business, or governmental entity for the purposes of promoting economic development in the City; and

WHEREAS, the Authority, pursuant to that certain proposed Performance Agreement (the "Agreement") by and among the Authority and Piedmont Housing Alliance, a non-profit 501(c)(3) organization under the Internal Revenue code of 1986 as amended, including its permitted successors and assigns (the "Developer"), is proposing to provide a certain financial incentive grant (the "Grant") to the Developer in order to encourage and induce the Developer to invest a significant amount of money into real estate improvements, described as 501-A Cherry Avenue planned development consisting of 71 units (the "Investment") located in the City and such 71 units are described and depicted on Exhibit A of the Agreement (the "Property") along with the other requirements included in such Investment as set forth in Exhibit B to the Agreement; and

WHEREAS, the Authority, while recognizing that the City Council is not empowered under Virginia law to make any binding commitment beyond the current fiscal year of the City, has requested that the City Council annually appropriate monies to the Authority for the purpose of promoting economic development in the City by funding certain financial obligations of the Authority pursuant to and during the term of the Agreement; and

WHEREAS, there has been presented to this meeting a draft of the Agreement which sets forth the understanding and agreement between the Authority and the Developer.

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

- 1. The City Council finds and determines that the terms and conditions of the Agreement, including the provisions for the Grant, is consistent with the mission, goals and purposes of the Authority.
- 2. It is the current intention of the City Council to make sufficient annual appropriation of monies to the Authority for the purpose of promoting economic development in the City by funding certain financial obligations of the Authority pursuant to and during the term of the Agreement.
- 3. The City Manager or any other officer charged with the responsibility of preparing the City budget is hereby authorized and directed to include in the City budget for each fiscal year of the City during the term of the Agreement a request that the City Council appropriate sufficient monies to the Authority for the

purpose of promoting economic development in the City and funding certain financial obligations of the Authority pursuant to the terms of the Agreement during such fiscal year.

- **4.** The City Manager is hereby authorized to acknowledge the City's understanding of the Agreement and to execute such documents as he deems appropriate in relation to such Agreement.
- 5. All other acts of the City Manager, the Director of Economic Development or any other officer of the City relating to the purposes and intent of this resolution are hereby approved and ratified.
 - **6.** This resolution shall take effect immediately.

ADOPTED: March 4, 2025

RESOLUTION

Revitalization Area Certification for Preservation of Affordable Housing, Inc.'s, ("POAH") Site at 10th and Wertland, SW Corner

Parcel Number:

1105 W. MAIN STREET: 100053000 129 10th STREET, NW: 100039000 1000 WERTLAND STREET: 100038000 1010 WERTLAND STREET: 100037000

WHEREAS, the site is within Census Tract 2.02, and 60.7% of the population are below the poverty level; and

WHEREAS, the (2023 five (5)-year) American Community Survey indicates that sixty percent (60%) or more residents of the Census Tract meet the United States Department of Housing and Urban Development income-eligibility requirements.

WHEREAS, an area may be designated a Revitalization Area by Resolution of a governing body, when such Resolution makes certain determinations as set out in Virginia Code § 36-55.30:2(A)(i)(b:

WHEREAS, the Council of the City of Charlottesville makes the following determinations related to the POAH site at 10th and Wertland, SW Corner and more specifically described as Parcel Numbers 100053000, 100039000,100038000, and 100037000:

- (1) the industrial, commercial, or other economic development of such area will benefit the City or County, but such area lacks the housing needed to induce manufacturing, industrial, commercial, governmental, educational, entertainment, community development, healthcare, or nonprofit enterprises or undertakings to locate or remain in such area; and,
- (2) private enterprise and investments are not reasonably expected, without assistance, to produce the construction or rehabilitation of decent, safe, and sanitary housing and supporting facilities that will meet the needs of low- and moderate-income persons and families in such area and will induce other persons and families to live within such area and thereby create a desirable economic mix of residents in such area.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Charlottesville, that based on the above determinations made that the POAH development site at 10th and Wertland, SW Corner and more specifically described in the Parcel Numbers 100053000, 100039000, 100038000, and 100037000, is designated a Revitalization Area.

ORDINANCE AMENDING AND REAUTHORIZING ORDINANCE (#0-24-089) AUTHORIZING A GRANT OF PUBLIC FUNDING TO SUBSIDIZE THE SOUTH FIRST STREET PHASE TWO REDEVELOPMENT PROJECT OF CHARLOTTESVILLE REDEVELOPMENT AND HOUSING AUTHORITY

WHEREAS, on July 15, 2024, Charlottesville City Council Approved Ordinance (#O-24-089), authorizing a \$6 million grant to the Charlottesville Redevelopment and Housing Authority (CRHA) for the South First Street Phase Two Redevelopment Project, and entered into a Memorandum of Agreement (MOA) outlining terms and conditions of funding, including compliance requirements and project milestones; and

WHEREAS, the approved MOA set a construction commencement deadline of September 30, 2024, and required CRHA to formally request an extension if the deadline could not be met; and

WHEREAS, construction did not commence by the specified deadline, and no formal extension request was submitted within the required timeframe; and

WHEREAS City staff conducted a compliance review and engaged in discussions with CRHA and its development team on February 14, 2025, identifying the need to amend the MOA and reauthorize the ordinance to reflect revised project timelines, compliance reporting expectations, and enhanced accountability measures; and

WHEREAS the City of Charlottesville remains committed to supporting the South First Street Phase Two Redevelopment Project while ensuring proper oversight of public funding.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Charlottesville, Virginia, that Ordinance (#O-24-089) is hereby amended and reauthorized as follows:

1. Project Milestones and Deadlines

- CRHA shall commence construction no later than **July 1, 2025**.
- The project must be substantially completed by July 31, 2027.
- Extension requests must be submitted at least 30 days prior to a deadline, with justification and a corrective action plan.

2. Compliance and Reporting Measures

- CRHA shall submit **semi-annual compliance reports**, including:
 - Construction progress updates.
 - o Financial expenditures and adherence to the project budget.
 - o Affordability compliance verification (tenant income certification).
 - o Applicable updates regarding LITHC and/or HUD compliance.

• Formal **semi-annual compliance check-ins** shall be held between CRHA and City staff.

3. Enforcement and Remedies for Non-Compliance

- A tiered enforcement structure shall be implemented:
 - Action 1: Written notice of non-compliance with a 30-day correction period.
 - Action 2: Suspension of future funding disbursements and eligibility until compliance is achieved and supported with documentation.
 - Action 3: Potential termination of the agreement and recapture of unexpended funds; and potential eligibility restrictions to future use of grants of public funds by the City.

4. Monitoring and Financial Coordination

- Ongoing site inspections and financial assessments will be performed to verify project
 advancement and ensure compliance with budgetary constraints. Under the revised
 ordinance, the stipulation requiring the City to withhold 5% of grant funds until project
 completion and compliance verification has been eliminated. This adjustment is designed
 to mitigate the risk of noncompliance with the City's bonding requirements.
- CRHA shall submit **semi-annual financial statements**, with any budget modifications requiring review through the established communication framework.
- A formalized public reporting process will be introduced for transparency.

BE IT FURTHER ORDAINED, that the City Manager is hereby authorized to execute any necessary agreements or documents on behalf of the City of Charlottesville, consistent with the provisions set forth herein.

This ordinance shall be effective upon its adoption.