

RESOLUTION
**TO APPROPRIATE \$700,000 AND INITIATE CONSIDERATION OF AMENDING A CERTAIN
PERFORMANCE AGREEMENT TO SUPPORT THE 501 CHERRY AVENUE MIXED-USE
DEVELOPMENT PROJECT**

WHEREAS, the 501 Cherry Avenue mixed-use development project is proposed to consist of 71 affordable rental dwelling units and commercial space to be occupied by the Music Resource Center (MRC) and a community grocery store; and

WHEREAS, the project represents a partnership between the neighborhood association, a private for-profit developer, and a not-for-profit affordable housing developer to develop a project that meets a number of community needs as envisioned in the Cherry Avenue Small Area Plan; and

WHEREAS, the project developer, Piedmont Housing Alliance, is requesting an additional \$1,700,000 to support the project; and

WHEREAS, the City of Charlottesville would provide an additional \$700,000 from the Capital Improvement Program contingency fund and support increasing the funding payment contemplated in an existing Performance Agreement, dated March 20, 2025, to 100% of the incremental real estate value created by the project, subject to approval by the Economic Development Authority of the City of Charlottesville, Virginia and the City Council of the City of Charlottesville; and

NOW, THEREFORE BE IT RESOLVED, by that the Council of the City of Charlottesville, Virginia, hereby appropriates \$700,000 to the Piedmont Housing Alliance and supports initiation of an amendment to the terms of the 501 Cherry Avenue Performance Agreement as stated herein.