

**CITY OF CHARLOTTESVILLE, VIRGINIA  
CITY COUNCIL AGENDA**



|                  |                                                                                           |
|------------------|-------------------------------------------------------------------------------------------|
| Agenda Date:     | October 21, 2024                                                                          |
| Action Required: | Approve Resolution (1 reading - Public Hearing)                                           |
| Presenter:       | Chris Engel, Director of Economic Development                                             |
| Staff Contacts:  | April Wimberley, Assistant City Attorney<br>Chris Engel, Director of Economic Development |
| Title:           | <b>Public hearing and resolution to authorize a lease at 1520 E. High Street</b>          |

**Background**

In 2023, the City acquired 23.8 acres of land near and along the Rivanna River commonly referred to as 0 East High Street. The properties were largely undeveloped and vacant with the exception of a single-family residence on Caroline Avenue and a business operating as Rivanna River Company (RRC) located at 1520 East High Street. Both leases remain in effect and transferred with the property sale to the City.

**Discussion**

Upon closing and at the direction of the City Manager the residential lease was added to the portfolio of the Office of Community Solutions for management and the business lease was added to the Charlottesville Economic Development Authority (CEDA) portfolio. The CEDA has experience managing commercial leases and the Office of Economic Development (OED), which provides staff to CEDA, had an existing business relationship with the tenant. The Rivanna River Company provides access to the Rivanna river through seasonal kayaking, tubing and canoe trips, summer concerts and a fall/winter sauna experience.

Upon expiration of the assumed lease and at the request of the current tenant, a new lease has been developed and reviewed by all parties and presented for review and approval at this meeting. The lease functions essentially as a ground lease and the tenant bears all expenses associated with maintaining the property and the business and pays a monthly rent of \$800 with an annual increase. In addition, the tenant agrees to brush-hog the entire parcel and maintain a trash can along the Rivanna Trail for public use. The term of the lease is 5 years.

**Alignment with City Council's Vision and Strategic Plan**

This item aligns with the Strategic Outcome Areas of Economic Prosperity and Recreation, Arts and Culture.

**Community Engagement**

The item is scheduled for a public hearing prior to council action.

**Budgetary Impact**

No immediate budgetary impact. Rental revenue not used for improvements to the property will accrue to the city.

**Recommendation**

Staff recommends approval of the resolution.

**Alternatives****Attachments**

1. 1520 E. High St. lease resolution 10.16.24
2. 1520 E. High St. Lease Agreement 9.16.2024