

Policy Briefing Summary

City Council



Regarding:	Resolution for Approval of Addendum to Lease with Botanical Garden of the Piedmont (2nd reading)
Staff Contact(s):	John Maddux, City Attorney
Presenter:	John Maddux, City Attorney
Date of Proposed Action:	July 20, 2026

Issue

Botanical Garden of the Piedmont, Inc. has requested City Council approval of an Addendum to Deed of Lease in connection with a \$1,000,000 grant awarded by the National Fish and Wildlife Foundation. The grant will support construction of a nature-based stormwater management system as part of the Botanical Garden's first phase of construction.

The proposed addendum would authorize Botanical Garden of the Piedmont, Inc. to enter into the grant agreement and would acknowledge the federal government's limited reversionary interest in certain grant-funded improvements, while making clear that the City is not granting any interest in the City-owned land and is not assuming any obligations under the grant agreement.

Background / Rule

The City and Botanical Garden of the Piedmont, Inc. are parties to a forty-year ground lease dated November 8, 2021, for City-owned land to be used for the development and operation of a botanical garden.

Botanical Garden of the Piedmont, Inc. has been awarded a \$1,000,000 grant from the National Fish and Wildlife Foundation to assist with implementation of a nature-based stormwater management system intended to improve water quality and protect native habitat.

The grant agreement includes a provision under which the federal government may retain a limited reversionary interest in certain grant-funded improvements during their useful life if Botanical Garden of the Piedmont, Inc. defaults under the grant agreement. Because the improvements will be constructed on City-owned land leased to Botanical Garden of the Piedmont, Inc., the Botanical Garden has requested that the City approve its entry into the grant agreement and acknowledge the limited federal interest described in the grant.

Analysis

The proposed addendum is intended to allow Botanical Garden of the Piedmont, Inc. to accept the grant while protecting the City's ownership interest in the underlying property.

The addendum expressly states that the City is not granting the federal government any interest in the City's fee simple ownership of the land. It also provides that the addendum does not create any lien, mortgage, pledge, security interest, or encumbrance upon City property; does not constitute a pledge of the City's credit or assets; does not make the City a guarantor of the Botanical Garden's grant obligations; and does not cause the City to assume any repayment or performance obligations under the grant agreement.

The federal interest acknowledged by the addendum is limited to grant-funded improvements

constructed by Botanical Garden of the Piedmont, Inc., and only to the extent of the Botanical Garden's interest in those improvements. Any such interest is subordinate to the City's fee ownership of the land. The addendum also provides additional protection for the City by making any default by Botanical Garden of the Piedmont, Inc. under the grant agreement a default under the City's lease.

Financial Impact

Approval of the addendum has no direct financial impact on the City. The addendum does not require the appropriation or expenditure of City funds. It also does not create any repayment obligation, guaranty obligation, pledge of City credit or assets, or performance obligation for the City under the grant agreement.

Recommendation

Staff recommends that City Council approve the proposed Addendum to Deed of Lease and authorize the City Manager to execute the addendum on behalf of the City, subject to approval as to form by the City Attorney.

Recommended Motion (if Applicable)

I move to approve the resolution approving the Addendum to Deed of Lease between the City of Charlottesville and Botanical Garden of the Piedmont, Inc., and authorizing the City Manager to execute the addendum on behalf of the City, subject to approval as to form by the City Attorney.

Attachments

1. City Lease Addendum - Botanical Gardens
2. Resolution - Botanical Garden Addendum Approval