



CHARLOTTESVILLE CITY COUNCIL MEETING MINUTES

June 3, 2024 at 4:00 PM

Council Chamber

The Charlottesville City Council met on Monday, June 3, 2024. Mayor Juandiego Wade called the meeting to order and Clerk of Council Kyna Thomas called the roll, noting the following councilors present: Mayor Juandiego Wade, Vice Mayor Brian Pinkston and Councilor Michael Payne.

On motion by Pinkston, seconded by Payne, Council by a 5-0 vote adopted the meeting agenda as amended, moving the Sidewalk Waiver Request for the MACAA Planned Unit Development item from the Consent Agenda to the Action Items for discussion as requested by Councilor Oschrein (Ayes: Oschrein, Payne, Pinkston, Snook, Wade; Noes: none).

REPORTS

1. REPORT: Human Rights Commission Annual Report

Ernest Chambers, Chair for the Human Rights Commission (HRC), and Todd Niemeier, Executive Director for the Office of Human Rights (OHR), presented the Human Rights Commission Annual Report. This report summarized the work done by the City of Charlottesville HRC and OHR during the 2023 Calendar Year and was presented to the HRC in its agenda packet for their annual planning meeting on March 9, 2024. The focus areas were:

1. Decent and affordable housing
2. Policies that preserve diversity, equity, and affordability in housing
3. Policies that undo historic racial inequities in housing
4. Policies that preserve and increase Black home ownership
5. Zoning that emphasizes more affordable housing

Staff recommended that Council continue to support and fully fund the HRC and OHR to fulfill the obligations set forth in the Charlottesville Human Rights Ordinance.

2. REPORT: Charlottesville Area Transit Strategic Plan

Garland Williams, Director of Charlottesville Area Transit (CAT), introduced the Transit Strategic Plan (TSP), noting a June 30 deadline for approval. He acknowledged the City's Transit Planner, Ben Chambers, and introduced Kimley Horn consultants Nick Adamo and Sam Sink, who briefed Council on the TSP.

Nick Adamo provided an overview of the project to develop the TSP, the work completed to-date, the TSP document, and planned improvements. The TSP will provide: 1) a replacement of the 2018 Transit Development Plan (TDP), previously required by the Virginia Department of Rail and Public Transportation as the key planning document shaping CAT service for the next 10 years; 2) an opportunity to evaluate and update services and the transit network to respond to changes in demand; and 3) a planning process that will ensure that transit service better serves the needs of customers and the Charlottesville region.

Sam Sink presented infrastructure and implementation considerations, including replacement and expansion of fleet vehicles, bus shelter installation, planning, environmental, and preliminary engineering work for CAT's operations facility (to accommodate a future zero-emissions fleet). They reviewed financial considerations, stating that CAT anticipates the need to increase local funding support, especially in 2026 and beyond, to maintain existing service and implement improvements.

Council engaged in discussion and Mr. Williams stated that Council will vote on a resolution for adoption of the Transit Strategic Plan at its June 17 meeting.

CLOSED MEETING

On motion by Pinkston, seconded by Snook, Council voted unanimously to convene in closed session pursuant to section 2.2-3712 of the Virginia Code, as authorized by Section 2.2-3711(A)(3) and (A)(6), for:

- (1) Discussion and consideration of the acquisition of real property for a public purpose where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body;
- (2) Discussion and consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the City would be adversely affected; and
- (3) Discussion and consideration of the eligibility of a prospective candidate for appointment to the Retirement Commission.

On motion by Pinkston, seconded by Snook, Council certified by a recorded vote of 5-0 that to the best of each Council member's knowledge only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the Motion convening the closed session were heard, discussed, or considered in the closed session (Ayes: Oschrein, Payne, Pinkston, Snook, Wade; Noes: none).

On motion by Pinkston, seconded by Payne, Council voted 5-0 to rescind the appointment of Philip Garber to the Retirement Commission (Ayes: Oschrein, Payne, Pinkston, Snook, Wade; Noes: none).

BUSINESS SESSION

Council began the business session with a moment of silence.

ANNOUNCEMENTS

Clerk Thomas read announcements from the City Treasurer and the Commissioner of the Revenue's offices regarding tax deadlines and tax changes effective July 1.

Mayor Wade recognized the recent death of beloved community member Melvin Walker, chef-owner of Mel's Café, and announced that a City Council proclamation will be read at Mr. Walker's funeral. Councilors shared their remembrances of Mel Walker and the significance of Mel's Café to the fabric of the community.

RECOGNITIONS/PROCLAMATIONS

- **RECOGNITION: H.E.R. Sports:** Councilor Oschrin presented a certificate of recognition to Jessica Carter, CEO of H.E.R. Sports.
- **PROCLAMATION: Gun Violence Awareness Day, June 7:** Councilor Snook presented the proclamation to Trisha Howell of Moms Demand Action.
- **PROCLAMATION: Men's Health Month:** Mayor Wade read the proclamation.
- **PROCLAMATION: Pride Month:** Councilor Payne read the proclamation.

COMMUNITY MATTERS

Mayor Wade opened the floor for comments from the public.

1. Sadhbh O'Flynn, Community Climate Collaborative, spoke in support of the Transit Strategic Plan.

CONSENT AGENDA*

Clerk Thomas read the following items into the record, and on motion by Pinkston, seconded by Oschrin, Council by a vote of 5-0 adopted the consent agenda (Ayes: Oschrin, Payne, Pinkston, Snook, Wade; Noes: None).

3. MINUTES: May 16-18 site visit to Champaign-Urbana, Illinois
4. RESOLUTION: Approving the 2024-25 Annual Action Plan for CDBG and HOME Programs and appropriation of associated CDBG funds (approximately \$438,617) and associated HOME funds (approximately \$83,016) (2nd reading)
 - a. RESOLUTION: Resolution approving the City of Charlottesville Annual Action Plan for the program year 2024-25 CDBG and HOME programs

RESOLUTION

Resolution Approving the City of Charlottesville-Thomas Jefferson Area HOME Consortium 1-Year Annual Action Plan for Program Year 2024-25

WHEREAS the City of Charlottesville is a designated Entitlement Community by the United States Department of Housing and Urban Development (HUD), and as such is a recipient of federal funds through the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) programs, and

WHEREAS the City of Charlottesville is a contributing member of the Thomas Jefferson Area HOME Consortium (TJAHC) in partnership with the counties of Albemarle, Fluvanna, Greene, Louisa and Nelson, and through the Consortium shares in the benefits of participation in HUD's HOME program,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Charlottesville, Virginia, hereby approves the Charlottesville-Thomas Jefferson Area HOME Consortium 1-Year Annual Action Plan and its submittal to HUD for final review, as presented at a public hearing before Council on May 20, 2024.

- b. **RESOLUTION:** Resolution appropriating Community Development Block Grant funds to be received from the U.S. Department of Housing and Urban Development in support of the program year 2024-25 Annual Action Plan, in the approximate amount of \$438,617

RESOLUTION

Appropriation of Community Development Block Grant (CDBG) Funds Anticipated from the U.S. Department of Housing and Urban Development for Program Year 2024-25, in the Approximate Amount \$438,617

WHEREAS the City of Charlottesville has been advised by the U.S. Department of Housing and Urban Development (HUD) is expected to receive an anticipated Community Development Block Grant (CDBG) allocation for the 2024-25 program year in the approximate amount of \$438,617; and

WHEREAS City Council has received recommendations for the expenditure of funds from the city's CDBG/HOME Taskforce, as reviewed and approved by the City's Planning Commission at a public hearing on May 14, 2024, as provided by law; now, therefore,

BE IT RESOLVED by the City Council of Charlottesville, Virginia, that upon receipt of anticipated CDBG funding from the U.S. Department of Housing and Urban Development, said funds are hereby appropriated to the following individual expenditure accounts in the Community Development Block Grant Fund in accordance with the respective purposes set forth; provided, however, that the City Manager is hereby authorized to transfer funds between and among such individual accounts as circumstances may require, to the extent permitted by applicable federal grant regulations, as set forth below:

Economic Development Activities

<i>Fund</i>	<i>Account/Internal Order #</i>	<i>Funding Recommendation</i>	<i>Proposed Award</i>
218	1900550	CIC Entrepreneur Programs	\$18,874.50
218	1900552	CRHA Economic Opportunity Program Coordinator	\$67,948.19

Housing Activities

<i>Fund</i>	<i>Account/Internal Order #</i>	<i>Funding Recommendation</i>	<i>Proposed Award</i>
218	1900553	CRHA Affordable Housing Preservation at Dogwood	\$144,871.06
218	1900554	CRHA Housing Stability Program (TBRA)	\$17,725.93
218	1900555	LEAP Solar Readiness Program	\$17,384.53

Public Services Activities

<i>Fund</i>	<i>Account/Internal Order #</i>	<i>Funding Recommendation</i>	<i>Proposed Award</i>
218	1900556	IRC Financial Capabilities Program	\$15,452.91
218	1900557	PACEM Shelter Transportation	\$7,485.00
218	1900558	LVCA Beginning Level Workforce Development Program	\$14,487.11
218	1900559	PHAR Resident-Involved Redevelopment	\$24,145.18

Programmatic Funds

<i>Fund</i>	<i>SAP Cost Center #</i>	<i>Funding Recommendation</i>	<i>Proposed Alloc.</i>
218	3914001000	CDBG Planning & Admin	\$82,093.60

In the event that funding received from the U.S. Department of Housing and Urban Development differs from the amounts referenced above, all appropriated amounts may be administratively increased/reduced at the same prorated percentage of change to actual funding received. No subrecipient's grant may be increased above their initial funding request without further consideration by Council.

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt of not less than \$438,617 in CDBG funds from the U.S. Department of Housing and Urban Development for program year 2024-25, and all subrecipient awards are also conditioned upon receipt of such funds.

BE IT FURTHER RESOLVED that the amounts appropriated above within this resolution will be provided as grants to public agencies or private non-profit, charitable organizations (individually and collectively, "subrecipients") and shall be utilized by the subrecipients solely for the purpose stated within their grant applications. The City Manager is hereby authorized to enter into agreements with each subrecipient as deemed advisable so as to ensure that the grants are expended for their intended purposes and in accordance with applicable federal and state laws and regulations. To this end, the City Manager, the Director of Finance, and public officers to whom any responsibility is delegated by the City Manager pursuant to City Code Section 2- 147, are authorized to establish administrative procedures and provide for guidance and assistance in the subrecipients' execution of the funded programs.

- c. RESOLUTION: Resolution appropriating HOME Investment Partnership Program funds to be received from the U.S. Department of Housing and Urban Development in support of the program year 2024-25 Annual Action Plan, in the approximate amount of \$83,016

RESOLUTION

Appropriation of HOME Investment Partnership Program Funds Anticipated from the U.S. Department of Housing and Urban Development for Program Year 2024-25, in the Approximate Amount of \$83,016

WHEREAS the City of Charlottesville (the City) has been advised by the U.S. Department of Housing and Urban Development that the region served by the Thomas Jefferson Area HOME Consortium (TJAHC) is expected to receive an anticipated HOME Investment Partnerships (HOME) allocation for the 2024-25 program year in the approximate amount of \$651,111, of which the City is expected to receive approximately \$83,016 to support affordable housing initiatives; and

WHEREAS City Council has received recommendations for the expenditure of funds from the city's CDBG/HOME Taskforce, as reviewed and approved by the City's Planning Commission at a public hearing on May 14, 2024, as provided by law; and

WHEREAS it is a requirement of this grant from HUD that projects funded with HOME program funds must be matched at twenty-five (25) percent with local funding; now, therefore,

BE IT RESOLVED by the City Council of Charlottesville, Virginia, that upon receipt of anticipated HOME funding from the U.S. Department of Housing and Urban Development, said local funds from the Charlottesville Affordable Housing Fund (CAHF) are hereby appropriated to the following individual expenditure accounts in the HOME Fund in accordance with the respective purposes set forth; provided, however, that the City Manager is hereby authorized to transfer funds between and among such individual accounts as circumstances may require, to the extent permitted by applicable federal grant regulations, as set forth below:

HOME Local Match Funds from CAHF

Expenditure Fund to transfer from:

<i>Fund</i>	<i>Cost Center</i>	<i>G/L Account</i>	<i>Amount to Transfer</i>
426	CP-084	561425	\$20,754.17

Revenue Fund to transfer to:

<i>Fund</i>	<i>Cost Center</i>	<i>G/L Account</i>	<i>Receiving Amount</i>
425	P-00507	498010	\$20,754.17

BE IT FURTHER RESOLVED by the Council of the City of Charlottesville, Virginia that the amount of \$20,754.17 is hereby appropriated from the Charlottesville Housing Fund for expenditure as the local match for HOME funding received from HUD; and

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt by the City of not less than \$83,016 in HOME funds as the city's local share of HOME funds received by the Thomas Jefferson Area HOME Consortium from the U.S. Department of Housing and Urban Development for program year 2024-25, and all subrecipient awards are also conditioned upon receipt of such funds, and

In the event that funding received from the U.S. Department of Housing and Urban Development for program year 2024-25 differs from the amounts referenced above, all appropriated amounts may be administratively increased/reduced at the same prorated percentage of change to actual funding received. No subrecipient's funding award may be increased above their initial funding request without further consideration by Council.

BE IT FURTHER RESOLVED that the amounts appropriated above within this resolution will be provided as grants to public agencies or private non-profit, charitable organizations (individually and collectively, "subrecipients") and shall be utilized by the subrecipients solely for the purpose stated within their grant applications. The City Manager is hereby authorized to enter into agreements with each subrecipient as deemed advisable so as to ensure that the grants are expended for their intended purposes and in accordance with applicable federal and state laws and regulations. To this end, the City Manager, the Director of Finance, and public officers to whom any responsibility is delegated by the City Manager pursuant to City Code Section 2- 147, are authorized to establish administrative procedures and provide for guidance and assistance in the subrecipients' execution of the funded programs.

5. RESOLUTION: Resolutions to appropriate \$130,713 from the 2024 City Climate Protection Program – Program Support Grant with LEAP (carried)
 - a. RESOLUTION: Resolution to reallocate 2024 Climate Protection Program Support Grant funding
 - b. RESOLUTION: Resolution to authorize City Manager's signature for the Memorandum of Understanding (MOU) between the City and the Local Energy Alliance Program (LEAP) for grant funds to support the Climate Protection Program and promote energy performance improvements
6. RESOLUTION: Resolution to appropriate \$172,182 from the Virginia Department of Social Services to serve clients who are receiving auxiliary grants, adoption assistance, and independent living services (carried)
7. RESOLUTION: Resolution appropriating \$7,988 received from the Virginia Department of Social Services for the Percentage of Income Payment Program (carried)
8. RESOLUTION: Resolution to reallocate Tax and Rent Relief Budgets

RESOLUTION

Reallocating Budget Amounts for the Tax and Rent Relief Accounts

WHEREAS, the City of Charlottesville through the FY 2024 Budget process allocated a total of \$2,645,000 to be used for the tax, homeownership, and rent relief programs;

WHEREAS, the amounts originally budgeted were based on projections and do not align with the actual awards for each program;

THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the tax, homeownership and rent relief budgets be reallocated in the following manner:

Budget Increases

\$285,838	Fund: 105	Cost Center: 1813006000	G/L Code: 540064
\$4,542	Fund: 105	Cost Center: 1813007000	G/L Code: 540065

Budget Decreases

\$89,974	Fund: 105	Cost Center: 1813003000	G/L Code: 540061
\$4,957	Fund: 105	Cost Center: 1813004000	G/L Code: 540062
\$74,395	Fund: 105	Cost Center: 1813005000	G/L Code: 540063
\$121,054	Fund: 105	Cost Center: 3343019000	G/L Code: 540065

<u>Account Code</u>	<u>Relief Type</u>	<u>Original Budget</u>	<u>Adjustments</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
1813003000-540061	Rent Relief for Disabled	\$ 190,000	\$ (89,974)	\$ 100,026	\$ 100,026	\$ (0)
1813004000-540062	Rent Relief for Elderly	35,000	(4,957)	30,043	30,043	0
1813005000-540063	Tax Relief for Disabled	290,000	(74,395)	215,605	215,605	0
1813006000-540064	Tax Relief for Elderly	750,000	285,838	1,035,838	1,035,838	0
1813007000-540065	Stormwater Assistance	20,000	4,542	24,542	24,542	0
3343019000-540065	CHAP	1,360,000	(121,054)	1,238,946	1,229,500	9,446
		\$ 2,645,000	\$ -	\$ 2,645,000	\$ 2,635,553	\$ 9,447

BE IT FURTHER RESOLVED by the Council of the City of Charlottesville, Virginia that should other budget transfers be necessary between these accounts, the City Manager is authorized to do so in accordance with the reasoning set forth in this resolution.

9. RESOLUTION: Resolution to transfer \$9,064,654 to the City's Retirement Fund (carried)
10. RESOLUTION: Resolution appropriating \$45,567 from the Virginia Department of Social Services to use for overtime for Medicaid unwinding (carried)
11. RESOLUTION: Resolution to appropriate \$10,000 for The Tonsler League (carried)

CITY MANAGER REPORT

City Manager Sam Sanders reported that he was the keynote speaker at the PHAR (Public Housing Association of Residents) Internship graduation. Deputy City Manager Ashley Marshall announced Sunday Sundown events hosted by the City's Parks and Recreation Department. Deputy City Manager Eden Ratliff provided a reminder that the Charlottesville-Albemarle SPCA, a non-profit animal welfare organization, terminated its agreement with the city and county related to the funding model. The City, County and SPCA are engaged in negotiations to understand the totality of SPCA operations and necessary funding. City Manager Sanders launched a Transparency Portal on the city website to share critical information with the public on items of significant interest.

ACTION ITEMS

12. PUBLIC HEARING AND ORDINANCE to amend and reordain Chapter 31 (Utilities) of the Code of the City of Charlottesville, 1990, as amended, to establish new utility rates and service fees for City gas, water and sanitary sewer (carried)

Utilities Director Lauren Hildebrand and Finance Director Chris Cullinan presented the Fiscal Year 2025 Utility Rate Report, providing a summary of the rate and fee recommendations for water, wastewater, stormwater and natural gas for FY2025, with new rates effective July 1, 2024. The City of Charlottesville owns and operates public utilities for water, wastewater, natural gas and stormwater. The notice for the public hearing was advertised in the newspaper during the weeks of May 13, 2024, and May 20, 2024.

Mayor Wade opened the public hearing. With no speakers coming forward, he closed the public hearing. Council by unanimous consent moved the item to the June 17, 2024, meeting for second reading and vote on the consent agenda.

13. PUBLIC HEARING AND ORDINANCE to amend and reordain Chapter 31 (Utilities) of the Code of the City of Charlottesville, 1990, as amended, to establish a connection fee for new gas service (carried)

Utilities Director Lauren Hildebrand presented the ordinance and stated that the rates go into effect July 1, while the proposal is for the connection fee to go into effect January 1, 2025.

The City of Charlottesville owns and operates a natural gas utility that provides service to approximately 21,050 customers in the City of Charlottesville and Albemarle County. The City offers natural gas service to residential and commercial customers based on the proposed connected loads for their gas appliances. Department of Utilities staff make a financial evaluation of gas service requests to ensure installation, operation, and ongoing maintenance of the service are economically feasible for the gas utility.

The City currently offers gas service installation up to 150 feet at no cost to residential customers if the City's investments in installation costs are offset by the revenue generated within a payback period of approximately 4 ½ years. Charlottesville Gas proposed to discontinue offering service line installations for qualifying appliances such as gas heat or gas water heating at no cost to the customer and to charge a \$340.00 connection fee for the new service up to 150 feet of service line. New service for non-qualifying appliances that includes generators and gas fireplaces, will continue to pay the cost for a new service line and City Code will not change for a non-qualifying appliance. Services that exceed 150 feet will be required to pay the cost for the excess footage. Charlottesville Gas will use the funds from this connection fee to finance an expanded energy efficiency program to promote energy savings and reduce greenhouse gas emissions. The future effective date is to allow adequate notice to be given to interested parties. The notice for the public hearing was advertised in the newspaper during the weeks of May 13, 2024, and May 20, 2024.

Mayor Wade opened the public hearing. With no speakers coming forward, he closed the public

hearing. Council by unanimous consent moved the item to the June 17, 2024, meeting for second reading and vote on the consent agenda.

14. PUBLIC HEARING AND RESOLUTION to reprogram prior year CDBG funds to support ADA accessibility enhancements at a community playground, Minor Budget Amendment of approximately \$46,000 (carried)

Anthony Warn, Grants Analyst, presented the resolution. The City of Charlottesville (the City) is an Entitlement Community as designated by the U.S. Department of Housing and Urban Development (HUD) and, as such, is the recipient of annual allocations of federal funds through the Community Development Block Grants (CDBG) program. The City has used these funds over the years to support numerous projects designed to strengthen the community's ability to foster high quality living environments and housing and to expand economic opportunities for low- and moderate-income residents. In recent years both HUD and the City have strengthened their commitments to the use of CDBG funds to facilitate the removal of barriers to access as an important outcome to work towards.

Council by unanimous consent moved the item to the June 17, 2024, meeting for second reading and vote on the consent agenda.

15. ORDINANCE: Ordinance authorizing a Forgivable Loan to Piedmont Housing Alliance to support redevelopment of Kindewood/Friendship Court Phase 2 for the purpose of producing new housing for low and moderate income persons (carried)

Brenda Kelley, Redevelopment Manager, provided an overview of the proposed ordinance, which would establish the terms and conditions under which the Capital Improvement Plan funding previously approved for Phase 2 could be expended. Sunshine Mathon, Piedmont Housing Alliance, provided an update on the Phase 2 redevelopment for Kindewood. Piedmont Housing Alliance (PHA) intends to continue redeveloping the 11.75-acre Friendship Court property, now known as Kindewood, through four phases over a period of 7-8 years. This \$100+ million project includes the creation of approximately 450 affordable rental and homeownership units with tiers of affordability. The redevelopment will include commercial and community space, a community park, and associated infrastructure and parking. Phase 1 of the project is substantially complete and created 106 Affordable Units, including the 1:1 replacement of 46 of the existing Project-based Section 8 Rental Affordable Units. Phase 2 of the project proposes the creation of 104 affordable for-rent and for-sale units, including the 1:1 replacement of 54 of the existing Project-based Section 8 rental affordable units.

Over multiple budget years (FY22, FY23 and FY25), City Council has approved a total of \$5,750,000 in City Capital Improvements Program funding for Friendship Court Infrastructure Improvements and Friendship Court Redevelopment for Phase 2. To facilitate the allocation of the approved CIP funding for Phase 2, City staff has been working closely with PHA staff and consultants to develop the attached Ordinance that spells out the agreed-to specifics of how and when the funding will be disbursed, and for what the funding may be expended. Two Amended Declarations of Affordable Housing Covenants – one for rental units and one for homeownership units – will be required to be recorded prior to any disbursement of funding. These documents further provide protections and guarantees in place to ensure that Affordable Units and

infrastructure are built in accordance to the agreed upon performance requirements to disburse funding. The City Manager and City Attorney will be required to approve these covenants prior to recordation.

Council unanimously agreed to carry the item to the June 17, 2024, meeting for second reading and vote on the consent agenda.

16. RESOLUTION: Resolution authorizing an amendment to the Performance Agreement to support Friendship Court Phase 1 redevelopment efforts

Chris Engel, Director of Economic Development, presented the resolution. On October 19, 2020, city council approved a performance agreement with Piedmont Housing Alliance (PHA) to help support the redevelopment of the first phase of Friendship Court, now known as Kindlewood. The agreement commits the incremental increase in real estate tax revenue generated by the investment, once complete, as a source of financing. At the time of the original agreement, the entire site was a single parcel in the city's land records. PHA is undertaking the redevelopment in a series of discrete phases. The action requested in the amendment identifies the newly created parcel (new parcel 'B') that reflects the actual boundary of Phase 1. This reduction in footprint and base valuation enables the project to capture more financial benefit in a shorter timeframe. All other elements of the agreement remain the same.

On motion by Pinkston, seconded by Payne, Council by a vote of 5-0 approved the resolution authorizing an amendment to the Performance Agreement to support Friendship Court Phase 1 redevelopment efforts (Ayes: Oschrin, Payne, Pinkston, Snook, Wade; Noes: None).

**RESOLUTION
APPROVING AMENDMENT TO ECONOMIC DEVELOPMENT
PERFORMANCE AGREEMENT, AS MODIFIED**

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 (**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 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 Economic Development Performance Agreement (**the “Initial 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 (**“PHA”**) on its own behalf and on behalf of a limited liability company of which PHA serves as manager (**the “Developer”**), agreed 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 phase I of the planned development consisting of 106 units (**the “Investment”**) located in the City currently known as Friendship Court; and such phase I and 106 units are described and depicted on Exhibit A of the Initial Agreement (**the “Property”**) along with the other requirements included in such Investment as set forth in Exhibit B to the Initial Agreement; and

WHEREAS, the Authority proposes to enter into an Amendment to the Initial Agreement (**the “Amended Agreement”**), attached hereto as **Exhibit I**, by and among the Developer, which will amend the Initial Agreement in order to provide for the Investment on a subdivided 3.086-acre parcel as described in **Exhibit A**, which was a portion of the 11.77-acre parcel referenced in the Initial Agreement; and

WHEREAS, the Authority, while recognizing that the City Council of the City (**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 Initial Agreement as amended by the Amended Agreement; and

WHEREAS, there has been presented to this meeting the form of the Amended 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 Amended 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 Initial Agreement as amended by the Amended 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 Initial Agreement as amended by the Amended 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 Initial Agreement as amended by the Amended Agreement during such fiscal year.

4. The City Manager is hereby authorized to acknowledge the City's understanding of the Amended Agreement and to execute such documents as he deems appropriate in relation to such Amended 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.

17. RESOLUTION: Resolution authorizing a Performance Agreement to support Friendship Court Phase 2 redevelopment efforts

Chris Engel, Director of Economic Development, presented the resolution. The Piedmont Housing Alliance (PHA) is continuing to redevelop the 11.75-acre Friendship Court property in four phases over the next 6-7 years. This \$100 million+ project includes the creation of approximately 400 affordable units with multiple tiers of affordability. The redevelopment will include commercial and community space as well as associated infrastructure and parking. To help facilitate the financing of the project, PHA has requested that the City consider an agreement that will share the incremental increase in real estate tax revenue generated by the investment. 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 2 of the project. This request does not ask for additional current revenue; it requests future revenue that comes with an increased tax base.

On motion by Pinkston, seconded by Payne, Council by a vote of 5-0 approved the resolution authorizing a Performance Agreement to support Friendship Court Phase 2 redevelopment efforts (Ayes: Oschrin, Payne, Pinkston, Snook, Wade; Noes: None).

RESOLUTION APPROVING PERFORMANCE AGREEMENT TO SUPPORT FRIENDSHIP COURT PHASE 2 REDEVELOPMENT EFFORTS

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 (**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 (**“PHA”**) on behalf of FC Phase 2, LLC, a Virginia limited liability company, including its permitted successors and assigns (**the “Developer”**), of which PHA serves as a member and manager of FC Phase 2 Managing Member LLC, the managing member of the Developer, attached hereto as **Exhibit I**, 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 phase 2 of the planned development consisting of 100 units (**the “Investment”**) located in the City currently known as Friendship Court; and such phase 2 and 100 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.

18. ORDINANCE: Ordinance to create and enact Level 3 Communications Franchise Agreement (carried)

Steven Hicks, Director of Public Works, presented the request for approval of the Level 3 Communications Franchise Agreement. Following discussion, Council unanimously agreed to carry the item to the June 17, 2024, meeting for second reading and vote on the consent agenda.

19. ORDINANCE: Ordinance to create and enact Crown Castle Franchise Agreement (carried)

Steven Hicks, Director of Public Works, presented the request for approval of the Crown Castle Franchise Agreement. Following discussion, Council agreed to carry the item to the June 17 meeting for second reading and vote on the consent agenda.

20. ORDINANCE: Ordinance to create and enact Brightspeed Franchise Agreement (carried)

Steven Hicks, Director of Public Works, presented the request for approval of the Brightspeed Franchise Agreement. Following discussion, Council unanimously agreed to carry the item to the June 17, 2024, meeting for second reading and vote on the consent agenda.

21. RESOLUTION: Resolution considering a Sidewalk Waiver Request for the MACAA Planned Unit Development

This item was removed from the Consent Agenda for discussion at the request of Councilor Oschrin. Dannan O'Connell, City Planner, summarized the request and answered questions from Councilor Oschrin.

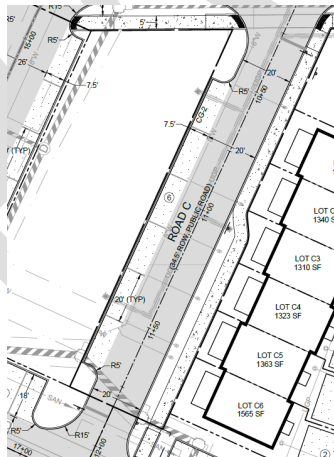
On motion by Snook, seconded by Payne, Council by a vote of 5-0 approved the resolution for a sidewalk waiver for the MACAA Planned Unit Development (Ayes: Oschrin, Payne, Pinkston, Snook, Wade; Noes: None).

**RESOLUTION
SIDEWALK WAIVER REQUEST FOR A RESIDENTIAL DEVELOPMENT
REFERRED TO AS "MACAA PUD"**

WHEREAS, Piedmont Housing Alliance (“Applicant”), on behalf of the Monticello Area Community Action Agency, (“Owner”) of certain land fronting on Park Street and the Route 250 Bypass, designated on the City Tax Map and Parcel (TMP) as Parcels 470007100, 470011000, and 470008000 (collectively, hereinafter, the “Subject Property”), has submitted an application seeking a waiver of the requirement of City Code Section 29-182(j)(2) where sidewalks shall be constructed to approved city standards on both sides of every new street. This application is submitted in connection with the Applicant/Developer’s proposed development of ZM21-00003 (Planned Unit Development), and

WHEREAS, City staff has submitted to City Council a staff report providing information and staff’s recommendation regarding the sidewalk waiver request, and City Council has reviewed the application and the staff report and has considered the factors set forth within the City’s Subdivision Ordinance, Sections 29-36 and 29-182(j)(5); now, therefore,

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia that the sidewalk waiver request presented to this Council by the Applicant/Developer is hereby granted along approximately one hundred fifty (150) feet along the west side of the proposed ‘Road C’ abutting City Lots currently identified as Real Estate Parcel Identification Number 470007100 as depicted below.



COMMUNITY MATTERS (2)

Mayor Wade opened the floor for comments from the public and no one came forward to speak.

The meeting adjourned at 8:43 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council