CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA

Agenda Date:	February 20, 2024
Action Required:	Adoption of the proposed resolution authorizing the City Manager to execute a Purchase and Sale Agreement to acquire the property.
Presenter:	Samuel Sanders, Jr., City Manager
Staff Contacts:	Jacob Stroman, City Attorney
Title:	**Resolution for City purchase of 405 Avon Street and 405 Levy Avenue properties**

Background

City Council has previously appropriated funds to acquire these properties from the Charlottesville Redevelopment and Housing Authority. The transaction represents a strategic acquisition to obtain control over these parcels for a public purpose as determined by City Council. That public purpose will be determined pursuant to a deliberate process which will provide for input from the public.

City Council will acquire the property on favorable terms. The purchase price of the property is four million dollars ($4 million), slightly less than the appraised value. CRHA will lease a portion of the property back from the City at a nominal rate. The City will have the ability to terminate the lease on thirty days' notice when it determines the future use of the property and obtains a building permit for construction. The Purchase and Sale Agreement provides that the lease agreement will be negotiated as soon as practicable following the closing of the transaction at the end of the month. The proposed agreement will be brought back to Council for its consideration and approval following a public hearing.

The Purchase and Sale Agreement also provides that the City and CRHA will enter into an agreement pursuant to which CRHA will facilitate the redevelopment of the property.

Discussion

Alignment with City Council's Vision and Strategic Plan

The acquisition is consistent with Council's Strategic Plan because it may use the property in furtherance of a number of its strategic outcomes including partnerships, housing and economic prosperity.

Community Engagement

The potential acquisition has been the subject of substantial public comment. There will be additional opportunities for community engagement as the planning process for determining the ultimate use of the property moves forward.

Budgetary Impact
The budgetary impact is four million dollars plus closing costs.

Recommendation
Adopt the proposed resolution.

Alternatives
If Council elects not to move forward with the acquisition, it may be unable to advance future priorities which require buildable land.

Attachments
1. Resolution approving purchase agreement
2. Purchase and Sale Agreement (405 Levy and Avon) JPS 2-14-24