

CITY COUNCIL AGENDA
Monday, April 1, 2019



5:30 p.m. **Closed session as provided by Section 2.2-3712 of the Virginia Code**
Second Floor Conference Room (Personnel; property acquisition)

6:30 p.m. **Regular Meeting - CALL TO ORDER**
Council Chambers

PLEDGE OF ALLEGIANCE
ROLL CALL
ANNOUNCEMENTS
PROCLAMATIONS

1. CONSENT AGENDA* (Items removed from consent agenda will be considered at the end of the regular agenda)

- a. MINUTES: March 4 Regular Meeting; March 7 Budget Worksession; March 14 Special Meeting; March 16 Community Budget Forum; March 18 Special Meeting; March 19 Budget Worksession; March 27 Budget Worksession
- b. APPROPRIATION: State Criminal Alien Assistance Program (SCAAP) Grant for 2019 - \$14,086 – 2nd of 2 readings
- c. APPROPRIATION: Domestic Violence Services Coordinator Grant - \$49,336 (2nd of 2 readings)
- d. APPROPRIATION: Virginia Behavioral Health Docket Grant - \$50,000 (2nd of 2 readings)
- e. APPROPRIATION: Funds from VML Insurance Programs – \$11,374.00 (1st of 1 reading)
- f. APPROPRIATION: Funds from Ryder – \$7,850.00 (1st of 1 reading)
- g. APPROPRIATION: Funds from Trinity Steel Erection, Inc. – \$2,856.00 (1st of 1 reading)
- h. APPROPRIATION: Funds from Penn National Insurance – \$12,500.00 (1st of 1 reading)
- i. APPROPRIATION: Virginia Fire Equity & Diversity Conference - \$50,000 (1st of 2 readings)
- j. APPROPRIATION: Virginia Housing Solutions Program Grant Award - \$27,728.46 (1st of 2 readings)
- k. APPROPRIATION: Virginia Department of Social Services (VDSS) Employment for Temporary Aid to Needy Families (TANF) Participants Grant (2nd Renewal) - \$58,824 (1st of 2 readings)
- l. RESOLUTION: Support for Safe Routes to School Non-infrastructure grant (1st of 1 reading)
- m. RESOLUTION: Housing Advisory Committee Membership Expansion (1st of 1 reading)
- n. RESOLUTION: ~~10th & Page Park land acquisition - \$60,800 (2nd of 2 readings)~~ **REMOVE FROM AGENDA – Item required only 1 reading and was PASSED on March 18, 2019**
- o. RESOLUTION: CPA-TV/York Property Lease Agreement and The Ryal Thomas Show, LLC License Agreement (1st of 2 readings)
- p. RESOLUTION: Partnership for Bennett's Village All Abilities Playground at Pen Park (1st of 1 reading)
- q. ORDINANCE: Telecommunications Franchise to MMI Atlantic, LLC (1st of 2 readings)
- r. ORDINANCE: Rezone Lyman Street Residences-Tax Map 58 Parcels 289.2 and 358E (Subject Properties)(1st of 2 readings)
- s. ORDINANCE: Proposed Meals Tax Rate for FY2020 (2nd of 2 readings)
- t. ORDINANCE: Proposed Lodging Tax Rate for FY2020 (2nd of 2 readings)

CITY MANAGER RESPONSE TO COMMUNITY MATTERS (FROM PREVIOUS MEETINGS)

COMMUNITY MATTERS Public comment is provided for up to 16 speakers at the beginning of the meeting (limit 3 minutes per speaker.) Pre-registration is available for up to 8 spaces, and pre-registered speakers are announced by noon the day of the meeting. The number of speakers is unlimited at the end of the meeting.

2. PUBLIC HEARING/ RESOLUTION Lease Agreement with Verizon for Communications Equipment in Market Street Garage (1st of 1 reading)

3. PUBLIC HEARING City Council's Proposed Budget for FY2020

4. ORDINANCE Annual Tax Levy for CY 2019 (1st of 2 readings)

5. APPROPRIATION Annual Budget Appropriation for FY2020 (1st of 2 readings)

6. REPORT: Rivanna Water & Sewer Authority (RWSA) Quarterly Update

OTHER BUSINESS MATTERS BY THE PUBLIC

*ACTION NEEDED

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NOTICE OF REGULAR MEETING

THE REGULAR MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Monday, March 4, 2019, at 6:30 p.m. in the Council Chambers, 2nd Floor, City Hall, 605 E. Main Street, Charlottesville, Virginia.

BY ORDER OF THE CITY COUNCIL

BY Kyna Thomas

Council Chambers – March 4, 2019

ROLL CALL

City Council met on this date with the following members present: Mayor Nikuyah Walker, Vice Mayor Heather Hill, Dr. Wes Bellamy, Ms. Kathy Galvin, and Mr. Mike Signer.

Ms. Walker called the meeting to order at 6:30 p.m.

ANNOUNCEMENTS / PROCLAMATIONS

Dr. Bellamy shared an announcement from Mr. Alex Zan and Virginia A. Gatewood, who are presenting the 5th annual “My Help List Contest”, a thinking, writing and reading activity with a cash prize and winners reception. The contest is open to students from Charlottesville and surrounding areas, and runs from March 11 – April 19, 2019.

Dr. Bellamy acknowledged Charlottesville Schools Superintendent Dr. Rosa Atkins for participating in a panel discussion at Virginia State University and representing the City well.

City Attorney John Blair gave notice of a Virginia Freedom of Information Act seminar to be held on Monday, March 25, 2019, at City Space, as a training opportunity for members of Charlottesville Boards and Commissions as well as the public.

Ms. Walker reminded the audience that they would have a chance to hear from and meet candidates for the City Manager position on Wednesday, March 6, with public interviews from 4:00 – 6:00 p.m., and a meet and greet from 6:00 – 8:00 p.m.

Dr. Bellamy acknowledged the extensive amount of work contributed by Ms. Walker and Ms. Hill to make the interview process for City Manager run smoothly.

On motion by Ms. Hill, seconded by Ms. Galvin, Council by the following vote APPROVED the following appointments to Boards and Commissions (Ayes: Ms. Walker, Ms. Hill, Dr. Bellamy, Ms. Galvin, Mr. Signer. Noes: None.):

- Building Code Board of Appeals: Peter Weems
- Charlottesville-Albemarle Airport Commission: Michael Pritchard

- Charlottesville Economic Development Authority: Nicole Fernandez and Jay O'Donnell
- Human Rights Commission: Jeanette Abi-Nader, Idil Aktan, Shantell Bingham, Elliott Brown, Phebe Brown, Ernest Chambers, Kathryn Laughon, Sue Lewis, Andy Orban, Catherine Spear, Matthew Tennant, Lyndele von Schill, and Robert Woodside.
- Housing Advisory Committee (HAC): Christopher Murray under the developer role; Philip D'Oronzio in the banker role; LD Perry as a citizen at-large. Ms. Hill advised that Council would be exploring HAC's recommendation to add Charlottesville Works Initiative as a permanent position and evaluating the HAC membership in general,

CONSENT AGENDA

Clerk of Council Kyna Thomas read the following Consent Agenda items into the record:

- a. Minutes: February 19, 2019 Regular Meeting; February 20, 2019 Special Meeting
- b. APPROPRIATION: Dockless Mobility Funds for Bicycle and Pedestrian Improvements - \$50,575 (2nd reading)
- c. APPROPRIATION: Capital Fund Transfer for Completion of the Standards and Design Manual Rewrite - \$66,680 (2nd reading)
- d. RESOLUTION: Approval of 2018-2022 Analysis of Impediments to Fair Housing Choice Report

Adoption of 2018 Analysis of Impediments to Fair Housing Choice Report

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the report entitled "Analysis of Impediments to Fair Housing Choice", as presented to City Council on February 19, 2019, is hereby approved as a companion document to the Consolidated Plan.

- e. RESOLUTION: Business Equity Fund Donation Agreement

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia, that the City Manager is hereby authorized to sign the following document, attached hereto, in form approved by the City Attorney or his designee.

Donation Agreement between the City of Charlottesville (Donor) and the Community Investment Collaborative for administration of the Business Equity Fund loan program.

DONATION AGREEMENT

THIS DONATION AGREEMENT is made and entered into this 4th day of March,

2019, by and between the **CITY OF CHARLOTTESVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (hereinafter “the City”) and **COMMUNITY INVESTMENT COLLABORATIVE**, a Virginia not-for-profit 501(c)(3) corporation, and its successors and assigns (hereinafter “CIC”).

WHEREAS, CIC is a not-for-profit corporation operated exclusively for charitable and educational purposes; and

WHEREAS, CIC intends to provide a loan program to socially disadvantaged individuals within the City of Charlottesville.

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING DONATION TERMS AND CONDITIONS:

1. AUTHORITY. The contribution by the City to CIC as provided in this Agreement is made pursuant to Virginia Code §15.2-953. The City, through its City Council, is enabled by Virginia Code §15.2-953 to appropriate public funds to charitable institutions if such institutions provide services to residents of the locality. CIC is a nonprofit charitable institution in the City of Charlottesville that provides services to Charlottesville residents. CIC is eligible to receive public funds pursuant to Virginia Code §15.2-953 and such funds are to be used solely for the purposes provided for in this Agreement.

2. CITY DONATION. The City agrees to contribute to CIC a total of \$109,000 pursuant to Section 4 of this Agreement.

3. PURPOSE. The City’s contribution shall be used solely for the following items and services:

CIC shall administer a Business Equity Fund loan program for socially disadvantaged individuals owning a for-profit business in existence for at least six months located within the City of Charlottesville and having a business license with the City of Charlottesville.

Socially disadvantaged individuals are individuals who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

The loans are to be in amounts of \$5,000.00 to \$35,000.00 and the terms of the loans will range from six months to five years. The loans will be fully amortized and there will be no penalty for the early repayment of loans. The loans shall have annual interest rates ranging from zero to three percent and closing fees shall range from one percent to three percent. Should any loan be charged an interest rate of greater than zero, upon repayment, the full principal and interest shall return to the fund.

In order to be eligible for a loan, applicants must provide all requested financial documents in a timely manner; complete a loan application and interview with a loan panel; agree to a credit history check and review; and agree to technical assistance throughout the

process.

4. TIMING. The City shall grant CIC \$54,500.00 upon the execution of this Agreement. An amount of \$50,000 shall be used for loans and the remaining funds may be used to defray administrative costs of issuing the loans. CIC shall provide a report to the City within three months of receiving the initial grant detailing the use of City funds. If CIC has not used any City funds within three months of this Agreement's execution, CIC shall provide a written report to the City detailing the reasons for the lack of loans. If CIC makes loans within three months of the Agreement's execution, CIC shall provide a written report detailing the loans, repayments, types of businesses receiving the loans, and other relevant information requested by the City. This written report shall be a recurring quarterly obligation for CIC so long as loans using City funds still require repayment.

Upon CIC's use of the first \$54,500.00 of City funds, it may request in writing that the City's Director of Economic Development release the additional \$54,500.00 of City funds.

5. RETURN OF CITY FUNDS. If CIC does not lend any of the first \$50,000.00 of City funds within six months of the execution of this Agreement, the City may request a refund of the funds and terminate this Agreement immediately without complying with the provisions of Section 11 of this Agreement.

6. NO AGENCY RELATIONSHIP CREATED. Neither CIC nor its agents, employees, or subcontractors shall be deemed employees or agents of the City by virtue of this Agreement. CIC shall have sole responsibility of for its employees, volunteers, and subcontractors including their work, conduct, directions, and compensation.

7. SEVERABILITY. In the event any term, provision, or condition of this Agreement, or the application thereof to any person or circumstance shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement and the application of any term, provision or condition contained herein to any person or circumstance other than those to which it has been held invalid or unenforceable, shall not be affected thereby.

8. CITY ACCESS TO RECORDS. CIC agrees that duly authorized representatives of the City shall have access to any books, documents, papers and records which are directly pertinent to this Agreement upon forty eight hours advanced request by the City.

9. INDEMNIFICATION. To the extent permitted by law, CIC agrees to defend, indemnify and save the City (including its officers, agents, officials, employees and agents) harmless from and against any and all liability loss, claim, suit, damage, charge or expense which the City may suffer, sustain, incur which may arise out of, results from, or is in any way connected with actions taken by CIC in the performance of its obligations under this Agreement, or which occurs as a consequence of any negligence, omission or misconduct of CIC and any of pursuant to this Agreement.

10. NON DISCRIMINATION. During the performance of this Agreement, CIC agrees

that it will not discriminate against any employee or applicant for employment or in the provision of its services against any employee, applicant for employment, or service recipient on the basis of race, religion, color, sex, sexual orientation, national origin, age, disability or any other basis prohibited by law. CIC agrees to post in conspicuous places, available to employees, applicants for employment, and applicants for services notices setting forth the provisions of this nondiscrimination clause. CIC shall state that it is an equal opportunity employer in all solicitations or advertisements for employment.

11. TERMINATION. Either party may terminate this Agreement by giving written notice to the other party of the termination with at least thirty days notice. Upon termination of this Agreement, CIC shall return any unexpended funds to the City.

12. NO WAIVER OF RIGHTS. Any failure on the part of the City to enforce any of this Agreement’s terms and conditions shall not be construed as or deemed to be a waiver of the right to enforce such terms and conditions. No waiver by the City or any default or failure to perform by CIC shall be construed as or deemed to be a waiver of any other and/or subsequent default or failure to perform. The acceptance of the performance of all or any part of this Agreement by the City, for or during any period following a default or failure to perform by CIC shall not be construed as or deemed to be a waiver by the City of any of its rights pursuant to this Agreement.

13. ENTIRE AGREEMENT. This Agreement states all of the covenants, promises, agreements, conditions, and understandings between the City and CIC regarding the City’s donation of funds.

14. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia and any proceeding concerning this Agreement shall be commenced in courts having jurisdiction within the City of Charlottesville, Virginia.

15. AMENDMENTS. This Agreement may be amended by a written amendment signed by the authorized representatives of both parties.

WITNESS the following authorized signatures:

COMMUNITY INVESTMENT COLLABORATIVE

Stephen Davis, President

CITY OF CHARLOTTESVILLE, VIRGINIA

Michael Murphy, Interim City Manager

Approved as to Form:

John C. Blair, II, City Attorney

f. RESOLUTION: Acquisition of Hartman’s Mill Road Land

**APPROVING THE ACQUISITION OF LAND ON HARTMAN’S MILL ROAD
(CHARLEY CLOSE SUBDIVISION) FOR PARKLAND AND DEVELOPMENT OF
HOUSING**

WHEREAS, Charles Young and Kendall Ruscher, the Owners of a tract of land identified on City Tax Map 26 as Parcels 67, 67.1, 67.2, 67.3, 67.4, 67.5 and 67.6, hereinafter the “Property”, have indicated a willingness to convey the Property to the City of Charlottesville for parkland and housing development purposes; and

WHEREAS, the Property is comprised of six (6) separate subdivision parcels, and a wetlands tract of land, collectively assessed at approximately \$315,900; and

WHEREAS, the Owners have agreed to dedicate to the City the wetlands area (1.848 acres), and convey to the City the six (6) subdivision parcels, including a residue portion of land to make Hartman’s Mill Road terminate in a cul-de-sac, for the purchase price of \$270,000; and

WHEREAS, acquisition of the Property will preserve wetlands and expand the City’s park system by adding the wetlands parcel to Jordan Park; and

WHEREAS, the City’s Parks and Recreation and Neighborhood Development Services Departments seek the endorsement of City Council to proceed with the purchase of the above-described land at a purchase price of \$270,000, with the funds supplied by the Capital Improvements Project Contingency Fund; and

WHEREAS, a Real Estate Purchase and Sale Agreement for the conveyance of said land has been reviewed and approved by the City Attorney’s Office.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Charlottesville that it hereby authorizes the purchase of the above-described Property on Hartman’s Mill Road for expansion of the City’s parkland and for potential development of affordable housing. The City Manager is hereby authorized to execute a purchase agreement, in form approved by the City Attorney or his designee, and the City Attorney’s Office shall take whatever actions are necessary to effect the acquisition of the above described Property, pursuant to the terms and conditions set forth in the aforementioned purchase agreement.

g. RESOLUTION: Support of Friendship Court Redevelopment – Phase 1

RESOLUTION
Financial Resolution Supporting Friendship Court
Parcel Number: 280112000

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that it hereby commits up to \$5,940,000 in the form of grants for the redevelopment of Friendship Court Phase I subject to Piedmont Housing Alliance satisfying the conditions of a Memorandum of Understanding agreed to by the City and the Piedmont Housing Alliance. The commitment of up to \$5,940,000 will help to subsidize Phase I which in turn will create

approximately 106 newly constructed affordable housing units in the City of Charlottesville. This commitment will be made to Piedmont Housing Alliance and NHT Communities.

h. RESOLUTION: Support for Crescent Halls Redevelopment

RESOLUTION
Financial Resolution Supporting Crescent Halls
Parcel Number: 280218000

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that it hereby commits up to \$1,875,000 in the form of grants for the redevelopment of Crescent Halls subject to the Charlottesville Redevelopment and Housing Authority satisfying the conditions of a Memorandum of Understanding agreed to by the City and the Charlottesville Redevelopment and Housing Authority. The commitment of up to \$1,875,000 will help to subsidize this project which in turn will create approximately 105 renovated affordable housing units in the City of Charlottesville. This commitment will be made to the Charlottesville Redevelopment and Housing Authority.

i. RESOLUTION: Support for South 1st Street Redevelopment

RESOLUTION
Financial Resolution Supporting South 1st Street
Parcel Number: 260115000

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that it hereby commits up to \$1,125,000 in the form of grants for the redevelopment of South 1st Street subject to the Charlottesville Redevelopment and Housing Authority satisfying the conditions of a Memorandum of Understanding agreed to by the City and the Charlottesville Redevelopment and Housing Authority. The commitment of up to \$1,125,000 will help to subsidize this project which in turn will create approximately 63 new or replacement affordable housing units in the City of Charlottesville. This commitment will be made to the Charlottesville Redevelopment and Housing Authority.

j. RESOLUTION: City Market Lease

A new sublease for the 2019 market season (April – December) was presented for approval.

APPROVING City Market Sublease Agreement

k. ORDINANCE: Encroachment and Aerial Easement from City for CODE Building on West Main (Mall) (2nd reading)

AN ORDINANCE APPROVING A DEED OF ENCROACHMENT AND TEMPORARY AERIAL EASEMENT FROM THE CITY OF CHARLOTTESVILLE, VIRGINIA TO BRANDS HATCH LLC, FOR THE CENTER OF DEVELOPING ENTERPRISES (CODE) PROJECT AT THE WESTERN END OF THE DOWNTOWN MALL

1. **ORDINANCE: Telecommunications Franchise to MCI Communications (carried)**

On motion by Ms. Hill, seconded by Dr. Bellamy, Council voted 5-0 to APPROVE the amended resolutions to items 'g', 'h', and 'i', as presented by Ms. Hill. (Ayes: Ms. Walker, Ms. Hill, Dr. Bellamy, Ms. Galvin, Mr. Signer. Noes: None.)

On motion by Ms. Hill, seconded by Dr. Bellamy, Council voted 5-0 to ADOPT the CONSENT AGFENDA with approved amendments to items 'g', 'h', and 'i'. (Ayes: Ms. Walker, Ms. Hill, Dr. Bellamy, Ms. Galvin, Mr. Signer. Noes: None.)

CITY MANAGER RESPONSE TO COMMUNITY MATTERS (FROM PREVIOUS MEETINGS)

Interim City Manager Mike Murphy discussed the following matters:

- 1) Pedestrian closures of streets and sidewalks are being looked into by the City's Traffic Engineer, in addition to the crash data at Willoughby. Mr. Murphy advised that he will provide more information at an upcoming meeting.
- 2) The downtown trolley route change pilot start date has been set for Monday, March 11, 2019. After the pilot, changes could be made as soon as three weeks if so determined. He advised that with the challenges of bus size and downtown parking, several parking spaces will be eliminated on 2nd Street.

COMMUNITY MATTERS

1. Mr. Bill Lankford yielded his time to Mr. Michael Payne who talked about fossil fuel divestment. He advised that climate change and environmentalism is directly connected to affordable housing, economic and racial justice, and economic inequality. He asked Council to commit to a bold greenhouse gases emission reduction target of 100% clean energy by 2035.

2. Mr. Eric Terry, President of Virginia Restaurant, Lodging and Travel Association, spoke about payroll in the hotel industry within Charlottesville. He advised that hotel occupancy levels have dropped and spoke against the lodging and meals tax increases. He asked Council to consider discounting the credit card fees when collecting lodging tax.

Dr. Bellamy asked about living wage for hotel industry workers.

Ms. Walker asked about status of restaurant and hotel industry in regard to new and potential openings in the City. Mr. Terry advised that he would have to defer to Economic Development.

3. Ms. Louisa Candelario, resident, spoke about funds for affordable housing, and asked Council not to forget about home ownership and providing funds to Habitat for Humanity. She also spoke in favor of school reconfiguration for Walker and Buford.

4. Ms. Susan Payne, working @ 206 East Jefferson, spoke about the tourism industry. She advised that the Charlottesville Albemarle Convention and Visitors Bureau (CACVB) is reorganized with full city representation for the first time, and the search is underway for an Executive Director. She said there is room to grow the tourism industry and compared City and County rates.
5. Ms. Claire Habel, resident, spoke about the climate action planning process that is underway. She gave information about her role as the Residential Program Manager for the Charlottesville Climate Collaborative. She shared ideas that reflect the need for Council to take the lead on matters of climate change.
6. Mr. Ray Masters, Starr Hill resident, spoke out of concern for a 30 percent increase in his home assessment, and a lack of neighborhood outreach during the small area plan process.
7. Mr. Thomas Penny III, President of Donohoe Hospitality Services, a partner in the development of The Draftsman hotel, spoke about opportunities that the hospitality industry affords, and opportunities for employees to grow. He spoke in support of affordable housing and advised that business and elected officials need to work together to bring people back to the City. He advised that if lodging tax has to be increased, a portion should be invested in the Visitors Bureau to help attract people to Charlottesville.
8. Ms. Emily Little, County resident working in the City, delivered 127 signatures and a petition for increased climate protection. She thanked Ms. Galvin for her work and presented her with a picture.
9. Mr. David Swanson, resident, spoke of the petition at Divestcv.org, and encouraged Council to divest from weapons companies and fossil fuel companies. He asked the City to invest more ethically.

Dr. Bellamy asked Mr. Murphy what divestment would look like for the City. Mr. Murphy advised of the complexity of investments and the role of the elected City Treasurer. Dr. Bellamy requested having Mr. Vandever to give a report at a future meeting – possibly the first meeting in May.

Ms. Galvin expressed support of having Mr. Vandever report at a future meeting. She spoke to Mr. Swanson regarding limitations of local government and advised that this topic is worth looking into.

Mr. Signer advised that he has done some research and wanted to divide the resolutions to evaluate them separately as two different classes of industry: fossil fuels and weapons.

Mr. Murphy advised that he will follow up on the timing for a potential Request for Proposal (RFP) and message Council for choosing which date to bring the item back before Council.

10. Mr. Brandon Collins, resident, spoke on behalf of Public Housing Association of Residents (PHAR) as his employer, in support of the Critical Slopes waiver.

11. Ms. Janette Murphy, resident ceded time to Marie Scott, who spoke in support of Habitat for Humanity and the importance of home ownership. She advised that affordable housing is a key facet in breaking the cycle of generational poverty, and programs like Habitat for Humanity promote financial literacy and generational wealth.

12. Mr. Garrett Trent ceded his time to Dan Rosensweig, who spoke on behalf of Habitat for Humanity of Greater Charlottesville and the equity crisis in the housing industry.

13. Mr. Peter Castiglione, resident, spoke about the FY 2020 budget. He advised that the budget can be approved without tax increases because the money already exists. He advised that tax increases have consequences.

Ms. Walker and Dr. Bellamy asked clarifying questions. Mr. Castiglione asked for budget transparency.

14. Ms. Joan Fenton, owner of businesses on the Downtown mall, expressed thanks for directional signs downtown. She asked for better signage at 4th & Water Streets. She spoke of traffic issues at Water Street. On the issue of taxes, she said that she feels that the City has better ways to get funds than by taxes. She suggested speeding up internal City processes, investing in tourism, and bringing more tourist dollars downtown.

15. Mr. Roy van Doorn, office on High Street, distributed books to Councilors and spoke of the enormity of the tourism industry, consisting of many small businesses. He gave statistics. He ceded time to Charles Friend, City resident and hotel General Manager, who spoke about hotel industry opportunities for advancement.

16. Annie Stupp, resident, spoke on behalf of the Housing Coalition about affordable housing and the need to address every aspect of the housing spectrum. She advised that she still does not see funding for the Charlottesville Affordable Housing Fund (CAHF) addressing homelessness or home ownership. She spoke in favor of increasing taxes for the wealthy and expanded tax relief to low income residents and the most vulnerable citizens.

Ms. Walker advised that budget conversations regarding tax relief would be starting this week.

Ms. Galvin spoke of keeping the CAHF (Charlottesville Affordable Housing Fund) stable with a dedicated funding stream.

Mayor Walker recessed the meeting at 8:07 p.m.

The meeting reconvened at 8:23 p.m.

REPORT: School Board's Adopted FY2020 Budget

Ms. Jennifer McKeever, Chair of the Charlottesville City School Board, introduced Schools staff and School Board members in attendance and presented the Fiscal Year 2020 School Board Adopted Budget.

One of the commitments for this budget is to attract and retain the best teachers. She advised that the budget includes a proposal for a compensation increase and does plan for growth. Ms. McKeever shared the vision of school system reconfiguration and explained the findings that led to the School Board's decision. She reviewed the request for continuation of grant funded programs and school-based program supports and improvements.

Ms. McKeever explained that the School Board is requesting a total of \$3,368,421 from the City, which is based on a reduction of the original proposal of \$3.8M as a result of the Interim City Manager's request for all departments to decrease their requested budgets.

Superintendent Rosa Atkins and staff shared additional information to clarify Council questions regarding class sizes and programs.

Dr. Bellamy stated for the record that he is in support of finding and additional \$500,000 to fund the original School Board proposed budget.

REPORT: City Manager's Proposed FY2020 Budget

Mr. Mike Murphy advised that the budget reflects Council and the community's priorities and is presented using a \$0.95 real estate tax rate. He acknowledged the work of City staff and mentioned the major budget themes: 1) affordable housing, 2) preserving and enhancing quality services, 3) investment in our employee, 4) focus on organizational efficiencies, 5) strong support for City Schools, and 6) strategic plan and Council priorities. He advised that the CIP is a one-year budget and a five-year plan. Mr. Murphy discussed programs from outside and nonprofit agencies, Capital Improvement Plan highlights, debt service, Schools and affordable housing. He expressed concern that the budget did not address home ownership and homelessness.

Mr. Murphy reviewed the Budget Calendar, and advised of changes in times as well as adjustments of some dates:

- March 7 Worksession 6:00
- March 14 Worksession 6:00
- March 16 Community Budget Forum
- March 18 Public Hearings
- March 19 Worksession
- TENTATIVE – March 27 Worksession
- April 1 Second Public Hearing/First Reading
- April 8 Budget Approval

He referenced Charlottesville.org/budget, which has more information about the budget.

Dr. Bellamy advised Councilors that they would receive information within the week about funding streams for addressing homelessness, in particular a potential Crossings2, which would provide 50 units for those who are chronically homeless, and 30 units for those who are at or below the 50% AMI (Area Median Income).

RESOLUTION*: South First Street Redevelopment - Critical Slopes Waiver

Ms. Carrie Rainey, City Planner, gave a presentation for this project which supports Council's Goal 1 of Affordable Housing. The Planning Commission voted 6-0 to approve the waiver with revisions.

On motion by Ms. Galvin, seconded by Dr. Bellamy, Council voted unanimously to approve the RESOLUTION*: South First Street Redevelopment - Critical Slopes Waiver with the language stated by Ms. Rainey for item 5 "within the approved final site plan." Ms. Galvin accepted the friendly amendment to the motion.

ORDINANCE*: Imposition of Fee for Fire Department Inspections

Chief Andrew Baxter & Battalion Chief Jay Davis presented the proposed fee schedule, which mirrors Albemarle County fees, and are permitted per the Virginia State Fire Code.

Ms. Walker advised that she has been asked questions about fees for propane tanks on the mall. A component of managing risk.

Mr. Davis advised that the inspections and permitting are separate issues and the inspections will be done anyway to ensure safety.

Ms. Walker asked about possible collaboration with the County for the permitting process. Mr. Blair advised that it could be approved if the County were in agreement.

Dr. Bellamy asked about requirements for food trucks. Chief Baxter and Mr. Davis advised that there would be an outreach and educational component to the permitting prior to implementation and enforcement, as is the normal practice of the Community Risk Reduction team. The fee schedule would be implemented by the end of FY 2019.

Ms. Hill questioned how many fees a vendor could incur in a year. Mr. Davis advised that the fee is annual.

Ms. Galvin made the comment that she would like for permits to be effective regionally. Mr. Blair advised that it would take some time to work out an inter-jurisdictional agreement.

Council agreed to move this fee schedule forward to the March 18 Consent Agenda while charging the Fire Department with working on a regional plan for permit fees. Mr. Murphy

explained that the fee schedule involved several fees that are specific to City operations; however, Council's discussion focused on food service and propane tanks. The collaboration effort with the County would be based on those two items. Other fees are distinct to the locality.

OTHER BUSINESS

Ms. Galvin made a comment about the synthetic tax increment finance district and asked for a future presentation to Council to address sustainable funding stream for the Charlottesville Affordable Housing Fund. Mr. Murphy advised that he will talk with Ms. Brenda Kelley. Ms. Galvin proposed the area of Water Street as a geographical growth corridor location. Ms. Hill agreed that it is worth having the conversation and expressed concern about the timeline, that perhaps this could be addressed after the current budget season.

Ms. Hill mentioned receiving a letter about signing for opposing a dirty water rule. Ms. Galvin advised that she agrees that Councilors should discuss the letter at another time. Mr. Signer advised that if Council decides to support signing the letter, the item could be placed on a future Consent Agenda.

Ms. Hill spoke of the interest from the Police Civilian Review Board (CRB) to have Council presence at meetings as they develop bylaws. Ms. Walker and Dr. Bellamy expressed support for a Council worksession with the CRB. Ms. Walker advised that City staff would also need to be present. Ms. Walker recommended that the CRB send their draft bylaws to Council for review in preparation for an April meeting.

MATTERS BY THE PUBLIC

Mr. Brad Slocum, City resident, read an article about sustainable investment.

Ms. Sina McGill, City resident, spoke about socially responsible stock investing, particularly solar and alternative energy. She also expressed concern about the Schools proposed budget cut that would affect school security.

The meeting adjourned at 10:34 p.m.

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Thursday, March 7, 2019, AT 6:00 p.m. AT THE City Space Conference Center, 100 Fifth Street, NE, Charlottesville, VA 22902.

THE PROPOSED AGENDA IS AS FOLLOWS:

FY 2020 Budget Work Session

BY ORDER OF THE CITY COUNCIL

BY Kyna Thomas

CITY SPACE – March 7, 2019

City Council met on this date with the following members present: Mayor Nikuyah Walker; Vice Mayor Heather Hill; Dr. Wes Bellamy and Ms. Kathy Galvin. Mr. Mike Signer arrived at 6:27 p.m.

Ms. Walker called the meeting to order at 6:06 p.m. and turned the meeting over to Interim City Manager Mike Murphy. Mr. Murphy advised that the purpose of this meeting was to review Operating Budget and Revenues.

Ms. Leslie Beauregard reviewed information about the online tool for balancing the budget and shared that community input increased this year. She advised that although a real estate tax rate of \$0.97 was advertised, the proposed FY2020 budget is based on a \$0.95 real estate tax rate, which is the current rate.

Mr. Murphy compared a meal tax increase with a real estate tax increase:

- Eating out is discretionary
- Real Estate Taxes are required to be paid, or are passed on to the renter
- Just with general reassessment, taxpayers are already seeing an average increase of 8.7% in their tax bills.
- Impact of real estate taxes on all levels of homes is greater than taxes on meals away from home

Ms. Beauregard described the impact of a transient occupancy (lodging) tax increase. She then reviewed various components of revenue detail such as licenses and permits, intergovernmental revenue, charges for service, miscellaneous revenue, and designated revenue.

Dr. Bellamy asked for clarification about City-County revenue sharing amount. Ms. Beauregard advised that the total is \$14M, which is down about \$1.5M.

Mr. Murphy began the discussion about expenditures and advised that one of the enhancements for discussion is to provide additional tax grant and relief through the Charlottesville Housing Affordability Program (CHAP), adding some tiers and potentially a full

relief tier, as well as changing the income threshold from \$50,000 to \$65,000. In order to implement these changes, and additional funding of \$285,000 would be required.

Ms. Walker advised that she and Commissioner of the Revenue Todd Divers worked through various scenarios to come up with three options, including a relief option with a \$20,000 income limit for full relief.

Mr. Signer joined the meeting at 6:27 p.m.

Mr. Murphy reviewed expenditure drivers: funding for schools and employee compensation.

Ms. Walker asked for an explanation of how the cost of living adjustment (COLA) for City employees was determined. Mr. Murphy advised that increase in living wage, compression, as well as consideration for employees whose pay is not at market rate were contributing factors, in addition to mid-year adjustments for public safety, and knowing that surrounding localities and schools are planning pay increases.

Ms. Galvin asked the amount of the typical COLA. Staff advised that previous percentages in the most recent years were 2% and 3%.

Mr. Signer asked about the shortfall amount if revenues remain flat, and Ms. Beauregard advised that it would be \$3.2M. Mr. Murphy advised that adding to the reason for requesting tax increases are the robust Capital Improvement Program and related debt, requests from departments, and services to support Council priorities. The General Fund transfer to the Debt Service fund is increasing by \$850,000. The General Fund contribution to the CIP is increasing by \$1.46M.

Ms. Beauregard reviewed funds for Outside and Nonprofit agencies.

Staff reviewed the upcoming Budget Calendar:

- March 14 Worksession, 6pm – 8pm (City Space)
 - Capital Improvement Program
- March 16 Community Budget Forum, 1pm – 3pm (Herman Key Recreation Center)
- March 18 Public Hearings, 6:30 pm (Council Chamber)
- March 19 Worksession, 6pm – 8pm (TJPDC Water Street Center)
 - Remaining budget issues and wrap-up
- TENTATIVE – March 27 Worksession, 6pm – 8pm (City Space)
 - Remaining budget issues and wrap-up
- April 1: Second Public Hearing on Budget/First Reading, 6:30 pm (Council Chamber)
- April 8 Budget Approval, 2:00pm (2nd Floor Conference Room, City Hall)

Dr. Bellamy asked about the possibility of writing a resolution for any additional revenue funds to be specifically allocated to the Schools budget or to affordable housing. Ms. Beauregard

advised that a portion of revenue automatically goes to debt service, so there is a precedent for earmarking revenue.

Commissioner of the Revenue Todd Divers answered questions from Councilors regarding income thresholds, assessment values and tax relief.

Mr. Signer stated that the City should rely on the revenue that the economy has created in the range of \$6-7M. The City has taken steps like never before to fund affordable housing, which significantly impacts the budget. Mr. Signer emphasized that he would be more inclined to implement the lodging tax.

Ms. Hill advised that she would not support real estate tax increase, and she is so far in support of a lodging tax increase.

Ms. Walker expressed that based on priorities, Councilors should be willing to also look at cutting expenses. She would be in support of increases to meals, lodging and real estate taxes.

Mr. Signer suggested a significant increase to the cigarette tax, as a public policy for health reasons as well as source of revenue. Ms. Walker encouraged Mr. Signer to talk with local business owners who sell cigarettes because cigarette buyers would take those purchases to the surrounding county.

Ms. Galvin stressed that local government is being tasked with funding more of the budget that is not being covered by the State or Federal government. She mentioned the need to put \$55M toward public school modernization and expansion, and put funds toward infrastructure. She emphasized the need for progressive tax tools.

Ms. Hill said that she sees the rise in assessments as effectively increasing taxes, and it affects people disproportionately. She advised that she would not be in favor of adding a tax increase on top of that.

Discussion ensued about the impact of meals taxes and the cost of meals, in particular the perception of Charlottesville being an expensive city.

Ms. Walker opened the floor for public comment.

Mr. Paul Henderson, resident, shared that he agrees that the City is expensive. He compared the City's approved budget to budgets in similar cities. He asked Council to consider reducing expenses rather than increasing revenue.

Ms. Takia Jones, resident, spoke about high-cost restaurants. She shared her story and advocated for affordable housing support as someone who is working her way to becoming a homeowner with Habitat for Humanity.

Ms. Letita Towder, resident, spoke in support of affordable housing and the Habitat for Humanity program budget allocations. She advised of programs provided by Habitat for Humanity to help residents learn fiscal responsibility.

Janette Kawachi, Chief Partnership Officer of Habitat for Humanity of Greater Charlottesville, spoke to clarify budget information for Habitat for Humanity. Three open grants that Habitat has with the City total approximately \$1.4M from the previous five years. Of the \$1.4M, about \$1M has been either spent, requested or encumbered. The remaining \$400,000 has been allotted to 14 lots that Habitat for Humanity is currently pursuing, which would effectively bring the fund's balance to \$0 or close to it by the end of the City's current fiscal year.

Ms. Hill left the meeting at 8:12 p.m.

Mr. Murphy asked for a specific dollar amount needed for Habitat for Humanity for FY 2020. He asked what the impact would be if the funding were not included for one year in the budget, given the volume of development expected and whether that work could be expended in one fiscal year.

President and CEO Dan Rosensweig explained that the remaining grant funds are lot pursuit money and would be spent by July 1, 2019, bringing the grant balance to \$0.

Ms. Maureen Burkhill of Habitat for Humanity advised that City funding is not the only funding that Habitat receives; however, City funding is needed in order to get other funding – particularly the Affordable and Special Needs Housing Program requires that they receive 25% from the City.

Ms. Annie Stupp, member of the Charlottesville Low Income Housing Coalition, spoke in support of funding for affordable housing. She advised that the Housing Coalition is in support of a permanent revenue stream for affordable housing in whatever form it may be, including raising taxes for those who are most able to afford it. She asked for consideration of all forms of revenue. On a personal note, she encouraged marketing the aid to affordable housing as an incentive to meals and lodging purposes.

Mr. Murphy concluded that the budget discussion would continue with discussion of CIP on March 14, and staff would bring back information to Councilors to answer some of their questions about affordable housing.

The meeting was adjourned at 8:23 p.m.

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Thursday, March 14, 2019, AT 6:00 p.m. AT THE City Space Conference Center, 100 Fifth Street, NE, Charlottesville, VA 22902.

THE PROPOSED AGENDA IS AS FOLLOWS:

FY 2020 Budget Work Session

BY ORDER OF THE CITY COUNCIL

BY Kyna Thomas

CITY SPACE – March 14, 2019

City Council met on this date with the following members present: Mayor Nikuyah Walker, Vice Mayor Heather Hill, Dr. Wes Bellamy, Ms. Kathy Galvin and Mr. Mike Signer.

Ms. Walker called the meeting to order at 6:03 p.m. and Pursuant to Virginia Code Section 2.2-3115, she read the following conflict of interest disclosure statement:

“I am an employee of the City of Charlottesville, within the City’s Parks and Recreation Department. I hereby declare that, during the City Council’s discussions of the proposed Budget, relative to issues relating to City employees (such as cost of living increases, living wages, health insurance benefits, and similar fiscal matters relating to City employees – individually and collectively referred to in this Written Disclosure as the “Transaction”) I may have a “personal interest in a transaction”, as that term is defined in Virginia Code §2.2-3101, by reason of the salary or other compensation, or employee benefits, that I receive as a City employee, in excess of \$5,000 annually. I have previously consulted with the Office of the City Attorney on this matter, and received an opinion that, pursuant to Virginia Code §2.2-3112(B)(1), even with this personal interest I may lawfully participate in City Council’s discussion of the Transaction, because I am a member of a group of three or more persons (i.e., City employees) the members of which are affected by the Transaction. I hereby affirm that I am able to participate in the Transaction fairly, objectively, and in the public interest.”

Ms. Walker turned the meeting over to City Manager Mike Murphy. Mr. Murphy advised that the purpose of this meeting was to review the Capital Improvement Program and review follow-up items from the March 7, 2019, budget worksession.

Mr. Ryan Davidson began the overview of the FY 2020-2024 Proposed CIP revenues and expenditures. He reviewed items that changed since the Planning Commission presentation.

Projects Added to the FY20-24 Proposed CIP

- City Schools Reconfiguration Design and Planning = \$3,000,000 (FY20)

Amended Projects

- General District Court funding moved from FY20 and FY21 to FY21 and FY22
- City Wide IT Strategic Infrastructure was increased by \$150,000 in FY20

Reduced Projects

- Parks and Schools Playground Renovations FY20 funding removed (\$112,000)
- Refurbish Parks Restrooms FY20 funding removed (\$50,000)

Mr. Davidson explained debt service impacts:

- General Fund Transfer to Debt Service (to support proposed CIP)
 - Increase of \$850,000 in FY20 Proposed Budget
- Based upon the current proposed 5-year CIP the City would need to increase the debt service contribution annually by \$850,000 in future fiscal years as well.
- Debt Service – with current projected 5-year CIP, and Proposed FY20 Operational Budget, will stay within the 10% debt ratio cap and 9% target.

The presentation included review of FY 2020 - 2024 CIP bonded projects and non-bonded projects. He followed up on a question from Ms. Galvin at the March 7 Budget Worksession, regarding a comparison between replacing or refurbishing the Bypass Fire Station. The conclusion was that funding has already been expended for the project and the funding from this budget is the second part to complete the \$5.9M expansion.

Councilors asked questions of Mr. Kevin Rotty, member of the financial advisory firm for the City.

Ms. Galvin asked about use of the reserve fund and possible donations from individuals. Mr. Rotty gave an explanation of access to the funds as one-time use funds and guarded against reducing the debt percentage.

Ms. Walker advised that the budget should not be based on hypotheticals and theories.

Council followed up on the City Schools operating request, and Ms. Hill suggested that funding be considered based on the Schools request of \$3.3M. Four Councilors agreed and Dr. Bellamy expressed support of the additional \$500K originally requested.

Ms. Galvin proposed funding the Charlottesville Affordable Housing Fund Flexible dollars at \$1M.

Mr. Signer stated that he would support only the lodging tax increase.

Mr. Murphy advised that the Planning Commission and the Housing Advisory Committee would be in support of having flexible dollars that people can apply for affordable housing.

Ms. Hill advised that the City cannot address the affordable housing issue alone, and that Albemarle County and the University of Virginia should contribute a larger share.

Councilors except Dr. Bellamy agreed to take the additional \$500,000 to fund the Schools original request out of consideration.

Regarding the CAHF, Mr. Murphy explained that \$10.3M has already been dedicated toward affordable housing efforts, which is the largest amount, by more than double, ever allocated for this cause. Council was tasked with deciding whether to allocate flexible funding of \$1M or \$1.55M. Mr. Murphy suggested that the \$1M flexible dollars be pulled from the \$10.3M funds already budgeted.

Mr. Signer asked whether a surplus at the end of the year could be dedicated to affordable housing fund.

Dr. Bellamy and Ms. Hill expressed concern about using all the surplus toward one cause.

Ms. Walker opened discussion on the Charlottesville Housing Affordability Program (CHAP).

Ms. Galvin advised that she is not in favor of approving funds above the \$285,500 which has been budgeted for the CHAP.

Ms. Walker shared the challenges of homeowners at lower income levels paying for rising tax assessments.

Mr. Todd Divers, Commissioner of the Revenue, gave detail surrounding the qualified CHAP recipients and relief amount. He also mentioned that perhaps next year the rent relief program could be discussed in preparation for the budget. Council asked that a rent relief report be included in the future.

Councilors asked to see the impact of adding \$1M to flexible funding versus making it a portion of the \$10.3M. Ms. Walker asked staff to look at other processes like ABRT to know what could be a better use of the flexible funding for affordable housing.

Council poll:

- Lodging tax increase:
 - YAY – Walker, Hill, Signer, Bellamy;
 - MAYBE - Galvin (contingent on other tax results).
- Real estate tax increase: Mr. Murphy advised that the budget was not built around an increase.
 - YAY – Galvin and Bellamy would raise 1 cent;
 - NO - Walker, Hill, Signer.
- Meals tax:
 - YAY – Walker, Bellamy;

- NO – Signer because it adds to the general cost of living for residents;
- Need more info: Hill; Galvin proposed \$0.05 increase, advising that one sector should not bear the responsibility. At least 3 Councilors would go up \$0.05.

Ms. Walker opened the floor for public comment at 8:09 p.m.

Mr. Tom Eckman, IMPACT Strategy Team, spoke about affordable housing and the need for the County and the University of Virginia to do more. He spoke in support of City affordable housing efforts, and the CAHF additional \$1.55M.

Mr. Aaron Winston, organizer for Charlottesville Low Income Housing Coalition, spoke about affordable housing, advising of the 3300 units needed at this moment in time. He guarded against counting on a surplus at the end of the year. He encouraged Council to take political risk to increase revenue to support affordable housing. He encouraged a permanent revenue foundation.

Mr. Michael Payne, City resident, gave context for Richmond's proposed tax increases, and encouraged Council to do more long-range strategic planning.

Ms. Janette Kawachi of Habitat for Humanity expressed gratitude for Council's support for affordable housing, but advised that there is a gap in addressing affordable home ownership. She asked that Council consider adding the \$1M or \$1.55M to the CAHF. She suggested that non-cash options be considered for Council to support affordable home ownership.

Mr. Signer left at 8:22 p.m.

Ms. Avis Allen, representing IMPACT, spoke in favor of \$1M minimum, preferably \$1.55M being added to the affordable housing fund. Speaking as an individual, she expressed that for over a year she has been unable to find affordable housing near the hospital. She asked Council to look for streams of revenue that would not affect affordable housing.

Ms. Sheila Hurlleheigh, Board member of IMPACT and Coordinator of Justice and Charity for the Church of the Incarnation, spoke about affordable housing. She encouraged funding of the CAHF for the ability to address needs as they arise.

Pastor Liz Emory of New Beginnings Christian Community, helping addicts, alcoholics and ex-offenders, spoke in support of the CAHF. She advised that this is the only way that ex-offenders can stay in the community because they cannot qualify for federal grants.

Mr. Rory Silzenburg, resident, spoke about Council's lack of support for projects that he believes would increase the revenue base. He spoke about a line item for solar power generation.

Public comment was closed.

Mr. Murphy reviewed the remainder of the Budget Calendar:

- March 16 Community Budget Forum, 1pm – 3pm (Herman Key Recreation Center)
- March 18 Public Hearings, 6:30 pm (Council Chamber)
- March 19 Worksession, 6pm – 8pm (TJPDC Water Street Center)
 - Remaining budget issues and wrap-up
- TENTATIVE – March 27 Worksession, 6pm – 8pm (City Space)
 - Remaining budget issues and wrap-up
- April 1: Second Public Hearing on Budget/First Reading, 6:30 pm (Council Chamber)
- April 8 Budget Approval, 2:00pm (2nd Floor Conference Room, City Hall)

The meeting adjourned at 8:33 p.m.

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Saturday, March 16, 2019, AT 1:00 p.m. at Key Recreation Center, 800 East Market Street, Charlottesville, VA 22902.

THE PROPOSED AGENDA IS AS FOLLOWS:
Community Budget Forum

BY ORDER OF THE CITY COUNCIL

BY Kyna Thomas

Key Recreation Center – March 16, 2019

City Council met on this date with the following members present: Mayor Nikuyah Walker, Vice Mayor Heather Hill, Dr. Bellamy and Ms. Kathy Galvin. Absent due to sickness: Mr. Mike Signer.

Ms. Walker called the meeting to order at 1:15 p.m. and turned the meeting over to Interim City Manager Mike Murphy, who gave a brief overview of the overall FY2020 Proposed Budget.

Dr. Bellamy with regard to the \$500,000 proposed budget cut for the Schools original request, asked Councilors if they would consider fulfilling \$250,000 of that request so that the Schools do not deplete their reserve account in the event they have to use it.

Ms. Walker opened the public forum.

Ms. Catherine Lott asked for full funding of \$500,000 cut by Schools for their budget. She advised that the funding would have been for positions to address equity in schools.

Ms. Nancy Carpenter spoke about affordable housing. She advised that housing justice is racial justice, and would also address class issues. She asked for Councilors to consider the real estate tax relief for up to \$65,000 income. She spoke in support of lodging tax and meals tax increases.

Mr. Mike Massey, resident, spoke in favor of a real estate tax increase. He said that it would be a bold step toward long-range housing policy planning. He spoke in favor of Charlottesville Affordable Housing Fund (CAHF) funding as an investment in the future.

Ms. Elisa Diamond, City resident, spoke about making affordable housing a high priority for the City, and lauded the affordable housing rehabilitation efforts already in the budget. She advised that she would like to see \$1.55M allocated to CAHF and \$1M for the rent subsidy voucher program. She also spoke in support of a real estate tax increase of 2%, paired with the relief programs mentioned earlier. She spoke in support of lodging, and meals tax increases.

Ms. Lisa Torres, City resident, spoke about the need to address affordable housing and equity in the City. She asked why more Councilors are not in support of options that have been presented, such as the meals tax. Ms. Torres advised that she wanted to publicly acknowledge that she has privilege, which impacts food security, housing, jobs, wages, education and judicial decisions.

Mr. Ken Horne, County resident working in the City, spoke about historic racial and vulnerable population inequities. He encouraged Council to consider every revenue source to combat equity issues. He also spoke of the inter-connectedness of affordable housing with other social issues, including equity in schools, making this a City that works for everyone.

Ms. Pam Elliott, City resident, spoke in support of tax increases, and advised that she would be willing to pay more than a 1% increase.

Ms. Andrea Massey, City resident, spoke in support of affordable housing efforts and encouraged Council to fund efforts to address equity in schools. As a resident who eats out a lot, she advised that she is willing to pay more in tax. She spoke in favor of the proposed tax increases in real estate, meals and lodging as long as equity is addressed.

Ms. Wendy Stanley, City resident and homeowner, spoke in favor of meals tax and lodging tax increases.

Ms. Sonya Bell, City resident, asked for more funding toward additional affordable housing.

Mr. Walter Heinecke, City resident and homeowner, advised that the budget reflects values. He asked Councilors to consider long-term planning to generate revenue for addressing affordable housing. He spoke in support of adding \$1.55M to the CAHF, and fully funding CHAP for household incomes of \$55,000 and less. In terms of meals tax, he advised that at least a 1 cent increase is necessary, giving more privileged patrons an opportunity to contribute to the affordable housing solution. He spoke in support of a 2 cent increase in real estate tax. He stated that addressing housing inequality can also help school equality.

Mr. Michael Payne, City resident, spoke in support of meals & lodging tax increases and supporting the CHAP program at the higher rate. He advised Council to consider what happens if tax rates are increased, and what if tax rates are not increased. He asked Council not to consider raising the real estate tax until meals and lodging taxes have been increased.

Ms. Colette Hall, City resident, acknowledged that passing a budget is the toughest decision made by Council, and predicates all future decisions. She spoke of past irresponsible spending that could have benefited affordable housing. She spoke against spending on the Sister Cities program and on social media efforts. She expressed concern that the City spends a large portion of the budget on Schools without getting the desired results.

Ms. Janette Abi-nader expressed support of full funding for affordable housing and schools as presented in the Proposed budget. She advised that funding an increase in salaries to \$15 could affect funding to the School nutrition program.

Matthew Gillickey, City resident, spoke about the Living Wage increase to \$15.00, and asked that the language be changed to Minimum Wage. He spoke in support of restoring the \$500,000 that was proposed as a cut to the City Schools budget and in support of continuing the AVID Program in Schools. He spoke in support of the meals tax increase, and in support of lodging and real estate tax increases if needed. He advised that he wants to see more funding for affordable housing and the Capital Improvement Program. Versus the West Main streetscape project.

Dr. Bellamy commented that marketing of the City could address the support of affordable housing efforts.

Ms. Hill agreed, but recognized that there is an associated cost with marketing.

Ms. Galvin advised that after further discussion, she has a greater understanding of the reserve account and does not believe there is a need to dip into the reserve fund. She advised that she still supports a real estate tax increase so that the burden of funding all the City's needs does not rest on two industries – restaurants and hotels. She requested a 1 cent increase across lodging, real estate and meals taxes. She advised that real estate tax should fund schools.

Ms. Hill advised that the struggle with real estate tax increase also affects renters.

Ms. Walker expressed that Council does not control the budget for Schools. The Schools decided which items to present for the proposed budget and proposed cuts. She advised that discussions are needed around outcomes. She supports the meals tax. She supports the real estate tax, but with a progressive affordable housing plan.

Council continued to discuss tax options, and City Attorney John Blair advised that it is permissible to increase at less than a full percent.

Mr. Murphy summarized Council discussion and asked Councilors to consider a plan that will address the rental assistance program. He advised that by formula, the City has exceeded the amount of funding required for Schools. He will bring back information to show the scenario of increasing lodging, meals, and real estate taxes all by 1%, given support of three Councilors: Bellamy, Galvin, and Walker.

The meeting was adjourned at 3:02 p.m.

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Monday, March 18, 2019, AT 5:30 p.m. IN THE Second Floor Conference Room, City Hall, 605 East Main Street, Charlottesville, VA 22902.

THE PROPOSED AGENDA IS AS FOLLOWS:

Closed session as provided by Section 2.2-3712 of the Virginia Code (Boards and Commissions; Personnel).

BY ORDER OF THE MAYOR

BY Kyna Thomas

SECOND FLOOR CONFERENCE ROOM – March 18, 2019

City Council met in closed session on this date with the following members present: Mayor Nikuyah Walker, Vice Mayor Heather Hill, Dr. Wes Bellamy, and Ms. Kathy Galvin. Absent: Mr. Mike Signer.

Mayor Walker called the meeting to order at 5:43 p.m.

On motion by Ms. Hill, seconded by Ms. Galvin, Council voted (Ayes: Ms. Walker, Ms. Hill, Dr. Bellamy and Ms. Galvin. Noes: None. Absent: Mr. Signer) to meet in closed session as authorized by Va. Code sec. 2.2-3712, specifically:

1 - Virginia Code Section 2.2-3711(A)(1) for the consideration and appointment of specific candidates for appointment to the Region Ten Community Services Board; and

2 - Virginia Code Section 2.2-3711(A)(1) for the discussion and consideration of prospective candidates for employment as Charlottesville City Manager; and

3 – Virginia Code Section 2.2-3711(A)(8) for consultation with legal counsel from the City Attorney’s Office regarding specific legal matters requiring the provision of legal advice concerning employment law as well as internal administrative investigations.

Pursuant to Virginia Code Section 2.2-3115, Ms. Walker provided the following disclosure:

“I am an employee of the City of Charlottesville, within the City’s Parks and Recreation Department. I hereby declare that, during the City Council’s discussions of the proposed Budget, relative to issues relating to City employees (such as cost of living increases, living wages, health insurance benefits, and similar fiscal matters relating to City employees – individually and collectively referred to in this Written Disclosure as the “Transaction”) I may have a “personal interest in a transaction”, as that term is defined in Virginia Code §2.2-3101, by reason of the salary or other compensation, or employee benefits, that I receive as a City employee, in

excess of \$5,000 annually. I have previously consulted with the Office of the City Attorney on this matter, and received an opinion that, pursuant to Virginia Code §2.2-3112(B)(1), even with this personal interest I may lawfully participate in City Council's discussion of the Transaction, because I am a member of a group of three or more persons (i.e., City employees) the members of which are affected by the Transaction. I hereby affirm that I am able to participate in the Transaction fairly, objectively, and in the public interest."

Mr. Signer arrived at 5:50 p.m.

On motion by Ms. Hill, seconded by Ms. Galvin, Council certified by the following vote (Ayes: Ms. Walker, Ms. Hill, Ms. Galvin, Dr. Bellamy and Mr. Signer. Noes: None.), 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.

The meeting adjourned at 6:34 p.m.

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD
ON Tuesday, March 19, 2019, AT 6:00 p.m. at Water Street Center, 401 E. Water St.,
Charlottesville, VA 22902.

THE PROPOSED AGENDA IS AS FOLLOWS:

Council Work Session - FY 2020 Budget

BY ORDER OF THE CITY COUNCIL

BY Kyna Thomas

WATER STREET CONFERENCE CENTER – March 19, 2019

Council met in special session on this date with the following members present: Ms. Walker; Ms. Hill; and Ms. Galvin. Dr. Bellamy and Mr. Signer were absent.

Ms. Walker called the meeting to order at 6:04 p.m.

Ms. Walker invited Mike Murphy, Interim City Manager, to start a presentation on the FY 2020 budget.

Mr. Murphy reviewed two budget balancing scenarios. Revenue changes in the first scenario included a one cent increase in the real estate tax (\$771,975) and state reimbursements for Constitutional Officers (\$63,549) both totaling \$835,524. Changes on the expense side included a \$1 million general fund transfer to the Charlottesville Affordable Housing Fund and a decreased expenditure related to debt service (-\$850,000).

Mr. Murphy invited Mr. Todd Divers, Commissioner of Revenue, to share proposals for increasing investments in both the Charlottesville Housing Affordability Program and Rent Relief Programs.

Mr. Murphy shared a second budget balancing scenario which included no change to the real estate tax. Revenue changes in the second scenario included only the increase of state reimbursements for Constitutional Officers (\$63,549). Changes on the expense side included a \$255,159 general fund transfer to the Charlottesville Affordable Housing Fund and the same decreased expenditure related to debt service (-\$850,000).

Mr. Murphy noted that the total amount proposed for the Charlottesville Affordable Housing Fund would be \$800,000 in FY 2020 with other funding coming from a reallocation of funds from other affordable housing initiatives including Friendship Court. He said the total amount of support for affordable housing in the FY 2020 budget in scenario two is \$10.59 million.

Mr. Murphy said both scenarios include on the revenue side the previously proposed changes to the meals tax (1 percent increase) and lodging tax (1 percent increase).

Ms. Walker suggested that the proposal for marketing assistance to support city hotels and restaurants (\$124,440) could be held back until a determination was made it was actually needed.

Ms. Hill said restaurants were important business partners and this would be a worthwhile investment.

Council discussed the two budget scenarios and Mr. Murphy said it sounded like scenario two was the preferred scenario of the members of Council present.

Mr. Murphy said Ms. Walker had asked for additional information related to the 4.17 percent Cost of Living Adjustment and \$15.00/hr. Living Wage initiatives in the City Manager's budget. He said the total cost is about \$2.6 million in FY 2020. He said the COLA will help address compression issues in employee salaries. Mr. Murphy added peer communities in the area market are also increasing salaries.

Ms. Walker said she wanted to see a more strategic approach to compensation adjustments and not an across the board increase.

Mr. Murphy said it remained his recommendation to implement an across the board increase in employee salaries.

Ms. Galvin said she was concerned about staff morale if Mr. Murphy's approach, or pay for performance, were not implemented.

Ms. Walker said there have been compensation studies showing some positions above and below market. While late at this point in the budget, Ms. Walker said she thought the entire Council would benefit from additional information at a future meeting.

Ms. Hill said employees have provided feedback that they want a performance management and evaluation system.

Ms. Walker asked if would be possible to keep employees who are at or above market at the same salary?

Mr. Murphy said that was possible, but that not all positions and departments have received a recent compensation market study.

Ms. Walker said taking the highest paid employees higher when we are struggling to move the lowest paid and mid-range people up makes it more challenging.

Ms. Walker asked how the positions in the last market study were selected.

Mr. Galloway Beck, Director of Human Resources, was invited to describe recent market compensation studies.

Ms. Galvin said she was pleased that raising the real estate tax rate was not required this year, but that the long term projections for affordable housing, school capital needs, and transportation infrastructure demonstrated a more comprehensive look at sustainable revenue sources was required. Ms. Galvin said it was important to describe this need to the community.

Ms. Hill asked when the City would know cost projections for the school division's capital needs. Mr. Murphy said it would be unlikely the City would have additional information in 6-7 months when the budget process initially starts for FY 2021. Ms. Hill encouraged staff to be more proactive getting these details as we enter into future budgets so that the Planning Commission has this information when they review the Capital Improvement Program budget.

Ms. Walker said she thought another budget work session should be held March 27. Mr. Murphy said a summary of this meeting would be shared with the entire Council.

Ms. Walker invited members of the public to share their comments.

Ms. Jeanette Kawachi said she appreciated the staff's work on the budget. She said as a homeowner her assessments had increased but she supported increased real estate tax rates if it would help with affordability programs.

Ms. Zyahna Bryant asked for confirmation there was consensus to raise the meals tax. Council responded that there was agreement on that. She followed up by asking whether the school funding request was being cut by \$500,000? Ms. Walker said it was reduced and explained that Mr. Murphy and School Superintendent Rosa Atkins had spoken about the adjustment and that she has also spoken to Dr. Atkins and School Board members regarding the change.

Mr. Rory Stolzenberg asked about the parking enterprise fund transfer to the general fund and the revenues generated by the parking garages. Ms. Krisy Hammill, Senior Budget and Management Analyst, and others provided an explanation. On the education budget, Mr. Stolzenberg asked Council if they had seen direct evidence of the benefits of grade reconfiguration and he questioned whether there were any benefits outside of combining all grades K-8. He asked Council to review evidence before investing \$3 million in a design plan. Ms. Walker said Council was satisfied with the City School Board's justification for the project and she encouraged Mr. Stolzenberg to speak with the School Board.

Ms. Walker adjourned the meeting at 7:19 p.m.

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Wednesday, March 27, 2019, AT 6:00 p.m. at City Hall - **Council Chamber**, Charlottesville, VA 22902. [NOTE: Change in venue from previously tentative meeting]

THE PROPOSED AGENDA IS AS FOLLOWS:

Council Work Session - FY 2020 Budget

BY ORDER OF THE CITY COUNCIL

BY Kyna Thomas

COUNCIL CHAMBER – March 27, 2019

City Council met on this date with the following members present: Mayor Nikuyah Walker; Vice Mayor Heather Hill; Dr. Wes Bellamy and Ms. Kathy Galvin. Mr. Mike Signer arrived at 6:36 p.m.

Ms. Walker called the meeting to order at 6:16 p.m. and turned the meeting over to Interim City Manager Mike Murphy.

Mr. Murphy reviewed budget amendments and outstanding budget items. He presented two General Fund budget balancing scenarios. Option #1 included a Real Estate Tax increase and Option #2 had no Real Estate Tax increase.

Dr. Bellamy expressed concern about having the Housing Advisory Committee (HAC) decide how funds are spent.

Mr. Murphy reviewed the Charlottesville Housing Affordability Program (CHAP) and rent relief programs Option 3, totaling \$1,532,440.07.

Dr. Bellamy requested that \$500,000 from any surplus be dedicated to the Equity fund.

Ms. Galvin advised that she would prefer that the housing fund to be made whole with any surplus.

Mr. Murphy advised that should there be a surplus, staff would present it to Council for prioritization.

Mr. Signer arrived at 6:36 p.m.

Mr. Murphy discussed employee compensation in regard to the Cost of Living Adjustment (COLA) and pay-for-performance. He recommended an across-the-board COLA for a variety of reasons including compression, cost of market study, and the need to revise a compensation system that is over twenty years old.

Ms. Walker expressed concern that gaps would increase between positions with a COLA.

Ms. Beauregard gave information about a recent study and phased compensation implementation in Lynchburg, Virginia.

Mr. Signer expressed that perhaps a structure could be created to differentiate between management and other staff pay increases.

Ms. Walker asked for a more strategic approach to pay.

Ms. Hill requested that staff work toward finding a way to get to a pay-for-performance system.

Ms. Galvin advised that a thorough investigation of compensation is needed fairly, objectively and comprehensively.

Ms. Beauregard said that she has made calls to get more information for starting the process of researching a new system.

Mr. Murphy advised that efforts will be made to make sure that every employee has an employee evaluation next year.

Mr. Signer mentioned that data about competition and loss of employees would be helpful – retention data, unfilled vacancies, recruiting issues, etc.

Mr. Murphy clarified Option 2 and said that compensation as presented would be brought forward for the April 1st meeting.

Mr. Signer emphasized his position that he is not interested in revenue sources other than lodging and cigarette tax.

Ms. Galvin thanked staff for the extensive amount of work on the budget and asked staff to find a way next year to make real estate tax more progressive.

Ms. Walker opened the floor for public comment.

Ms. Vicki Bravo, resident, representing IMPACT, discussed affordable housing and the Charlottesville Affordable Housing Fund (CAHF). She shared information about losing affordable housing at Belmont apartments and shared that tenants are being asked to leave.

Mr. Walt Heinecke, representing Charlottesville Low Income Housing Commission, asked Council to stay true to its commitment to affordable housing investments. He spoke in favor of a one cent real estate tax increase.

The meeting was adjourned at 7:20 p.m.

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	March 18, 2019
Action Required:	Approval and Appropriation
Presenter:	Leslie Beauregard, Assistant City Manager
Staff Contacts:	Leslie Beauregard, Assistant City Manager Gail Hassmer, Chief Accountant
Title:	State Criminal Alien Assistance Program (S.C.A.A.P.) Grant for 2019 - \$14,086

Background:

The City of Charlottesville has received the State Criminal Alien Assistance Program Grant (S.C.A.A.P.), on behalf of the Albemarle-Charlottesville Regional Jail, in the amount of \$14,086. These are federal funds to reimburse the Albemarle-Charlottesville Regional Jail for Fiscal Year 2017 expenses of housing alien inmates. Albemarle County is appropriating funds received under the same program that will also be passed through to the Regional Jail.

Discussion:

The State Criminal Alien Assistance Program (S.C.A.A.P.) provides federal payments to states and localities that incurred correctional officer salary costs for incarcerating certain undocumented criminal aliens. The award amount is based on the number of undocumented persons incarcerated at the Albemarle-Charlottesville Regional Jail. As this is not a one-time grant, the Jail will receive future payments from the City as they are granted.

Alignment with City Council's Vision and Strategic Plan:

These funds align with Council's Vision for a Smart, Citizen-Focused Government -- Acceptance of these funds will support quality services at our Regional Jail and will help ensure that services are provided in the most efficient and cost effective way to citizens.

These funds also support Goal 2: Be a safe, equitable, thriving and beautiful community, and Objective 2.1. Provide an effective and equitable public safety system

Community Engagement:

N/A

Budgetary Impact:

There is no budgetary impact as 78 percent of these funds will be passed through directly to the Regional Jail. The remaining 22 percent will be sent to Justice Benefits, Inc., which provides administrative support for the regional jail.

Recommendation:

Staff recommends approval and appropriation of funds to the Regional Jail.

Alternatives:

N/A

Attachments:

Appropriation

APPROPRIATION
State Criminal Alien Assistance Program (SCAAP) Grant for 2017 reimbursement
\$14,086

WHEREAS, the State Criminal Alien Assistance Program (SCAAP) grant, providing federal payments for correctional officer salary costs incurred for incarcerating certain undocumented criminals has been awarded the City of Charlottesville, on behalf of the Albemarle-Charlottesville Regional Jail, in the amount of \$14,086.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that a total of \$10,987 be appropriated and passed through to the Albemarle-Charlottesville Regional Jail and \$3,099 be appropriated and passed through to Justice Benefits, Inc.

Revenues

\$14,086	Fund: 211	Internal Order: 1900296	G/L Account: 431110
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Expenses

\$10,987	Fund: 211	Internal Order: 1900296	G/L Account: 530550
\$ 3,099	Fund: 211	Internal Order: 1900296	G/L Account: 530670

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$14,086 from the U. S. Bureau of Justice Assistance.

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

Agenda Date:	March 18, 2019
Action Required:	Approval and Appropriation
Presenter:	Areshini Pather, Commonwealth Attorney's Office
Staff Contacts:	Areshini Pather, Commonwealth Attorney's Office Crystal Rigsby, Commonwealth Attorney's Office
Title:	Domestic Violence Services Coordinator Grant - \$49,336

Background:

The Charlottesville/Albemarle Domestic Violence Community Services Coordinator assists in the efficient delivery of services and access to the court process for the victims of domestic violence in both Charlottesville and Albemarle County. Examples include helping in the preparation of domestic violence cases for prosecution and assisting victims in obtaining protective orders. The Coordinator serves as a case manager on behalf of victims in relation to their interactions with community agencies that deliver needed services such as shelter, civil legal assistance, and counseling. No other person in local government fills this specific function on behalf of victims of domestic violence.

Discussion:

The City of Charlottesville has been awarded \$38,336 from the Department of Criminal Justice Services for the Charlottesville/Albemarle Domestic Violence Community Services Coordinator in the City's Commonwealth's Attorney's Office. This grant requires that 25% of project funds must be provided by cash or an in-kind match. The City's Commonwealth Attorney's Office will provide a \$5,000 cash match, and an in-kind match of \$3,372. Albemarle County will provide a \$6,000 cash match, and an in-kind match of \$2,400. Graduate student and intern hours will provide an additional \$1,182 in-kind match. The total anticipated cash and in-kind match of \$17,954 is more than sufficient to meet the minimum requirement.

Alignment with City Council's Vision and Strategic Plan:

Approval of this agenda item aligns directly with Council's vision for Charlottesville to be America's Healthiest City and contributes to their priority to: Provide a comprehensive support system for children.

The program also aligns with Strategic Plan Goal 2: A Healthy and Safe City, Objective 2.2 Meet the safety needs of victims and reduce the risk of re-occurrence/re-victimization and Objective 2.3 Improve community health and safety outcomes by connecting residents with effective resources. The Domestic Violence Coordinator contributes to the health and safety of the community by connecting victims of domestic violence and their children to service providers for emergency shelter, medical and mental health services, housing resources, legal assistance and other services.

Community Engagement:

The Charlottesville/Albemarle Domestic Violence Services Coordinator is a direct service provider and is engaged daily with victims of domestic violence and stalking who access services through referrals from police, court services, social services and other allied agencies. The Coordinator works with over 300 individuals yearly and serves on several coordinating councils: the Albemarle/Charlottesville Domestic Violence Council, the Monticello Area Domestic Violence Fatality Review Team, and the Charlottesville/Albemarle Blue Print for Safety group. The Coordinator has actively been involved in the implementation of the Lethality Assessment Protocol (L.A.P.) used by Charlottesville, Albemarle and University of Virginia Police Departments.

Budgetary Impact:

There are no additional funding required. The grant requires a local match of \$11,000, in which \$6,000 will be provided by Albemarle County and the remaining \$5,000 will be provided through previously appropriated funding in the Commonwealth Attorney's FY19 General Fund Operating Budget. The funds will be expensed and reimbursed to a Grants Fund.

Recommendation:

Staff recommends approval and appropriation of grant funds.

Alternatives:

In the event that the grant is not funded or that the funds are not appropriated, this position will cease to exist, as there are no other funds to support it.

APPROPRIATION

Domestic Violence Services Coordinator Grant

\$49,336

WHEREAS, The City of Charlottesville, through the Commonwealth Attorney’s Office, has received the Domestic Violence Services Coordinator Grant from the Virginia Department of Criminal Justice Services in the amount of \$38,336 in Federal pass-thru funds, Albemarle County is to contribute an additional \$6,000 in local cash match, and the City Commonwealth Attorney’s Office will contribute up to \$5,000 cash match, as needed to meet salary and benefit expenses.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of \$49,336 is hereby appropriated in the following manner:

Revenues

\$38,336	Fund: 209	Cost Center: 1414002000	G/L Account: 430120
\$ 6,000	Fund: 209	Cost Center: 1414002000	G/L Account: 432030
\$ 5,000	Fund: 209	Cost Center: 1414002000	G/L Account: 498010

Expenditures

\$49,336	Fund: 209	Cost Center: 1414002000	G/L Account: 519999
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Transfer

\$ 5,000	Fund: 105	Cost Center: 1401001000	G/L Account: 561209
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BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$38,336 from the Virginia Department of Criminal Justice Services, and \$6,000 from the County of Albemarle, Virginia.

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



Agenda Date:	March 18, 2019
Action Required:	Appropriation of grant funds
Presenter:	Susan Morrow, Offender Aid and Restoration
Staff Contact:	Leslie Beauregard, Assistant City Manager Susan Morrow, Offender Aid and Restoration
Title:	Virginia Behavioral Health Docket Grant - \$50,000

Background:

The City of Charlottesville, on behalf of the Charlottesville-Albemarle Therapeutic Docket program, has received a Supreme Court of Virginia Behavioral Health Docket Grant in the amount of \$50,000 for operations of the therapeutic docket program, which is operated by Offender Aid and Restoration (O.A.R.). The City of Charlottesville serves as fiscal agent for the Supreme Court of Virginia Behavioral Health Docket Grant.

Discussion:

In its first year of operation, the Charlottesville-Albemarle Therapeutic Docket program is a supervised 6 to 12 month treatment program that serves as an alternative to incarceration for offenders. The Therapeutic Docket is a specialized docket within the existing structure of the court system given the responsibility to handle cases involving non-violent adult misdemeanor offenders who suffer from serious mental illness. The program uses the power of the court to assist non-violent offenders to achieve wellness and recovery through a combined system of intensive supervision, medication management, mental health treatment, and regular court appearances.

The total program budget is **\$160,000** and includes three funding sources:

Supreme Court of VA:	\$50,000
City of Charlottesville:	\$55,000, (previously appropriated)
Albemarle County:	\$55,000, (previously appropriated)

Alignment with City Council Vision and Strategic Plan:

This relates to Goal #2 in the City's Strategic Plan - A Healthy and Safe City. More specifically Objective 2.3 Improve community health and safety and outcomes by connecting residents with effective resources; and Objective 2.4 Reduce the occurrences of crime, traffic violations, and accidents in the community. The Therapeutic Docket is a valuable, less expensive alternative to incarceration for certain criminal offenders with serious mental illness which utilizes a blend of court-ordered supervision, mental health treatment services, court appearances, and behavioral sanctions and incentives to reduce recidivism and enhance personal accountability and mental health and wellness among participants.

Community Engagement:

The Therapeutic Docket is a direct service provider and is engaged daily with non-violent criminal offenders with serious mental illness who are at a high level of risk for reoffending and have a high level of need due to mental illness. By collaborating with the Court system, Region Ten Community Services Board, Partners for Mental Health, and the Sheriff's department, the Therapeutic Docket provides these offenders with a highly structured, rigorously supervised system of treatment and criminal case processing that results in a significant reduction in recidivism rates for program participants and graduates. Participants gain access to the Therapeutic Docket through referrals from police, probation, magistrates, defense attorneys and other local stakeholders. Participants have active criminal cases pending in the General District Court. If they successfully complete the program which takes a minimum of 6 months, participants may have their pending charges dismissed. If participants are unsuccessful and have to be terminated from the program, they return to court to face their original charges. Successful Therapeutic Docket participants return the community's investment in them by improving their mental health status, maintaining compliance with treatment regimens, including medications, and reducing their criminal behaviors in the community.

Budgetary Impact:

No additional City funding is required as the City's match for this grant, \$55,000, was appropriated within the FY 2019 Council Approved Budget as part of the City's contribution to Offender Aid and Restoration.

Recommendation:

Staff recommends approval and appropriation.

Attachments:

Appropriation

APPROPRIATION
Charlottesville - Albemarle Therapeutic Docket Grant Award
\$50,000

WHEREAS, the Supreme Court of Virginia awarded the Supreme Court of Virginia Behavioral Health Docket Grant in the amount of \$50,000 for the Charlottesville - Albemarle Therapeutic Docket in order to fund salaries, benefits, and operating expenses; and

WHEREAS, the City of Charlottesville serves as the fiscal agent for this grant program; and

WHEREAS, the City of Charlottesville and Albemarle County both have dedicated local matches to this grant, totaling \$110,000; and

WHEREAS, the grant award covers the period January 1, 2019 through June 30, 2019.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$50,000, received as a grant from the Supreme Court of Virginia, is hereby appropriated in the following manner:

Revenues

\$50,000 Fund: Internal Order: #1900324 G/L Account: 430110 (State Grant)

Expenditures

\$50,000 Fund: Internal Order: #1900324 G/L Account: 530670

BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$50,000 from the Supreme Court of Virginia.

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	April 1, 2019
Action Required:	Approve Appropriation of Funds received from VML Insurance Programs related to City claim 19085 – \$11,374.00
Presenter:	Marty Silman, Public Service Manager Laura Ellis, Risk Management Specialist, Finance
Staff Contacts:	Paul Oberdorfer, Public Works Director Laura Ellis, Risk Management Specialist, Finance Krissy Hammill, Sr. Budget and Management Analyst, Office of Budget and Performance Management
Title:	Appropriation of Funds from VML Insurance Programs – \$11,374.00

Background:

The City of Charlottesville sustained significant property damage to a traffic control cabinet and UPS located at the intersection of Avon Street and Monticello Avenue through the negligent act of an unknown party on 09/10/2018.

Discussion:

The City of Charlottesville Public Works department / Traffic division completed repairs to the involved City property and Risk Management submitted a property damage claim to the City of Charlottesville's insurance carrier, VML Insurance Programs, for reimbursement of incurred expenses less the applicable deductible for unscheduled property. The City has received reimbursement from VML Insurance Programs and appropriation of these funds is necessary to reimburse the City for its expenditure.

Alignment with Council Vision Areas and Strategic Plan:

The work of City personnel involved in this matter supports City Council's "Smart, Citizen-Focus Government" vision, and their efforts contribute to Strategic Plan Goal 5: A Well-managed and Responsive Organization.

Community Engagement:

N/A

Budgetary Impact:

The funds received will reimburse the City for its expenditure to repair and replace its property which is covered by insurance through VML Insurance Programs less the applicable unscheduled property damage deductible.

Recommendation:

Staff recommends approval and appropriation of the reimbursement funds.

Alternatives:

If reimbursement funds are not appropriated, the Public Works account will have less funding for other operations.

Attachments:

N/A

APPROPRIATION
VML Insurance Programs Claim Payment - \$11,374.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that \$11,374.00 from VML Insurance Programs is to be appropriated in the following manner:

Revenues - \$11,374.00

Fund: 105 Cost Center: 2471001000 G/L Account: 451110

Expenditures - \$12,374.00

Fund: 105	Cost Center: 2471001000	G/L Account: 510060	Amount: \$1,680
Fund: 105	Cost Center: 2471001000	G/L Account: 520200	Amount: \$10,694

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	April 1, 2019
Action Required:	Approve Appropriation of Funds received from Ryder related to City claim 19087 – \$7,850.00
Presenter:	Marty Silman, Public Service Manager Laura Ellis, Risk Management Specialist, Finance
Staff Contacts:	Paul Oberdorfer, Public Works Director Laura Ellis, Risk Management Specialist, Finance Krissy Hammill, Sr. Budget and Management Analyst, Office of Budget and Performance Management
Title:	Appropriation of Funds from Ryder – \$7,850.00

Background:

The City of Charlottesville sustained significant property damage to a stone retaining wall located at the intersection of E. Market Street and Franklin Street through the negligent act of a rented vehicle operator on 08/15/2018.

Discussion:

The City of Charlottesville Public Works department / Public Service division used a local contractor to complete repairs to the involved City property and Risk Management submitted a property damage claim to the vehicle's rental company (Ryder), for reimbursement of incurred expenses. The City has received reimbursement from the company and appropriation of these funds is necessary to reimburse the City for its expenditure.

Alignment with Council Vision Areas and Strategic Plan:

The work of City personnel involved in this matter supports City Council's "Smart, Citizen-Focus Government" vision, and their efforts contribute to Strategic Plan Goal 5: A Well-managed and Responsive Organization.

Community Engagement:

N/A

Budgetary Impact:

The funds received will reimburse the City for its expenditure to repair and replace its property,

which is covered by vehicle's rental company (Ryder).

Recommendation:

Staff recommends approval and appropriation of the reimbursement funds.

Alternatives:

If reimbursement funds are not appropriated, the Public Works account will have less funding for other operations.

Attachments:

N/A

APPROPRIATION
VML Insurance Programs Claim Payment - \$7,850.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that \$7,850.00 from Ryder is to be appropriated in the following manner:

Revenues - \$7,850.00

Fund: 105 Cost Center: 2443001000 G/L Account: 451110

Expenditures - \$7,850.00

Fund: 105 Cost Center: 2443001000 G/L Account: 530550

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



Agenda Date:	April 1, 2019
Action Required:	Approve Appropriation of Funds received from Trinity Steel Erection, Inc. related to City claim 19142 – \$2,856.00
Presenter:	Marty Silman, Public Service Manager Laura Ellis, Risk Management Specialist, Finance
Staff Contacts:	Paul Oberdorfer, Public Works Director Laura Ellis, Risk Management Specialist, Finance Krissy Hammill, Sr. Budget and Management Analyst, Office of Budget and Performance Management
Title:	Appropriation of Funds from Trinity Steel Erection, Inc. – \$2,856.00

Background:

The City of Charlottesville sustained significant property damage to a street light located on W. Main Street through the negligent act of a contractor on 12/04/2018.

Discussion:

The City of Charlottesville Public Works department / Traffic division completed repairs to the involved City property and Risk Management submitted a property damage claim to the company for reimbursement of incurred expenses. The City has received reimbursement from the company and appropriation of these funds is necessary to reimburse the City for its expenditure.

Alignment with Council Vision Areas and Strategic Plan:

The work of City personnel involved in this matter supports City Council’s “Smart, Citizen-Focus Government” vision, and their efforts contribute to Strategic Plan Goal 5: A Well-managed and Responsive Organization.

Community Engagement:

N/A

Budgetary Impact:

The funds received will reimburse the City for its expenditure to repair and replace its property, which was reimbursed from the company.

Recommendation:

Staff recommends approval and appropriation of the reimbursement funds.

Alternatives:

If reimbursement funds are not appropriated, the Public Works account will have less funding for other operations.

Attachments:

N/A

APPROPRIATION
VML Insurance Programs Claim Payment - \$2,856.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that \$2,856.00 from Trinity Steel Erection, Inc. is to be appropriated in the following manner:

Revenues - \$2,856.00

Fund: 105 Cost Center: 2471001000 G/L Account: 451110

Expenditures - \$2,856.00

Fund: 105	Cost Center: 2471001000	G/L Account: 510060	Amount: \$140
Fund: 105	Cost Center: 2471001000	G/L Account: 520200	Amount: \$2,716

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



Agenda Date:	April 1, 2019
Action Required:	Approve Appropriation of Funds received from Penn National Insurance related to City claim 19176 – \$12,500.00
Presenter:	Marty Silman, Public Service Manager Laura Ellis, Risk Management Specialist, Finance
Staff Contacts:	Paul Oberdorfer, Public Works Director Laura Ellis, Risk Management Specialist, Finance Krissy Hammill, Sr. Budget and Management Analyst, Office of Budget and Performance Management
Title:	Appropriation of Funds from Penn National Insurance – \$12,500.00

Background:

The City of Charlottesville sustained significant property damage to underground traffic conduit through the negligent act of a contractor on 01/10/2019.

Discussion:

Penn National Insurance, the liability insurance carrier for JC Roman Construction LLC, has accepted 100% liability for this loss and has offered payment to the City of Charlottesville in the amount of \$12,500.00. Penn National’s settlement offer is based upon a bid proposal submitted by a third party contractor who is qualified and capable of performing such repair work based upon the assessment of both JC Roman Construction LLC and Public Works personnel. Public Works has reviewed the submitted bid proposal and believes it is a fair and reasonable offer to complete needed repairs, and as such, there is no compromise of claim settlement involved in this loss.

Alignment with Council Vision Areas and Strategic Plan:

The work of City personnel involved in this matter supports City Council’s “Smart, Citizen-Focus Government” vision, and their efforts contribute to Strategic Plan Goal 5: A Well-managed and Responsive Organization.

Community Engagement:

N/A

Budgetary Impact:

The funds received will reimburse the City for its cost to repair and replace its property, which was received from the company's insurance provider.

Recommendation:

Staff recommends approval and appropriation of the reimbursement funds.

Alternatives:

If reimbursement funds are not appropriated, the Public Works account will have less funding for other operations.

Attachments:

N/A

APPROPRIATION
VML Insurance Programs Claim Payment - \$12,500.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that \$12,500.00 from Penn National Insurance is to be appropriated in the following manner:

Revenues - \$12,500.00

Fund: 105 Cost Center: 2471001000 G/L Account: 451110

Expenditures - \$12,500.00

Fund: 105 Cost Center: 2471001000 G/L Account: 510060 Amount: \$5,464

Fund: 105 Cost Center: 2471001000 G/L Account: 520200 Amount: \$7,036

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	April 1, 2019
Action Required:	Appropriation
Presenter:	Susan Holtzman, Charlottesville Fire Department, Management Analyst
Staff Contacts:	Susan Holtzman, Charlottesville Fire Department, Management Analyst Emily Pelliccia, Charlottesville Fire Department, Deputy Chief
Title:	Virginia Fire Equity & Diversity Conference - \$50,000

Background:

At the invitation of the Virginia Department of Fire Programs' Virginia Fire and Emergency Services Equity and Diversity Association, Charlottesville Fire Department (C.F.D.) has agreed to serve as the host of the 2019 Virginia Fire Equity and Diversity Conference, October 1 – October 4, 2019. C.F.D., through the Virginia Department of Fire Programs (V.D.F.P.), anticipates receiving a \$15,000 - \$20,000 *Conference and Education Assistance Grant* to partially fund the conference. C.F.D. anticipates receiving an additional \$35,000 in revenue from conference registration fees.

Discussion:

Charlottesville Fire Department will host the 2019 Virginia Fire Equity and Diversity Conference at the Omni Hotel in downtown Charlottesville 10/1/19 – 10/4/19. C.F.D. was honored to be asked to host the Equity and Diversity Conference and department personnel hope to use this opportunity to contribute to the advancement of equity and diversity in the fire service. By bringing together high quality speakers and interested public safety personnel from across the state we will create a unique opportunity for discussion, learning, and skill building around a variety of topics directly related to equity and diversity across a spectrum characteristics - including race, gender, religion, and sexual orientation.

Alignment with City Council's Vision and Strategic Plan:

Approval of this agenda item aligns directly with Council's vision for Charlottesville to be a Community of Mutual Respect and supports the City's commitment to racial and cultural diversity, inclusion, racial reconciliation, and equity. It also contributes to Goals 2 & 5 of the Strategic Plan – A Health and Safe City, and A Well-managed and Responsive Organization. Organizations thrive when their employees experience a culture of inclusion and respect, as well as equal opportunities for advancement.

Community Engagement:

The target audience of the Equity & Diversity Conference are public safety personnel, however, it is the intention of the conference planning committee to identify ways to engage youth that are from populations traditionally underrepresented in the fire service. We hope to leverage this opportunity to help community members better understand the profession of “firefighter” and to see it as a viable career option once they graduate from high school.

Budgetary Impact:

It is anticipated that the Virginia Fire Equity and Diversity Conference will be funded entirely through grant funds from V.D.F.P. and conference registration fees. Any gap in funding will be covered through the Charlottesville Fire Department’s previously approved operating budget. The funds will be appropriated, received, and expensed in the Grants Fund. At the close of the project, any remaining funds received through registration fees will be transferred to the next host city or to the Virginia Fire and Emergency Services Equity and Diversity Association. Any remaining grant funds will be returned to the Virginia Department of Fire Programs.

Recommendation:

Staff recommends approval and appropriation of funds.

Alternatives:

If money is not appropriated, C.F.D. will be unable to effectively manage the financial responsibilities of hosting the Virginia Fire Equity and Diversity Conference.

Attachments:

Appropriation

APPROPRIATION

Virginia Fire Equity & Diversity Conference \$50,000

WHEREAS, the City of Charlottesville, through the Charlottesville Fire Department will be hosting the 2019 Virginia Fire Equity and Diversity Conference in October 2019;

WHEREAS, the City of Charlottesville has received a Conference and Education Assistance Grant from Virginia Department of Fire Programs (VDFP) to host conference expenses and will also be receiving registration fees from conference attendees which will be used to cover the cost of hosting such a conference;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of \$50,000, received from the Virginia Department of Fire Programs (VDFP) and conference attendees is hereby appropriated in the following manner:

Revenue

\$15,000	Fund: 209	Internal Order: 1900325	G/L Account: 430110
\$35,000	Fund: 209	Internal Order: 1900325	G/L Account: 434410

Expenditures

\$50,000	Fund: 209	Internal Order: 1900325	G/L Account: 599999
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BE IT FURTHER RESOLVED, this appropriation is conditioned upon the receipt of grant funds from the Virginia Department of Fire Programs and conference registration fees and shall be hereby considered a continuing appropriation unless further altered by Council.

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	April 1, 2019
Action Required:	Approval and Appropriation
Presenter:	Kaki Dimock, Director, Human Services
Staff Contacts:	Kaki Dimock, Director, Human Services
Title:	Virginia Housing Solutions Program Grant Award - \$27,728.46

Background:

The Department of Human Services in coordination with the Thomas Jefferson Area Coalition for the Homeless (T.J.A.C.H.) and the Service Provider Council (S.P.C.), received additional grant funding from the Virginia Department of Housing and Community Development. The Virginia Housing Solutions Program (V.H.S.P.) supplement is \$27,728.46 and is a renewal contract for the program for July 1, 2018 – June 30, 2019.

Discussion:

The City of Charlottesville has staff from City Manager's Office, Human Services and Social Services, all taking a leadership role in the governance of T.J.A.C.H. V. H. S. P. is an important resource in our community's efforts to end homelessness. This additional grant funding provides services in three key points along the local continuum of services:

1. **Emergency Low Barrier Shelter** P. A. C. E. M. provides a low-barrier shelter for adults using rotating local churches for support.
2. **Rapid Re-Housing & Housing Navigation:** The Haven screens and administers rapid re-housing assistance and housing navigation to households experiencing homelessness.
3. **Case Management:** The Haven provides supportive services including crisis intervention, case management and service referrals.

Community Engagement:

This grant and plan are the product of extensive engagement of the service provider community for persons experiencing homelessness. This partnership is reflective of the new governance model for T.J.A.C.H. and the priority requests of the Interfaith Movement Promoting Action by Congregations Together (IMPACT).

Alignment with City Council's Vision and Strategic Plan:

Budgetary Impact:

There is no budget impact for the City of Charlottesville. This grant will be entirely State, and Federal pass-through funds. No local match is required. All funds will be distributed to sub-recipients for service provision.

Recommendation:

Staff recommends approval and appropriation of grant funds.

Alternatives:

Council may elect to not accept the funds and the community will not have the capacity to administer the following services to persons experiencing a housing crisis: Emergency low-barrier shelter, coordinated assessment, rapid rehousing, H.M.I.S., coalition coordination and administration.

Attachments:

Appropriation

APPROPRIATION
Virginia Housing Solutions Program Grant Award
\$27,728.46

WHEREAS, The City of Charlottesville, through the Department of Human Services, has received the V. H. S. P. Grant from the Virginia Department of Housing and Community Development in the additional amount of \$27,728.46;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the additional sum of \$27,728.46 is hereby appropriated in the following manner:

Revenues

\$ 9,656.51	Fund: 209	IO: 1900313	G/L: 430110 State Grant
\$18,071.95	Fund: 209	IO: 1900313	G/L: 430120 Federal Pass-Thru State

Expenditures

\$27,728.46	Fund: 209	IO: 1900313	G/L: 530550 Contracted Services
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BE IT FURTHER RESOLVED, that this appropriation is conditioned upon receipt of an additional \$27,728.49 in funds from the Virginia Department of Housing and Community Development.

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



Agenda Date:	April 1, 2019
Action Required:	Appropriation of Grant Funds
Presenter:	Hollie Lee, Chief of Workforce Development Strategies
Staff Contacts:	Hollie Lee, Chief of Workforce Development Strategies
Title:	Virginia Department of Social Services (V.D.S.S.) Employment for Temporary Aid to Needy Families (T.A.N.F.) Participants Grant (2nd Renewal) - \$58,824

Background:

In 2017, the City of Charlottesville, through the Office of Economic Development (O.E.D.), received a matching grant for \$50,000 from the Virginia Department of Social Services in order to provide workforce development training to individuals residing in the City of Charlottesville living at or below 200% poverty. The grant required a 15 percent match of local dollars, with funding being used for workplace readiness/productivity skills training, specific technical training, and/or supportive services required for employment (e.g., childcare, transportation, rental assistance, etc.). One hundred percent of the funds will be expended between July 1, 2018 and June, 30 2019. Funding for the local match in the amount of \$8,824 will be from the Workforce Investment Fund account in the CIP. Thus far during this fiscal year, grant funds have been used to support individuals in Growing Opportunities (GO) programs, such as: GO Driver, GO Cook, GO Solar, and GO Tech.

V.D.S.S. has agreed to renew the grant to the O.E.D. for the new fiscal year (July 1, 2019 to June 30, 2020) in the same amount of \$50,000. The O.E.D. will once again match the grant in the amount of \$8,824 from the Workforce Investment Fund. Funding will be used for the same purpose as the original grant (training programs and supportive services).

Discussion:

In July 2013, the City's Strategic Action Team on Workforce Development (S.A.T.) issued a report to City Council entitled, *Growing Opportunity: A Path to Self-Sufficiency*. The report, which was subsequently endorsed by Council, examines the barriers to employment for low-income City residents and makes recommendations on how to address these barriers. One of the recommendations is to "work to ensure that training programs align with the needs of new and existing businesses."

In an effort to make progress towards this recommendation, the O.E.D. has been actively engaged in developing jobs-driven workforce development training programs in partnership with local employers. The flagship program, GO Driver, has been conducted ten times and trains City residents to get their Class B Commercial Driver's License and become Relief Transit Bus Operators with Charlottesville Area Transit (CAT) and/or Pupil Transportation at a rate of \$15.97 per hour. In

addition to technical training, GO programs also include assistance with supportive services such as rental assistance, car repair, exam fees, etc. These costs, which average about \$200 per participant, are also included as part of the programming. Other programs, such as GO Cook, GO Solar, and GO Tech has been funded using the grant.

Alignment with Council Vision Areas and Strategic Plan:

This effort supports City Council’s “Economic Sustainability” vision and aligns directly with the SAT’s *Growing Opportunity* report that was approved by City Council in 2013.

It also contributes to the following goals and objectives in the City’s Strategic Plan:

Goal 4: A Strong, Creative and Diversified Economy

- Objective 4.1: Develop a quality workforce

Goal 1: An Inclusive Community of Self-sufficient Residents

- Objective 1.2: Prepare residents for the workforce

It aligns with Chapter 3 on Economic Sustainability in the Comprehensive Plan, and more specifically Goal 6, which focuses on workforce development and being an effective partner in creating a well-prepared and successful workforce.

Community Engagement:

Like practically all of the City’s workforce development efforts, its employment training programs are supported by numerous community agencies and organizations. Examples include: Albemarle County, Piedmont Virginia Community College, Network 2 Work, Virginia Career Works – Charlottesville Center, and employer partners. None of the work that is currently being done could be possible without this strong community engagement.

Budgetary Impact:

The required match of \$8,824 will come from previously appropriated Capital Improvement Program funds in the Workforce Investment Fund account.

Recommendation:

Staff recommends approval and appropriation of grant funds.

Alternatives:

If grant funds are not appropriated, more local dollars will have to be used for training or fewer low-income, underemployed City residents will be able to be trained.

Attachments:

- VDSS Subrecipient Renewal Agreement

APPROPRIATION

**Virginia Department of Social Services (VDSS) Employment for Temporary Aid to Needy Families (TANF) Participants Grant (2nd Renewal)
\$58,824**

WHEREAS, the City of Charlottesville has received funds from the Virginia Department of Social Services in the amount of \$50,000 requiring a \$8,824 in local in-kind match provided by the Office of Economic Development through the Workforce Investment Fund; and

WHEREAS, the funds will be used to support workforce development training programs provided by the Office of Economic Development; and

WHEREAS, the grant award covers the period from June 30, 2018 and July 1, 2019;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$66,667 is hereby appropriated in the following manner:

Revenue

\$50,000	Fund: 209	IO: 1900326	G/L: 430120 State/Fed pass thru
\$ 8,824	Fund: 209	IO: 1900326	G/L: 498010 Transfers from Other Funds

Expenditures

\$58,824	Fund: 209	IO: 1900326	G/L: 599999 Lump Sum
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Transfer From

\$ 8,824	Fund: 425	WBS: P-00385	G/L: 561209 Transfer to State Grants
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BE IT FURTHER RESOLVED, that this appropriation is conditioned upon the receipt of \$50,000 from the Virginia Department of Social Services and the matching in-kind funds from the Office of Economic Development through the Workforce Investment Fund.



COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

February 26, 2019

Christopher V. Cullinan, Director of Finance
City of Charlottesville, Office of Economic Development
610 Market Street
Charlottesville, VA 22902

Reference: Renewal Request Letter for Sub-Award Agreement No Ben-17-056-01

Dear Mr. Cullinan:

The Commonwealth of Virginia, Department of Social Services (VDSS), in accordance with Section I, Award Information; Paragraph (C), Period of Performance; wishes to exercise its option to renew the above referenced subgrant agreement for an additional 12 months. The period of renewal will be from July 1, 2019 through June 30, 2020.

It is understood and agreed the Scope of Services and all terms and conditions of the original agreement, and any Agreement Modifications, if applicable, shall remain the same during the renewal period. It is also understood and agreed that the total dollar amount of the obligation by the VDSS for reimbursement of actual expenses shall not exceed \$50,000.00 for this renewal period.

Please signify acceptance of this letter of renewal by signing in the space provided below and returning it to this office within seven (7) days.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer Nixon".

Jennifer Nixon CPPB, VCO
Senior Procurement Specialist
Division of General Services

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	April 1, 2019
Action Required:	Approve resolution supporting the Safe Routes to School Non-Infrastructure Grant Application
Presenter:	Amanda Poncy, Bicycle and Pedestrian Coordinator
Staff Contacts:	Kyle Rodland, Safe Routes to School Coordinator
Title:	Safe Routes to School Non-Infrastructure Grant Application - \$100,000

Background:

In the winter of 2019, the Virginia Department of Transportation (VDOT) announced another year of Safe Routes to School Non-Infrastructure (Activities and Programs) Grants, with applications due by **March 22, 2019**. These grants, for amounts between \$5,000 and \$100,000, can be used to fund **education, encouragement, evaluation** and **enforcement** programs related to Safe Routes to School. The Non-Infrastructure Grant can also be used to fund a SRTS coordinator position. A SRTS Coordinator is a part- or full-time SRTS advocate who works within a school division to promote and facilitate Safe Routes to School activities at a minimum of three schools in the division.

Last year, the city received a non-infrastructure grant in the amount of \$77,000 to fund a full-time coordinator and associated program budget to manage, train, and expand Safe Routes to School programming city-wide. The grant provides a dedicated champion to working within schools to provide education, encouragement and evaluation activities needed to support active transportation for K-8 students.

Discussion:

As part of the grant application, the City was required to update the Safe Routes to School (SRTS) Activities and Programs Plan (APP), a written document that outlines a community's intentions for enabling and encouraging students to engage in active transportation (i.e. walking or bicycling) as they travel to and from school. The plan details the number of students living within ¼ to 2 miles of their school and demonstrates the potential benefits that can be accrued from a coordinated SRTS program (nearly 30% of students live within ½ mile of school and nearly 70% live within 1 mile of school). The SRTS APP was originally created through a team-based approach that involved key community stakeholders and members of the public in both identifying key behavior-related to barriers to active transportation and, using the four non-infrastructure related E's (education, encouragement, enforcement and evaluation) to address them.

The City of Charlottesville Safe Routes to School Initiative aims to:

1. Increase the number of students using active transportation to get to & from school, especially among those living within one mile of their school.
2. Reduce the number of injuries suffered by school-aged students walking & biking.
3. Raise awareness of the benefits of active transportation to students, parents, & the community at large.
4. Reduce traffic congestion & greenhouse gas emissions.
5. Promote lifelong healthy habits.

The APP update reflects minimal changes from last year's plan, but emphasizes lessons learned since our Coordinator was hired in October 2016. The following short-term recommendations were developed to enhance the program:

- Institute bike riding, repair, and safety curriculum (Education)
- Develop a division-wide SRTS website and newsletter (Education)
- Facilitate biking and walking incentive program (Encouragement)
- Regularly host walk- and bike-to-school days (Encouragement)
- Consistently host annual Bicycle Rodeos (Encouragement)
- Conduct bike safety checks (Enforcement)
- Expand the bike helmet give-away program (Enforcement)
- Administer student travel tallies (Evaluation)
- Keep records of participation in workshops, biking and walking trains, bike rodeos, afterschool clubs, and other events (Evaluation)

The SRTS Activities and Programs Plan will continue to serve as a guiding document to assist in promoting, encouraging, and enabling walking and bicycling to school. The \$100,000 grant request will allow the City to continue to fund a full-time Safe Routes to School Coordinator and the supplies needed to implement the recommendations included in the APP. As a reimbursable grant, costs will be incurred by Neighborhood Development Services and reimbursed by VDOT.

Alignment with City Council's Vision and Strategic Plan:

This initiative supports Council's Vision to be a "Connected Community" ("the City of Charlottesville is part of a comprehensive, regional transportation system that enables citizens of all ages and incomes to easily navigate our community") and "America's Healthiest City" ("we have a community-wide commitment to personal fitness and wellness, and all residents enjoy our outstanding recreational facilities, walking trails, and safe routes to schools").

In addition, the project contributes to Goals 1 and 3 of the Strategic Plan, to be an inclusive, self sufficient community and a healthy and safe city.

The initiative further implements recommendations within the Comprehensive Plan (2013), Bicycle and Pedestrian Master Plan (2015) and supports the City's Healthy Eating Active Living (HEAL) Resolution.

Community Engagement:

This grant application implements one of the programming recommendations included in the

Bicycle and Pedestrian Master Plan (adopted 2015), which included significant public involvement. Further, city staff from Neighborhood Development Services worked with staff from the Thomas Jefferson Health District and Charlottesville City Schools (Physical Education and Pupil Transportation) to create a Safe Routes to School Task Force in 2016 that was responsible for outlining elements of a city-wide Safe Routes to School Activities and Programs Plan (APP). The task force included representatives from city schools, community organizations, multiple city departments (NDS, Public Works, Parks and Recreation), as well as health and enforcement disciplines. The APP was developed by the task force with input from parents (via Parent Survey) and further discussed/refined at public meeting in February 2016. The Bicycle and Pedestrian Advisory Committee provided feedback on the updates in Feb. 2019.

Budgetary Impact:

The grant application will provide funding for both a full-time Safe Routes to School Coordinator and the supporting activities included in the Activities and Programs plan. The grant will fund a position for 12 months. The grant requires a 20% match (cash or in-kind donations are acceptable). With the \$100,000 grant request this amounts to a \$25,000 match for the city. For the 2018-2019 school year, the program received approximately \$10,000 in local in-kind and we anticipate being able to secure that level of match again. In addition, we have requested \$15,400 in the NDS Operating Budget to cover benefits for the full-time position. Should that portion of the budget not be covered in FY2020, we plan to allocate \$15,000 of the CIP - Bicycle Budget as a match.

Recommendation:

Staff recommends support for the Safe Routes to School Non-Infrastructure grant application.

Alternatives:

If grants funds are not received, Safe Routes to School programming will continue in an ad-hoc fashion with assistance from local P.E. teachers, community partners and parent volunteers.

Attachments:

Safe Routes to School Activities and Programs Plan

<http://www.charlottesville.org/departments-and-services/departments-h-z/neighborhood-development-services/transportation/bicycle-and-pedestrian/safe-routes-to-school>

A Resolution Supporting Safe Routes to School Projects

RESOLUTION
Supporting Safe Routes to School (“SRTS”) Projects

WHEREAS, obesity is one of the most serious threats to American public health, ranking third among preventable causes of death in the United States;

WHEREAS, motor vehicle crashes are also a leading cause of death and injury to children;

WHEREAS, between 1969 and 2009 the percentage of children walking and biking to school dramatically declined from 48 percent to 13 percent;

WHEREAS, the Safe Routes to School program, created by Congress in 2005, aimed to increase the number of children engaged in active transportation when traveling to school by funding (1) infrastructure projects, located within two miles of a public school, that directly increase safety and convenience for public school children walking and/or biking to school, and (2) non-infrastructure projects designed to encourage public school children to walk and bicycle to school;

WHEREAS, Safe Routes to School projects are a proven, effective approach to increasing the number of children actively traveling to school by foot or bike;

WHEREAS, Safe Routes to School projects provide important health, safety, and environmental benefits for children, including reducing risk of obesity/chronic disease and pedestrian/bicycle injuries as well as improving air quality;

WHEREAS, the need for Safe Routes to School projects is especially strong in low-income areas, which suffer from a disproportionately high incidence of both childhood obesity/chronic disease and pedestrian and bicycle injuries and often have inferior pedestrian and bicycle infrastructure;

WHEREAS, Safe Routes to School projects make it safer and more convenient for all residents to walk and bike to destinations, further promoting public health;

WHEREAS, a goal of the City of Charlottesville’s current Comprehensive Plan, Bicycle and Pedestrian Master Plan, Complete Streets Resolution and Healthy Eating Active Living Resolution supports active transportation options, which can be met in part by implementation of Safe Routes to School projects;

NOW, THEREFORE, BE IT RESOLVED that the City of Charlottesville affirms its commitment to active transportation and supporting Safe Routes to School infrastructure and non-infrastructure projects.

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



Agenda Date:	April 1, 2019
Action Required:	Resolution
Staff Contacts:	John Blair, City Attorney
Presenter:	Vice-Mayor Hill
Title:	Housing Advisory Committee Membership

Background:

On February 21, 2012, the Council adopted a resolution establishing the Housing Advisory Committee (hereinafter “HAC”) membership. The 2012 resolution established four categories of membership. Category One membership provided for the executive director or their designee of four separate non-profit organizations to serve on the HAC without term limits. Category Two membership provided for ten different organizations to appoint a representative to the HAC. The representatives may serve without term limits. Category Three membership is *ex-officio* membership for Albemarle County, University of Virginia Off-Grounds Housing, and IMPACT. These representatives may serve without term limits. Category Four membership consists of four Council appointees who serve two year terms on the HAC. These individuals may serve up to four terms. Additionally, one City Councilor serves on the HAC.

Discussion:

The Housing Advisory Committee delivered correspondence to the Council on February 27, 2019 asking that a representative from the Charlottesville Works Initiative (hereinafter “CWI”) be added to the HAC’s Category Two membership. Ridge Schuyler, the current CWI director, served on the HAC as a citizen member. However, based on Mr. Schuyler’s input and contributions during his HAC service as well as CWI’s work in the community and its relationship to affordable housing, the HAC is requesting that CWI be added as a Category Two member.

Vice-Mayor Hill requested that this item be added to the Council’s agenda at its March 18, 2019 meeting.

Budgetary Impact:

There is no anticipated budgetary impact.

Alternatives:

Council could decline to adopt the Resolution adding CWI as a Category Two member to the HAC.

Attachments:

2012 Council Resolution establishing HAC membership
February 27, 2019 HAC letter to City Council
Proposed Resolution

CITY OF CHARLOTTESVILLE, VIRGINIA CITY COUNCIL AGENDA



Agenda Date:	February 21, 2012
Action Required:	Passage of Resolution
Presenter:	James E. Tolbert, AICP, Director of NDS
Staff Contacts:	James E. Tolbert, AICP, Director of NDS Kathy McHugh, Housing Development Specialist
Title:	Housing Advisory Committee Membership

Background: Several years ago the City Council created the Housing Advisory Committee (HAC) with a number of positions that are filled by non-profit agency directors. Several others are filled by representatives chosen by various housing related agencies/organizations. The remaining positions are filled by volunteer citizen at-large members. All terms were stated as two year terms and all expired on January 1, 2011.

Discussion: The adopting resolution was somewhat vague for the terms of the appointments for the positions related to be agencies/organizations. There have also been circumstances where the agency director desires to send a representative but the resolution only specifies the director. On many occasions this has resulted in problems with achieving a quorum.

To clear these issues up, a resolution is attached which will make the following changes to the Housing Advisory Committee membership appointments.

Representatives of the following may be the executive director or their designee. These terms will have no limit and will only expire if the agency no longer exists.

- AHIP Executive Director
- PHA Executive Director
- Habitat for Humanity Executive Director

The next groups are the agencies where there is a representative of the agency/organization. For these appointments, the agencies designate a representative. This resolution states that the agency/organization shall designate the Housing Advisory

Committee members and that person will serve until the agency replaces them or the agency no longer exists.

- Charlottesville-Albemarle Association of Realtors
- Charlottesville School Board
- Free Enterprise Forum
- PHAR
- QCC
- JABA
- Charlottesville Planning Commission
- Region Ten
- City Council

One needed position that staff feels should be added to the above list is a representative from the local Homeless Service Providers. The attached resolution states that there will be a position for Homeless Service Providers as recommended by the Thomas Jefferson Area Coalition for the Homeless.

There are three ex-officio positions. These will also be persons recommended by the organization with no term limit.

- Albemarle County
- UVA Off Grounds Housing
- Impact

Finally, four positions will need to be advertised and filled by City Council. It is suggested that when these positions are filled this year, that the terms extend until December 31, 2014 and thereafter for a period of two years.

- Developer
- Banker
- Neighborhood Association
- Citizen At Large

Budgetary Impact: None

Recommendation: Staff recommends approval of the attached Resolution.

Attachment: Resolution

RESOLUTION

BE IT RESOLVED, by the City Council of the City of Charlottesville that the membership of the Housing Advisory Committee shall fall within the following categories:

Category One – Executive Director or his/her designees of the following organizations with no limit on terms. Position will exist as long as organization exists to provide affordable housing:

- AHIP (Albemarle Housing Improvement Program)
- PHA (Piedmont Housing Alliance)
- Habitat for Humanity
- Charlottesville Redevelopment and Housing Authority (CRHA)

Category Two – Representatives appointed by the following organization with no limit on terms. Position will exist as long as organization exists to provide affordable housing.

- Charlottesville-Albemarle Association of Realtors
- Charlottesville School Board
- Free Enterprise Forum
- PHAR (Public Housing Association of Residents)
- QCC (Quality Community Council)
- JABA (Jefferson Area Board for Aging)
- Charlottesville Planning Commission
- Region Ten Community Services
- City Council
- Thomas Jefferson Area Coalition for the Homeless

Category Three – Ex-Officio position with no term limit

- Albemarle County
- UVA Off-Grounds Housing
- IMPACT

Category Four – Position to be appointed by City Council with two year term limits, with incumbent and new appointments to expire December 31, 2014.

- Developer
- Banker
- Neighborhood Association
- Citizen At Large

February 27, 2019

To: Mayor Walker
Vice Mayor Hill
Councilors Bellamy, Galvin and Signer

Cc: Michael Murphy, ICM
Lyle Solla-Yates, HAC VC
Brenda Kelley

From: City of Charlottesville Housing Advisory Committee

RE: HAC Composition and Appointments – Adding the Charlottesville Works Initiative to the HAC.

Background

The composition of the City of Charlottesville Housing Advisory Committee (“HAC”) was last formally amended pursuant to a February 21, 2012 resolution, appended for your review and reference. This formalized the categories of membership and the terms of appointed members. Following its subcommittee reorganization and revision of its bylaws in 2017, the HAC began in 2018 an examination of the current composition and membership, seeking to ensure the body represented appropriately the community and the various housing affordability stakeholders so as to best discharge its remit of providing policy guidance to Council and Staff.

While the HAC had hoped to complete this review in 2018 and report to Council its findings and recommendations before now, we still have some work to do before we can make that comprehensive presentation. However, it is appropriate to bring forward a specific, truncated request and recommendation now, as it may have some bearing on Council’s appointments to the HAC this March.

Discussion

The Charlottesville Works Initiative

The Charlottesville Works Initiative was formed in 2013 by the Greater Charlottesville Area Development Corporation to develop and implement policy initiatives derived from the Corporation’s 2011 “Orange Dot Report,” a survey of the barriers to self-sufficiency in Charlottesville’s low-wealth community. In 2015 and 2018 respectively, CWI produced “Orange Dot 2.0” and “Orange Dot 3.0” updating and expanding on the work of the original report, with the crisis of housing affordability featuring prominently. Since 2016, the Charlottesville Works Initiative has been housed within Piedmont Community College’s Division of Community Self-Sufficiency Programs. Ridge Schuyler, the original Report’s co-author and founding Director of CWI, serves as Dean. Under Dean Schuyler’s leadership, the Charlottesville Works Initiative has become an important voice and stakeholder in Charlottesville’s housing affordability crisis, and a vital resource.

Dean Schuyler, as the Director of CWI, has a prominent role on the HAC. He is at the center of policy discussions, where he brings to bear the knowledge base of CWI along with his own expertise and judgment to help to develop ideas and craft policy recommendations. The City is fortunate to have him and benefits greatly from the contributions by CWI.

Citizen-at-Large Appointment

At present, Council directly appointments five members of the HAC: once Councilor, two housing subject matter experts (“Developer” and “Banker”), and two community members; one drawn from a neighborhood association and one “Citizen at Large.”

As we all know, the present housing affordability crisis has generated a great deal of interest in the City's housing efforts, and consequently in the HAC. There is substantial interest from the community in serving on the HAC. This is a good thing. The City benefits greatly from the interest and participation of its residents in grappling with the challenges facing the City.

Dean Schuyler presently serves as the "Citizen at Large." His term has matured and he has applied for re-appointment. It is in the best interests of the City that he continues to serve on the HAC.

Mr. Schuyler is a City resident, and ably serves as a "community representative." He is also a subject matter expert and advocate, and leads an stakeholder organization are the forefront of local thought and programming in confronting the housing affordability crisis.

Request and Recommendation

In light of the foregoing and pursuant to its consensus formalized at its November 2018 regular meeting, The Housing Advisory Committee requests and recommends:

- Prior to making an appointment of a "Citizen at Large," adding the Charlottesville Works Initiative to the Housing Advisory Committee, effective immediately, as a "Category Two" member as described in the February 21, 2012 Council Resolution.

The City is at a critical moment in its response to its affordable housing crisis. We face fiscal resource and funding challenges, procedural and regulatory challenges and a pressing need to produce a Housing Strategy to grapple effectively with those challenges and the crisis. The HAC has vital role in the City's response, and Ridge Schuyler is vital to the HAC. Accordingly, should Council chose to defer action on the addition of CWI to the HAC, pending the more comprehensive presentation planned for some point later this year, the HAC would urge the reappointment of Dean Schuyler in his present role.

Thank you for your consideration.



Philip B. d'Oronzio, Chair and on behalf of
The Charlottesville Housing Advisory Committee

RESOLUTION

Amending the Housing Advisory Committee Membership

WHEREAS, the Housing Advisory Committee consists of four categories of membership; and

WHEREAS, the Housing Advisory Committee's Category Two membership consists of representatives appointed by organizations within the Charlottesville community; and

WHEREAS, Category Two representatives are not subject to term limits for their service on the HAC; and

WHEREAS, the Housing Advisory Committees has sent a letter recommending that a representative from the Charlottesville Works Initiative be added to the Housing Advisory Committee as a Category Two representative.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that it adds the Charlottesville Works Initiative as a Category Two member of the Housing Advisory Committee.

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CITY OF CHARLOTTESVILLE CITY COUNCIL AGENDA

Agenda Date:	March 18, 2019
Action Required:	Resolution
Presenter:	Alex Ikefuna, Director NDS
Staff Contacts:	Missy Creasy, Assistant Director NDS Sebastian Waisman, Asst. City Attorney
Title:	Acquisition of Parcels/Land Adjacent to 708 Page Street for the CDBG Priority Neighborhood 10th & Page Passive Park Project

Background:

The City of Charlottesville receives annual funding from the Community Development Block Grant (CDBG) Entitlement Program. Each year, City Council initiates a process to allocate CDBG funds to projects throughout the community. First, Council designates a priority neighborhood within the City to receive funding. A Priority Neighborhood Task Force is then established to identify eligible projects. The 10th and Page Neighborhood was the CDBG Priority Neighborhood for FY 14-15, FY 15-16, FY 16-17, and FY 17-18. In 2015, the 10th & Page Priority Neighborhood Task Force selected a project that would improve site conditions at the corner of 8th St Lane, 8th St NW and 7th St NW by creating a neighborhood park. After Council approved the allocation of funds, City Staff engaged the Priority Neighborhood Task Force and members of the greater 10th & Page Neighborhood to develop the project in further detail. The project team identified the need to acquire property owned by Norfolk Southern Railway adjacent to the site in order to build the park. The City and Norfolk Southern recently reached an agreement pursuant to which the City would acquire this parcel for \$60,800. The documentation needed to close on the transaction is nearly complete and Council approval is now required to proceed with the acquisition.

Discussion:

After the 10th & Page Priority Neighborhood Task Force expressed interest in improving conditions at the site, the Department of Parks and Recreation developed a proposal for a passive neighborhood park and presented it to the Grants Coordinator and the Task Force. The Task Force reviewed the proposal and agreed that a passive park would be sufficient to address its concerns regarding site conditions. The proposal also identified numerous constraints on development at the site, including storm water drainage issues, the presence of underground utilities, the presence of a box culvert carrying Schenk's Branch located beneath the site, the presence of an underground stream (a part of the City's storm water management system), anticipation of a major sewer replacement project in the future, and Norfolk Southern Railway's ownership of the adjacent parcels. After City staff determined that the proposal would be eligible for CDBG funding, staff began to gather feedback from the Task Force and from members of the neighborhood as to a project design that would both respond to community needs and adapt to the constraints at the site.

As described below, general guidance for site improvements was received from the community and staff from 2015 - 2018 to inform preliminary and final drawings for the site improvements. During 2018 and 2019, consultants were selected to draft preliminary plans and opportunities were made available for the community to provide feedback in response to these preliminary plans. Subsequently, the consultants met with City staff, including the Development Review Team, to combine the community's input with City requirements. As a result of this community engagement, staff consultation, and the site constraints, it was determined that acquisition of the railroad property would enhance the project and respond to community needs. Accordingly, City staff began negotiations with Norfolk Southern Railway to acquire property for the project. Norfolk Southern worked with the City in good faith to establish a reasonable price for the land and, since mid-2018, staff has been coordinating HUD, City, and Norfolk Southern requirements for acquisition transactions, including, among other steps, completion of an appraisal, submission of a legal plat, and title work.

Community Engagement:

Since 2015, City staff has been engaging the 10th & Page Priority Neighborhood Task Force in this process. In early 2015 meetings, the Task Force identified the need for CDBG funds to improve the project site due to issues related to blight (inadequate maintenance, trash, flooding, and an unsafe culvert). The Task Force met several times throughout the process as indicated below.

For all public community/neighborhood meetings and open house events, invitations were sent by mail to the entire 10th & Page Neighborhood, including Westhaven residents, along with several fact sheets regarding the proposed project.

- June 6, 2017 – Priority Neighborhood Task Force met to brainstorm ideas for improving the site and to discuss opportunities for community engagement.
- June 26 – August 31, 2017 – Staff issued a Neighborhood Survey (online) to request general ideas, opinions and observations related to the site.
- July 2017 – Staff met with City of Promise to provide information, gather input, and answer questions.
- July 2017 – Staff presented Task Force priority for improvements at the site at the CRHA Board Meeting.
- July 24, 2017 – Staff provided a brief presentation about Task Force priorities, which included information about the site conditions, and invited residents to the upcoming neighborhood meeting.
- July 26, 2017 – Staff (NDS, Parks & Recreation) and the 10th & Page Priority Neighborhood Task Force held a public neighborhood meeting to provide information for potential site improvements, discuss existing site conditions, and facilitate small group discussions regarding opportunities and ideas for the site. A durable yard sign was placed at the site to encourage residents to complete the survey and to invite residents to the meeting.
- August 5, 2017 – Staff participated at Westhaven Community Day to collect ideas and opportunities for the site. Staff conducted outreach through surveys and one on one discussions with residents about the site and site improvements. In general, all residents supported the idea of a park.
- October 4, 2017 – Staff presented information and collected initial feedback from Jefferson Area Board of Aging (JABA) regarding opportunities for senior citizens within the site.
- October 12, 2017 – Staff presented information and collected initial feedback from the Westhaven Health Coalition Meeting at Crescent Hall.
- October 24, 2017 – Staff met with PHAR to discuss the site and opportunities for involving and/or engaging residents in the project.

- October 2017 – Staff presented community feedback received to date with the 10th & Page Priority Neighborhood Task Force.
- November 2017 - Presented preliminary feedback with the Parks and Recreation Advisory Board at the Carver Recreation Center.
- December 2017 – Staff requested input from CRHA and PHAR with the drafting of the engineering consultant proposal (no input was received).
- January – May 2018 – Ongoing consultations with City Staff and other stakeholders include Parks and Recreation, the Police Department, City Attorney’s Office, and the Department of Public Utilities.
- May 17, 2018 – Staff held an open house at the Westhaven Community Center specifically for Westhaven Residents to view preliminary designs for proposed improvements, to vote on designs, provide feedback, provide new ideas and ask questions.
- May 2018 – Staff held a meeting with the Executive Director of CRHA to gain input on preliminary design.
- June 6, 2018 – Staff held an open house at Carver Recreation Center to learn about the proposed improvements, to view preliminary designs based upon community feedback to date, vote on designs, to provide feedback and ask questions.
- August 5, 2018 – Engineering consultant participated at Westhaven Community Day to collect input on the preliminary plan/design to inform final plans.
- Late Fall 2018 – Staff solicited comments/feedback from the Development Review Team to inform final plans for site plan submission. Once the site plan is submitted, the community will have an opportunity to comment on the final plans.

As a result of engagement, the community identified the following goals for the site: preserve open green space, create a multi-generational space, create a gateway or entrance into the neighborhood, create a community gathering space/social space (allow for movie screenings in the park), create a safe space that includes crime prevention design principles (improve lighting, increase sidewalk safety and provide fewer access points), tell the neighborhood history, provide signage and art, incorporate vegetation (trees, flowers, plants), and build low-maintenance and durable infrastructure. The community goals were then shared with the Development Review Team to create a final plan for site plan submission, which will occur in the future).

Alignment with City Council’s Vision and Strategic Plan:

Approval of this agenda item aligns directly with Council’s vision for Charlottesville to have a **Green City** and **Quality Housing Opportunities for All**. It contributes to variety of Strategic Plan Goals and Objectives including: Goal 2: A Healthy and Safe City and Goal 3: A Beautiful and Sustainable Natural and Built Environment.

Budgetary Impact:

There is no impact on the General Fund. Funds are currently appropriated for this project through CDBG. Grant funding is also appropriated for all aspects of park design and construction and it will enter Parks maintenance once completed.

Recommendation:

Staff recommends approval of the resolution.

Alternatives:

If the resolution is not approved, the property will not be acquired and the City will not be able to spend the remaining amount of funds left within the 10th & Page Priority Neighborhood allocations, which could place the City at risk of losing its CDBG funds due to failure to spend them on a timely basis. . Professional services, including appraisal services, engineering services, and title services,

have already been invested in the project. Non-approval of this item would waste CDBG resources that have already been invested in the project and would delay the CDBG spending schedule.

Attachments:

Resolution Approving Land Acquisition
Norfolk Southern Transaction Agreement
Property Plat

**RESOLUTION
APPROVING THE ACQUISITION OF LAND
ON 8th STREET LANE AND PAGE STREET
FOR PASSIVE PARK PROJECT**

WHEREAS, the Norfolk Southern Railway Company (the “Railroad”), the owner of land on Page Street and 8th Street Lane, identified on the attached review plat as Parcels A and B, hereinafter the “Property”, has indicated a willingness to convey the Property to the City of Charlottesville for creation of a passive park to serve the 10th and Page Street neighborhood; and

WHEREAS, the Railroad has agreed to convey to the City the Property for the purchase price of \$60,800.00; and

WHEREAS, funds are available for the purchase and development of these parcels through the Community Development Block Grant program; and

WHEREAS, the Department of Neighborhood Development Services seeks the endorsement of City Council to proceed with the purchase of the above-described land at a purchase price of \$60,800.00, with funding supplied through the CDBG Fund; and

WHEREAS, an Agreement for the conveyance of said land has been reviewed and approved by the City Attorney’s Office; now, therefore,

BE IT RESOLVED, by the Council of the City of Charlottesville that it hereby authorizes the purchase of the above-described Property on 8th Street Lane and Page Street for creation of a passive park to serve the 10th and Page Street neighborhood. The City Manager is hereby authorized to execute the above-referenced Agreement, and the Mayor is hereby authorized to sign a deed of conveyance, both in form approved by the City Attorney or his designee. The City Attorney’s Office shall take whatever actions are necessary to effect the acquisition of the above-described Property, pursuant to the terms and conditions set forth in the aforementioned Agreement.

November 5, 2018
Activity No.: 1265917

Dear Ms. Tierra Howard:

This letter refers to the interest of CITY OF CHARLOTTESVILLE (hereinafter referred to as "Offeror") in acquiring from NORFOLK SOUTHERN RAILWAY COMPANY (hereinafter referred to as "Railroad") a certain parcel of property located in CHARLOTTESVILLE, Charlottesville (city), Virginia (hereinafter referred to as "Premises").

The Railroad will consider an offer from Offeror to purchase the Premises, subject to the approval of its Management, based on the following:

- (1) The purchase price is SIXTY THOUSAND EIGHT HUNDRED AND NO/100 DOLLARS (\$60,800.00) for 0.17 acres, more or less, of land as shown on the attached drawing dated July 19, 2018 and marked as Exhibit A. The purchase price shall be tendered to the Railroad in cash or by cashier's or certified check at the time of closing.
- (2) Within sixty (60) days of the date of this offer, Offeror shall furnish the Railroad with two copies of a survey and legal description prepared by a land surveyor registered in the State of Virginia (unless such requirement is waived by the Railroad's Engineering Department). The survey shall be certified to the Railroad. The Offeror shall pay all costs associated with the same. (However, if the Railroad does not accept this offer, the Railroad agrees to reimburse the Offeror for their reasonable surveying costs upon receipt of an invoice reflecting said costs.) The survey and legal description shall be in a format acceptable for recording in the County or City where the Premises are located and subject to the approval of the Railroad. The Railroad may elect to use the survey in its preparation of the conveyance documents.
- (3) The conveyance shall be by Quitclaim Deed. If there are existing signboards or existing fiber optic lines, poles, pipes, wires, communications and signal facilities and facilities of like character used in the operation of a railroad located on the premises, the Quitclaim Deed shall include an exclusive reservation of easement by the Railroad (which for purposes of this paragraph, includes the Railroad's successors, assigns, licensees, and lessees) for the existing signboards and the existing fiber optic lines, poles, pipes, wires, communications and signal facilities and facilities of like character used in the operation of a railroad. The Quitclaim Deed shall also provide that the conveyance is subject to any and all other conditions, restrictions, reservations, easements, licenses, and leases, whether or not of record.

- (4) Offeror shall secure any title insurance commitment it may require and shall pay all costs associated with the same.
- (5) All property taxes, assessments and rentals shall be prorated between Offeror and Railroad as of the date of closing. Railroad shall be responsible for preparation of the deed and obtaining any necessary mortgage releases. All closing costs, including but not limited to transfer taxes, shall be the responsibility of the Offeror.
- (6) Offeror shall take possession of the Premises at closing.
- (7) Any and all required permits, licenses, approvals, zoning, subdivision compliance and financing shall be obtained by the Offeror at its sole effort and expense.
- (8) It is agreed that no real estate commissions are due or owed by Railroad with respect to this transaction. Offeror hereby agrees to hold harmless Railroad from and against any and all claims and liabilities for real estate or brokerage fees arising out of this transaction which are made by any broker or real estate agent claiming to have represented the Offeror.
- (9) The Premises will be sold "as is" and "where is" without any express or implied representation or warranty with respect to its habitability, condition or suitability for any purpose, including but not limited to, the condition of the soil, the presence of hazardous materials, substances, wastes or other environmentally regulated substances, whether known or unknown, and the presence of underground storage tanks and other physical characteristics. Offeror shall perform at its own expense and rely solely on its own independent investigation concerning the physical condition of the Premises (including but not limited to environmental assessments) and the Premises' compliance with any applicable law and regulation. If, as part of its independent investigation, Offeror desires to perform a Phase 2 environmental study or otherwise perform any intrusive sampling, it shall execute a separate Right of Entry Agreement with Railroad on a form to be provided by the Railroad. In the event that Offeror's investigation shall disclose the presence of any hazardous material, substances, wastes or other environmentally regulated substances or other physical characteristics at the site which render the Premises unusable, Offeror, at its option, shall either (a) furnish Railroad with a written statement of said characteristics affecting the suitability of the Premises for Offeror's purposes or which give rise to possible liability under federal, state or local environmental laws and regulations or (b) withdraw its offer and receive a refund of its earnest money deposit. If Offeror does not withdraw its offer, Railroad shall have thirty (30) days, after receipt of such

written statement, to remedy such conditions, but shall be under no obligation so to do or Railroad may terminate this offer letter and refund Offeror's earnest money deposit. If Railroad fails to remedy such conditions within the prescribed time and does not terminate this offer letter, then, at Offeror's option, evidenced by written notice to Railroad, Offeror may either (i) withdraw its offer and receive a refund of the earnest money deposit or (ii) waive any or all objections not cured by Railroad and proceed to close hereunder without diminution in price. If Offeror consummates the purchase, Offeror shall assume all responsibility for the environmental conditions of the Premises, including but not limited to, the presence of underground storage tanks, regardless of cause, and Offeror shall hold Railroad harmless from any and all liability arising out of such conditions. Further, Offeror shall be deemed to have waived any and all claims against the Railroad relative to such conditions, including but not limited to those arising under Sections 107 and 113 of CERCLA, other comparable federal or state laws or common law. In the event Offeror withdraws its offer to purchase as provided in this paragraph, Offeror shall promptly provide Railroad with copies of all reports, including but not limited to, environmental reports, secured in connection with its investigation of the Premises.

- (10) If this offer is accepted by the Railroad's Management, the terms and conditions contained herein shall ripen into a contract and said contract shall survive delivery of the deed and closing. Closing shall occur no later than thirty (30) days after receipt by Offeror of a copy of the deed to be used to convey the Premises to Offeror.
- (11) If this offer is accepted by the Railroad's Management and ripens into a contract, Offeror may not assign its interest in the contract without first obtaining the express written consent of the Railroad. Offeror understands that such consent may be withheld for any reason.
- (12) In the event this transaction or any part of it requires regulatory approval by any State Public Service Utility Commission or similar agency, Railroad shall proceed with said approval process, and the closing date shall be adjusted to within thirty (30) days after Railroad has received all appropriate regulatory approvals. If Railroad is unable to secure the approval within six (6) months of the date on which the request is submitted to the appropriate agency, this offer and contract shall terminate and Offeror shall receive a refund of any earnest money deposit.

Please be advised that the undersigned does not have the corporate authority to legally bind the Railroad in connection with this proposed transaction. Further, the recommendation of the undersigned may be approved, modified or rejected by Railroad's duly authorized management. Accordingly, your offer shall not, under any circumstances, be deemed accepted

until you have been advised in writing that the Railroad's Management has approved this transaction.

If you wish to submit an offer, please arrange for the appropriate acknowledgment in the space provided below and return one original counterpart of this letter to me, together with a check made payable to NORFOLK SOUTHERN RAILWAY COMPANY, in the amount of \$6,800.00, representing the earnest money deposit, within ten (10) days from the date hereof.

Sincerely,



Property Agent - Real Estate

OFFER

I offer to purchase the Premises on the basis outlined and described above. Enclosed is a check made payable to NORFOLK SOUTHERN RAILWAY COMPANY, in the amount of \$ _____ which constitutes the earnest money deposit. I understand that said money will be deposited by the Railroad and shall be (1) credited without interest to the purchase price at closing, or (2) refunded without interest should this offer not be accepted or this offer is withdrawn prior to its acceptance by Railroad, or (3) retained by the Railroad as liquidated damages should this offer be accepted and Offeror does not close within thirty (30) days after receiving a copy of the deed of conveyance to be used in this transaction.

This Offer is submitted to the Railroad, this _____ day of _____, _____.

Title:

Name to appear on Deed: _____

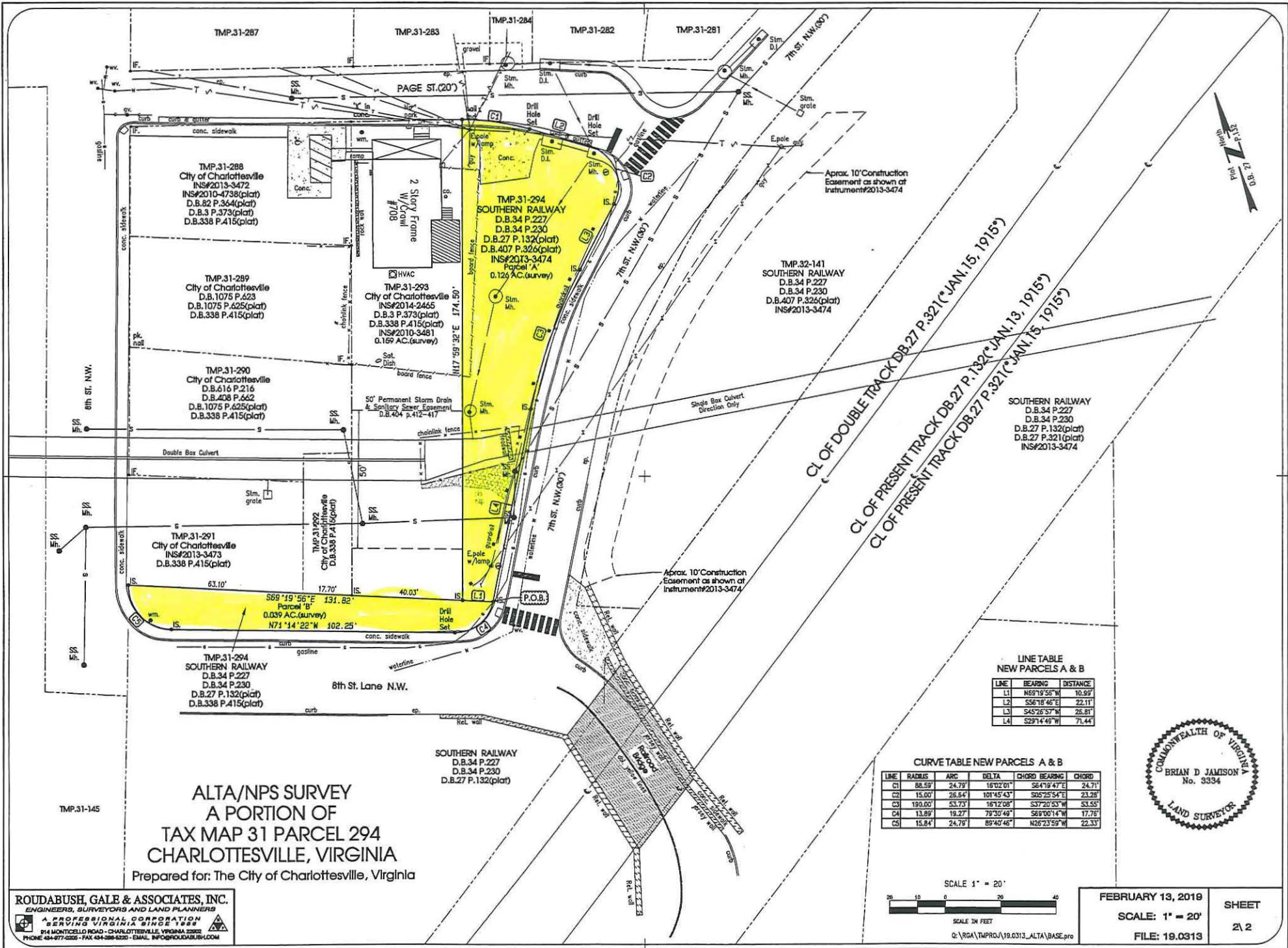
If corporation, company or partnership, state of formation and type of entity: _____

Tax Mailing Address: _____

NSOfferLetter (LumpSum)

10/07/08

JLM Monday, November 5, 2018 12:65:917\November 5, 2018\iManage #1683360v1



ALTA/NPS SURVEY
 A PORTION OF
 TAX MAP 31 PARCEL 294
 CHARLOTTESVILLE, VIRGINIA
 Prepared for: The City of Charlottesville, Virginia

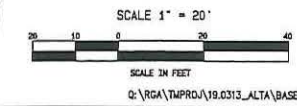
ROUDABUSH, GALE & ASSOCIATES, INC.
 ENGINEERS, SURVEYORS AND LAND PLANNERS
 A PROFESSIONAL CORPORATION
 SERVING VIRGINIA SINCE 1988
 814 MONTICELLO ROAD - CHARLOTTESVILLE, VIRGINIA 22902
 PHONE 434-977-2200 - FAX 434-288-6230 - EMAIL: INFO@ROUDABUSH.COM

LINE TABLE
NEW PARCELS A & B

LINE	BEARING	DISTANCE
L1	N65°19'55"W	10.59'
L2	S56°18'46"E	22.11'
L3	S45°26'57"W	26.81'
L4	S29°14'49"W	71.44'

CURVE TABLE NEW PARCELS A & B

LINE	RADIUS	ARC	DELTA	CHORD BEARING	CHORD
C1	88.59'	24.79'	16°02'01"	S64°19'47"E	24.71'
C2	15.00'	26.64'	101°45'43"	S05°25'54"E	23.28'
C3	190.00'	53.73'	16°12'08"	S37°20'53"W	53.55'
C4	13.89'	19.27'	79°30'49"	S69°00'14"W	17.76'
C5	15.84'	24.75'	89°40'46"	N26°23'59"W	22.33'



FEBRUARY 13, 2019
 SCALE: 1" = 20'
 SHEET
 2 / 2
 FILE: 19.0313

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



Agenda Date:	April 1, 2019
Action Required:	Approval of York Property, LLC Commercial Lease Agreement and The Ryal Thomas Show, LLC License Agreement
Presenter:	Brian Wheeler, Director of Communications
Staff Contacts:	Brian Wheeler, Director of Communications
Title:	CPA-TV/York Property Lease Agreement and The Ryal Thomas Show, LLC License Agreement

Background:

Charlottesville Public Access Television (CPA-TV) has been proudly serving the Charlottesville community for over 40 years by offering a voice to citizens and organizations alike. CPA-TV began broadcast operations at Adelphia Cable studios on West Main Street and enjoyed a lengthy residence at Charlottesville-Albemarle Technical Education Center (CATEC) for many years thereafter. In 2013, CATEC ended its lease agreement with the City, leaving CPA-TV to secure a new location to base its operations.

In 2014, the Charlottesville Fire Department executed a Memorandum of Understanding with the City's Office of Communications to provide studio space for CPA-TV community broadcast productions and producer training at 460 George Dean Drive, which the Fire Department leases from the Virginia Department of Forestry. The City pays \$18,900 in annual rent for two buildings and a shed at that location and the current lease is month-to-month.

Although residing at this location over the last few years has been critical to the continuation of public access operations, the distance of the studio from accessible bus routes, along with poor exterior lighting, have proved challenging and a safety concern for community producers. As a result, producer membership and community programming have declined.

In February 2019, The Ryal Thomas Show, LLC approached Communications staff with a proposal that would facilitate CPA-TV's move to a studio location on the Downtown Mall that would provide a more visible and accessible venue for the community. The partnership proposed by Mr. Thomas would entail the City leasing space on the Downtown Mall for a new Charlottesville Community Media Center. The property under consideration is located at 112 West Main Street, inside York Place. Mr. Thomas, in turn, would pay a monthly fee to the City, equal to the monthly rent, in exchange for priority access to the City's space and broadcast equipment, which Mr. Thomas would use to produce a commercial television program that he is currently developing.

Discussion:

A new venue on the Charlottesville Downtown Mall would give the City of Charlottesville a cost-effective way to transform our CPA-TV studio space, attract new users, and increase community engagement. Our Franchise Agreement with Comcast designates three stations for our use as public access, education and government programming.

With proceeds from the PEG Access Support Fee collected by Comcast, the Communications Department has completed significant upgrades in Council Chambers and for remote broadcasts of Council meetings that have greatly improved the programming on government access (Ch. 10). We have an equipment upgrade in progress at Charlottesville High School, which will improve the broadcasts of School Board meetings from that location (Ch. 14). The next goal is to take full advantage of Ch. 13 by opening a new studio and rebranding Charlottesville Public Access as the Charlottesville Community Media Center.

Since February 2019 there have been several meetings to discuss potential agreements between York Property, LLC, The Ryal Thomas Show, LLC and CPA-TV.

On February 25, 2019, staff from Communications and the City Attorney's office met to discuss the possibility of a lease arrangement between CPA-TV, Mr. Thomas, and York Property. It was determined that the best option would be for the City to position itself as lease holder with York Property and create a license agreement with Mr. Thomas that would allow him to use studio equipment in exchange for a monthly fee.

On March 1, 2019, staff from Communications, City Attorney's office, and Mr. Thomas met to discuss CPA-TV license agreement details and began to draft the agreement.

On March 4, 2019, staff from Communications, City Attorney, IT, Risk Management, and Public Works met to inspect and assess the property at York Place and determined that the location would be suitable for CPA-TV operations.

On March 25, 2019, staff from Communications, City Attorney's office, and Mr. Thomas met to finalize details of the CPA-TV license agreement with The Ryal Thomas Show, LLC. The license agreement draft was approved by all parties.

Alignment with City Council's Vision and Strategic Plan:

Providing CPA-TV a home on the bustling Downtown Mall supports City Council's C'ville Arts and Culture vision. The agreement put forth would directly support Goal 5 of the City's Strategic Plan of being a Well-Managed and Responsive Organization by integrating effective business practices and fostering community engagement.

Community Engagement:

CPA-TV community producers are excited about the potential move to the Downtown Mall. The high visibility of York Place and ease of access would make this an ideal move for CPA-TV and its members.

Communications staff is also in the process of upgrading CPA-TV operations, developing specialized training modules for community members, and rebranding Charlottesville Public Access as the *Charlottesville Community Media Center*.

Budgetary Impact:

The total annual lease amount to be paid to York Property is \$19,956 (not including utilities) which breaks down to \$1,663 per month, or about \$1,000 more per year than the current lease at the Virginia Department of Forestry site

According to the license agreement with The Ryal Thomas Show, LLC, Mr. Thomas agrees to make regular monthly payments to the City (totaling the lease amount due) in exchange for access to studio equipment for his personal commercial programming. Mr. Thomas' payments would offset the annual cost of the lease.

The City would be required to pay utility fees that would average \$150–\$200 a month, totaling around \$1,800–\$2,400 a year.

Recommendation:

Staff recommends that City Council approve the York Property, LLC lease agreement along with the license agreement with The Ryal Thomas Show, LLC for the term of one year.

Alternatives:

The Charlottesville Fire Department is looking to end its month-to-month lease with the U.S. Department of Forestry and move its administrative work done there to Ridge Street Fire Station. Once that occurs the MOU between CFD and CPA-TV would be dissolved. The lease could continue indefinitely at the current location for both the Fire Department and Communications, but the facility, as mentioned above, is not suitable for continued use as a studio. If the lease is terminated, CPA-TV could cease studio operations until another location is found.

Attachments:

- Resolution
- York Property Lease Agreement
- The Ryal Thomas Show, LLC License Agreement

RESOLUTION

BE IT RESOLVED by the Council for the City of Charlottesville, Virginia, that the City Manager is hereby authorized to sign the following documents, in form approved by the City Attorney or his designee.

- (1) Lease Agreement between the City of Charlottesville (Lessee) and York Property, LLC (Lessor) for the lease of property at 112 West Main Street, Suites 9 & 10 (York Place) for the Charlottesville Community Media Center, effective April 1, 2019; and
- (2) License Agreement between the City of Charlottesville (Licensor) and Ryal Thomas (Licensee) for use of the Charlottesville Community Media Center at 112 West Main Street, effective April 1, 2019.

COMMERCIAL LEASE

THIS LEASE made this ____ day of _____, 2019 by and between York Property, LLC, a Virginia limited liability company, (hereinafter, "Landlord") and the City of Charlottesville, a Virginia municipal corporation, (hereinafter, "Tenant").

1. TERMS AND DEFINITIONS: For purposes of this Lease, the following terms shall have the following definitions and meanings:

1.1 Landlord: York Property, LLC
Address: 112 West Main Street, Suite 5
Charlottesville, Virginia 22902

1.2 Tenant: City of Charlottesville
Address: 112 West Main Street, Suite 9 & 10
Charlottesville, VA 22902

Parcel #: 280018000
Legal: LOTS

1.2.1 Use: Public Broadcasting

1.3 Project: The Project consists of that building commonly known as the York Place Building and includes the following more particularly described real estate located in the City/County of Charlottesville, Virginia, 22902.

1.4 Premises: That building or portion of the building indicated on Addendum A attached hereto and made a part hereof, which is a portion of the Project referred to as:

YORK PLACE, 112 West Main Street, Suite 9 & 10

1.5 Rentable Area of Premises: Approximately 1,210 Square feet.

1.6 Building Standard Work: All the work to be completed at Landlord's expense in the premises as set forth in Addendum B attached hereto and made a part hereof.

1.7 Building Non-Standard Work: All the work to be completed in the Premises by Landlord and/or Tenant as set forth in Addendum C, the cost of which shall be paid by the Tenant.

1.8 Leasehold Improvements: The aggregate of the Building Standard Work

and the Non-Standard Work.

- 1.9 Commencement Date: April 1, 2019
- 1.10 Expiration Date: March 31, 2020
- 1.11 Rent:
\$1,663.00 per month due on the first day of each month.
- 1.12 Security Deposit: \$1,663.00
(\$) to increase with any renewal option exercised to equal one month's rent.
- 1.13 Base Year: The calendar year 2019.
- 1.14 Amount of Liability Insurance: \$1,000,000.00 per occurrence
\$2,000,000.00 aggregate
- 1.15 Workman's Compensation Insurance: As required by state law.
- 1.16 Broker: None
- 1.17 Tenant, at its sole cost and expense, shall pay all operating expenses associated with the Premises, inclusive of real estate taxes estimated to be \$1.28 per square foot per year (\$130.00 per month) and common area maintenance estimated to be \$50.00 per month.

2. PREMISES: Landlord does hereby lease to the Tenant and Tenant hereby leases from Landlord the Premises. This Lease is subject to the terms, provisions, covenants, and conditions herein set forth, and Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all said terms, provisions and conditions.

3. TERM: The term of this Lease shall commence on the Commencement Date as set forth in Section 1.9 and shall end on the expiration date as set forth in Section 1.10, unless sooner terminated as hereinafter provided. Tenant shall have the option to extend this Lease for: One (1) Year provided that written notice is delivered to Landlord at least One Hundred Eighty (180) days prior to the expiration of this Lease.

(A) If Landlord, for any reason whatsoever, cannot deliver possession of the Premises to Tenant on the Commencement Date, this lease shall not be void, or voidable, nor

shall Landlord be liable to Tenant for any loss or damage resulting therefrom, but in that event rent shall be waived for the period between Commencement Date and the time when the Landlord can deliver possession. No delay in delivery of possession shall operate to extend the term hereof.

(B) Prior to the Commencement Date, unless Tenant is leasing the Premises on an “as is” basis, Landlord shall substantially complete the Building Standard Work and that portion of the Building Non-Standard Work to be done by the Landlord (“Landlord’s Work”). Substantial completion shall be deemed to have occurred when there remains to be completed only minor items of Landlord’s Work, which do not materially impair the use of the Premises by the Tenant. In the event the Premises are ready for occupancy prior to the Commencement Date, and Tenant takes early occupancy of the Premises, notwithstanding anything else to the contrary contained herein, Tenant’s obligation to pay rent under this Lease shall commence upon such occupancy, and shall continue until the Expiration Date.

4. RENT: Tenant shall pay to the Landlord, as rent for the Premises, the Base Rent set forth in Section 1.11 in the monthly installments set forth in Section 1.11. Rent shall be payable on or before the first day of the term hereof and on or before the first day of each and every successive calendar month hereafter during the term hereof. Rent payments shall be deemed late if received by the Landlord after the fifth day of the month when due, and a ten per cent (10%) late fee shall be assessed and shall be payable within five (5) days by Tenant. Tenant agrees to pay an additional charge of \$50.00, in addition to the late fee, for each check returned for insufficient funds or any other reason. In the event the term of the Lease commences on a day other than the first day of the calendar month, then the monthly rent for the fractional month shall be appropriately pro-rated. All rentals shall be paid to Landlord, without deduction or offset, in lawful money of the United States at the offices of **York Property, LLC**, 112 West Main Street, Suite 5, Charlottesville, Virginia 22902 or to such other person or at such other place as the Landlord may from time to time designate in writing. Any payment to Landlord following the service upon Tenant of a written five (5) day Notice to Pay Rent or Quit must be in the form of cash, certified or cashier’s check. All amounts of money payable by Tenant to Landlord, whether in the nature of rent or otherwise, shall bear interest from due date until paid at the rate of fifteen per cent (15%).

5. SECURITY DEPOSIT: Tenant has deposited with Landlord the Security Deposit as set forth in Section 1.12. Said sum shall be held by Landlord as security for the faithful performance by Tenant of all the terms, provisions, covenants and conditions of this lease to be kept and performed by the Tenant during the term hereof. If Tenant defaults with respect to any provisions of this Lease, including but not limited to the provisions relating to the payment of rent, Landlord may (but not be required to) use, apply or retain all or any part of the Security Deposit for the payment of any rent or any other sum in default, or for the payment of any amount Landlord may spend or become obligated to spend by reason of Tenant’s default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant’s default. If any portion of said deposit is so used or applied, Tenant shall within five (5) days after written demand, deposit cash with Landlord in an amount sufficient to restore the

Security Deposit to its original amount and Tenant's failure to do so shall be a material breach of this Lease. Except as may be required by state or local laws, Landlord shall not be required to keep this Security Deposit separate from its general funds, no trust relationship shall be created with respect thereto, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease, the Security Deposit, or any balance thereof shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) at the expiration of the Lease term. In the event of termination of Landlord's interest in this Lease, Landlord shall transfer such deposit to Landlord's successor in interest, and upon such transfer, Landlord shall be relieved of any and all liability therefore and obligation with respect thereto, and Tenant shall look solely to such successor in interest of Landlord for return of any applicable portion of such deposit.

6. USE: Tenant shall use the Premises for the use set forth in Section 1.2.1 and shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord which shall not be unreasonably withheld. Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein, which will in any way increase the existing rate or affect any fire or other insurance upon the Project or any of its contents, or cause cancellation of any insurance policy covering said Project or any part thereof or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises, which will in any way obstruct or interfere with the rights of other tenants or occupants of the Project or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose, nor shall Tenant cause, maintain, or permit any nuisance in, on or about the Premises. Tenant shall not commit or suffer to be committed any waste in or upon the Premises.

6A. SECURITY: Tenant may install any locks, cameras, or other security devices that are reasonably necessary to protect its on-site equipment and facilities and may limit access to the property to authorized personnel only.

7. COMPLIANCE WITH LAW: Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or government rule or regulation now in force or which may hereinafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and government rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Premises.

8. ALTERATIONS AND ADDITIONS: Tenant shall not make or suffer to be made any alterations, additions, or improvements to the Premises or any part thereof, or attach any fixture or equipment thereto, without first obtaining Landlord's written consent, which consent shall not be unreasonably withheld. All such alterations, additions and improvements shall immediately become the Landlord's property, and at the end of the term hereof, shall remain on

the Premises without compensation to the Tenant unless Landlord elects by notice to Tenant to have the Tenant remove the same, in which event Tenant shall promptly restore the Premises to it's condition prior to the installation of such alterations, additions, and improvements. In the event that the use of the Premises is for commercial or business purposes, Landlord's consent to install a security and/or alarm system within the Premises shall not be unreasonably withheld.

9. REPAIRS:

A By entry hereunder Tenant accepts the Premises as being in the condition in which Landlord is obligated to deliver the Premises under the terms of this Lease. Tenant shall, at all times during the term hereof and at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair (ordinary wear and tear, damage thereto by fire, earthquake, act of God or the elements excepted), with Tenant hereby waiving all rights to make repairs at the expense of the Landlord or in lieu thereof to vacate the Premises as provided in any applicable law, statute or ordinance now or hereinafter in effect. Tenant shall at the end of the term hereof surrender to Landlord the Premises and all alterations, additions and improvements thereto in the same condition as when received, ordinary wear and tear and damage by fire, earthquake, act of God or the elements accepted. Landlord has no obligation and has made no promise to alter, remodel, improve, repair, decorate or paint the Premises or any part thereof, except as specifically set forth herein.

B Notwithstanding the provisions of Section 9 (A) above, Landlord shall repair and maintain the structural portions of the Project, including the basic plumbing, HVAC system and electrical systems, installed or furnished by the Landlord, unless the necessity of such maintenance and repairs are in any way caused by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees or invitee, in which case Tenant shall pay to Landlord the reasonable costs of such maintenance and repairs. Landlord shall not be liable for any failure to make such repairs or perform such maintenance for a reasonable period of time following such notice by Tenant. There shall be no abatement of rent and no liability of Landlord by reason of any injury or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Building or the Premises or in or to fixtures, appurtenances and/or equipment therein. Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereinafter in effect.

C. Notwithstanding anything else to the contrary, Tenant shall be responsible for obtaining an annual HVAC contract with a reputable HVAC contractor. This HVAC contract shall at a minimum include:

- Quarterly filter changes
- Spring Tune-up
- Fall Tune-up
- Annual belt changes
- Annual coil cleaning
- Annual drain pan service

Tenant shall be responsible for any damage caused by Tenant's failure to replace filters in a timely manner. Cleaning of duct work is the responsibility of the Tenant.

10. LIEN. Tenant shall keep the Premises and the Project free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant. Landlord shall have the right to post and keep posted on the Premises any notices that may be provided by law or which Landlord may deem to be proper for the protection of Landlord, the Premises and the Project from such liens. Tenant shall give Landlord at least ten (10) days written notice of date of commencement of any construction or work on the Premises in order to permit the posting of such notices by Landlord. Landlord may require, at Landlord's sole option, that the Tenant, at Tenant's expense provide to Landlord a lien and completion bond in an amount equal to one and one-half (1 and ½) times any and all estimated costs of any improvements, additions, or alterations in the Premises, to insure Landlord against liability for mechanic's or materialmen's liens and to insure completion of work.

11. ASSIGNMENT AND SUBLETTING.

A. Without Landlord's written consent, which shall not be unreasonably withheld, Tenant (including without limitation any subsequent assignee or subtenant) shall not, either voluntarily or by operation of law, assign mortgage, hypothecate, or encumber this Lease, or any interest in this Lease, permit the use of the Premises by any person or persons, licensees or concessionaires, other than Tenant, or sublet the Premises or any part of the Premises. Any transfer of this Lease from Tenant by merger, conveyance, transfer by bequest or inheritance, or other transfer of a controlling interest in Tenant shall constitute an assignment for the purpose of this Lease. The performance by Tenant of any of the acts described in this section without Landlord's written consent shall be void, shall confer no rights upon any third person, and shall, at the option of the Landlord, terminate this Lease. Landlord's consent to one assignment or subletting shall not constitute waivers of the necessity for such consent to a subsequent assignment or subletting nor shall such consent constitute a release of Tenant from the full performance by Tenant of all terms, provisions, conditions and covenants of this Lease. Landlord's acceptance of rent or any other payment from Tenant's assignee or subtenant shall not constitute or be construed as Landlord's consent to such assignment or subletting.

B. Upon written notice from Tenant to Landlord of Tenant's desire to assign this Lease or sublease all of the Premises, Landlord shall have fifteen (15) days following Tenant's written notice within which Landlord shall have the option to terminate this Lease and take possession of the Premises, or any portion thereof. If Landlord elects to exercise such option to terminate this Lease, the date of such termination shall be as specified by Landlord in Landlord's notice of its said election. Should Landlord not exercise its option to terminate this Lease pursuant to the terms of this subsection, Landlord shall not unreasonably withhold its consent to Tenant's requested subletting or assignment for a period of Forty-five (45) days from that date Landlord informs Tenant of Landlord's election as provided immediately above; provided, that under no circumstances shall Landlord be required to consent to a subletting of a portion of the

Premises.

C. Should Tenant (including any subsequent assignee or subtenant) requests Landlord's consent to an assignment of this Lease, or the subletting of any portion of the Premises, Tenant (or any subsequent assignee or subtenant) shall submit in writing to Landlord such information as Landlord may reasonably require with respect to the terms of the proposed assignment or subletting and information about the proposed assignee or subtenant.

D. Should this Lease be assigned, or should the Premises or any part thereof be sublet or occupied by a person or persons other than the original Tenant hereunder, Landlord may collect rent from the assignee, sublessee or occupant and apply the net amount collected to the monthly rent herein reserved, but no such assignment, subletting, occupancy or collection of rent shall be deemed a waiver of any term of this Lease, nor shall it be deemed acceptance of the assignee, sublessee or occupant as a tenant, or a release of Tenant from the full performance by Tenant of all the terms, provisions, conditions and covenants of this Lease.

E. It is the intent of both Landlord and Tenant that the purpose of any assignment or subletting is to aid Tenant in meeting its obligations under this Lease and not to allow Tenant to gain financially from any such assignment or subletting. Landlord and Tenant agree that Landlord's consent to any assignment or subletting may be conditioned upon reaching mutual agreement upon a modification of the Base Rent.

F. In the event Tenant shall assign this Lease or sublet the Premises or shall request the consent of the Landlord to any assignment or subletting, then Tenant shall pay Landlord's reasonable attorney's fees incurred in connection therewith.

13. SUBROGATION. Landlord and Tenant each shall use every good faith effort to obtain from their respective insurers under all policies of fire and extended coverage insurance maintained by either of them at any time during the term hereof insuring or covering the Project or Premises or any improvements, fixtures, equipment, furnishings or other property including saleable goods, merchandise and inventory in, on or about the Premises, if any, a waiver of all rights of subrogation which the insurer of one party might have against the other party.

14. LIABILITY INSURANCE. Tenant agrees to carry and keep in force during the term hereof, at Tenant's sole costs and expense, the following types of insurance, in the amount and in the form provided for:

A. **PUBLIC LIABILITY AND PROPERTY DAMAGE.** Bodily and personal injury liability insurance with limits of not less than the amount set forth in Section 1.14 per occurrence, insuring against liability for injuries to or death of persons occurring in, on or about the Premises or arising out of the use or occupancy thereof (including, for purposes of "personal injury", coverage against false arrest, detention or imprisonment, malicious prosecution, libel, slander,

and wrongful entry or eviction), and property damage liability insurance with a limit of not less than set forth in Section 1.14 per accident or occurrence. All such public liability and property damage insurance shall specifically insure the performance by Tenant of its indemnity obligations under this lease with respect to liability for injury to or death of persons and for damage to property.

B. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY.

Tenant shall obtain insurance covering workers' compensation and employers' liability in the amounts set forth in Section 1.14 of this Lease.

C. PLATE GLASS. Insurance against breakage of all plate and tempered glass within the Premises, in an amount not less than its full replacement costs.

D. TENANT IMPROVEMENTS. Insurance covering all improvements made by or for Tenant to Premises, and any and all fixtures, equipment, furnishings and personal property of Tenant from time to time in, on or about the Premises, providing protection against all perils included within a standard fire and extended coverage insurance policy ("all risk form"), together with insurance against vandalism and malicious mischief. Such insurance shall be in an amount no less than the full replacement cost of the property insured without a deduction for depreciation.

E. POLICY FORMS. All policies of insurance provided for herein shall be issued by insurance companies qualified to do business in the Commonwealth of Virginia; and except for Workman's Compensation and employers liability, all such policies shall be issued in the name of the Tenant and such other person or firms as Landlord specifies from time to time and shall be for the mutual and joint benefit and protection of Landlord, Tenant and others hereinabove mentioned. Copies of all certificates of insurance shall be delivered to Landlord within ten (10) days after delivery of possession of the Premises to Tenant, and thereafter within thirty (30) days prior to the expiration of the term of each such policy. As often as any policy shall expire or terminate, renewal or additional policies shall be procured and maintained by the Tenant in like manner and to like extent. All such policies of insurance shall provide that the company writing said policy will endeavor to give Landlord thirty (30) days notice in writing in advance of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All public liability, property damage, and other casualty policies shall be written as primary policies, not contributing with, and not in excess of, coverage that Landlord may carry.

15. SERVICES AND UTILITIES. Tenant shall make all arrangements for and pay for all utilities and services furnished to or used by Tenant, including without limitation, electricity, gas, water and sewer, janitorial services if desired, trash collection, and telephone services, and for all connection charges.

16. PROPERTY TAXES. In addition to all rental or other charges to be paid by Tenant hereunder, Tenant agrees to pay, before delinquency, any and all taxes levied or assessed

during the term hereof upon Tenant's equipment, furniture, fixtures and other personal property located in, on or about the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures and personal property shall be assessed and taxed with the Project or to a Building within the Project, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

Tenant is responsible for property tax based on 1,210 sq ft. If any tax is levied by the City, Tenant shall be responsible for its portion of the building. Taxes will be pro-rated based on the beginning and end of lease.

17. RULES AND REGULATIONS. Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time promulgate. Landlord reserves the right from time to time to make all reasonable modifications to such rules and regulations. The additions and modifications to such rules and regulations shall be binding upon Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any such rules and regulations by any other tenants or occupants.

18. HOLDING OVER. Any holding over after the expiration of the term of this Lease by Tenant, without the written consent of Landlord delivered to Tenant, shall be construed to be a tenancy from month-to-month on all of the terms, provisions, covenants, and conditions herein specified, but at a monthly rent rate equal to one hundred fifteen per cent (115%) of the monthly rent in effect on the date of such expiration or termination. Acceptance by Landlord of monthly rent after such expiration or termination shall not constitute consent by Landlord to any such tenancy or any renewal of the term hereof. The provisions of this Section 18 are in addition to, and do not affect, Landlord's right of re-entry or other rights hereunder or provided by law.

19. DAMAGE AND DESTRUCTION. If the Premises or the Building in which Premises are located are damaged by fire, earthquake, act of God, the elements or other casualty Landlord shall promptly repair such damages, subject to the provisions of this Section 19, if in Landlord's judgement, such repairs can be made within One Hundred and Eighty Days (180) under the laws and regulations of the state, federal, county and municipal authorities having jurisdiction. During the making of such repairs by Landlord, this Lease shall remain in full force and effect, except that if the damage is not the result of any act, neglect, default or omission of Tenant, its agents, employees or invitees, Tenant shall be entitled to a reduction of rent while such repair is being made in the proportion that the net rentable area of the Premises rendered untenantable by such damage bears to the total net rentable area of the Premises. If such repairs cannot be made within One Hundred and Eighty (180) days, Landlord shall have the option to either (a) repair such damage, this Lease continuing in full force and effect but with the rent proportionately reduced upon the conditions and as hereinabove in this Section 19, provided, or (b) gives notice to Tenant at any time within thirty (30) Days after the occurrence of such damage terminating this Lease as of a date specified in such notice which date shall not be less than thirty (30) days nor more than sixty (60) days after the giving of such notice. If Landlord elects to terminate this Lease by giving such notice of termination to Tenant, this Lease and all interest of Tenant in the Premises shall terminate on the date specified in such notice, and the rent,

proportionately reduced as hereinabove in this Section 19 provided, shall be paid up to the date of such termination, Landlord hereby agreeing to refund to Tenant any rent, theretofore paid for any period of time subsequent to such date. If Landlord elects or is required to repair the Premises or the Building in which the Premises are located under this Section 19, Landlord shall repair at its cost any injury or damage to the Building, and Tenant shall be responsible for and shall repair at its sole cost all fixtures, equipment, furniture or any other property of Tenant in the Premises. Landlord shall in no event be required to repair any improvements installed in the Premises by Tenant at Tenant's sole cost and expense. Tenant hereby waives the provision of any state or local law, to the extent said provisions may be waived, which are in conflict with Section 19. Tenant shall not be entitled to any compensation or damages from Landlord for damage to any of Tenant's fixtures, personal property, or equipment, for loss of use of the Premises or any part thereof, for any damage to Tenant's business or profits or for any disturbance to Tenant caused by any casualty or the restoration of the Premises following such casualty. A total destruction of the Building shall automatically terminate this Lease.

20. DEFAULT. The occurrence of any one or more of the following events shall constitute a default and breach (a "Default") of this Lease by Tenant.

A. The vacating or abandonment of the Premises by Tenant.

B. The failure of Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder as and when due.

C. The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described in Section 20(B) above, where such failure shall continue for a period of fifteen (15) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than fifteen (15) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion.

D. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or a petition of reorganization or arrangement under any law relating to bankruptcy (unless in the case of such petition filed against Tenant, the same is dismissed within sixty (60) days; or the appointment of a trustee or a receiver who is to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged in ten (10) days; the admission by Tenant in writing of the inability to pay its debts as they become due.

21. REMEDIES IN DEFAULT. In the event of any such Default as provided in

Section 20 above, Landlord shall have the following remedies, in addition to any other rights or remedies which Landlord may have by reason of such Default, and in addition to any other right or remedy Landlord may have at law or in equity:

A. Landlord shall have the right to cancel and terminate this Lease by written notice to Tenant and all of the right, title and interest of Tenant hereunder, but not Tenant's liability, shall terminate in the same manner and with the same force and effect as if the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.

B. Landlord may elect, but shall not be obligated, to make any payment required of Tenant herein or comply with any agreement, term, or condition required hereby to be performed by Tenant, and Landlord shall have the right to enter the Premises for the purpose of correcting or remedying any such Default and to remain until the Default has been corrected or remedied, but any expenditure for the correction by Landlord shall not be deemed to waive or release the Default of Tenant or the right of Landlord to take any action as may be otherwise permissible hereunder in the case of any Default.

C. Landlord may re-enter the Premises immediately and remove the property and personnel of Tenant (1) store the property in a public warehouse or at a place selected by Landlord, at the expense of Tenant or (2) dispose of and/or sell such property and apply the proceeds there from pursuant to applicable Virginia law, all as attorney-in-fact for Tenant. After re-entry Landlord may terminate this Lease by giving five (5) days written notice of termination to Tenant. Without notice, re-entry will not terminate this Lease.

D. After re-entry, Landlord may relet the Premises or any part thereof for any term without terminating this Lease, at such rent and on such terms as Landlord may choose. Landlord may make alterations and repairs to the Premises. If the Premises are relet as provided herein, in addition to Tenant's liability to Landlord for breach of this Lease, Tenant shall be liable for all expenses of the reletting, for the alterations and repairs made, and for the difference between the rent received by Landlord under the new lease and the rent installments that are due for the same period under this Lease.

E. Landlord shall apply the rent received from reletting the Premises (1) to reduce the indebtedness of Tenant to Landlord under this Lease, not including indebtedness for Rent, (2) to expenses of the reletting and alterations and repairs made, (3) to Rent due under this Lease, or (4) to payment of future rent under this Lease as it becomes due.

F. In the event of termination or repossession following a Default, Tenant shall pay to Landlord the amount of all Rent and Additional Rent (including, but not limited to, the reasonable attorneys' fees and costs incurred by Landlord) due through the earlier of the date of termination or repossession.

G. After termination, Landlord may accelerate all remaining Rent and additional

payments due hereunder (“Accelerated Rent”) and Tenant shall pay to Landlord, on demand, the Accelerated Rent which shall be calculated as the present cash value (using an annual discount rate of 3%) on the date of demand of the Rent and additional amounts which would have been payable from the date of termination for what would have been the unexpired Term if it had not been terminated, plus the Rent and additional payments due through the date of termination, which remain unpaid. For the purposes of this calculation, future additional payments shall include any amounts which Tenant is obligated to pay under the Lease, including, but not limited to real estate taxes, utilities and insurance, which shall be calculated at the amount of such additional payments in effect prior to Tenant's Default.

22. OTHER REMEDIES OF LANDLORD.

A. In the event of a breach by Tenant of any of the terms or conditions hereof, Landlord shall have the right of injunction to restrain Tenant and the right to invoke any remedy allowed by law or in equity, as if the specific remedy of indemnity or reimbursement were not provided herein.

B. The rights and remedies given to Landlord in this Lease are distinct, separate, and cumulative, and no one of them, whether or not exercised by Landlord shall be deemed to be to the exclusion of any of the other herein, by law, or by equity provided.

C. No receipt of money by Landlord from Tenant after Default or termination of this Lease in any lawful manner shall (1) reinstate, continue, or extend the Term of this Lease or affect any notice given to Tenant, (2) operate as a waiver of the right of Landlord to enforce the payment of Rent then due or falling due, or (3) operate as a waiver of the right of Landlord to recover possession of the Leased Premises by proper suit, action, proceeding or other remedy.

23. COSTS OF ENFORCEMENT AND WAIVER OF EXEMPTIONS. Tenant shall pay all costs and expenses incurred by Landlord, including reasonable attorney's fees, in enforcing, by legal action or otherwise, any provision of this Lease, or incurred by Landlord in any litigation in which Landlord becomes involved or concerned by reason of the relationship of Landlord and Tenant. Tenant hereby waives the benefit of any homestead or similar exemption laws with respect to the obligations of this Lease.

24. EMINENT DOMAIN. If more than twenty-five per cent (25%) of the Premises shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, either party hereto shall have the right, at its option, to terminate this Lease, and Landlord shall be entitled to any and all income, rent, award or any interest therein whatsoever which may be paid or made in connection with such public or quasi-public use or purpose, and Tenant shall have no claim against Landlord for the value of any unexpired term of this Lease. Notwithstanding the foregoing, Tenant shall be entitled to receive any portion of any such award designated to compensate Tenant for (i) the taking of personal property or fixtures belonging to Tenant, (ii) the unamortized costs of any leasehold improvements paid for solely by Tenant and (iii) moving costs or relocation costs incurred by Tenant. If less than twenty-five per

cent (25%) of the Premises is so taken, or if more than twenty-five per cent (25%) of the Premises is so taken and neither party elects to terminate as herein provided, the rental thereafter to be paid shall be equitably reduced. If any part of the Building in which the Premises are located other than the Premises may be so taken or appropriated, Landlord shall have the right at its option to terminate this Lease and shall be entitled to the entire award as above provided.

25. PARKING. N/A

26. ESTOPPEL CERTIFICATE. At any time and from time to time but not less than fifteen (15) days' prior written request by Landlord, Tenant shall promptly execute, acknowledge and deliver to Landlord a certificate certifying (a) that this Lease is unmodified and in full force and effect, as modified, and stating the date and nature of each modification, and (b) such other matters as may be reasonably requested by Landlord. Any such certificate may be relied upon by Landlord and by any prospective purchaser, mortgagee or beneficiary considering the purchase of or a loan on the Project or any part thereof or interest therein.

27. AUTHORITY OF PARTIES. If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with a duly adopted resolution of the board of directors of said corporation or in accordance with the by-laws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms.

28. GENERAL PROVISIONS.

A. Plats and riders. Addenda and Exhibits, if any, referred to in this Lease are attached hereto and by this reference made a part hereof. Clauses, plats and riders, if any, signed by Landlord and Tenant and endorsed on or annexed to this Lease are hereby incorporated herein by this reference.

B. Waiver. The waiver by Landlord of Tenant's failure to perform or observe any term, covenant or condition herein contained to be performed or observed by Tenant shall not be deemed to be a continuing waiver of such term, covenant, or condition herein contained, and no custom or practice which may develop between the parties hereto during the term hereof shall be deemed a waiver of, or in any way affect, the right of Landlord to insist upon performance and observance by Tenant in strict accordance with the terms hereof. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding failure of Tenant to pay the particular rent so accepted, irrespective of any knowledge on the part of Landlord of such preceding failure at the time of acceptance of such rent.

C. Notices. All notices, demands, requests advises or designations which may be or are required to be given by either party to the other hereunder shall be in writing. All notices, demands, requests, advices or designations by Landlord to Tenant shall be sufficiently given,

made or delivered if personally served on Tenant by leaving the same at the Premises. All notices, demands, requests, advices or designations by Tenant to Landlord shall be sent by United States certified or registered mail, postage prepaid, addressed to Landlord at the address set forth in Section 1.1.

D. Examination of Lease. Submission of this instrument for signature by Tenant does not constitute a reservation or option for a lease, and this instrument is and shall not be deemed to be effective as a lease or otherwise until its execution and delivery by both Landlord and Tenant.

E. Joint Obligation. If there be more than one person or entity named hereunder as Tenant, the obligations of such persons or entities shall be joint and several. The article, section and paragraph headings of this Lease are for convenience of reference only and shall have no effect upon the construction or interpretation of any provision hereof.

F. Time. Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

G. Successors and Assigns. The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

H. Recordation. Tenant shall not record this Lease or a short form memorandum hereof without the prior written consent of Landlord.

I. Quiet Possession. Upon Tenant paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on the Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Lease.

J. Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or of a sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after due date, a late charge of ten per cent (10%) of the total amount due will be assessed. The parties hereby agree that such late charge represents a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges by the Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

K. Prior Agreements. This Lease, together with the other documents or agreements referred to in Section 31 hereof, if any, contains all of the agreements of the parties with respect to any matters covered or mentioned in this Lease, and no prior agreements or understandings pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. Tenant acknowledges that in executing and delivering this Lease, it is not relying on any verbal or written understanding, promise or representation outside the scope of this Lease and not described or referred to herein.

L. Inability to Perform. This Lease and obligations of the Tenant hereunder shall not be affected or impaired because the Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of the Landlord.

M. Attorney's Fees. In the event of any action or proceeding brought by Landlord against Tenant for failure to pay rent or other breach of this Lease the prevailing party shall be entitled to recover all costs and expenses including the fees of its attorneys in such action or proceeding in such amount as the Court may adjudge reasonable.

N. Sale of Premises by Landlord. In the event of any sale of the Project as a whole, or the transfer of the Building in which Premises are located and/or Project to any other party or entity, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising out of any act, occurrence or omission occurring after the consummation of such sale or transfer; and the purchaser or such transferee shall be deemed, without any further agreement between the parties or their successors in interest or between the parties and any such purchaser or transferee, to have assumed and agreed to carry out any and all covenants and obligations of the Landlord under this Lease. Tenant hereby agrees to attorn to any such purchaser or transferee. Tenant agrees to execute any and all documents deemed necessary or appropriate by Landlord to evidence the foregoing.

O. Subordination, Attornment. Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this Lease shall be subject and subordinate at all times to: (1) All ground leases and underlying leases which may now exist or hereafter be executed affecting the Project or the land upon which the Project is situated or both, and (2) the lien of any mortgage or deed of trust which may now exist or hereafter be executed in any amount for which said Project, land, ground leases or underlying leases or Landlord's interest or estate in any of the said items is specified as security. Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground leases or underlying leases or any such liens to this Lease. In the event that any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant of the successor in

interest. Tenant covenants and agrees to execute and deliver upon demand by Landlord and in the form requested by Landlord, any additional documents evidencing the priority or subordination of this Lease with respect to any such ground leases or underlying leases or the lien of any such mortgage or deed of trust.

P. Name. Tenant shall not use the name of the Project for any purpose other than as an address of the business to be conducted by Tenant in the Premises.

Q. Separability. Any provision of this Lease which shall be prove to be invalid, void, illegal or unenforceable shall in no way affect, impair or invalidate any other provisions hereof and this Lease shall remain in full force and effect.

R. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or inequity.

S. Choice of Law. This Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

T. Signs and Auctions. Tenant shall not place any sign upon the Premises or Building or conduct any auction thereon without Landlord's prior written consent. All signs so consented to by Landlord and placed by Tenant upon or in the Premises shall comply in all respects with size, design, lettering and material guidelines established by Landlord for the Project, except that Tenant is authorized to install digital signage facing the York Place interior hallway. Landlord reserves the right to change or alter such guidelines at such times and for such tenants as Landlord may determine in its sole and absolute discretion. **All signs must be professionally made and installed.**

U. No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation hereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing subleases or subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any and all such subleases or subtenancies.

V. Right of Landlord To Perform. All terms, covenants and conditions of this Lease to be performed or observed by Tenant shall be performed or observed by Tenant at its sole cost and expense and without any reduction of rent of any nature payable hereunder. If Tenant shall fail to pay any sum of money, other than rent required to be paid hereunder or shall fail to perform any other terms or covenant hereunder on its part to be performed, and such failure shall continue for five (5) days after Landlord notifies Tenant thereof in writing, Landlord without waiving or releasing Tenant from any obligation of Tenant hereunder, may, but shall not be obligated to, make any such payment or perform any such other covenant on Tenant's part to be performed. All sums so paid by Landlord, together with interest thereon from the date of payment at the rate of fifteen per cent (15%) or the highest rate permissible by law, whichever is less, shall be paid (and Tenant covenants to make such payment) to Landlord on demand, and

Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of nonpayment thereof by tenant as in the case of failure in the payment of rent hereunder.

W. Notice of surrender on Termination. At least one hundred and eighty (180) days before the last day of the term hereof, Tenant shall give the Landlord a written notice of Tenant's intention to surrender the Premises at the end of the term hereof, but nothing contained herein shall be construed as an extension of the term hereof or as a covenant of Landlord to any holding over by the Tenant.

X. Upon reasonable notice to the Tenant and at reasonable times, Landlord or his duly designated representatives, may enter the property in order to show the property to prospective tenants, mortgagees, purchasers, workmen or contractors, and to place "For Rent" signs on the leased property. In the event that it is impractical for Landlord to give reasonable notice of his intent to enter the property, the property may be entered by Landlord without notice to the Tenant.

Y. Representation. Tenant hereby represents and warrants to Landlord that any and all financial information delivered by Tenant to Landlord in connection with this Lease is true and correct. In the event any such financial information proves to be inaccurate or misleading in any material respect, it shall constitute a material non-curable default.

29. BROKERS. Tenant warrants that it has had no dealings with any real estate broker or agents in connection with the negotiation of this lease, excepting only as set forth in Section 1.16, and it knows of no other real estate broker or agent who is entitled to a commission in connection with this lease. Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including reasonable attorney's fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of Tenant's dealings with any real estate broker or agent other than specified above.

30. DEFAULT BY LANDLORD. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event less than thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligations; provided, however, that if the nature of Landlord's obligation is such that Landlord shall not be in default if Landlord commences performance within a thirty (30) day period and thereafter diligently prosecutes the same to completion.

31. THE FOLLOWING PLATS, EXHIBITS, AND RIDERS, ARE HEREBY ATTACHED HERETO AND INCORPORATED BY THIS REFERENCE.

Addendum A Agreement of Personal Guaranty
Addendum B Building standard Work

- Addendum C Building Non-Standard Work
- Addendum D Option to Extend
- Addendum E Environmental Compliance Report
- Addendum F Rules and Regulations

WITNESS the following signatures and seals:

Accepted and agreed to this _____ day of _____, 2019

Tenant: City of Charlottesville

Landlord: York Property, LLC

By: _____
Name & Title

By: _____

By: _____
Name & Title

ADDENDUM A

**AGREEMENT OF PERSONAL GUARANTY
ATTACHED TO AND MADE PART OF THE LEASE AGREEMENT
DATED _____, 2019 BETWEEN
CITY OF CHARLOTTESVILLE (“TENANT”)
AND YORK PROPERTY, LLC (“LANDLORD”)**

The undersigned “Guarantor,” in consideration of the making of the foregoing Lease Agreement between Tenant and Landlord, does hereby unconditionally guarantee the payment of the rent by the Tenant and the performance by Tenant of all the financial duties and obligations under the Lease Agreement. This is a continuing guarantee which applies to any renewal, extension, modification, or amendment of the lease agreement, without notice to Guarantor.

Guarantor also agrees that Landlord is not first required to enforce against Tenant or any other person any liability, obligation or duty guaranteed by this Agreement before seeking enforcement thereof against Guarantor. A lawsuit may be brought and maintained against the Guarantor by Landlord to enforce any liability, obligation or duty guaranteed by this Agreement without the necessity of joining the Tenant or any other person in the lawsuit.

It is expressly agreed and understood that Guarantor additionally and unconditionally guarantees the performance under the Lease of CITY OF CHARLOTTESVILLE (TENANT).

EXECUTED to be effective as of the day of _____, 2019.

GUARANTOR:

Name: _____
Address: _____
Phone #: _____
E-mail: _____
SS#: _____

Name: _____
Address: _____
Phone #: _____
E-mail: _____
SS#: _____

ADDENDUM B

BUILDING STANDARD WORK

Landlord shall complete the following work:

Premises work:

Notwithstanding anything else to the contrary, Landlord Reserves the right to reasonably alter the plans as may be necessary to install and accommodate the installation of the heating and air conditioning system, electrical work and/or the plumbing work that has to be done either to the premises or the project. Tenant, at its sole cost and expense, shall be responsible for the installation of its own phone system.

ADDENDUM C

BUILDING NON-STANDARD WORK

Tenant shall be responsible for all other work.

Tenant is responsible for changing A/C filters every three (3) months, service A/C unit twice per year and submit in writing to our office that this has been done.

Tenant is also responsible for changing all light bulbs.

Landlord reserves the right to charge a lock-out fee according to the lock-out fee schedule below.

No trash is allowed to accumulate outside of the space.

The property is for business use only and is not permitted to be used as living quarters.

Lock-out fee schedule

Weekdays-	4:00pm-9:30pm:	\$85.00
	9:30pm-9:00am:	\$110.00
Weekends-	Anytime	\$125.00
Holidays-	Anytime	\$150.00

ADDENDUM D

OPTION TO EXTEND

Landlord hereby grants to Tenant the option to extend the term of this Lease for a 1 (one) year period commencing when the original term expires and terminating March 31, 2021, upon each and all of the following terms and conditions:

1. Tenant shall not be in default at the time Tenant delivers notice of his election to extend the term or for a period of more than thirty (30) days at any time during the original term.
2. Tenant shall have given Landlord written notice of its election to extend the term not less than One Hundred Eighty (180) days prior to March 31, 2020, time being of the essence. If the notification is not so given, this option shall automatically expire.
3. The parties shall have thirty (30) days after the Landlord receives the option notice in which to agree on minimum monthly rent during the extended term. If the parties agree on the minimum monthly rent for the extended term during that period, they shall immediately execute an amendment to this Lease stating the minimum monthly rent. If the parties are unable to agree on the minimum monthly rent for the extended term within that period, the option notice shall be of no effect and this Lease shall expire at the end of the term. Neither party to this Lease shall have the right to have a court or other third party set the minimum monthly rent. Tenant shall have no other right to extend the term beyond the extended term.

Option to Renew

\$1,712.89 per month due on the first day of each month for the period April 1, 2020 through March 31, 2021.

ADDENDUM E

ENVIRONMENTAL COMPLIANCE ADDENDUM

Covenants as to the Premises. Tenant represents, warrants and agrees that: (a) no hazardous materials (as hereinafter defined) will be brought into the Premises or stored, or used by Tenant on the Project or within the Premises that would be in violation of any applicable Environmental Laws (as hereinafter defined); (b) Tenant shall not store or permit the storage, release, disposal of Hazardous Material on the Project; (c) Tenant shall not permit a material release of Hazardous Material onto or from the Premises; (d) Tenant shall cause the Premises to comply with applicable Environmental Laws and keep the Premises free and clear of any liens unposed pursuant to any applicable Environmental Laws; and (e) Tenant shall obtain and maintain all licenses, permits and other governmental and regulatory actions necessary for Tenant to comply with Environmental Laws (the "Permits"), and Tenant shall assure compliance therewith including but not limited to any Permits required; and (f) Tenant shall give Landlord within five (5) days after Tenant's receipt thereof copies of all notices from governmental authorities or any other party alleging any threat to the environment or violation of any Environmental Law or requesting information regarding Tenant's compliance with the same, and shall conduct and complete all investigations and all cleanup actions necessary to comply with applicable Environmental Laws, including, if necessary, the removal of such Hazardous Material from the Premises. For purposes of this Addendum, "Hazardous Material" means polychlorinated, biphenyls, petroleum products, flammable explosives, radioactive materials, asbestos and any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the applicable Environmental Laws or listed as such by the Environmental Protection Agency or by the Commonwealth of Virginia." Environmental Laws" means any applicable current or future federal, state or local governmental law, ordinance, order, regulation or ruling applicable to environmental conditions on, under or about the Premises and/or Project, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Clean Water Act and applicable wetlands and flood plain statutes, ordinances and regulations. Tenant's obligations under this addendum shall survive the termination of this Lease. Landlord may undertake any voluntary environmental remediation in response to the action or threat of action by any third party, including a governmental agency or official. In addition, Landlord may, with full cooperation from Tenant, conduct environmental audits and site inspections of Premises. Any costs incurred by Landlord in such remediation, audits, or inspections shall be paid by Tenant to Landlord, and to the extent permitted by law, shall bear interest at twelve per cent (12%), or the legal rate, whichever is less.

ADDENDUM F

RULES AND REGULATIONS

1. No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed or printed or affixed on or to any part of the outside or inside of the Premises or on the building in which the Premises is located, or within the Project, without the prior written consent of Landlord, and Landlord shall have the right to remove without notice to and at the expense of Tenant. All approved sign or lettering shall be at the expense of Tenant. Tenant shall not place anything or allow anything to be placed near the glass or any window, door, partition, or wall which may appear unsightly from outside the Premises; provided however, that Landlord may furnish and install a standard window covering at all exterior windows. Tenant shall not, without prior written consent of Landlord, sunscreen any window. Notwithstanding the aforementioned conditions, Tenant is authorized to install digital signage facing the York Place interior hallway, as previously indicated in this agreement.
2. The sidewalks, halls, passages, exits, entrances, elevator, if applicable, and stairways shall not be obstructed by any of the tenants or used by them for any purpose other than for ingress and egress from their respective Premises.
3. Tenant shall not alter any lock or install any new additional locks or any bolts on any doors or windows of the Premises without prior consent of the Landlord which shall not be unreasonably withheld. Notwithstanding the aforementioned condition, Tenant may install any locks, cameras, or other security devices that are reasonably necessary to protect its on-site equipment and facilities and may limit access to the property to authorized personnel only, as previously indicated in this agreement.
4. The bathroom apparatus installed shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by Tenant who, or whose employees or invitees shall have caused it.
5. Tenant shall not overload the floor of the Premises or in any way deface the Premises or any part thereof.
6. No furniture, freight or equipment of any kind shall be brought into the Premises shall be done at such a time and in such a manner as Landlord shall designate. Landlord shall have the right to prescribe the weight, size and proportion of all safes and other heavy equipment brought into the Premises and also the times and manner of moving the same in and out of the Premises. Safes or other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as necessary to properly distribute the weight. Landlord will not be responsible for loss or of damage done to any such safe or property from any cause and all damage done to the Premises by moving or maintaining any such safe or other property shall be repaired at the expense of the Tenant.

7. Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other Tenants or those having business herein, nor shall any animals, reptiles or birds be brought in or kept about the Premises.
8. Tenant shall not use or keep on Premises any kerosene, gasoline or inflammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied by Landlord, if any.
9. Landlord will direct electricians as to where and how telephone, cable and telegraph wires are to be introduced. No boring or cutting for wires will be allowed without the prior consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.
10. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of the Landlord, is intoxicated or under the influence of alcohol or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Project.
11. No vending machines or machines of any description shall be installed, maintained or operated upon the Premises without the prior written consent of the Landlord.
12. Tenant shall not disturb, solicit or canvas any occupants of the Premises and shall cooperate to prevent the same.
13. Without the prior written consent of Landlord, Tenant shall not use the name of the Project in connection with or promoting or advertising the business of Tenant, except as Tenant's address.
14. Landlord shall have the right to control and operate the public portions of the Project, and the public facilities, as well as facilities furnished for the common use of the tenants, in such manner as it deems best for the benefit of the tenants generally.
15. All entrance doors in the Premises shall be kept locked when the Premises are not in use, and all doors opening to public corridors shall be kept for normal ingress and egress from the Premises.
16. Landlord does not provide for trash collection or disposal, except for all common areas.. Tenant will be fully responsible for the removal and disposal of trash generated within their own Premises. Tenant will not dispose of their trash or refuse in any common area.

LICENSE TO USE PREMISES

THIS LICENSE AGREEMENT is entered into as of **April 1, 2019**, by and between THE CITY OF CHARLOTTESVILLE, VIRGINIA (hereinafter, "City" or "Licensor"), and RYAL THOMAS (hereinafter, "Licensee").

WHEREAS, the City will operate the Charlottesville Community Media Center, a program of the City's Department of Communications, from York Place on Charlottesville's Downtown Mall in order to facilitate community access to television production facilities, provide training opportunities, and raise community awareness of public television programming in Charlottesville;

WHEREAS, Licensee has produced content for public access television in Charlottesville for many years and is now seeking to market his television program to a national audience and to attract paid advertising;

WHEREAS, to accomplish this end, Licensee needs guaranteed, priority access to television production facilities that are located in a visible and well-known space in the Charlottesville community;

WHEREAS, the City is willing to permit Licensee to use the Charlottesville Community Media Center for this purpose subject to the terms and conditions of this agreement;

NOW, THEREFORE, the parties agree as follows:

1. **License to Use Property.** The City hereby grants Licensee permission to use the Charlottesville Community Media Center—located at 112 West Main Street, Suites 9 & 10, Charlottesville, VA, 22902—for three continuous hours each week. Licensee will select a three-hour time slot during York Place's regular daily operating hours of 6 A.M. to 10 P.M. and will receive guaranteed, priority access to all facilities within the Media Center during that period. Licensee shall communicate his preferred time slot to the City's Director of Communications in writing no later than April 1, 2019.

In addition, the City will utilize its best efforts to accommodate changes to Licensee's production schedule, so long as Licensee provides notice of such changes in writing and no less than 24 hours prior to the time at which Licensee needs to use the Media Center.

The parties expressly acknowledge and agree that this License Agreement is not a lease and that it does not create or convey to the Licensee any interest in the Charlottesville Community Media Center. Licensee will be entitled to occupy the Charlottesville Community Media Center solely for the purposes herein provided and for the term stated herein.

2. **Term.** The term of this License shall be for a period of one year, commencing on April 1, 2019 and expiring at midnight on March 31, 2020, unless earlier terminated by the City or the Licensee in accordance with the terms and conditions of this License Agreement.

3. **Fees and Costs.** In consideration of being permitted to use the Charlottesville Community Media Center, Licensee agrees to remit to the City \$1,663.00 per month. The first monthly payment shall be due on April 1, 2019; thereafter, a payment shall be due to the City on or before the first day of every calendar month. In the event that a termination of this License Agreement takes effect on a day other than the last day of a month, the last month's license fee may be prorated accordingly. The license fee is not subject to increase during the term of the License Agreement.
4. **Utilities.** City shall be responsible for the cost of ordinary and reasonable charges with respect to the Charlottesville Community Media Center for electricity, gas, water and sewer, internet, janitorial services, trash collection, and telephone services, and for all connection charges. Any extraordinary utility charges occasioned by Licensee's use of the Media Center shall be separately billed to Licensee. The City shall not be liable in any way for any failure, or termination of, or interruption in, any utility services to, or for the benefit of, the Media Center and Licensee hereby releases City from any and all liabilities or damages of any kind which may result by reason of any such failure, termination, or interruption.
5. **Use of Premises.** Licensee represents and warrants that it will utilize the Charlottesville Community Media Center solely for the purpose of filming, producing, and/or promoting a television program. Licensee shall not utilize the Media Center for any other purpose without the advance written permission of the City. In its use of the Media Center, Licensee shall comply with (i) applicable laws, ordinances, and regulations (including, without limitation, building and fire codes relating to the use and condition of the space), and (ii) any other rules that may be established by the City. In particular, should Licensee choose to utilize the Media Center to produce content for Charlottesville's public access television channel, Licensee shall comply with all applicable local, state, and federal policies concerning public access programming, including any restrictions on advertising content.
6. **Alterations to Premises.** Licensee may make alterations and improvements to the Charlottesville Community Media Center, but only with the City's advance written consent. Upon the expiration or earlier termination of this License, Licensee shall remove any alterations or improvements and return the Media Center to its condition as of the commencement of the License Agreement, unless the City agrees otherwise in writing.
7. **Production Team.** Licensee understands and agrees that Charlottesville Community Media Center personnel are City employees and that the City retains them in order to produce content for public access television in Charlottesville and for other public or governmental ends. Accordingly, Licensee understands and agrees that it will not utilize on-duty Media Center personnel to produce or promote any content not intended to appear on public access television in Charlottesville. Licensee further understands and agrees that it may not compensate Media Center personnel in any manner for operating any Media Center facilities or other City equipment, regardless of whether such work occurs during, or outside of, regular business hours.
8. **Insurance.** Licensee, at its sole cost and expense, shall obtain and keep in force for the duration of this License Agreement general liability insurance in a minimum amount of One

Million Dollars (\$1,000,000) per occurrence, and Workers' Compensation coverage statutory to the Commonwealth of Virginia, with an insurer authorized to do business in Virginia. Such general liability policy shall name the City of Charlottesville, its officers, employees, agents and volunteers as an additional insured and shall provide that such coverage shall not be cancelled without thirty (30) days written notice to the City. General liability and Workers' Compensation coverage shall waive subrogation against the City. The Licensee shall submit evidence of such insurance coverage to the City Attorney, via a certificate of insurance issued on the Acord Form 25 or such other form as acceptable to the City Attorney, for approval prior to the commencement date of this License Agreement and within ten (10) days of the renewal of said coverage.

9. **Indemnification.** Licensee shall indemnify City against all liabilities, expenses (including attorney's fees) and losses incurred by City as a result of (A) failure by Licensee to perform any duty required to be performed by Licensee hereunder; (B) any accident, injury or damage which shall happen in or about the Charlottesville Community Media Center or resulting from the condition, maintenance, or operation of the Charlottesville Community Media Center caused by Licensee; (C) failure to comply with any laws, ordinances, regulations or requirements of any governmental authority; (D) any mechanics' lien or security agreement or other lien filed against the Charlottesville Community Media Center or fixtures and equipment therein belonging to City; and (E) any negligent act or omission of Licensee, its officers, employees, and agents.
10. **Assignments.** Licensee shall not assign his rights or obligations under this License without the prior written consent of City.
11. **Termination.** This License Agreement shall automatically terminate on March 31, 2020. In addition, City may immediately terminate this License Agreement if Licensee fails to abide by the terms and condition of this License Agreement.
12. **Entire Agreement; Amendment.** This License Agreement contains the entire agreement of the parties, and no covenants, representatives, inducements or promises, oral or otherwise, not embodied herein, shall be in force or effect. This License Agreement may not be modified, nor any of its provisions waived, except by a writing signed by both parties.
13. **Notices.** Notices under this License Agreement shall be in writing, signed by the party giving such notice, and shall be hand-delivered or sent by: (i) United States Mail, or (ii) electronic mail, addressed to a party at its address given below, or to such other address as a party may have furnished to the other by written notice. Any notice sent by U.S. mail shall be deemed to have been given as of the time-said notice is deposited in the United States Mail. The parties' designated representatives and addresses for purposes of notices and communications pertaining to this Lease are as follows:

City: Brian Wheeler
Director of Communications
City of Charlottesville
Charlottesville, Virginia 22902
Email: wheelerb@charlottesville.org

Licensee: Ryal Thomas
1994 Snow Point Ln
Charlottesville, VA 22902
Email: ryalsfurniture@gmail.com

14. **Governing Law.** This license shall be construed under and governed by the laws of the Commonwealth of Virginia. All litigation arising out of this license agreement shall be commenced and prosecuted in the Circuit Court for the City of Charlottesville.

WITNESS the following signatures and seals as of the date first above written.

CITY:
CITY OF CHARLOTTESVILLE, VIRGINIA

BY: _____
Michael Murphy, Interim City Manager

LICENSEE:
RYAL THOMAS

BY: _____

Print Name: _____

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



Agenda Date:	April 1, 2019
Action Required:	Resolution – Bennett’s Village All Abilities Playground
Presenter:	Brian Daly, Director, Parks & Recreation
Staff Contacts:	Brian Daly, Director, Parks & Recreation
Title:	Resolution – Bennett’s Village All Abilities Playground at Pen Park

Background:

Staff of the Parks and Recreation Department have been in discussions with the representatives of Bennett’s Village, a community organization desirous of the creation of a fully accessible playground in the Central Virginia region. These discussions over the last several months have led to the conclusion that an opportunity to host such a facility within the City’s park system exists at Pen Park.

Such a facility does not currently exist in this region, with the nearest facilities either in Richmond or Northern Virginia. It has long been a desire of the Parks and Recreation Department to create such a facility within the park system, however the obstacle of significant capital funding to construct a facility remains daunting.

Discussion:

Staff and representatives of Bennett’s Village made a presentation to City Council on March 18, 2019 outlining the proposed partnership for an All Abilities Playground at Pen Park. Staff requests City Council action to adopt a resolution establishing a partnership between the City and Bennett’s Village and authorizing staff to draft a Memorandum of Agreement defining the partnership between the entities for this purpose.

Community Engagement:

As noted above, representative of Bennett’s Village made a presentation on this propose partnership to City Council on March 18, 2019. Additionally, there is significant and consistent support among the Adaptive Recreation community in the region for such a facility. At the point of initial design regarding play elements, integration and accessibility, staff and Bennett’s Village will engage with numerous community service providers in the region to ensure the facility meets the needs of individuals across the age and ability spectrum.

Alignment with City Council’s Vision and Strategic Plan:

The project supports City Council's Green City Vision and Goal 2 of the Strategic Plan for a Healthy and Safe Community.

Budgetary Impact:

Bennett's Village is committed to raising the funds to design and construct this project. The City will provide support, guidance and expertise through its Certified Playground Inspectors who are already on staff in the Parks and Recreation Department.

Recommendation:

Staff of the Parks and Recreation Department wholeheartedly support this effort and project. Staff recommends that City Council agree to pursue a partnership with Bennett's Village and other community partners, and to establish a Memorandum of Agreement that will guide the fundraising, design, development, construction and operation of an accessible playground facility at Pen Park.

Alternatives:

City Council could choose to provide alternative direction.

Attachments:

Attachment 1 – Resolution

RESOLUTION
ESTABLISHING a PARTNERSHIP between the
CITY OF CHARLOTTESVILLE And
BENNETT’S VILLAGE

WHEREAS, the City of Charlottesville (hereinafter “the City”) acknowledges the need for a fully accessible playground within the City’s park system that is designed for individuals with disabilities across the age and ability spectrum; and

WHEREAS, the City has received a proposal from Bennett’s Village, a 501-c-3 non-profit organization, to conduct the fund-raising needed to construct such a facility at Pen Park, and

WHEREAS, the City Parks and Recreation Department has reviewed this proposal to determine its consistency with the Agency Mission, the City’s Comprehensive Plan and the Park Classifications and determined that such a facility is consistent with the Mission, the Comprehensive Plan, and with Pen Park’s designation as a regional park, and

WHEREAS, the City’s Parks and Recreation Department, as the regional provider of adaptive recreation services, supports this proposal to meet a need within the City’s park system that can support the entire region.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Charlottesville, Virginia that the Parks and Recreation Department is authorized to create a public private partnership between the City and Bennett’s Village to design and develop an All Abilities playground at Pen Park to be formalized with a Memorandum of Agreement between the two parties at the earliest possible convenience to facilitate fund raising by Bennett’s Village for the facility.

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



Agenda Date:	April 1, 2019
Action Required:	Ordinance Approval (Consent Agenda – 1st of 2 readings)
Staff Contacts:	John Blair, City Attorney
Presenter:	John Blair, City Attorney
Title:	MMI Atlantic, LLC, Telecommunications Franchise

Background:

MMI Atlantic, LLC, (hereinafter “MMI”) is requesting a five year franchise agreement with the City of Charlottesville. MMI is building a long haul fiber optic network in cooperation with the Virginia Department of Transportation (VDOT) within public right-of-way on U.S. Highway 29. The network will begin in Ashburn, Virginia and head south along Highway 29 to the Charlottesville City limits. The network path will have 2 miles located within Charlottesville. This network will continue within VDOT right-of-way to the Virginia-North Carolina border. MMI will provide the City the use of a micro-duct within its running line network inside the City limits.

Discussion:

The proposed franchise ordinance contains substantially the same terms as the model Telecommunications franchise ordinance developed by the City Attorney’s Office and used in other franchises granted by the City. The purpose of the franchise will not change. In accordance with the franchise terms, MMI is prepared to comply with the bonding and insurance requirements set forth in the agreement.

Additionally, MMI has agreed to provide the City with a micro duct located within the 2 miles of the City utilized for its fiber optic network. The City may use this micro duct for any City fiber optic needs.

Budgetary Impact:

The proposed franchise has no anticipated budget impact. However, the franchise agreement reserves the right to impose a public right-of-way use fee as allowed by Virginia law through the passage of an ordinance providing for such fee.

Recommendation:

Approve the renewal of the franchise agreement.

Alternatives:

Council may decline to adopt the ordinance and decline to enter into the franchise agreement with MMI Atlantic, LLC.

Attachments:

Proposed MMI Atlantic, LLC, Franchise Agreement Ordinance

TELECOMMUNICATIONS FRANCHISE

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**AN ORDINANCE
GRANTING A TELECOMMUNICATIONS FRANCHISE TO
MMI ATLANTIC, LLC , ITS SUCCESSORS AND ASSIGNS
TO USE THE STREETS AND OTHER PUBLIC PLACES
OF THE CITY OF CHARLOTTESVILLE, VIRGINIA
FOR ITS POLE, WIRES, CONDUITS, CABLES AND FIXTURES,
FOR A PERIOD OF FIVE (5) YEARS**

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia, that MMI Atlantic, LLC, (the “Company”), its successors and assigns, is hereby granted a telecommunications franchise for a period of five (5) years from the effective date hereof be and is hereby authorized and empowered to erect, maintain and operate certain telephone lines and associated equipment, including posts, poles, cables, wires and all other necessary overhead or underground apparatus and associated equipment on, over, along, in, under and through the streets, alleys, highways and other public places of the City of Charlottesville, Virginia (the “City”) as its business may from time to time require; provided that:

ARTICLE I

SECTION 101 PURPOSE AND SCOPE

To provide for the health, safety and welfare of its citizens and to ensure the integrity of its roads and streets and the appropriate use of the Public Rights-of-Way, the City strives to keep the right-of-way under its jurisdiction in a state of good repair and free from unnecessary encumbrances.

Accordingly, the City hereby enacts this Ordinance relating to a telecommunications right-of-way franchise and administration. This Ordinance imposes regulation on the placement and maintenance of Facilities and equipment owned by the Company currently within the City’s Public Rights-of-Way or to be placed therein at some future time. The Ordinance is intended to complement, and not replace, the regulatory roles of both state and federal agencies. Under this Ordinance, when excavating and obstructing the Public Rights-of-Way, the Company will bear financial responsibility for their work to the extent provided herein. Finally, this Ordinance provides for recovery of the City’s reasonable out-of-pocket costs related to the Company’s use of the Public Rights-of-Way, subject to the terms and conditions herein.

SECTION 102 AUTHORITY TO MANAGE THE RIGHT OF WAY

This Ordinance granting a telecommunications franchise is created to manage and regulate the Company’s use of the City’s Public Rights-of-Way along city roads pursuant to the authority granted to the City under Sections 15.2-2015, 56-460, and 56-462(A) of the Virginia Code and other applicable state and federal statutory, administrative and common law.

This Ordinance and any right, privilege or obligation of the City or Company hereunder, shall be interpreted consistently with state and federal statutory, administrative and common law, and such statutory, administrative or common law shall govern in the case of conflict. This Ordinance shall not be interpreted to limit the regulatory and police powers of the City to adopt and enforce other general ordinances necessary to protect the health, safety, and welfare of the public.

SECTION 103 DEFINITIONS

103.1 CITY means the City of Charlottesville, Virginia, a municipal corporation.

103.2 COMPANY means MMI Atlantic, including its successors and assigns.

103.3 DIRECTOR means the Director of Public Works for the City of Charlottesville.

103.4 FACILITY means any tangible asset in the Public Rights-of-Way required to provide utility service, which includes but is not limited to; cable television, electric, natural gas, telecommunications, water, sanitary sewer and storm sewer services.

103.5 PATCH means a method of pavement replacement that is temporary in nature.

103.6 PAVEMENT means any type of improved surface that is within the Public Rights-of-Way including but not limited to any improved surface constructed with bricks, pavers, bituminous, concrete, aggregate, or gravel or some combination thereof.

103.7 PUBLIC RIGHTS-OF-WAY or PROW means the area on, below, or above a public roadway, highway, street, cartway, bicycle lane, and public sidewalk in which the City has an interest, included other dedicated rights-of-way for travel purposes and utility easements of the City, paved or otherwise. This definition does not include a state highway system regulated pursuant to the direction of the Commonwealth Transportation Board.

ARTICLE II

SECTION 201 INITIAL INSTALLATION

The initial installation of equipment, lines, cables or other Facilities by the Company shall be located primarily along and within VDOT Hwy 29 , as shown on the attached drawing/map. As part of this initial installation, Company shall dedicate one Micro-Duct and handholes located within the City limits (total number of handholes to be determined) to the City in perpetuity, at no cost, through which the City may run fiber optic cable. The City will be responsible for all service laterals from the needed service point to the closest access point and for all fiber placement and additional handhold costs. The City shall have access to these handholes through a 1-800 ticket system provided by the Company.

Any additional installation of equipment, lines, cables or other Facilities shall be underground unless it shall be determined by the Director as set forth in Article III that it is not feasible to do so.

SECTION 202 SUBSEQUENT INSTALLATION

202.1 SUBSEQUENT INSTALLATION MADE PURSUANT TO AN APPROVED PROW PLAN:

Additional Facilities installed within the PROW may be placed overhead or underground pursuant to an approved request by the Company made pursuant to Article III, and in accordance with such generally applicable ordinances or regulations governing such installations that have been adopted by the City from time to time.

202.2 GENERAL PREFERENCE FOR UNDERGROUND FACILITIES: As a matter of policy, the City prefers that the installation of any Facility within the PROW occur underground. Notwithstanding this preference, the City recognizes that in some circumstances the placement of Facilities underground may not be appropriate. Any additional installation of lines, cable, equipment or other Facilities shall be underground unless it shall be determined by the Director, pursuant to Article III, that it is not feasible to do so.

202.3 INSTALLATION OF OVERHEAD FACILITIES: Where a subsequent PROW plan is approved for overhead installation, the Company shall use its existing Facilities, or those of another utility where available. If the PROW plan calls for overhead installation and existing Facilities cannot accommodate the proposed installation, the Company will clearly indicate in the PROW plan its intended placement of new Facilities for the Director's review and consideration pursuant to Article III.

202.4 FUTURE ORDINANCES: Nothing herein shall be construed to limit the authority of the city to adopt an ordinance that will restrict the placement of overhead lines for all utilities using the PROW within a defined area of the City.

202.5 CONDITIONS FOR RELOCATING UNDERGROUND: The Company agrees that if, at some future time, the telephone and other utility lines on the posts, poles, and other overhead apparatus upon which the Company has placed some or all of its Facilities in the City's PROWs are relocated underground, the Company will also, at such time, relocate its Facilities on those posts, poles, and other overhead apparatus underground at its expense. Notwithstanding the foregoing, the City shall reimburse Company for any such relocation expense if such reimbursement is required by Section 56-468.2 of the Code of Virginia, or other applicable law.

SECTION 203 INSPECTION BY THE CITY

The Company shall make the work-site available to the City and to all others as authorized by law for inspection at all reasonable times, during the execution of, and upon completion of, all work conducted pursuant to this Ordinance.

SECTION 204 AUTHORITY OF THE CITY TO ORDER CESSATION OF EXCAVATION

At the time of inspection, or any other time as necessary, the City may order the immediate cessation and correction of any work within the Public Rights-of-Way which poses a serious threat to the life, health, safety or well being of the public.

SECTION 205 LOCATION OF POSTS, POLES, CABLES AND CONDUITS

In general, all posts, poles, wires, cables and conduits which the Company places within the Public Rights-of-Way pursuant to this Ordinance shall in no way permanently obstruct or interfere with public travel or the ordinary use of, or the safety and convenience of persons traveling through, on, or over, the Public Rights-of-Way within the City of Charlottesville.

SECTION 206 OBSTRUCTION OF THE PROW

Generally, any obstruction of the PROW is limited to the manner clearly specified within an approved PROW plan.

206.1 REMOVAL OF OBSTRUCTIONS: Obstructions of the PROW not authorized by an approved PROW plan shall be promptly removed by the Company upon receipt of notice from the City. The City's notice of the Obstruction will include a specified reasonable amount of time determined by the Director for the Company's removal of the obstruction, given the location of the obstruction and its potential for an adverse effect on the public's safety and the public's use of the PROW. If the Company has not removed its obstruction from the PROW within the time designated within the notice, the City, at its election, will make such removal and the Company shall pay to the City its reasonable costs within thirty (30) days of billing accompanied by an itemized statement of the City's reasonable costs. If payment is not received by the City within the thirty (30) day period, the City Attorney may bring an action to recover the reasonable costs of the removal and reasonable attorney's fees in a court of competent jurisdiction pursuant to Section 56-467 of the Virginia Code. Reasonable costs may include, but are not limited to administrative, overhead mobilization, material, labor, and equipment related to removing the obstruction.

206.2 NO OBSTRUCTION OF WATER: The Company shall not obstruct the PROW in a manner that interferes with the natural free and clear passage of water through the gutters, culverts, ditches tiles or other waterway.

206.3 PARKING, LOADING AND UNLOADING OF VEHICLES SHALL NOT OBSTRUCT THE PROW: Private vehicles of those doing work for the Company in the PROW must be parked in a manner that conforms to the City's applicable parking regulations. The loading or unloading of trucks must be done in a manner that will not obstruct normal traffic within the PROW, or jeopardize the safety of the public who use the PROW.

ARTICLE III

SECTION 301 ADMINISTRATION OF THE PUBLIC RIGHTS OF WAY

The Director is the principal City official responsible for the administration of this Ordinance granting a telecommunications franchise to the Company and any of its PROW Plans. The Director may delegate any or all of the duties hereunder to an authorized representative.

SECTION 302 SUBMISSION OF PROW PLAN

At least thirty (30) days before beginning any installation, removal or relocation of underground or overhead Facilities, the Company shall submit detailed plans of the proposed action to the Director for his or her review and approval, which approval shall not unreasonably be withheld, conditioned, or delayed. The Director shall approve the plans before a Street Cut Permit is issued by the City.

SECTION 303 GOOD CAUSE EXCEPTION

303.1 WAIVER: The Director, at his or her sole judgment, is authorized to waive the thirty (30) day requirement in Section 302 for good cause shown.

303.2 EMERGENCY WORK: The Company shall immediately notify the Director of any event regarding its facilities that it considers to be an emergency. The Company will proceed to take whatever actions are necessary to respond to the emergency, or as directed by the Director.

If the City becomes aware of an emergency regarding the Company's facilities, the City will attempt to contact the Company's emergency representative as indicated in Section 1202. In any event, the City shall take whatever action it deemed necessary by the Director to make an appropriate and reasonable response to the emergency. The costs associated with the City's respond shall be borne by the person whose facilities occasioned the emergency.

SECTION 304 DECISION ON PROW PLAN BY THE DIRECTOR

304.1 DECISION: The Director, or his or her authorized representative, shall, within thirty (30) days, either approve the Company's plans for proposed action as described in Section 302 or inform the Company of the reasons for disapproval. The Company shall designate a responsible contact person with whom officials of the Department of Public Works can communicate on all matters relating to equipment installation and maintenance.

304.2 APPEAL: Upon written request within thirty (30) days of the Director's decision, the Company may have the denial of a PROW Plan reviewed by the City Manager. The City

Manager will schedule its review of the Director's decision within forty-five (45) days of receipt of such a request. A decision by the City Manager will be in writing and supported by written findings establishing the reasonableness of its decision.

SECTION 305 MAPPING DATA

Upon completion of each project within the Public Rights-of-Way pursuant to this Ordinance, the Company shall provide to the City such information necessary to maintain its records, including but not limited to:

- (a) location and elevation of the mains, cables, conduits, switches, and related equipment and other Facilities owned by the Company located in the PROW, with the location based on (i) offsets from property lines, distances from the centerline of the Public Rights-of-Way, and curb lines; (ii) coordinates derived from the coordinate system being used by the City; or (iii) any other system agreed upon by the Company and the City;
- (b) the outer dimensions of such Facilities; and
- (c) a description of above ground appurtenances.

ARTICLE IV

SECTION 401 COMPLIANCE WITH ALL LAW AND REGULATIONS

Obtaining this telecommunications franchise shall in no way relieve the Company of its duty to obtain all other necessary permits, licenses, and authority and to pay all fees required by any applicable state or federal rule, law or regulation. The Company shall comply with and fulfill all generally applicable laws and regulations, including ordinances, regulations and requirements of the City, regarding excavations and any other work in or affecting the Public Rights-of-Way. The Company shall perform all work in conformance with all applicable codes and established rules and regulations, and it is responsible for all work conducted by the Company, another entity or person acting on its behalf pursuant to this Ordinance in the Public Rights-of-Way.

ARTICLE V

SECTION 501 RELOCATION OF COMPANY FACILITIES WITHIN THE PUBLIC RIGHTS-OF WAY

Upon written notice from the Director of a planned and authorized improvement or alteration of City sidewalks, streets or other property, or of a proposed relocation of any City-owned utilities that necessitate relocation of some or all of the Facilities owned by the Company and lines to accommodate same, the Company shall relocate at its own expense any such Facilities within

one hundred eighty (180) days of receipt of the notice. At Company's request, the city may consent to a longer period, such consent not to be unreasonably or discriminatorily withheld, conditioned or delayed. Notwithstanding the foregoing, the City shall reimburse Company for any such relocation expense if such reimbursement is required by Section 56-468.2 of the Code of Virginia, or other applicable law.

SECTION 502 RIGHTS-OF WAY PATCHING AND RESTORATION

502.1 RESTORATION STANDARD: Where the Company disturbs or damages the Public Rights-of-Way, the Director shall have the authority to determine the manner and extent of the restoration of the Public Rights-of-Way, and may do so in written procedures of general application or on a case-by-case basis. In exercising this authority, the Director will consult with any state or federal standards for rights-of-way restoration and shall be further guided by the following considerations:

- (a) the number, size, depth and duration of the excavations, disruptions or damage to the Public Rights-of-Way;
- (b) the traffic volume carried by the Public Rights-of-Way; the character of the neighborhood surrounding the right-of-way;
- (c) the pre-excavation condition of the Public Rights-of-Way and its remaining life expectancy;
- (d) the relative cost of the method of restoration to the Company balanced against the prevention of an accelerated deterioration of the right-of-way resulting from the excavation, disturbance or damage to the Public Rights-of-Way; and
- (e) the likelihood that the particular method of restoration would be effective in slowing the depreciation of the Public Rights-of-Way that would otherwise take place.

502.2 TEMPORARY SURFACING: The Company shall perform temporary surfacing patching and restoration including, backfill, compaction, and landscaping according to standards determined by, and with the materials determined by, the Director .

502.3 TIMING: After any excavation by the Company pursuant to this Ordinance, the patching and restoration of the Public Rights-of-Way must be completed promptly and, in a manner, determined by the Director.

502.4 GUARANTEES: The Company guarantees its restoration work and shall maintain it for twenty-four (24) months following its completion. The previous statement notwithstanding, the Company will guarantee and maintain plantings and turf for twelve (12) months. During these maintenance periods, the Company shall, upon notification by the City, correct all restoration work to the extent necessary, using the method determined by the Director. Such work shall be completed after receipt of notice from the Director,

within a reasonably prompt period, with consideration given for days during which work cannot be done because of circumstances constituting force majeure. Notwithstanding the foregoing, the Company's guarantees set forth hereunder concerning restoration and maintenance, shall not apply to the extent another company, franchisee, licensee, permittee, other entity or person, or the City disturbs or damages the same area, or a portion thereof, of the Public Rights-of-Way.

502.5 DUTY TO CORRECT DEFECTS: The Company shall correct defects in patching, or restoration performed by it or its agents. Upon notification from the City, the Company shall correct all restoration work to the extent necessary, using the method determined by the Director. Such work shall be completed after receipt of the notice from the Director within a reasonably prompt period, with consideration given for days during which work cannot be done because of circumstances constituting force majeure.

502.6 FAILURE TO RESTORE: If the Company fails to restore the Public Rights-of-Way in the manner and to the condition required by the Director pursuant to Section 502.5, or fails to satisfactorily and timely complete all restoration required by the Director pursuant to the foregoing, the City shall notify the Company in writing of the specific alleged failure or failures and shall allow the Company at least ten (10) days from receipt of the notice to cure the failure or failures, or to respond with a plan to cure. In the event that the Company fails to cure, or fails to respond to the City's notice as provided above, the City may, at its election, perform the necessary work and the Company shall pay to the City its reasonable costs for such restoration within thirty (30) days of billing accompanied by an itemized statement of the City's reasonable costs. If payment is not received by the City within the thirty (30) day period, the City Attorney may bring an action to recover the reasonable costs of the restoration and reasonable attorney's fees in a court of competent jurisdiction pursuant to Section 56-467 of the Virginia Code. Reasonable costs may include, but are not limited to, administrative, overhead mobilization, material, labor, and equipment related to such restoration.

502.7 DAMAGE TO OTHER FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY: The Company shall be responsible for the cost of repairing any Facilities existing within the Public Rights-of-Way that it or the Facilities owned by the Company damage. If the Company damages the City's Facilities within the Public Rights-of-Way, such as, but not limited to, culverts, road surfaces, curbs and gutters, or tile lines, the Company shall correct the damage within a prompt period after receiving written notification from the City. If the Company does not correct the City's damaged Facilities pursuant to the foregoing, the City may make such repairs as necessary and charge all of the reasonable costs of such repairs within thirty (30) days of billing accompanied by an itemized statement of the City's reasonable costs. If payment is not received by the City within such thirty (30) day period, the City Attorney may bring an action to recover the reasonable costs of the restoration and reasonable attorney's fees in a court of competent jurisdiction pursuant to Section 56-467 of the Virginia Code. Reasonable costs may include, but are not limited to, administrative, overhead mobilization, material, labor, and equipment related to such repair.

502.8 DIRECTOR'S STANDARD: All determinations to be made by the Director with respect to the manner and extent of restoration, patching, repairing and similar activities under the franchise granted by this Ordinance, shall be reasonable and shall not be unreasonably conditioned, withheld, or delayed. The Company may request additional time to complete restoration, patching, repair, or other similar work as required under the franchise granted by this Ordinance, and the Director shall not unreasonably withhold, condition, or delay consent to such requests.

ARTICLE VI

SECTION 601 INDEMNIFICATION AND LIABILITY

601.1 SCOPE OF INDEMNIFICATION: Subject to the following, the Company agrees and binds itself to indemnify, keep and hold the City council members, officials and its employees free and harmless from liability on account of any third party claim for personal injury or property damage caused by or resulting from the acts or omissions of the Company, its affiliates, or its or their employees, subcontractors, or agents with respect to:

- (a) the Company's use of the streets, alleys, highways, sidewalks, rights-of-way and other public places of the City pursuant to the franchise granted by this Ordinance;
- (b) the acquisition, erection, installation, maintenance, repair, operation and use of any poles, wires, cables, conduits, lines, manholes, facilities and equipment by the Company, its authorized agents, subagents, employees, contractors or subcontractors; or
- (c) the exercise of any right granted by or under the franchise granted by this Ordinance or the failure, refusal or neglect of the Company to perform any duty imposed upon or assumed by the Company by or under the franchise granted by this Ordinance.

601.2 DUTY TO INDEMNIFY, DEFEND AND HOLD HARMLESS: If a suit arising out of subsection (a), (b), (c) of Section 601.1, claiming such injury, death, or damage shall be brought or threatened against the City, either independently or jointly with the Company, the Company will defend, indemnify and hold the City harmless in any such suit, at the cost of the Company, provided that the City promptly provides written notice of the commencement or threatened commencement of the action or proceeding involving a claim in respect of which the City will seek indemnification hereunder. The Company shall be entitled to have sole control over the defense through counsel of its own choosing and over settlement of such claim provided that the Company must obtain the prior written approval of City of any settlement of such claims against the City, which approval shall not be unreasonably withheld or delayed more than thirty (30) days. If, in such a suit, a final judgment is obtained against the City, either independently or jointly

with the Company, the Company will pay the judgment, including all reasonable costs, and will hold the City harmless therefrom.

SECTION 602 WAIVER BY THE CITY

The City waives the applicability of these indemnification provisions in their entirety if it:

- (a) elects to conduct its own defense against such claim;
- (b) fails to give prompt notice to the Company of any such claim such that the Company's ability to defend against such claim is compromised;
- (c) denies approval of a settlement of such claim for which the Company seeks approval; or
- (d) fails to approve or deny a settlement of such claim within thirty (30) days of the Company seeking approval.

SECTION 603 INSURANCE

603.1 The Company shall also maintain in force a comprehensive general liability policy in a form satisfactory to the City Attorney, which at minimum must provide:

- (a) verification that an insurance policy has been issued to the Company by an insurance company licensed to do business in the State of Virginia, or a form of self insurance acceptable to the City Attorney;
- (b) verification that the Company is insured against claims for personal injury, including death, as well as claims for property damage arising out of (i) the use and occupancy of the Public Rights-of-Way by the Company, its agents, employees and permittees, and (ii) placement and use of Facilities owned by the Company in the Public Rights-of-Way by the Company, its officers, agents, employees and permittees, including, but not limited to, protection against liability arising from completed operations, damage of underground Facilities and collapse of property;
- (c) verification that the City Attorney will be notified thirty (30) days in advance of cancellation of the policy or material modification of a coverage term;
- (d) verification that comprehensive liability coverage, automobile liability coverage, workers compensation and umbrella coverage established by the City Attorney in amounts sufficient to protect the City and the public and to carry out the purposes and policies of this Ordinance; and

- (e) verification that the policy has a combined single limit coverage of not less than two million dollars (\$2,000,000).

The policy shall include the City as an additional insured party, and the Company shall provide the City Attorney with a certificate of such coverage before execution of this franchise.

603.2 The Company shall also require similar indemnification and insurance coverage from any contractor working on its behalf in the public right-of-way.

SECTION 604 NEGLIGENCE AND INTENTIONAL ACTS

Nothing herein contained shall be construed to render the Company liable for or obligated to indemnify the City, its agents, or employees, for the negligence or intentional acts of the City, its Council members, its agents or employees, or a permittee of the City.

ARTICLE VII

SECTION 701 GENERAL REQUIREMENT OF A PERFORMANCE BOND

Prior to the Effective Date of this Ordinance, the Company has deposited with the City a Performance Bond made payable to the city in the amount of twenty-five thousand dollars (\$25,000). The bond shall be written by a corporate surety acceptable to the City and authorized to do business in the Commonwealth of Virginia. The Performance Bond shall be maintained at this amount through the term of this franchise.

SECTION 702 CHANGED AMOUNT OF THE PERFORMANCE BOND

At any time during the Term, the City may, acting reasonably, require or permit the Company to change the amount of the Performance Bond if the City finds that new risk or other factors exist that reasonably necessitate or justify a change in the amount of the Performance Bond. Such new factors may include, but not be limited to, such matters as:

- (a) material changes in the net worth of the Company;
- (b) changes in the identity of the Company that would require the prior written consent of the City;
- (c) material changes in the amount and location of Facilities owned by the Company;
- (d) the Company's recent record of compliance with the terms and conditions of this Ordinance; and
- (e) material changes in the amount and nature of construction or other activities to be performed by the Company pursuant to this Ordinance.

SECTION 703 PURPOSE OF PERFORMANCE BOND

The Performance Bond shall serve as security for:

- (a) the faithful performance by the Company of all terms, conditions and obligations of this Ordinance;
- (b) any expenditure, damage or loss incurred by the City occasioned by the Company's failure to comply with all rules, regulations, orders, permits and other directives of the City issued pursuant to this Ordinance;
- (c) payment of compensation required by this Ordinance;
- (d) the payment of premiums for the liability insurance required pursuant to this Ordinance ;
- (e) the removal of Facilities owned by the Company from the Streets at the termination of the Ordinance, at the election of the City, pursuant to this Ordinance;
- (f) any loss or damage to the Streets or any property of the City during the installation, operation, upgrade, repair or removal of Facilities by the Company;
- (g) the payment of any other amounts that become due to the City pursuant to this Ordinance or law;
- (h) the timely renewal of any letter of credit that constitutes the Performance Bond; and
- (i) any other costs, loss or damage incurred by the City as a result of the Company's failure to perform its obligations pursuant to this Ordinance.

SECTION 704 FEES OR PENALTIES FOR VIOLATIONS OF THE ORDINANCE

704.1 FEE OR PENALTY: The Company shall be subject to a fee or a penalty for violation of this Ordinance as provided for in applicable law.

704.2 APPEAL: The Company may, upon written request within thirty (30) days of the City's decision to assess a fee or penalty and for reasons of good cause, ask the City to reconsider its imposition of a fee or penalty pursuant to this Ordinance unless another period is provided for in applicable law. The City shall schedule its review of such request to be held within forty-five (45) days of receipt of such request from the Company. The City's decision on the Company's appeal shall be in writing and supported by written findings establishing the reasonableness of the City's decision. During the pendency of the appeal before the City or any subsequent appeal thereafter, the Company shall place any such fee or penalty in an interest-bearing escrow account.

Nothing herein shall limit the Company's right to challenge such assessment or the City's decision on appeal, in a court of competent jurisdiction.

ARTICLE VIII

SECTION 801 COMPENSATION/PROW USE FEE.

The City reserves the right to impose at any time on the Company consistent with Section 253(c) of the Communications Act of 1934, as amended:

- (a) a PROW Use Fee in accordance with Section 56-468.1(G) of the Code of Virginia, and/or
- (b) any other fee or payment that the City may lawfully impose for the occupation and use of the Streets.

The Company shall be obligated to remit the PROW Use Fee and any other lawful fee enacted by the City, so long as the City provides the Company and all other affected certificated providers of local exchange telephone service appropriate notice of the PROW Use Fee as required by Section 56-468.1(G) of the Code of Virginia. If the PROW Use Fee is eliminated, discontinued, preempted or otherwise is declared or becomes invalid, the Company and the City shall negotiate in good faith to determine fair and reasonable compensation to the City for use of the Streets by the Company for Telecommunications.

SECTION 802 RESERVED

SECTION 803 NO CREDITS OR DEDUCTIONS

The compensation and other payments to be made pursuant to Article VIII: (a) shall not be deemed to be in the nature of a tax, and (b) except as may be otherwise provided by Section 56-468.1 of the Code of Virginia, shall be in addition to any and all taxes or other fees or charges that the Company shall be required to pay to the City or to any state or federal agency or authority, all of which shall be separate and distinct obligations of the Company.

SECTION 804 REMITTANCE OF COMPENSATION/LATE PAYMENTS, INTEREST ON LATE PAYMENTS

(1) If any payment required by this Ordinance is not actually received by the City on or before the applicable date fixed in this Ordinance, or (2), in the event the City adopts an ordinance imposing a PROW Use Fee, if such Fee has been received by the Company from its customers, and has not been actually received by the City on or before the applicable date fixed in this Ordinance or thirty (30) days after receipt of the PROW Use Fee from its customers, whichever is later, then the Company shall pay interest thereon, to the extent permitted by law, from the due

date to the date paid at a rate equal to the rate of interest then charged by the City for late payments of real estate taxes.

ARTICLE IX

SECTION 901 RESERVATION OF ALL RIGHTS AND POWERS

The City reserves the right by ordinance or resolution to establish any reasonable regulations for the convenience, safety, health and protection of its inhabitants under its police powers, consistent with state and federal law. The rights herein granted are subject to the exercise of such police powers as the same now are or may hereafter be conferred upon the City. Without limitation as to the generality of the foregoing the City reserves the full scope of its power to require by ordinance substitution of underground service for overhead service, or the transfer of overhead service from the front to the rear of property whenever reasonable in all areas in the City and with such contributions or at such rates as may be allowed by law.

Notwithstanding anything herein to the contrary, nothing herein shall be construed to extend, limit or otherwise modify the authority of the City preserved under Sections 253 (b) and (c) of the Communications Act of 1934, as amended. Nothing herein shall be construed to limit, modify, abridge or extend the rights of the Company under the Communications Act of 1934, as amended.

SECTION 902 SEVERABILITY

If any portion of this Ordinance is for any reason held to be invalid by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

ARTICLE X

SECTION 1001 MAINTENANCE OBLIGATION

The Company will maintain the poles, wires, cable, conduits, lines, manholes, equipment and other Facilities it owns within the City's PROW in good order and operating condition throughout the term of the franchise granted by this Ordinance. The Company will reply to any City request for maintenance no later than twenty-four (24) hours of the City's request.

SECTION 1002 TREE TRIMMING

Should the Company install any overhead lines, it shall have the authority to trim trees upon or overhanging the streets, alleys, walkways or Public Rights-of-Way to prevent the branches of such trees from interfering with its lines or other Facilities. However, all such trimmings shall be

performed in a safe and orderly manner under the general direction of the Director of Public Works or his or her designee and in compliance with the pruning standards of the National Arborists Association as currently in effect.

ARTICLE XI

SECTION 1101 INITIAL TERM OF TELECOMMUNICATIONS FRANCHISE

The term of the franchise granted by this Ordinance shall be for a period of five (5) years from the effective date of this Ordinance.

SECTION 1102 APPLICATION FOR NEW TELECOMMUNICATIONS FRANCHISE

If the Company wishes to maintain its equipment within the City and to continue the operation of the system beyond the term of the franchise granted by this Ordinance, it shall give written notice to the City at least one hundred twenty (120) days before expiration of the franchise granted by this Ordinance, stating that it wishes to apply for a new franchise. Such application shall include a report of the location of the Facilities owned by the Company within the City's PROW, and a statement as to whether the Company has complied with the provisions of this Ordinance.

SECTION 1103 OPERATION OF FACILITIES OWNED BY THE COMPANY WHILE RENEWAL IS PENDING

Upon a timely request by the Company prior to the expiration of its initial franchise, the Company shall be permitted to continue operations of the Facilities owned by the Company within the City under the terms of the franchise granted by this Ordinance until the City acts. Nothing herein shall be construed to grant the Company a perpetual franchise interest.

ARTICLE XII

SECTION 1201 NOTICE

All notices, except for in cases of emergencies, required pursuant to the franchise granted by this Ordinance shall be in writing and shall be mailed or delivered to the following address:

To the Company:
MMI Atlantic, LLC
103 Foulk Rd., Suite 202
Wilmington, DE 19803

To the City:
City of Charlottesville
Attn: City Manager
605 East Main Street
Charlottesville, VA 22902

All correspondences shall be by registered mail, certified mail or regular mail with return receipt requested; and shall be deemed delivered when received or refused by the addressee. Each Party may change its address above by like notice.

SECTION 1202 EMERGENCY NOTIFICATION

Notices required pursuant to Section 303.2 shall be made orally and by facsimile to the following:

To the Company:
24/7 Network Operations
833-658-7672

To the City:
Gas Dispatchers
(434) 970-3800 (office)
Emergency (434)293-9164 (leaks)
(434) 970-3817 (facsimile)

Director of Public Works
(434) 970-3301 (office)
(434) 970-3817 (facsimile)

SECTION 1203 REGISTRATION OF DATA

The Company, including any subleasee or assigns, must keep on record with the City the following information:

- (a) Name, address and e-mail address if applicable, and telephone and facsimile numbers;
- (b) Name, address and e-mail address if applicable, and telephone and facsimile numbers of a local representative that is available for consultation at all times. This information must include how to contact the local representative in an emergency; and
- (c) A certificate of insurance as required under Article VI, Section 603 of this telecommunications franchise, and a copy of the insurance policy.

The Company shall keep update all of the above information with the City within fifteen (15) days following its knowledge of any change.

ARTICLE XIII

SECTION 1301 TERMINATION OF TELECOMMUNICATIONS FRANCHISE

The franchise granted by this Ordinance may be terminated:

- (a) by the Company, at its election and without cause, by written notice to the City at least sixty (60) days prior to the effective date of such termination; or
- (b) by either the Company or the City, after thirty (30) days written notice to the other party of the occurrence or existence of a default of the franchise granted by this Ordinance, if the defaulting party fails to cure or commence good faith efforts to cure, such default within sixty (60) days after delivery of such notice.

Notwithstanding the provisions of this Section, the terms and conditions of the franchise granted by this Ordinance pertaining to indemnification shall survive a termination under this Section.

ARTICLE XIV

SECTION 1401 REMOVAL OF FACILITIES FROM THE PUBLIC RIGHTS-OF-WAY

The Company shall remove all Facilities owned by the Company from the streets, alleys and public places of the City at the expense of the Company within six (6) months after the termination, abandonment, or expiration of this franchise granted by this Ordinance, or by such reasonable time to be prescribed by the City Council, whichever is later. No such removal will be required while any renewal requests as provided for in Section 1102 and Section 1103, are pending before the City. If such renewal request is denied, the six (6) month period provided above shall commence on the date of denial or expiration, whichever is later. The City reserves the right to waive this requirement, as provided for in Section 1402 herein. The City shall grant the Company access to the Public Rights-of-Way in order to remove its telecommunications Facilities owned by the Company pursuant to this paragraph.

SECTION 1402 ABANDONMENT OF FACILITIES OWNED BY THE COMPANY IN THE PUBLIC RIGHTS-OF-WAY

The telecommunications Facilities owned by the Company may be abandoned without removal upon request by the Company and approval by the City. This Section survives the expiration or termination of this franchise granted by this Ordinance.

ARTICLE XV

SECTION 1501 PRIOR WRITTEN CONSENT FOR ASSIGNMENT

The franchise granted by this Ordinance shall not be assigned or transferred without the expressed written approval of the City, which shall not be unreasonably or discriminatorily conditioned, withheld or delayed.

In addition, the City agrees that nothing in this Ordinance shall be construed to require Company to obtain approval from the City in order to lease any Facilities owned by the Company or any portion thereof in, on, or above the PROW, or grant an indefeasible right of use (“IRU”) in the Facilities owned by the Company, or any portion thereof, to any entity or person. The lease or grant of an IRU in such Facilities owned by the Company, or any portion or combination thereof, shall not be construed as the assignment or transfer of any franchise rights granted under this Ordinance.

SECTION 1502 SUCCESSORS AND ASSIGNS

Notwithstanding Section 1501, the Company may assign, transfer, or sublet its rights, without the consent of the City, to any person or entity that controls, is controlled by or is under common control with the Company, any company or entity with which or into which the Company may merge or consolidate, to any lender of the Company provided the City is advised of the action prior to enactment. Any successor(s) of the Company shall be entitled to all rights and privileges of this franchise granted by this Ordinance and shall be subject to all the provisions, obligations, stipulations and penalties herein prescribed.

ARTICLE XVI

SECTION 1601 NONEXCLUSIVE FRANCHISE

Nothing in the franchise granted by this Ordinance shall be construed to mean that this is an exclusive franchise, as the City Council reserves the right to grant additional telecommunications franchises to other parties.

ARTICLE XVII

SECTION 1701 ALL WAIVERS IN WRITING AND EXECUTED BY THE PARTIES

Subject to the foregoing, any waiver of the franchise granted by this Ordinance or any of its provisions shall be effective and binding upon the Parties only if it is made in writing and duly signed by the Parties.

SECTION 1702 NO CONSTRUCTIVE WAIVER RECOGNIZED

If either Party fails to enforce any right or remedy available under the franchise granted by this Ordinance, that failure shall not be construed as a waiver of any right or remedy with respect to any breach or failure by the other Party. Nothing herein shall be construed as a waiver of any rights, privileges or obligations of the City or the Company, nor constitute a waiver of any remedies available at equity or at law.

ARTICLE XVIII

SECTION 1801 NO DISCRIMINATION

The Company's rights, privileges and obligations under the franchise granted by this Ordinance shall be no less favorable than those granted by the City to and shall not be interpreted by the City in a less favorable manner with respect to any other similarly situated entity or person or user of the City's Public Rights-of-Way.

ARTICLE XIX

SECTION 1901 FORCE MAJEURE

Neither the Company nor the City shall be liable for any delay or failure in performance of any part of the franchise granted by this Ordinance from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations embargoes, epidemics, terrorist acts, riots insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, or unusually severe weather conditions.

ARTICLE XX

SECTION 2001 EFFECTIVE DATE

This Ordinance shall be effective upon its passage.

Adopted by the Council of the City of Charlottesville on the ___ day of _____, 20__.

Paige Rice, Clerk of Council

ACCEPTED: This franchise is accepted, and we agree to be bound by its terms and conditions.

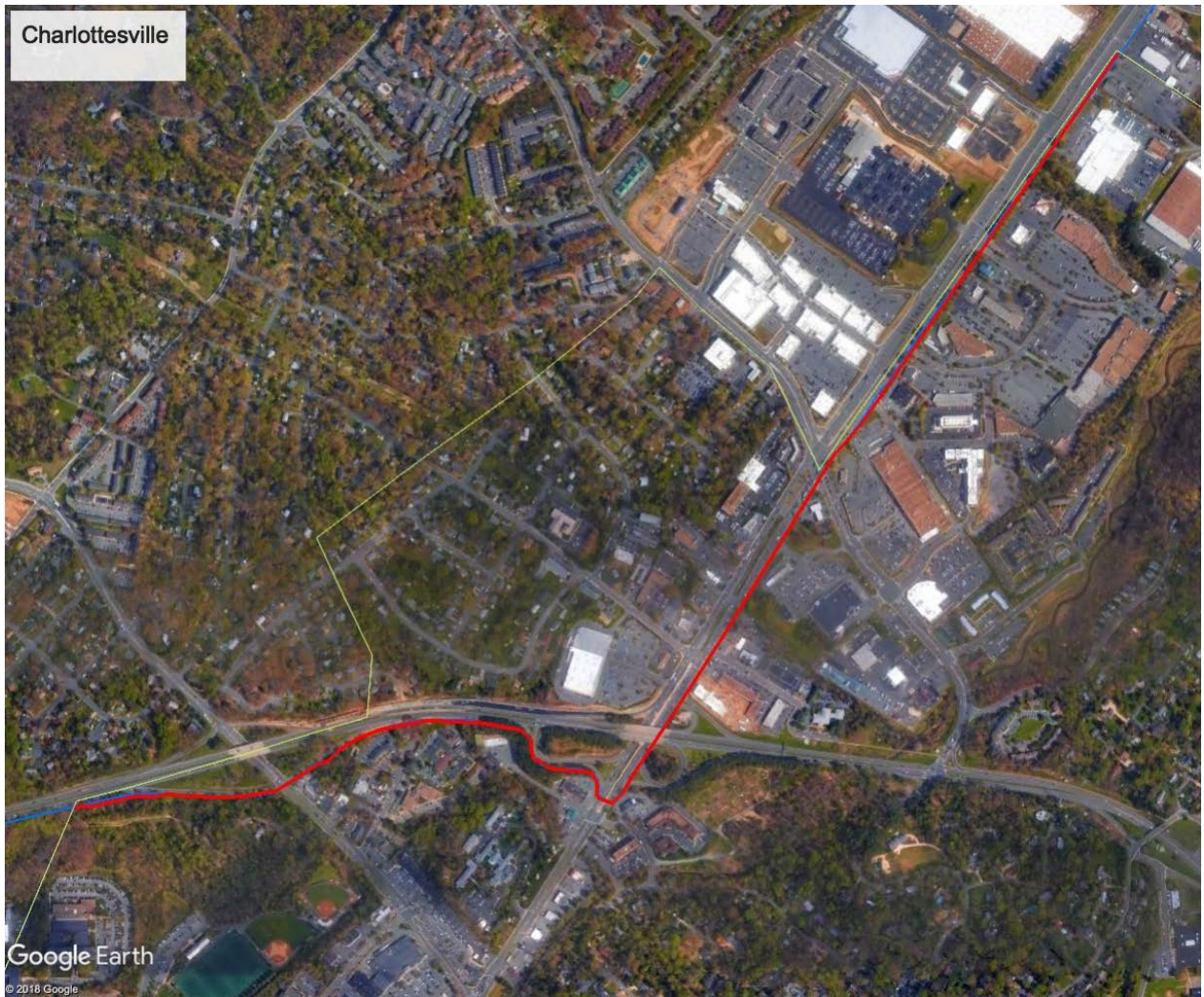
MMI Atlantic, LLC

By _____

Its _____

Date _____

Exhibit A



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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	April 1, 2019
Action Requested:	Consideration of a Rezoning Application
Presenter:	Brian Haluska, Principal Planner
Staff Contacts:	Brian Haluska, Principal Planner
Title:	ZM-18-00004 Lyman Street Residences

Background:

Bruce Wardell (BKKW, LLC) has submitted a rezoning petition for Tax Map 58 Parcels 289.2 and 358E (Subject Properties). The rezoning petition proposes a change in zoning from the existing R-1 zoning on Parcel 289.2 and Planned Unit Development zoning on Parcel 358E to R-2 Two-family Residential.

In addition to the rezoning application, the applicant has submitted an infill special use application (SUP) for the Subject Property. The SUP application is being requested to reduce the minimum lot sizes, setbacks and minimum required road frontage for the Subject Property. The development is being proposed as three single-family detached residences each with the potential for accessory dwelling units.

Discussion:

The Planning Commission discussed this matter at their March 12, 2019 meeting. Several Commissioners expressed support for the project and the additional housing. One commissioner argued that the site should be providing more housing units than proposed in the rezoning and SUP applications.

Alignment with City Council's Vision and Strategic Plan:

If City Council approves the rezoning request, the project could contribute to **Goal 3: Beautiful Environment, 3.1 Engage in robust and context sensitive urban planning and implementation**, and the City Council Vision of *Quality Housing Opportunities for All*.

Community Engagement:

On February 21, 2019 the applicant held a community meeting at the Belmont Arts Collaborative. The applicant gave an overview of the project as it related to the need for a rezoning and a SUP. The community voiced the following concerns with the proposed development:

- The impact on traffic given the configuration of Lyman Street.
- Support for waiving the sidewalk in front of the houses.
- Support for the design of the houses as shown.

On March 12, 2019 the Planning Commission held a joint Public Hearing with City Council. Three (3) members of the public spoke and expressed the following:

- Support for the project in light of the applicant’s history in the area and the design proposed.
- Support for continued prohibition of on-street parking on the north side of Lyman Street.

Budgetary Impact:

This has no impact on the General Fund.

Recommendations:

The Planning Commission took the following action:

Mr. Lahendro moved to recommend approval of the application to rezone the subject properties from PUD and R-1 to R-2, on the basis that the proposal would service the interests of the general public and good zoning practice.

Mr. Solla-Yates seconded the motion

- Mr. Mitchell, Yes
- Mr. Lahendro, Yes
- Mr. Solla-Yates, Yes
- Mr. Heaton, Yes
- Mr. Stolzenberg, Yes

The motion passed 5 – 0 to recommend approval of the rezoning application to City Council.

Alternatives:

City Council has several alternatives following a public hearing:

- (1) by motion, approve the requested Rezoning as recommended by the Planning Commission;

- (2) by motion, request changes to the attached ordinance, and then approve the Rezoning;
- (3) by motion, take action to deny the Rezoning;
- Or
- (4) by motion, defer action on the Rezoning.

Attachments:

- A. Ordinance
- B. Link to the Staff Report and background information from the March 12, 2019 Planning Commission meeting:
<http://www.charlottesville.org/home/showdocument?id=64608>
(Staff Report begins on page 33)

AN ORDINANCE
APPROVING A REQUEST TO REZONE TWO PARCELS FRONTING ON LYMAN STREET
FROM R-1 (SINGLE-FAMILY RESIDENTIAL) AND PUD (BELMONT LOFTS PLANNED
UNIT DEVELOPMENT) TO R-2 (TWO FAMILY RESIDENTIAL)

WHEREAS, BKKW, LLC is the owner (“Landowner”) of certain property fronting on Lyman Street, designated on 2018 City Tax Map 58 as Parcels 289.2 and 358E (“Subject Property”), and the Landowner is seeking to change the zoning classifications of the Subject Property from R-1 (Parcel 289.2) and Belmont Lofts Planned Unit Development (Parcel 358E) to R-2 (Two Family Residential), hereinafter referred to as the “Proposed Rezoning”; and

WHEREAS, a joint public hearing on the Proposed Rezoning was conducted by the Planning Commission and City Council on March 12, 2019, following notice to the public and to adjacent property owners as required by Virginia Code §15.2-2204 and City Code §34-44; and

WHEREAS, on March 12, 2019, following the joint public hearing, the Planning Commission voted to recommend that City Council should approve the Proposed Rezoning; and

WHEREAS, on April 1, 2019, this City Council considered the matters addressed within the Landowner’s application, the NDS Staff Report, public comments, the Planning Commission’s recommendation, and the Comprehensive Plan; and

WHEREAS, this Council finds and determines that the public necessity, convenience, general welfare and good zoning practice require the Proposed Rezoning; that both the existing zoning classifications (R-1 and Belmont Lofts PUD, respectively) and the proposed zoning classification (R-2) are reasonable; and that the Proposed Rezoning is consistent with the Comprehensive Plan; now, therefore,

BE IT ORDAINED by the Council of the City of Charlottesville, Virginia that the Zoning District Map Incorporated in Section 34-1 of the Zoning Ordinance of the Code of the City of Charlottesville, 1990, as amended, be and hereby is amended and reenacted as follows:

Section 34-1. Zoning District Map. Rezoning the property designated on 2018 City Tax Map 58 as Parcels 289.2 and 358E from R-1 Single-Family Residential and Belmont Lofts Planned Unit Development to R-2 Two-Family Residential

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



Agenda Date:	April 1, 2019
Action Requested:	Consideration of a Special Use Permit Application
Presenter:	Brian Haluska, Principal Planner
Staff Contacts:	Brian Haluska, Principal Planner
Title:	SP-18-00011 Lyman Street Residences

Background:

Bruce Wardell (BKKW, LLC) has submitted a special use application (SUP) for Tax map 58, parcels 289.2 and 358E (Subject Properties) for an infill SUP. The SUP application is being requested (in conjunction with rezoning application ZM18-00004) to reduce the minimum lot sizes, setbacks and minimum required road frontage for the Subject Property. The development is being proposed as three single-family detached residences each with the potential for accessory dwelling units.

In addition to the SUP application, the applicant has submitted a rezoning petition for Tax Map 58 Parcels 289.2 and 358E (Subject Properties). The rezoning petition proposes a change in zoning from the existing R-1 zoning on Parcel 289.2 and Planned Unit Development zoning on Parcel 358E to R-2 Two-family Residential.

Discussion:

The Planning Commission discussed this matter at their March 12, 2019 meeting. Several Commissioners expressed support for the project and the additional housing. One commissioner argued that the site should be providing more housing units than proposed in the rezoning and SUP applications.

Alignment with City Council's Vision and Strategic Plan:

If City Council approves the rezoning request, the project could contribute to **Goal 3: Beautiful Environment, 3.1 Engage in robust and context sensitive urban planning and implementation**, and the City Council Vision of *Quality Housing Opportunities for All*.

Community Engagement:

On February 21, 2019 the applicant held a community meeting at the Belmont Arts Collaborative. The applicant gave an overview of the project as it related to the need for a rezoning and a SUP. The community voiced the following concerns with the proposed development:

- The impact on traffic given the configuration of Lyman Street.
- Support for waiving the sidewalk in front of the houses.
- Support for the design of the houses as shown.

On March 12, 2019 the Planning Commission held a joint Public Hearing with City Council. Three (3) members of the public spoke and expressed the following:

- Support for the project in light of the applicant's history in the area and the design proposed.
- Support for continued prohibition of on-street parking on the north side of Lyman Street.

Budgetary Impact:

This has no impact on the General Fund.

Recommendations:

The Planning Commission took the following action:

Mr. Solla-Yates move to recommend approval of SP18-00011 subject to:

1. City Council approval of the request to rezone the Subject Property to R-2 Residential as submitted in application ZM18-00004.
2. The design, height, and other characteristics of the Development shall remain essentially the same, in all material aspects, as described within the application materials dated December 21, 2018 and revised February 28, 2019 submitted to the City and in connection with SP19-00011 ("Application"). Except as the design details of the development may subsequently be modified to comply with Building Code requirements.
3. The use of the property will be in accordance with material submitted by the applicant.
4. The maximum number of single-family dwelling units in the development shall be three (3).

Mr. Lahendro seconded the motion

Mr. Mitchell, Yes
Mr. Lahendro, Yes
Mr. Solla-Yates, Yes

Mr. Heaton, Yes
Mr. Stolzenberg, Nay

The motion passed 4 – 1 to recommend approval of the SUP application to City Council.

Alternatives:

City Council has several alternatives following a public hearing:

- (1) by motion, approve the requested SUP as recommended by the Planning Commission;
- (2) by motion, request changes to the attached resolution, and then approve the SUP; or
- (3) by motion, take action to deny the SUP;
- (4) by motion, defer action on the SUP.

Attachments:

- A. Resolution
- B. Link to the Staff Report and background information from the March 12, 2019 Planning Commission meeting:
<http://www.charlottesville.org/home/showdocument?id=64608>
(Staff Report begins on page 57)

**RESOLUTION
GRANTING A SPECIAL USE PERMIT
FOR INFILL DEVELOPMENT ON TWO PARCELS
FRONTING ON LYMAN STREET**

WHEREAS, BKKW, LLC is the owner (“Landowner”) of certain property fronting on Lyman Street, designated on 2018 City Tax Map 58 as Parcels 289.2 and 358E (“Subject Property”), and pursuant to City Code §34-165, the Landowner requests a special use permit to authorize an infill development project, as more particularly described within the application materials submitted by the Landowner in connection with City Application No. SP19-00011; and

WHEREAS, the zoning classification of the Subject Property is R-2 (Two Family Residential); and

WHEREAS, the purpose of the application is to allow construction of a specific infill development project within the Subject Property, consisting of the following:

A common plan of development for the land area within Parcels 289.2 and 358E, including: (i) three (3) buildings, to be constructed as single-family dwellings (the “SFDs”), each on its own separate lot and with each building fronting on Lyman Street; (ii) each lot containing a single-family dwelling shall have an area no less than 2500 square feet (SF) and no more than 3500 SF; each such lot shall have frontage on Lyman street of no less than 34 feet and no more than 65 feet; and each such lot shall have side yards of at least 2 feet, but no required front or rear yard areas; (iii) each single-family lot, and the land on which it is constructed, may be used and occupied in any manner authorized within §34-420 of the R-2 zoning district regulations, including, without limitation, internal accessory apartments; (iv) the land area currently identified as tax Parcel 358E will not contain any buildings or structures (other than the SFDs), and will be used predominantly for access and parking for the SFDs described above and as landscaped open space with plantings, and for any additional driveway or parking as may be necessary to serve internal accessory apartments established within the SFDs; and (v) the general design and height of all buildings, the layout of the entire development area, and the characteristics of the development shall be in all material aspects the same as depicted within the site plan dated December 21, 2018, revised February 28, 2019, and the narrative materials accompanying Application No. SP19-00011 (hereinafter, the “Infill Project”); and

WHEREAS, a public hearing on the proposed Infill Project was conducted jointly by the Planning Commission and City Council on March 12, 2019, following notice to the public and to adjacent property owners as required by Virginia Code §15.2-2204 and City Code §34-44; and

WHEREAS, based on the representations, information, and materials included within the application materials submitted by the Landowner in connection with SP19-00011, and upon consideration of: information and analysis set forth within the Staff Report; factors set forth in City Code §34-157, §34-165, and §34-166; the recommendation of the Planning Commission; and comments received at the joint public hearing, this Council finds that the Infill Project is appropriate in the location requested and may be approved subject to suitable regulations and safeguards;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville, **THAT** a Special Use Permit is hereby granted to authorize the Infill Project defined above within this Resolution to be constructed on the Subject Property, including, without limitation, approval of modified yard regulations, density standards, and parking standards otherwise applicable within the R-2 zoning district. Minor adjustments of the dimensional regulations set forth above, within the definition of this “Infill Project” shall be permitted when necessary for compliance with engineering, stormwater, utility or other legal requirements, any such adjustments not to exceed five percent (5%) of the dimensions included within the definition of “Infill Project”. Nothing set forth within this Resolution shall be construed as limiting or requiring any particular architectural details or features, including, without limitation: exterior finishes or construction materials, window or door locations, etc.

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



Agenda Date:	March 18, 2019
Action Required:	Public Hearing and Approval of Ordinance (1 st of 2 Readings)
Presenter:	Michael C. Murphy, Interim City Manager
Staff Contacts:	Leslie Beauregard, Assistant City Manager
Title:	Amendment to City Code Sec. 30-451, Meals Tax Ordinance Change

Background:

The City currently levies a 5% meals tax on the purchaser of every meal sold in the city by a restaurant or caterer. The current rate has been in place since fiscal year 2016. As part of the F.Y. 2020 budget, an increase of 1% is proposed, raising the tax rate to 6%. The City estimates that this change will bring in an additional \$2.5 million in revenue for F.Y. 2020. This additional revenue is included in the F.Y. 2020 City Manager's Proposed Budget.

Discussion:

The meals tax is paid by consumers of prepared hot foods sold for immediate consumption on and off a premises including restaurant and grocery store food bars. This tax does not apply to foods purchased for home consumption and preparation, which are taxed at 2.5%. Meals tax revenue continues to grow, producing \$11.3 million in F.Y. 2016 to a projection of \$11.8 million in F.Y. 2019; and even before the proposed increase to 6%, revenues were expected at \$12.1 million in F.Y. 2020.

City staff projects that 35% of the meals tax will be paid by visitors to the city. According to the Virginia Tourism Corporation and the US Travel Association the Charlottesville area receives between 2 and 3 million annual visitors with visitors spending \$630 million annually. Approximately 40% of that spending, \$252 million, occurs in the City. A recent study by Destination Analysts on the Charlottesville market concludes that the average visitor spends \$83 per day on restaurants and dining. Using these figures we can estimate that approximately 35% of the current total meals tax revenue can be attributable to visitors. Additional support for the strength of the visitor market is evidenced by the hotel occupancy average of about 72.0% during the 2018 calendar year. This means that on average there are over 2,900 occupied rooms in our area per day. Currently nearly 50% of all hotel rooms in the Charlottesville – Albemarle area are in the City. Regarding the actual impact on the customer, for a \$10 meal, the addition cost to the customer would be 10 cents on the total bill; a \$20 meal, the impact would be 20 cents, and so on.

At 6%, the City would still have one of the lower meals tax rates for cities in the State. Among 24 other Virginia cities, the highest tax rate is 8% and the lowest is 4%.

Community Engagement:

There are several opportunities for the community to provide input into the budget with several public hearings on the budget and a few minutes reserved at the end of each budget worksession for public

comment and input, along with the Community Budget Forum. In addition, this ordinance change requires a separate public hearing, which was advertised via a legal ad, in the Daily Progress with information on this public hearing and the tax rate change, on March 8, 2019.

Alignment with City Council’s Vision and Strategic Plan:

The new revenue supports several initiatives that are included in the City’s Strategic Plan including additional Police Officers and public safety resource, strong emphasis on education, self-sufficiency and college/career readiness and focus on reliable and high quality infrastructure along with context sensitive planning practices. More information on the City’s Strategic Plan can be found at <http://www.charlottesville.org/strategicplan>.

Budgetary Impact:

Staff estimates that the rate change will generate an additional \$2.5 million in F.Y. 2020 revenue and is included in the City Manager’s F.Y. 2020 Proposed Budget.

Recommendation:

Staff recommends approval of the ordinance change, increasing the rate from 5% to 6%.

Alternatives:

Council could elect not to raise the meals tax rate at this time, or approve a different rate increase. If that’s the case, staff will have to identify additional revenue or expenditure reductions in order to balance the budget.

Attachments:

Ordinance

**AN ORDINANCE
AMENDING AND REORDAINING SECTION 30-283 OF CHAPTER 30 (TAXATION)
INCREASING THE MEALS TAX ON THE PURCHASE
OF EVERY MEAL SOLD IN THE CITY BY A RESTAURANT OR CATERER.**

BE IT ORDAINED by the Council for the City of Charlottesville, Virginia, that:

- (1) Section 30-283 of Article X (Meals Tax) of Chapter 30 (Taxation) is hereby amended and reordained, as follows:

Sec. 30-283. Levied.

In addition to all other taxes and fees of any kind now or hereafter imposed by law, a tax is hereby levied and imposed on the purchaser of every meal sold in the city by a restaurant or caterer. The rate of this tax shall be ~~five (5)~~ six (6) percent of the amount paid for the meal. There shall be no tax if the total amount paid is less than thirteen cents (\$0.13); on larger amounts a fractional cent of tax due shall be rounded to the next higher cent.

- (2) This ordinance shall take effect on July 1, 2019.

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



Agenda Date:	March 18, 2019
Action Required:	Public Hearing and Approval of Ordinance (1 st of 2 Readings)
Presenter:	Michael C. Murphy, Interim City Manager
Staff Contacts:	Leslie Beauregard, Assistant City Manager Ryan Davidson, Sr. Budget & Management Analyst Krisy Hammill, Sr. Budget & Management Analyst
Title:	Amendment to City Code Sec. 30-253, Transient Occupancy (Lodging) Tax Ordinance Change

Background:

The City currently levies a 7% transient occupancy, or lodging, tax (hereinafter “lodging tax”), which is the tax paid by all overnight guests at area hotels, bed and breakfasts and short-term air bnb type facilities. The current rate has been in place since fiscal year 2017. As part of the F.Y. 2020 budget, a lodging tax increase of 1% is proposed, raising the lodging tax rate to 8%. The City estimates that this change will bring in an additional \$816,969 in F.Y. 2020 revenue. This additional revenue is included in the F.Y. 2020 City Manager’s Proposed Budget.

Discussion:

This revenue source has grown over the years and a portion of this revenue supports the Charlottesville Albemarle Convention and Visitors Bureau, which receives 30% of the first 5% of actual lodging tax revenues (pursuant to a joint agreement with Albemarle County). The remaining funds support the City’s operating General Fund budget.

The hotel industry in the area has demonstrated strong metrics over the past decade and has attracted an additional investment of almost 25% in available room supply. In 2018, 380 new rooms were added in the City for instance. This additional supply has caused a decline in what is called RevPAR, or revenue per room, which has declined almost 4% in the area through 2018. However, overall revenue from the lodging tax has continued to grow for the City, showing \$4.8 million in 2017 and \$5.1 million in 2018. Revenues year to date for F.Y. 2019 are up 9% compared to the same period this time last year. Regarding the actual impact on the customer, an average room in the area costs \$130 night and adding one percentage point in the lodging tax would equate to an additional \$1.30 being added to the total bill.

The 8% lodging tax rate would tie the City with sixteen other cities in the State, the highest rate being 11% and the lowest at 2%.

Community Engagement:

There were several opportunities for the community to provide input into the budget with several public hearings on the budget and a few minutes reserved at the end of each budget worksession for public comment and input, along with the Community Budget Forum. In addition, this ordinance change requires a separate public hearing, which was advertised via a legal ad, in the Daily Progress with

information on this public hearing and the tax rate change, on March 8, 2019.

Alignment with City Council's Vision and Strategic Plan:

The new revenue supports several initiatives that are included in the City's Strategic Plan including additional Police Officers and public safety resource, strong emphasis on education, self-sufficiency and college/career readiness and focus on reliable and high quality infrastructure along with context sensitive planning practices. More information on the City's Strategic Plan can be found at <http://www.charlottesville.org/strategicplan>.

Budgetary Impact:

Staff estimates that the rate change will generate an additional \$816,969 in F.Y. 2020 revenue and is included in the City Manager's F.Y. 2020 Proposed Budget.

Recommendation:

Staff recommends approval of the ordinance change, increasing the rate from 7% to 8%.

Alternatives:

Council could elect not to raise the lodging tax rate at this time, or approve a different rate increase. If that's the case, staff will have to identify additional revenue or expenditure reductions in order to balance the budget.

Attachments:

Ordinance

**AN ORDINANCE
AMENDING AND REORDAINING SECTION 30-253 OF CHAPTER 30 (TAXATION)
INCREASING THE TRANSIENT OCCUPANCY TAX
FROM 7% TO 8% FOR TRANSIENT LODGING.**

BE IT ORDAINED by the Council for the City of Charlottesville, Virginia, that:

- (1) Section 30-253 of Article IX (Transient Occupancy Tax) of Chapter 30 (Taxation) is hereby amended and reordained, as follows:

Sec. 30-253. Levied.

There is hereby imposed and levied upon every transient obtaining or occupying lodging within the city, in addition to all other taxes and fees of every kind now imposed by law, a tax equivalent to ~~seven~~ eight (8) percent of the amount charged for such lodging.

- (2) This ordinance shall take effect on July 1, 2019.

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



Agenda Date: April 1, 2019

Action Required: Yes (Adopt Resolution; One Reading)

Presenter: **Lori Schweller, Williams Mullen**

Staff Contacts: Chris Engel, Director of Economic Development
Lisa Robertson, Chief Deputy City Attorney

Title: **Lease Agreement for Communications Equipment at
Market Street Parking Garage**

Background: The City owns the Market Street Parking Garage located in the 500 block of East Market Street. The garage provides public parking and has a number of retail and office tenants located in the commercial space.

Discussion: The City was recently approached by Cellco Partnership, trading as Verizon Wireless ("Verizon"), to renew its current lease of space for antennas and associated radio equipment for a second five-year term. The existing antennas consist of two omnidirectional antennas approximately 20 inches in height and 2.5 inches in diameter. The antennas are concealed within the existing light fixtures on the side of the building. Radio equipment cabinets are located interior to the building; they are not visible from the Downtown Mall or from Water Street. The purpose of this wireless facility within the Verizon Wireless network is to provide additional wireless capacity, sometimes referred to as "densification," on the Mall and at the Pavilion for the high levels of data usage from foot traffic concentrated downtown, especially during events when the data demands for calling/texting and photo and video transmission spike. Adding targeted small cell facilities in areas of high data usage not only satisfy data demand from nearby users but relieve the network traffic on "macro" sites (e.g. cell towers and large building rooftop installations) serving large areas of the City.

The Board of Architectural reviewed and approved a Certificate of Appropriateness for this installation in 2013. City Council approved the original lease in 2014.

All costs to install, operate and maintain the equipment are the sole responsibility of Verizon Wireless.

Community Engagement: VA Code Sec. 15.2-1800(B) requires that any time the City leases public property to a private party, the City must hold a public hearing prior to entering into the lease.

Alignment with City Council's Vision and Strategic Plan: Approval of this resolution aligns with Council's vision for Economic Sustainability for the City of Charlottesville.

Budgetary Impact: This facility provides wireless communications services to residents and visitors on the Downtown Mall at no cost to the City. The antennas are located between the light fixtures' glass panes, and the equipment is wall-mounted beside the elevator, so the facility does not use any space that would be leasable to another tenant or that could be used for parking. The lease payment under the lease approved by City Council in 2014 was above market value at that time. Verizon Wireless is asking for the annual rent payment to be reduced by 15% for the renewal. According to Verizon representatives, the current average rental rate for this type of small cell communications facility ("data node") has decreased significantly since 2014. The rate in the existing lease is significantly above market. At the time the parties entered into the lease, the standard rental for small cell installations was 50-60% higher, and that rate has declined over the past five years with the proliferation of sites, which are being installed by the tens of thousands across the country. With the requested 15% reduction, this site would still be among the most expensive of Verizon's small cell leases.

Recommendation: City staff have no particular expertise with respect to the valuation of small cell communications facilities. Nor were any third party objective market studies of small cell rental rates readily available for comparison purposes. Given that, city staff is not able to recommend to Council a reduction of the rental rate from the original amount.

City Staff recommends approval of the lease renewal under the same terms and conditions as the original lease.

Alternatives:

- (1) City Council may adopt Resolution A, if it wishes to allow this Lease to continue for an additional 5 years, at a reduced rental.

SUGGESTED MOTION: I move the approval of Resolution A attached to the Council Agenda Report.

- (2) City Council may adopt Resolution B, if it wishes to allow this Lease to continue for an additional 5 years, at the current rental rate.

SUGGESTED MOTION: I move the approval of Resolution B attached to the Council Agenda Report.

- (3) City Council may, **by motion**, deny the request for an additional 5-year Lease of space within the Market Street Parking Garage to Verizon.

Attachments:

City Council **Resolution A** (reduced rent) and **Resolution B** (retain current rent)
2019 Lease Amendment
2014 Lease

RESOLUTION A

**RESOLUTION
APPROVING LEASE OF PROPERTY
ON THE MARKET STREET PARKING GARAGE
TO CELLCO PARTNERSHIP (T/A VERIZON WIRELESS)**

WHEREAS, Cellco Partnership, trading as Verizon Wireless ("Verizon"), proposes to renew and amend its existing lease of certain property on the Market Street Parking Garage structure, for the purpose of installing telecommunications equipment ("Lease");

WHEREAS, City Staff and Verizon negotiated terms and conditions for the original 2014 Lease, and Verizon proposes a 2019 Lease with a reduced annual rent of \$7,650.00, but in all other aspects having the same terms and conditions as negotiated in 2014, all as set forth within the draft proposed Lease Agreement submitted for City Council's consideration at a public hearing duly advertised and conducted on April 1, 2019; and

WHEREAS, upon consideration of the recommendations of staff and of the terms and conditions of the proposed Lease Agreement, this Council finds that the proposed Lease Agreement is in the public interest, will promote the public welfare, safety and convenience, will promote economic development and tourism in Downtown Charlottesville, and contains terms that are satisfactory and mutually advantageous;

NOW, THEREFORE, BE IT RESOLVED by the Council for the City of Charlottesville, Virginia that the City Manager is hereby authorized to execute a final Lease Agreement consistent with the terms and conditions of the proposed Lease Agreement considered by Council at the April 1, 2019 Council meeting, including annual rent of \$7,650.00, which final Lease Agreement must be approved by the City Attorney as to form prior to signature.

RESOLUTION B

**RESOLUTION
APPROVING LEASE OF PROPERTY
ON THE MARKET STREET PARKING GARAGE
TO CELLCO PARTNERSHIP (T/A VERIZON WIRELESS)**

WHEREAS, Cellco Partnership, trading as Verizon Wireless ("Verizon"), proposes to renew and amend its existing lease of certain property on the Market Street Parking Garage structure, for the purpose of installing telecommunications equipment ("Lease");

WHEREAS, City Staff and Verizon negotiated terms and conditions for the original 2014 Lease, and Verizon proposes a 2019 Lease with a reduced annual rent of \$7,650.00, but in all other aspects having the same terms and conditions as negotiated in 2014, all as set forth within the draft proposed Lease Agreement submitted for City Council's consideration at a public hearing duly advertised and conducted on April 1, 2019; and

WHEREAS, upon consideration of the recommendations of staff and of the terms and conditions of the proposed Lease Agreement, this Council finds that the proposed Lease Agreement is in the public interest, will promote the public welfare, safety and convenience, and will promote economic development and tourism in Downtown Charlottesville; however, City Council does not find that the requested reduction of annual rent is satisfactory and mutually advantageous, and Council as compared with the current annual rent of \$9,000.00;

NOW, THEREFORE, BE IT RESOLVED by the Council for the City of Charlottesville, Virginia that the City Manager is hereby authorized to execute a final Lease Agreement providing for annual rent in the amount of \$9,000.00, but otherwise consistent with the terms and conditions of the proposed Lease Agreement considered by Council at the April 1, 2019 Council meeting, which final Lease Agreement must be approved by the City Attorney as to form prior to signature.

**FIRST AMENDMENT TO
LEASE AGREEMENT**

This First Amendment to Lease Agreement (the "Amendment") made this _____ day of _____, 2019, between the **CITY OF CHARLOTTESVILLE**, with mailing address of P.O. Box 911, Charlottesville, VA 22902, hereinafter designated LESSOR; and **CELLCO PARTNERSHIP** d/b/a Verizon Wireless with its principal offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (telephone number 866-862-4404), hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

WITNESSETH

WHEREAS, LESSOR and LESSEE entered into a Lease Agreement on December 16, 2013 (the "Agreement"), whereby LESSEE leased from LESSOR certain space at 513 East Market Street, Charlottesville, Virginia 22902, as more fully described in the Agreement, for installation, operation, and maintenance of a communications facility;

WHEREAS, pursuant to the terms of the Agreement, the Term commenced on June 1, 2014 and will expire, if not renewed, on May 31, 2019;

WHEREAS, since the Effective Date of the Agreement, market rental rates for small cell facility leases have declined significantly owing to the increasing numbers of facility sites and resulting high cost of leasing sites for small cell facilities; and

WHEREAS, LESSOR and LESSEE desire to amend the Agreement to extend the term and to modify the rent.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree to be legally bound to this Amendment as follows:

1. The first paragraph of Section 3 ("Term; Rental") shall be amended and restated to provide that the Term shall be for a period of five (5) years, commencing on June 1, 2019 and expiring at 11:59 p.m. on May 31, 2024 unless terminated or otherwise modified as the Agreement may provide.

2. The second paragraph of Section 3 ("Term; Rental") shall state as follows: "During the Term of this Agreement, LESSEE shall pay annual rent of \$7,650, payable in equal monthly installments on the first day of the month, in advance, to LESSOR at the notice address set forth in Paragraph 17, or to such other person, firm, or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice in accordance with Paragraph 17."

3. All remaining provisions of the Agreement shall remain in full force and effect as to all other terms and conditions and shall remain binding on the Parties.

4. The Agreement and this Amendment contain all agreements, promises or understandings between LESSOR and LESSEE, and no verbal or oral agreements, promises or understandings shall be binding upon either the LESSOR or LESSEE in any dispute, controversy or

proceeding at law, and any addition, variation or modification to the Agreement and/or this Amendment shall be void and ineffective unless made in writing and signed by the parties. In the event any provision of the Agreement and/or this Amendment is found to be invalid or unenforceable, such a finding shall not affect the validity and enforceability of the remaining provisions of the Agreement and/or this Amendment.

5. LESSOR and LESSEE each hereby warrant to the other that the person executing this Amendment on behalf of the warranting party has the full right, power and authority to enter into, and execute, this Amendment on that party's behalf, and that no consent from any other person or entity is necessary as a condition precedent to the legal effect of this Amendment.

6. Seal. The Parties acknowledge and agree that this Amendment is signed under seal, and that this Amendment and the Agreement have been and are intended to be a deed of lease signed under seal satisfying the requirements of the Statute of Conveyances in the Virginia Code §55-2 (as the same may be amended from time to time), as affected by Virginia Code §11-2 (as the same may be amended from time to time).

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

APPROVED AS TO FORM:

By: _____
Title: _____

WITNESS

LESSOR:

CITY OF CHARLOTTESVILLE

By: _____

Name: _____

Its: _____

Date: _____

LESSEE:

**CELLCO PARTNERSHIP
D/B/A VERIZON WIRELESS**

By: _____

Thomas O'Malley

Its: Director – Network Field Engineering

Date: _____

WITNESS

SCANNED
DATE: 1/2/14

LEASE AGREEMENT

This Lease Agreement (the "Agreement") made this 16th day of December, 2013, between CITY OF CHARLOTTESVILLE, with a mailing address of P.O. Box 911, Charlottesville, VA 22902, hereinafter designated LESSOR and CELLCO PARTNERSHIP d/b/a Verizon Wireless with its principal offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (telephone number 866-862-4404), hereinafter designated LESSEE. LESSOR and LESSEE are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

WITNESSETH:

In consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Parties hereto agree as follows:

1. PREMISES. LESSOR hereby leases to LESSEE: (i) an approximately 6' x 6' space vertical lease area (the "Wall Space"), within the parking garage building (the "Building") located at 513 East Main Street, Charlottesville, Virginia 22902, (the Building and the land on which the Building is situated, together, are hereinafter sometimes collectively referred to as the "Property"), for the installation, operation and maintenance of communications equipment; together with (ii) such additional space on the sides and/or roof of the Building sufficient for the installation, operation and maintenance of antennas within existing exterior lighting fixtures (the "Antenna Space"); together with (iii) the non-exclusive right to use such additional space within the Building and on the roof of the Building for the installation, operation and maintenance of wires, cables, conduits and pipes (the "Cabling Space") running between and among the Wall Space and Antenna Space and to all necessary electrical and telephone utility sources located within the Building or on the Property; together with (iv) the non-exclusive right of ingress and egress from a public right-of-way, seven (7) days a week, twenty four (24) hours a day, over the Property and in and through the Building to and from the Premises (as hereinafter defined) for the purpose of installation, operation and maintenance of LESSEE's communications facility. The Wall Space, Antenna Space and Cabling Space are hereinafter collectively referred to as the "Premises" and are as shown on Exhibit A attached hereto and made a part hereof. In the event there are not sufficient electric and telephone, cable or fiber utility sources located within the Building or on the Property, LESSOR agrees to grant LESSEE or the local utility provider the right to install such utilities on, over and/or under the Property and through the Building, as necessary for LESSEE to operate its communications facility, provided the location of such utilities shall be as reasonably designated by LESSOR.

2. CONDITION OF PROPERTY. LESSOR shall deliver the Premises to LESSEE in as-is condition. LESSEE represents and warrants that it has been given access to the Premises prior to the execution of this Agreement, for the purpose of conducting its own investigations and making its own determinations as to whether the Premises are suitable for LESSEE's intended use and occupancy.

3. TERM; RENTAL.

This Agreement shall be effective as of the date of execution by both Parties (the "Effective Date"), provided, however, the initial term of occupancy shall be for a period of five (5) years (the "Term") commencing on the first day of the calendar month following the day that LESSEE commences any alteration or improvement of the Premises for or in connection with the installation of

its equipment on the Premises (the "Commencement Date"). LESSEE shall give LESSOR twenty-four (24) hours' advance notice of the date on which any alteration or improvement is to commence. Such notice may be in writing, or by telephone, e-mail or fax.

During the Term of this Agreement LESSEE shall pay **annual rent of \$9,000.00**, payable in equal monthly installments on the first day of the month, in advance, to LESSOR at the notice address set forth in Paragraph 17, or to such other person, firm or place as LESSOR may, from time to time, designate in writing at least thirty (30) days in advance of any rental payment date by notice in accordance with Paragraph 17. Notwithstanding the foregoing, LESSOR and LESSEE agree that the initial rental payment shall be made by LESSEE within thirty (30) days of the Commencement Date.

Upon agreement of the Parties, LESSEE may pay rent by electronic funds transfer and in such event, LESSOR agrees to provide to LESSEE bank routing information for such purpose upon request of LESSEE.

LESSEE will provide a completed Internal Revenue Service Form W-9 (most recent version) or equivalent.

4. ELECTRICAL. LESSEE shall, at all times during the Term, have a right of access to electrical service and telephone service within the Premises. If permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical meter at the Premises for the measurement of electrical power used by LESSEE's installation. In the alternative, if permitted by the local utility company servicing the Premises, LESSEE shall furnish and install an electrical sub-meter at the Premises for the measurement of electrical power used by LESSEE's installation, with billing directly to LESSEE.

During any power interruption at the Premises, LESSEE shall be permitted at any time during the Term, to install, maintain and/or provide access to and use of, as necessary, a temporary power source, and all related equipment and appurtenances within the Premises, or elsewhere on the Property in such locations as reasonably approved by LESSOR; however, LESSOR's obligation to provide a location shall be limited to space within the Building that is not otherwise leased to or managed by a person or entity other than LESSOR. LESSEE shall have the right to install conduits connecting the temporary power source and related appurtenances to the Premises. No temporary power source shall (i) generate any noise or sound in excess of that permitted by local ordinance of the City of Charlottesville, Virginia, or (ii) generate any noise or sound that will unreasonably disturb the conduct of business by tenants of any commercial space within the Building.

5. INTENTIONALLY OMITTED.

6. USE; GOVERNMENTAL APPROVALS. LESSEE shall use the Premises for the purpose of constructing, maintaining, repairing and operating a communications facility and uses incidental thereto. LESSEE shall have the right to replace, repair, add or otherwise modify its utilities, equipment, antennas and/or conduits or any portion thereof and the frequencies over which the equipment operates, within the Premises. It is understood and agreed that LESSEE's right and ability to use the Premises is contingent upon its obtaining after the execution date of this Agreement all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as a satisfactory building structural analysis

which will permit LESSEE use of the Premises as set forth above. In the event that (i) any of such applications for such Governmental Approvals should be finally rejected; (ii) any Governmental Approval issued to LESSEE is canceled, expires, lapses, or is otherwise withdrawn or terminated by governmental authority; and (iii) LESSEE determines that such Governmental Approvals may not be obtained in a timely manner, LESSEE shall have the right to terminate this Agreement upon written notice to the LESSOR. All rent paid by the LESSEE prior to said termination date shall be retained by LESSOR. In the event that no Commencement Date occurs within twelve (12) months of the effective date of this Agreement, LESSOR shall have the right to terminate this Agreement upon notice to the LESSEE.

7. INDEMNIFICATION. Each Party shall indemnify and hold the other harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of the indemnifying Party, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of the other Party, or its employees, contractors or agents. Notwithstanding the foregoing, LESSOR's obligations under this paragraph shall not include or extend to any circumstance(s), claims, damages or liabilities from which LESSOR is immune from liability or suit under the laws of the Commonwealth of Virginia. No terms, conditions or provisions within this paragraph or this Agreement are intended, and they shall not be construed, as a waiver of any sovereign, governmental, municipal or other immunity to which the LESSOR may be entitled.

8. INSURANCE. LESSOR and LESSEE each agree that at its own cost and expense, each will maintain commercial general liability insurance with limits not less than \$1,000,000 for injury to or death of one or more persons in any one occurrence and \$500,000 for damage or destruction to property in any one occurrence ("Required Insurance"). LESSEE shall obtain an endorsement of its commercial general liability policy or policies, to name the LESSOR as an additional insured party thereunder.

9. LIMITATION OF LIABILITY. Except for indemnification pursuant to Paragraphs 7 and 21, neither Party shall be liable to the other, or any of their respective agents, representatives, employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

10. ANNUAL TERMINATION. Notwithstanding anything to the contrary contained herein, provided LESSEE is not in default hereunder beyond applicable notice and cure periods, during the Term LESSEE shall have the right to terminate this Agreement upon the annual anniversary of the Commencement Date provided that three (3) months prior notice is given to LESSOR.

11. INTERFERENCE. LESSEE agrees to install equipment of the type and frequency which will not cause harmful interference, which is measurable in accordance with then existing industry standards, to any equipment of LESSOR or other lessees of the Property which existed on the Property prior to the date this Agreement is executed by the Parties. In the event LESSEE's equipment causes any such interference, and after LESSOR has notified LESSEE in writing of such interference, LESSEE will take all commercially reasonable steps necessary to correct and eliminate the interference, including but not limited to, at LESSEE's option, powering down such equipment and later powering up such equipment for intermittent testing. In no event will LESSOR be entitled to terminate this Agreement or relocate the equipment as long as LESSEE is making a good faith effort to remedy the interference issue. LESSOR

agrees that, following the Commencement Date, LESSOR and/or any other tenants of the Property who currently have or in the future take possession of the Property will be permitted to install only such equipment that is of the type and frequency which will not cause harmful interference, which is measurable in accordance with then existing industry standards, to the then existing equipment of LESSEE, provided that (i) LESSEE must inform LESSOR prior to installation or modification thereof, of the nature and type(s) of equipment installed by LESSEE, such that LESSOR and other lessees of the Property may have the opportunity to avoid such interference prior to installation, and (ii) LESSOR's obligation under this paragraph shall not extend to any property management agreement for the Building, or any tenancy of the Building, existing on the effective date of this Agreement, which LESSOR has no ability to modify. The Parties acknowledge that there will not be an adequate remedy at law for noncompliance with the provisions of this Paragraph and therefore, either Party shall have the right to equitable remedies, such as, without limitation, injunctive relief and specific performance.

12. REMOVAL AT END OF TERM. LESSEE shall, upon expiration of the Term, or within ninety (90) days after any earlier termination of the Agreement, remove its equipment, conduits, fixtures and all personal property and restore the Premises to their original condition, reasonable wear and tear and casualty damage excepted. LESSOR agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of LESSEE shall remain the personal property of LESSEE and LESSEE shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable laws. If such time for removal causes LESSEE to remain on the Premises after termination of this Agreement, LESSEE shall continue to pay rent until such time as the removal of the building, antenna structure, fixtures and all personal property are completed.

13. INTENTIONALLY OMITTED.

14. RIGHTS UPON SALE. Should LESSOR, at any time during the Term decide (i) to sell or transfer all or any part of the Property or the Building thereon to a purchaser other than LESSEE, or (ii) to grant to a third party by easement or other legal instrument an interest in and to that portion of the Building and or Property non-exclusively used or occupied by LESSEE, such sale or grant of an easement or interest therein shall be under and subject to this Agreement and any such purchaser or transferee shall recognize LESSEE's rights hereunder under the terms of this Agreement..

15. QUIET ENJOYMENT AND REPRESENTATIONS. LESSOR covenants that LESSEE, on paying the rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Premises. LESSOR represents and warrants to LESSEE as of the execution date of this Agreement, and covenants during the Term that LESSOR is seized of good and sufficient title and interest to the Property and has full authority to enter into and execute this Agreement. LESSOR further covenants during the Term that there are no liens, judgments or impediments of title, and that there are no covenants, easements or restrictions, which prevent or adversely affect the use or occupancy of the Premises by LESSEE as set forth within this Agreement.

16. ASSIGNMENT. This Agreement may be sold, assigned or transferred by the LESSEE without any approval or consent of the LESSOR to the LESSEE's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of LESSEE's assets in the market defined by the Federal Communications Commission in which the Property is located by reason of a merger, acquisition or other business reorganization. As to other parties, this Agreement may not be sold, assigned or transferred without the consent of the LESSOR, which such consent will not be unreasonably withheld,

delayed or conditioned. No change of stock ownership, partnership interest or control of LESSEE or transfer upon partnership or corporate dissolution of LESSEE shall constitute an assignment hereunder.

17. NOTICES. Wherever this Agreement directs notice to be given by one party to the other, such notice must be in writing and shall be deemed validly given if sent by certified U.S. mail, return receipt requested, or by delivery using a commercial courier, provided the courier's regular business is delivery service, addressed as follows:

LESSOR: City of Charlottesville
P.O. Box 911
Charlottesville, Virginia 22902
Attention: Director of Economic Development

LESSEE: Celco Partnership
d/b/a Verizon Wireless
180 Washington Valley Road
Bedminster, New Jersey 07921
Attention: Network Real Estate

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing. At any time, either Party may change its notice address, by giving notice to the other Party.

18. RECORDING. LESSOR agrees to execute a Memorandum of this Agreement which LESSEE may record with the appropriate recording officer. The date set forth in the Memorandum of Lease is for recording purposes only and bears no reference to commencement of either the Term or rent payments.

19. DEFAULT. In the event there is a breach by a Party with respect to any of the provisions of this Agreement or its obligations under it, the non-breaching Party shall give the breaching Party notice of such breach. After receipt of such notice, the breaching Party shall have thirty (30) days in which to cure any breach. If the breaching Party commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion, then the breaching Party shall have such extended period of time beyond the 30 day period as may reasonably be necessary to complete its cure of the breach. The non-breaching Party may not maintain any action or effect any remedies for default against the breaching Party unless and until the breaching Party has failed to cure the breach within the time periods provided in this Paragraph. Notwithstanding the foregoing to the contrary, LESSOR shall have five (5) days after receipt of notice of a breach, if the breach consists of LESSOR's failure to perform an obligation and such failure unreasonably interferes with LESSEE's ability to conduct its business in the Premises.; If the nature of LESSOR's obligation is such that more than five (5) days after such notice is reasonably required for its performance, then it shall not be a default under this Agreement if performance is commenced by LESSOR within such five (5) day period and thereafter diligently pursued to completion.

20. REMEDIES. In the event of a default by either Party with respect to a material breach of this Agreement, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Agreement and/or pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or judicial decisions of the state in which the Premises are located. Further, upon a default,

the non-defaulting Party may at its option (but without obligation to do so), perform the defaulting Party's duty or obligation on the defaulting Party's behalf. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable to the non-defaulting Party by the defaulting Party upon invoice therefor. If LESSEE undertakes any such performance on LESSOR's behalf and LESSOR does not pay LESSEE the full undisputed amount within thirty (30) days of its receipt of an invoice setting forth the amount due, LESSEE may offset the full undisputed amount due against all fees due and owing to LESSOR under this Agreement until the full undisputed amount is fully reimbursed to LESSEE.

21. ENVIRONMENTAL.

a. LESSEE and LESSOR will each be responsible for all obligations of compliance with any and all environmental and industrial hygiene laws, including any regulations, guidelines, standards, or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene conditions or concerns as may now or at any time hereafter be in effect, that are or were in any way related to their individual activity or activities now conducted in, on, or in any way related to the Premises, Building or Property.

b. LESSEE shall not cause or permit any Hazardous Materials to be placed, stored, generated, used, released or disposed of in, on under, or about the Premises, the Building or the Property, unless it has complied with the following: (i) LESSEE shall comply with all environmental laws and regulations, and with prudent business practices, with respect to such Hazardous Materials; and (ii) the presence of Hazardous Materials must be back-up batteries, fuel for a generator, electronics, cable or other items reasonably necessary for the operation of LESSEE's communications equipment within the Premises and (iii) with respect to liquid or gaseous hazardous materials, including oil, petroleum products and/or flammable substances, the substances may only be placed, stored, generated or used as permitted in this Agreement or with the permission of LESSOR. LESSEE shall immediately notify the LESSOR upon the discovery of any Hazardous Materials used or stored in violation of this provision, or of any threat of release of Hazardous Materials, on, in, under or emanating from the Premises, the Building or the Property; of any illness caused by exposure thereto; and of any actual, threatened or potential environmental, health or safety liability, including but not limited to claims, lawsuits, notices of violation, complaints and investigations. This Agreement shall not make LESSEE responsible for any pre-existing environmental condition or contamination or for any environmental condition or contamination to the extent not resulting from the activities of LESSEE.

c. As used herein, the term "Hazardous Materials" means: (i) any oil, petroleum products, flammable substances, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials, or pollutants, which pose a hazard to the Building or Property or to the safety and/or health of persons thereabouts, or which cause the Building or Property to be in violation of any federal, state, or local laws governing or regulating hazardous materials; (ii) asbestos in any form, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing regulated levels of polychlorinated biphenyls, or radon gas; (iii) any chemical, material or substance defined as or included in the definition of "hazardous substances", "hazardous waste", "hazardous material", "extremely hazardous waste", "restricted hazardous waste", "toxic substance" or similar words and phrases, under any applicable local, state or federal laws, or any regulations adopted or publications promulgated pursuant thereto, including, but not limited to: the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), 42 U.S.C. §§9601 et seq., as amended; the Hazardous Materials Transportation Act, 49 U.S.C.

§§1801 et seq., as amended; the Federal Water Pollution Control Act (CWA), 33 U.S.C. §§1251 et seq., as amended; The Resource Conservation and Recovery Act (RCRA), 42 U.S.C. §§6901 et seq., as amended; the Toxic Substances Control Act (TSCA), 15 U.S.C. §§32601 et seq., as amended; (iv) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority, and which may or could pose a hazard to the health and safety of occupants of the Building or Property, or to any person entering upon the Premises, the Building or the Property; and (v) any other chemical, material or substance which may or could pose a hazard to the environment or to any person.

22. CASUALTY. In the event of damage by fire or other casualty to the Premises that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if the Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt LESSEE's operations at the Premises for more than forty-five (45) days, then LESSEE may, at any time following such fire or other casualty, provided LESSOR has not commenced the restoration required to permit LESSEE to resume its operation at the Premises, terminate this Agreement upon fifteen (15) days prior notice to LESSOR. Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the Parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, the rent shall abate during the period of repair following such fire or other casualty in proportion to the degree to which LESSEE's use of the Premises is impaired.

23. APPLICABLE LAWS. During the Term, LESSOR shall maintain the Premises in compliance with all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, and restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect (collectively, "Laws"). LESSEE shall, in respect to the condition of the Premises and at LESSEE's sole cost and expense, comply with (a) all Laws relating solely to LESSEE's specific and unique nature of use of the Premises; and (b) all building codes requiring modifications to the Premises due to the improvements being made by LESSEE in the Premises. LESSEE shall have no obligation to comply with Laws relating to the Building in general which are unrelated to LESSEE's specific use of the Premises.

24. MISCELLANEOUS. This Agreement contains all agreements, promises and understandings between the LESSOR and the LESSEE regarding this transaction, and no oral agreement, promises or understandings shall be binding upon either the LESSOR or the LESSEE in any dispute, controversy or proceeding. This Agreement may not be amended or varied except in a writing signed by all parties. This Agreement shall extend to and bind the heirs, personal representatives, successors and assigns hereto. The failure of either party to insist upon strict performance of any of the terms or conditions of this Agreement or to exercise any of its rights hereunder shall not waive such rights and such party shall have the right to enforce such rights at any time. This Agreement and the performance thereof shall be governed interpreted, construed and regulated by the laws of the Commonwealth of Virginia without reference to its choice of law rules.

IN WITNESS WHEREOF, the Parties hereto have set their hands and affixed their respective seals the day and year first above written.

Approved as to form:

By *[Signature]*
Asst. City Attorney
Deputy

WITNESS
[Signature]

LESSOR:

CITY OF CHARLOTTESVILLE

By: *[Signature]*
Name: MAURICE JONES
Its: CITY MANAGER
Date: 12-19-13

LESSEE:

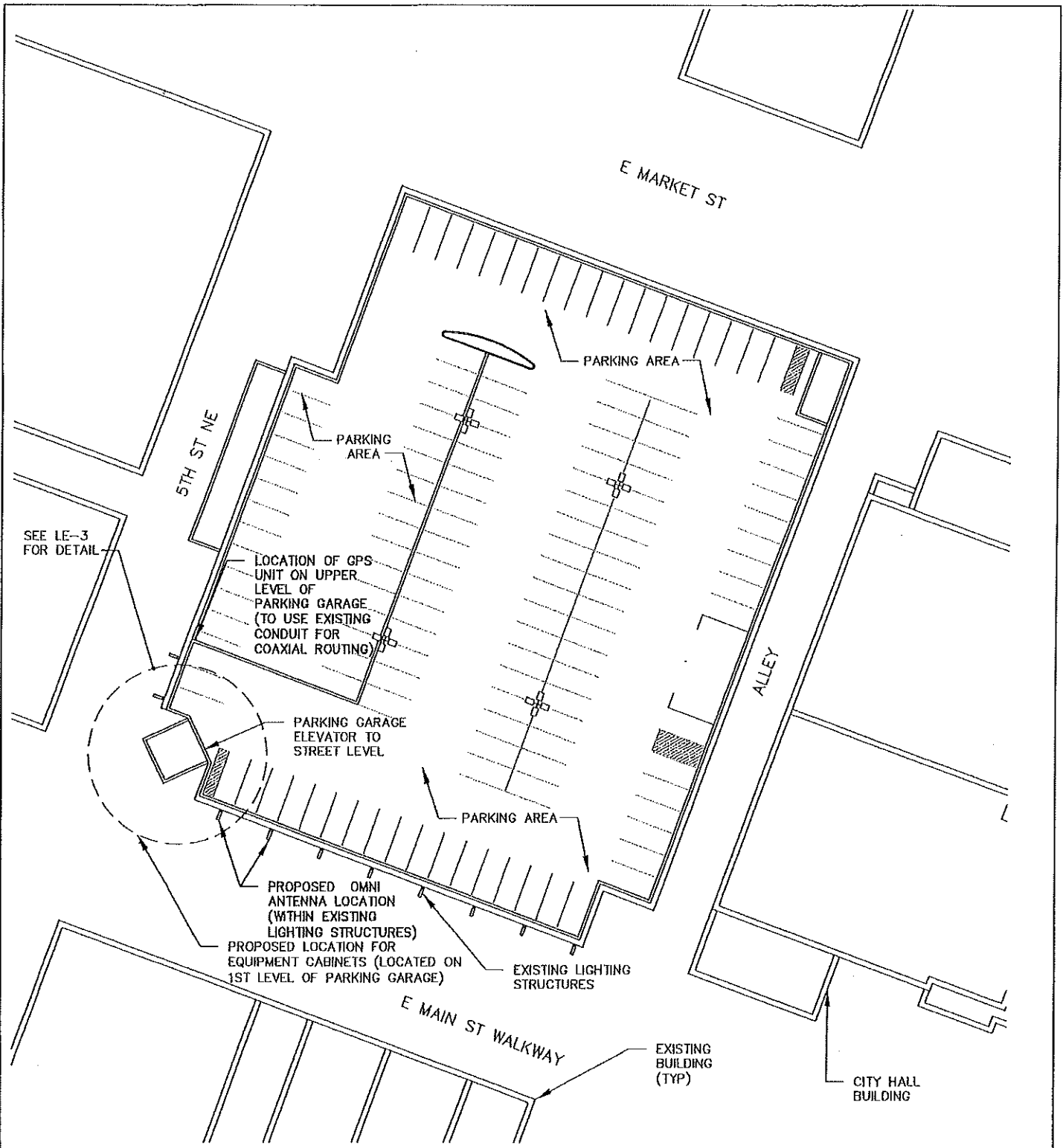
CELLCO PARTNERSHIP
D/B/A VERIZON WIRELESS

By: *[Signature]*
David R. Heverling
Its: Area Vice President Network
Date: 12 9 13

WITNESS
[Signature]

EXHIBIT "A"

**SITE PLAN OF WALL SPACE
ANTENNA SPACE AND CABLING SPACE**



1 OVERALL SITE PLAN
 LE-1 SCALE: 1" = 50'

TECTONIC

- PLANNING
- ENGINEERING
- SURVEYING
- CONSTRUCTION MANAGEMENT

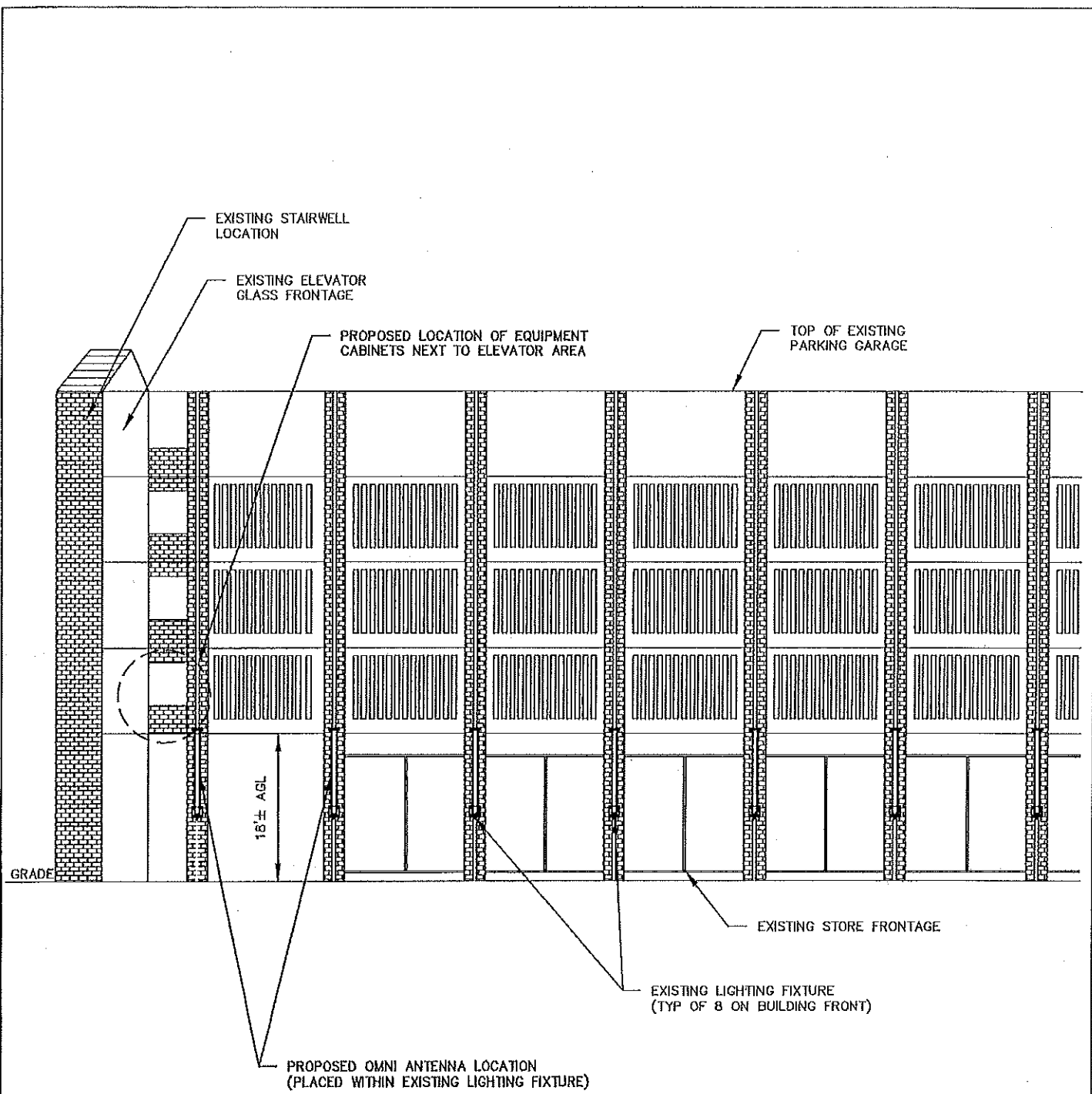
TECTONIC Engineering & Surveying Consultants P.C.
 8839 Mayland Drive, Suite 102
 Richmond, VA 23294

Phone: (804) 217-8504
 Fax: (804) 270-0541

www.tectonicoengineering.com

SITE NAME: VZW-CHARLOTTESVILLE-SC

513 EAST MAIN ST
 CHARLOTTESVILLE, VA 22902



1 ELEVATION VIEW
 LE-3 SCALE: 1" = 20'

TECTONIC

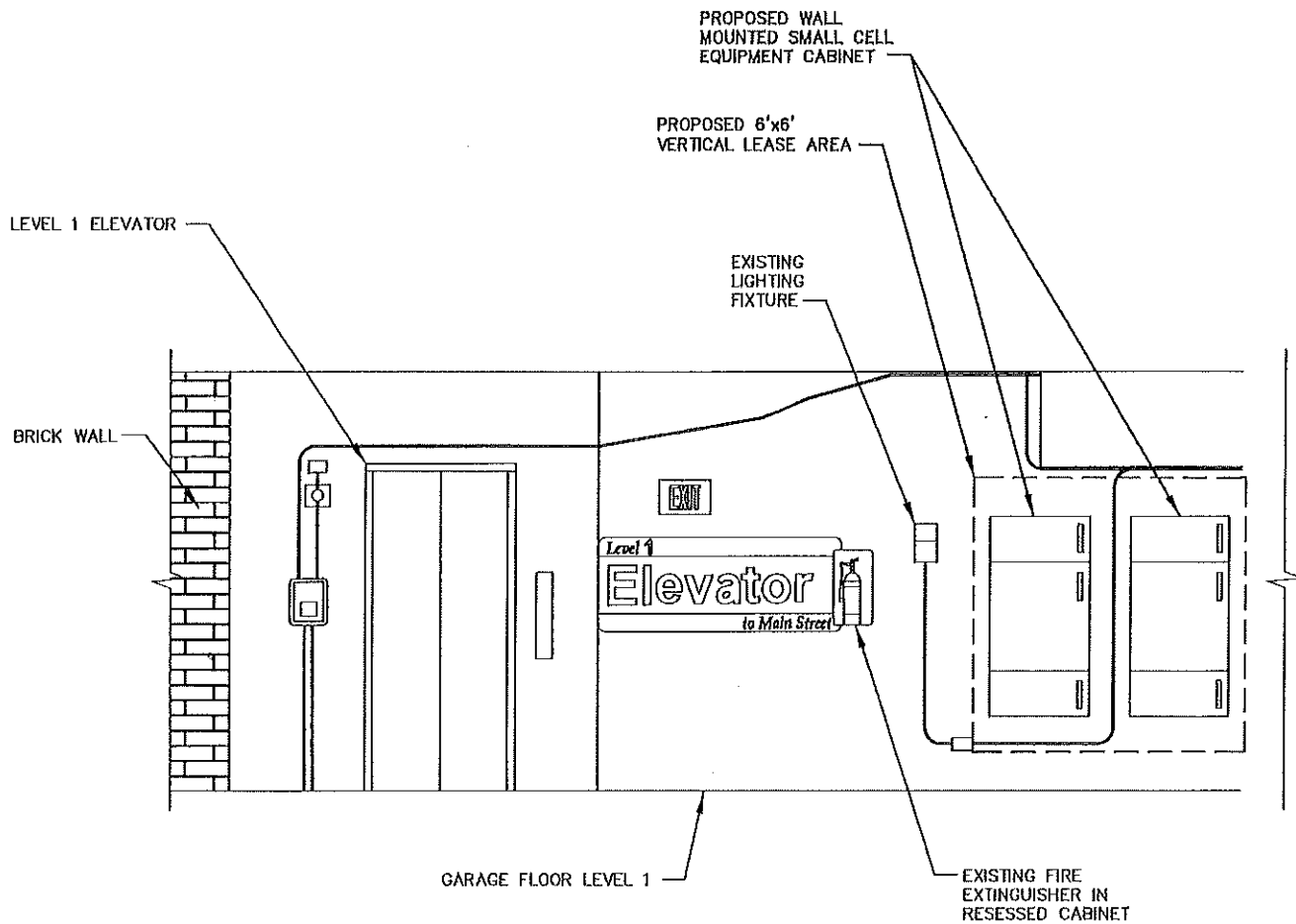
- PLANNING
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 Fax: (804) 270-0541
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SITE NAME: VZW-CHARLOTTESVILLE-SC

513 EAST MAIN ST
 CHARLOTTESVILLE, VA 22902



1
LE-2

LEVEL 1 ELEVATION VIEW

SCALE: 1/4" = 1'-0"

TECTONIC

- PLANNING
- ENGINEERING
- SURVEYING
- CONSTRUCTION MANAGEMENT

TECTONIC Engineering & Surveying Consultants P.C.
 8639 Mayland Drive, Suite 102
 Richmond, VA 23284

Phone: (804) 217-0504
 Fax: (804) 270-0541

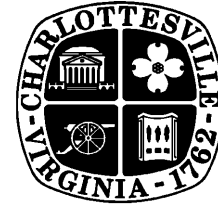
www.tectonicengineering.com

SITE NAME: VZW-CHARLOTTESVILLE-SC

513 EAST MAIN ST
 CHARLOTTESVILLE, VA 22902

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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	April 1, 2019
Action Required:	Approval and Appropriation (1 st Reading)
Staff Contacts:	Leslie Beauregard, Assistant City Manager
Presented By:	Michael C. Murphy, Interim City Manager Leslie Beauregard, Assistant City Manager
Title:	Public Hearing on Budget/First Readings of Tax Levy Ordinance and F.Y. 2020 Budget Appropriation

Background: The F.Y. 2020 Budget Appropriation reflects amendments made to the F.Y. 2020 City Manager's Proposed Budget. This is also the first reading for the annual Tax Levy Ordinance.

Discussion: The attached amendments have been made to the F.Y. 2020 City Manager's Proposed Budget and reflect changes Council has made to date. The final Council Budget for F.Y. 2020 will be approved on April 8, 2019.

Community Engagement: Tonight's meeting includes a public hearing on the budget, continuing a series of public engagement opportunities around the budget.

Alignment with City Council's Vision and Strategic Plan:

This budget aligns with Council's Vision and Strategic Plan and is detailed in the budget document.

Budgetary Impact: This is the first of two readings that adopts the final budget for Fiscal Year 2020 and sets the real estate tax rate for 2019.

Recommendation: Approval and Appropriation (1st reading)

Alternatives: N/A

Attachments:

1. Amendments to the F.Y. 2020 City Manager's Proposed Budget
2. Tax Levy Ordinance
3. F.Y. 2020 Budget Appropriation

**City Council Amendments to the
FY 2020 Proposed General Fund Budget**

Manager's Recommended FY 20 Revenue Estimates	\$	188,800,371
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Amendments to FY 20 Revenue Estimates

Decrease Revenues

City/County Revenue Sharing

City/County Revenue Sharing - Operations	(255,159)
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Increase Revenues

Intergovernmental Revenue

Reimbursement for Constitutional Officers	63,549
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Designated Revenues

City/County Revenue Sharing - Transfer to CIP for Charlottesville Affordable Housing Fund	255,159
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Total Revenue Amendments	\$	63,549
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Total Amended FY 20 General Fund Revenue Estimates	\$	188,863,920
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Manager's Recommended FY 20 Expenditures	\$	188,800,371
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Amendments to FY 20 Expenditures

Decrease Expenditures

City Departments

Treasurer - Banking and Credit Card Fee Reductions	(30,250)
Parks and Rec. - Credit Card Fee Reduction	(2,500)
Neighborhood Development Services - Credit Card Fee Reduction	(950)

Outside and Nonprofit Agencies

Albemarle Charlottesville Regional Jail	(26,488)
Emergency Communications Center	(40,286)

Contributions to Housing Programs

Decrease Real Estate Tax Relief - Disabled	(103,458)
Decrease Real Estate Tax Relief - Elderly	(239,262)

Transfers

Transfer to Debt Service Fund	(850,000)
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Increase Expenditures

City Departments

Retirement Sustainability Initiative Adjustment

City Manager's Office	18,742
Economic Development	8,281
Human Resources	8,407
Parks and Recreation	8,912
Finance	9,271
City Treasurer	6,236
Commissioner of Revenue	5,648
Office of the Registrar	4,031
Neighborhood Development Services	8,232
Fire Department	8,750
Police Departments	9,129
Public Works	8,265
Communications Office	7,156
City Attorney's Office	9,834

IT - Transfer to Citywide Computer Replacement Program 59,000

Non Departmental

Fund Balance Target Adjustment	68,757
Marketing Assistance - City Restaurants	124,440

Contributions to Housing Programs

Increase Charlottesville Housing Affordability Tax Grant Program	692,440
Increase Rent Relief for Disabled	24,133
Increase Rent Relief for Elderly	2,099

Outside and Nonprofit Agencies

Central Virginia Small Business Development Center	7,200
Piedmont Workforce Network	221
Sin Barreras - Cville Sabroso Festival	2,400

Designated Expenditures

Transfer to CIP for Charlottesville Affordable Housing Fund	255,159
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Total Expenditure Amendments \$ **63,549**

Total Amended FY 20 General Fund Expenditures \$ **188,863,920**

**City Council Amendments to the
FY 2020 Proposed Capital Improvement Program Budget**

Manager's Recommended FY 20 Revenue Estimates	\$ 35,144,992
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Amendments to FY 20 Revenue Estimates

Increase Revenues

Transfer from the General Fund - Affordable Housing	255,159
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Total Revenue Amendments	\$ 255,159
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Total Amended FY 20 Capital Improvement Fund Revenue Estimates	\$ 35,400,151
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Manager's Recommended FY 20 Expenditures	\$ 35,144,992
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Amendments to FY 20 Expenditures

Increase Expenditures

Charlottesville Affordable Housing Fund - Flexible Dollars	800,000
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Decrease Expenditures

Supplemental Rental Assistance	(150,000)
Friendship Court Redevelopment - Phase I	(394,841)

Total Expenditure Amendments	\$ 255,159
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Total Amended FY 20 Capital Improvement Fund Expenditures	\$ 35,400,151
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**City Council Amendments to the
FY 2020 Proposed Information Technology Fund Budget**

Manager's Recommended FY 20 Revenue Estimates	\$ 1,432,900
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Amendments to FY 20 Revenue Estimates

Increase Revenues

Transfer from Information Technology Operations	59,000
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Total Revenue Amendments	\$ 59,000
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Total Amended FY 20 Information Technology Fund Revenue Estimates	\$ 1,491,900
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Manager's Recommended FY 20 Expenditures	\$ 1,432,900
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Amendments to FY 20 Expenditures

Increase Expenditures

Computer Replacement Pool	59,000
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Total Expenditure Amendments	\$ 59,000
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Total Amended FY 20 Information Technology Fund Expenditures	\$ 1,491,900
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**AN ORDINANCE
TO ESTABLISH THE ANNUAL TAX LEVY
ON VARIOUS CLASSES OF PROPERTY FOR THE
PAYMENT OF INTEREST AND RETIREMENT OF THE CITY DEBT,
FOR THE SUPPORT OF THE CITY GOVERNMENT AND
CITY SCHOOLS, AND FOR OTHER PUBLIC PURPOSES.**

BE IT ORDAINED by the Council of the City of Charlottesville that for the year beginning on the first day of January, 2019 and ending the thirty-first day of December, 2019, and each year thereafter which this ordinance is in force, the taxes on property in the City of Charlottesville shall be as follow:

Section 1. Real Property and Mobile Homes

On tracts of land, lots or improvements thereon and on mobile homes the tax shall be \$.95 on every \$100 of the assessed value thereof, to pay the general operating expenses of the City and to pay the interest and retirement on the City debt.

Section 2. Personal Property

On all automobiles, trucks, motorcycles and other motor vehicles; boats and aircraft; and on all tangible personal property used or held in connection with any mining, manufacturing or other business, trade, occupation or profession, excluding furnishings, furniture and appliances in rental units, the tax shall be \$4.20 on every \$100 of the assessed value thereof, to pay the general operating expenses of the City and to pay the interest and retirement on the City debt.

Section 3. Public Service Corporation Property

(a) On that portion of the real estate and tangible personal property of public service corporations which has been equalized as provided in section 58.1-2604 of the Code of Virginia, as amended, the tax shall be \$.95 on every \$100 of the assessed value thereof determined by the State Corporation Commission.

(b) The foregoing subsections to the contrary notwithstanding, on automobiles and trucks belonging to such public service corporations the tax shall be \$4.20 on every \$100 of assessed value thereof.

(c) Such taxes are levied to pay the general operating expenses of the City and to pay the interest and retirement on the City debt.

Section 4. Machinery and Tools

On machinery and tools used in a manufacturing or mining business the tax shall be \$4.20 on every \$100 assessed value thereof, to pay the general operating expenses of the City and to pay the interest and retirement on the City debt.

Section 5. Energy Efficient Buildings

- (a) On energy efficient buildings the tax shall be \$.475 on every \$100 of the assessed value thereof, to pay the general operating expenses of the City and to pay the interest and retirement on the City debt.
- (b) This tax rate is subject to the limitations in Chapter 30, Article V, Division 4 of the Charlottesville City Code, 1990, as amended, and applies only to buildings and not the real estate or land on which they are located.

BE IT FURTHER ORDAINED that the ordinance imposing the tax levy adopted April 10, 2018 be and the same is hereby repealed.

Approved by Council
April 8, 2019

RESOLUTION ADOPTING THE BUDGET FOR THE
CITY OF CHARLOTTESVILLE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2019, AND ENDING JUNE 30, 2020
AND PROVIDING FOR THE ANNUAL APPROPRIATION OF FUNDS
FOR SUCH FISCAL YEAR.

I. ADOPTION OF BUDGET

WHEREAS, pursuant to Section 19 of the City Charter and Section 15.2-2503 of the Code of Virginia, the City Manager has caused to be prepared and presented to City Council a proposed budget for the fiscal year beginning July 1, 2019, and ending June 30, 2020; and

WHEREAS, a synopsis of such proposed budget has been published in the Daily Progress, a newspaper of general circulation in the City, and notice duly given in such newspaper and public hearings held thereon on March 18, 2019 and April 1, 2019, and the estimates of revenues and expenditures therein debated and adjusted by City Council in open public meetings, all as required by the City Charter and Section 15.2-2506 of the Code of Virginia.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Charlottesville that such document, the statements of fiscal policy set forth therein, and the estimates of revenues and expenditures therein proposed by the City Manager and debated and adjusted by the City Council, are hereby adopted as the annual budget of the City of Charlottesville, for informative and fiscal planning purposes only, for the fiscal year beginning July 1, 2019, and ending June 30, 2020; and that a true and correct copy of the same, as adopted, shall be kept on file in the records of the Clerk of the Council.

II. GENERAL FUND APPROPRIATIONS

BE IT RESOLVED by the Council of the City of Charlottesville that:

A. The sums hereinafter set forth are estimated as General Fund revenues for the fiscal year beginning July 1, 2019.

Local Taxes

Real Estate Taxes	\$73,337,626
Personal Property Tax	9,300,000
Public Service Corporation Tax	1,428,230
Penalty/Interest on Delinquent Taxes	350,000
Utility Services Consumer Tax (Gas, Water, Electric)	4,926,600
Virginia Communications Sales and Use Tax	2,800,000
Tax on Bank Stock	1,300,000
Tax on Wills and Deeds	600,000
Sales and Use Tax	12,000,000

Rolling Stock Tax	18,380
Transient Occupancy (Lodging) Tax	6,535,753
Meals Tax	12,444,000
Short-Term Rental Tax	60,000
Cigarette Tax	615,000
Recordation Tax Receipts	205,223
Vehicle Daily Rental Tax	110,000
Total Local Taxes	\$126,030,812

Licenses and Permits

Business and Professional Licenses	\$7,700,000
Vehicle Licenses	915,000
Dog Licenses	10,000
Electrical and Mechanical Permits	250,000
Building and Plumbing Permits	400,000
Temporary Parking Permits	75,000
Site Plans	75,000
Fire Inspection Fees	83,000
Other Permits	140,500
Total Licenses and Permits	\$9,648,500

Intergovernmental Revenue

Revenue from State Agencies

PPTRA Revenue (State Personal Property Tax)	\$3,498,256
State Highway Assistance	4,291,324
Reimbursement/Constitutional Offices	1,698,184
State Aid for Police Protection	2,077,468
Trailer Title	1,200
DMV Select Office Commissions	31,374
Other State Assistance: Misc. Rev	50,000

Revenue from Other Intergovernmental Sources

School Resource Officers (City Schools)	301,231
Regional Library Administrative Fee	117,144
Crisis intervention Team Revenue	100,168
Fire Department Ops (Albemarle County)	195,000
Fire Department Ops (U.V.A.)	329,412
Juvenile & Domestic Relations Court (Albemarle County)	56,695
Juvenile & Domestic Relations Court Building Maint. (Albemarle County)	67,610
Magistrate's Office (Albemarle County)	4,250
Payments In Lieu of Taxes (Housing Authority)	33,828
Service Charge (U.V.A.)	46,000
Property Maintenance (U.V.A.)	60,725

Total Intergovernmental Revenue	\$12,959,869
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Charges for Services

Property Transfer Fees	\$1,000
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Zoning Appeals Fees	1,100
Court Revenue (Circuit/General District Courts)	500,000
Circuit Court - Online Land Records Subscription Revenue	30,000
Internal City Services	1,909,500
Utility Cut Permits	185,000
Recreation Income	1,694,683
Reimbursable Overtime/Public Safety	265,000
Payment in Lieu of Taxes: Utilities	5,975,560
Indirect Cost Recovery	125,000
Waste Disposal Fees	1,100,000
Emergency Medical Services (Ambulance) Revenue Recovery	1,100,000
Other Charges for Services	125,000
Total Charges for Services	\$13,011,843

Miscellaneous Revenue	
Interest Earned	\$756,000
Rent	175,000
Refund of Prior Years' Expenditures	50,000
Other Miscellaneous Revenue	363,000
Total Misc. Revenue	\$1,344,000

Carryover Funds (Previous Fiscal Year)	
Council Strategic Initiatives Funds	\$44,000
Total Carryover Funds	\$44,000

Landfill Reserve Fund	\$250,000
Human Services Fund	\$772,579
Parking Enterprise Fund	\$1,200,000
Total Transfers from Other Funds	\$2,222,579

City/County Revenue Sharing: Operating Budget	\$6,831,284
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Total Operating Revenue	\$172,092,887
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Designated Revenue	
City/School Contracts: Pupil Transportation	\$2,972,130
City/School Contracts: School Building Maintenance	3,816,780
City/County Revenue Sharing: Transfer to Capital Improvement Fund	6,968,323
Transfer to the Capital Improvement Fund - Mall Vendor Fees	125,000
City/County Revenue Sharing: Transfer to Facilities Repair Fund	400,000
Transfer to Debt Service Fund: Meals Tax Revenue	2,488,800
Total Designated Revenue	\$16,771,033

Total General Fund Revenue	\$188,863,920
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B. The sums hereinafter set forth are hereby appropriated from the General Fund of the City for the annual operation of the City departments, other agencies and non-departmental accounts so set forth, beginning July 1, 2019.

Operating Expenditures

Management

Mayor and City Council	\$609,683
Office of the City Manager/Administration	1,431,317
Office of the City Manager/Communications	552,602
Office of the City Manager/Economic Development	779,622
Office of the City Attorney	1,030,055
Office of General Registrar	605,508

Contributions to Organizational Memberships and Workforce Development Programs

Virginia Municipal League	16,820
Chamber of Commerce	2,000
Thomas Jefferson Planning District Commission	86,323
Piedmont Workforce Network	7,591
Virginia Institute of Government	2,500
Alliance for Innovation	2,550
Virginia First Cities Coalition	18,000
Central Virginia Partnership for Economic Development	24,566
Thomas Jefferson Soil and Water Conservation District	12,669
Central Virginia Small Business Development Center	19,200
Rivanna Conservation Alliance	11,000
National League of Cities	5,000
Community Investment Collaborative	26,265
Center for Nonprofit Excellence	600

Non Departmental Activities

Sister City Committee	15,000
City Strategic Plan/P3: Plan, Perform, Perfect	105,000
Virginia Juvenile Community Crime Control Act (Local Match)	108,415
Citizen Engagement Opportunities	15,000
Innovation Fund	20,000
Performance Agreement Payments to Waterhouse and C.F.A.	250,000
Ivy Landfill	210,000
Marketing Assistance - City Restaurants	124,440
Transfer to Debt Service Fund	8,560,788
Transfer to Fund Balance Target Adjustment Fund	481,905
Employee Compensation and Training	1,677,747

Internal and Financial Services

Finance Department - Administration/Purchasing/Assessor	2,544,984
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Human Resources	1,215,923
Commissioner of Revenue	1,344,901
Treasurer	1,356,697
Information Technology	2,996,483

Healthy Families and Community

Transfer to Children's Services Act Fund	2,004,722
Transfer to Social Services Fund	3,302,777
Transfer to Human Services/Community Attention Fund	662,030
Neighborhood Development Services	3,981,475
Office of Human Rights/Human Rights Commission	238,438
Parks and Recreation	11,535,820
Transfer to Golf Course Fund	128,000
Transfer to Convention and Visitors' Bureau	1,103,921

Community Events and Festivals

Virginia Film Festival	15,200
Virginia Festival of the Book	16,550
Charlottesville Festival of Cultures	3,750
City Supported Events (Other)	10,000

Contributions to Children, Youth, and Family Oriented Programs

Virginia Cooperative Extension Program	55,226
Thomas Jefferson Health District	578,183
Computers 4 Kids	19,443
M.A.C.A.A.	91,170
Sexual Assault Resources Agency (SARA)	23,113
Shelter for Help in Emergency (SHE)	116,812
Region Ten Community Services Board	1,180,092
Jefferson Area Board for Aging (JABA)	319,192
United Way - Thomas Jefferson Area	203,086
ReadyKids	82,607
Free Clinic	114,940
Home Visiting Collaborative	405,716
Abundant Life Ministries	28,634
Boys and Girls Club	57,358
Foothills Child Advocacy Center	43,405
Big Brothers/Big Sisters	20,000
The BridgeLine	28,706
Thomas Jefferson Area Coalition for the Homeless	118,015
Women's Initiative	21,642
On Our Own	24,560
PHAR Internship Program	45,550
Emergency Assistance Program Support	84,516
City Schoolyard Garden	19,200
Local Food Hub	22,750

Georgia's Healing House	25,000
Piedmont Family Y.M.C.A.	40,000
Sin Barreras	13,400

Contributions to Education and the Arts

Jefferson Madison Regional Library	2,031,260
City Center for Contemporary Arts	44,103
Piedmont Virginia Community College	11,111
McGuffey Art Center	24,035
Virginia Discovery Museum	5,794
Literacy Volunteers	40,930
Charlottesville Opera	2,432
Historic Preservation Task Force	5,000
The Paramount Theater/Arts Education Program	20,470
Jefferson School Heritage Center	30,000
Lighthouse Studio	38,321
W.N.R.N.	2,250
New City Arts	18,000

Contributions to Housing Programs

Rent Relief for Elderly, a sum sufficient estimated at	20,099
Rent Relief for Disabled, a sum sufficient estimated at	219,133
Tax Relief for Elderly, a sum sufficient estimated at	130,738
Tax Relief for Disabled, a sum sufficient estimated at	61,542
Homeowners Tax Relief Program	1,532,440
Stormwater Fee Assistance Program	20,000
Albemarle Housing Improvement Program (A.H.I.P.)	99,050
Piedmont Housing Alliance (P.H.A.)	94,963

Infrastructure and Transportation

Public Works: Administration, Facilities Development, Facilities Maintenance	3,283,332
Public Works: Hedgerow Properties	49,820
Public Works: Public Service	7,699,142
Transfer to Charlottesville Area Transit Fund	2,513,651
JAUNT Paratransit Services	1,550,916

Public Safety and Justice

City Sheriff	1,275,198
Commonwealth's Attorney	1,155,259
Clerk of Circuit Court	749,452
Circuit Court Judge	88,864
General District Court	21,143
Juvenile and Domestic Relations Court/Court Services Unit	415,260
Magistrate	8,500

Fire Department	12,539,795
Police Department	18,017,555

Contributions to Programs Supporting Public Safety and Justice

Piedmont Court Appointed Special Advocates	10,000
Legal Aid Justice Center	70,630
Regional Jail	4,879,087
Blue Ridge Juvenile Detention Center	763,336
Emergency Communications Center	1,503,429
Offenders Aid and Restoration	297,403
Society for the Prevention of Cruelty to Animals	267,156
Public Defender's Office	59,512

Local Contribution to Public Schools

Operational Support	57,366,623
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Total Operating Expenditures \$172,092,887

Designated Expenditures

City/School Contracts: Pupil Transportation	\$2,972,130
City/School Contracts: School Building Maintenance	3,816,780
Transfer to Capital Projects Fund	6,968,323
Transfer to Capital Projects Fund - Mall Vendor Fees	125,000
Transfer to Facilities Repair Fund	400,000
Transfer to Debt Service Fund - Meals Tax Revenue	2,488,800

Total Designated Expenditures \$16,771,033

Total General Fund Expenditures \$188,863,920

C. Of the sum of \$14,199,607 to be received in the General Fund from the County of Albemarle under the revenue sharing agreement of May 24, 1982, \$6,968,323 shall be transferred to the Capital Projects Fund and \$400,000 shall be transferred to the Facilities Repair Fund.

D. The amounts hereinabove appropriated for salary accruals, education, training and employee benefits, or portions thereof, may on authorization from the City Manager, or his designee, be transferred by the Director of Finance or the Assistant City Manager to any departmental account, and notwithstanding any other provision of this resolution to the contrary, be expended for salaries or employee benefits in such account in the manner as sums originally appropriated thereto.

E. The portions of the foregoing appropriations to individual departments or agencies intended for motor vehicles and related equipment shall be transferred to the Equipment Replacement Fund for expenditure as hereinafter provided.

F. The amount above appropriated for Debt Payment shall be transferred to the Debt Service Fund. In addition, one cent of the six percent meals tax will be deposited into the Debt Service Fund.

G. The amount above appropriated as Council Strategic Initiatives shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

H. The amount above appropriated as Ivy Landfill Remediation shall not be deemed to expire at the end of the fiscal year, and any unspent funds are hereby transferred to the Landfill Reserve account in the ensuing fiscal year unless altered by further action of City Council. Further, any amount in the Landfill Reserve may be immediately appropriated for use to cover costs associated with landfill remediation budget in the current fiscal year.

I. The amount above appropriated as Hedgerow Properties shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

J. The proceeds of the sale of any real property shall be appropriated to the Strategic Investment Fund.

K. The amount received for \$4-For-Life revenue shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year and will be appropriated into the Fire Department budget, unless altered by further action of City Council.

L. Of the above amount of funding appropriated to the Fire Department budget for Emergency Medical Services (E.M.S.), \$450,000 is the City's contribution to the Charlottesville Albemarle Rescue Squad (CARS). In addition a 10% contingency of \$91,064 for the E.M.S. System shall be set aside per the agreement between the City and CARS. Any contingency funds remaining unexpended at the end of the fiscal year shall be transferred into a separate E.M.S. Equipment Replacement Fund to be used for future E.M.S. equipment needs to support the provision of emergency medical services in the City of Charlottesville.

M. The amount above appropriated as Historic Resources Task Force shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

N. The amount received as drug forfeitures and seizures revenue collected by the Police Department and Commonwealth Attorney's Office shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

O. The amount received as Courthouse Security Revenue is hereby appropriated in the ensuing fiscal year and appropriated into the Sheriff Office budget to be used for court security related expenses (personnel and equipment) per State Code. Further, any

unspent funds in the Court House Security account shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless further altered by Council.

P. Funds from the Citywide Reserve account may be transferred to other funds at the discretion of the City Manager for the purpose of addressing unforeseen expenditures in those funds. Any amount remaining in the Citywide Reserve account shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

Q. The amount above appropriated as Corporate Training Fund, within the Employee Compensation and Training funds, shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

R. The amounts received unspent for donations and grants in the General Fund received for specific purposes shall not be deemed to expire at the end of the fiscal year hereby be appropriated in the ensuing fiscal year.

S. The amounts above appropriated as Sister City Commission shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

T. Sums appropriated for the Stormwater Assistance Program shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

U. The amounts above appropriated funds for the City Strategic Plan - P3: Plan, Perform, Perfect shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

V. The amounts above appropriated funds for the Innovation Fund shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

W. The amounts above appropriated funds for the Crisis Intervention Team (C.I.T.) shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

X. Sums appropriated in the General Fund which have not been encumbered or expended as of June 30, 2020, shall be deemed to revert to the unassigned balance of the General Fund, unless Council by resolution provides that any such sum shall be a continuing appropriation.

Y. Sums appropriated in the General Fund which have not been encumbered or expended as of June 30, 2020 and are in excess of 17% of General Fund expenditures for the next fiscal year shall be deemed to revert to the Capital Fund contingency account for

future one-time investments in the City’s infrastructure as part of the year-end appropriation, unless further altered by Council with year-end adjustments.

III. SCHOOL OPERATIONS APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville:

The sums hereinafter set forth are hereby appropriated for the annual operation of the school operations, effective July 1, 2019; the City contribution to the School operations having hereinabove been appropriated from the General Fund.

Schools Budget (All Funds)	
Local Contribution	\$ 57,366,623
State Funds	20,857,813
Federal Funds	5,356,594
Fund Balance	782,410
Misc. Funds	3,691,690
TOTAL SCHOOL OPERATIONS BUDGET	\$ 88,055,130

A net increase in the School Operations general fund balance at June 30, 2020 shall be deemed to be allocated as follows:

- Surplus operating budget up to \$100,000 will be allocated to the School Facility Repair Fund, however the schools will be required to commit \$100,000 of their annual budget to the Facility Repair Fund
- Funds in excess of \$100,000 up to \$200,000 will be retained by the School Division
- Funds over \$200,000 will be shared equally (50/50) between the City and Schools

IV. HEALTH BENEFITS FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville:

There is hereby appropriated from the Health Benefits Fund sums received by said Fund from individual departments and agencies for the payment of health and medical benefit program costs, and for insurance covering such costs, and in addition, for the accumulation of a reserve for future expenditures to pay for such health and medical benefit program costs. This appropriation shall be effective during the fiscal year ending June 30, 2020, but shall not be deemed to expire at the end of that year. Instead, it shall continue in effect unless altered by further action of City Council.

V. RETIREMENT BENEFITS FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville:

There is hereby appropriated from the Retirement Benefits Fund sums received by said Fund from individual departments and agencies for the payment of retirement benefit program costs, and for insurance covering such costs, and in addition, for the accumulation of a reserve for future expenditures to pay for such retirement benefit program costs. This appropriation shall be effective during the fiscal year ending June 30, 2020, but shall not be deemed to expire at the end of that year. Instead, it shall continue in effect unless altered by further action of City Council.

VI. TRANSIT FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Transit Fund, for the operation of the transit bus system during the fiscal year beginning July 1, 2019 and ending June 30, 2020, the sum of \$8,141,173 or the amount of revenue actually received by such fund, whichever is the greater amount. Such appropriation shall be effective July 1, 2019.

Except as is otherwise expressly provided herein, the balance of any General Fund contribution to such funds not expended or encumbered as of June 30, 2020 shall be deemed to revert to the unassigned balance of the General Fund, unless the Council by resolution provides that any such sum shall be deemed a continuing appropriation.

BE IT FURTHER RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Transit Fund, for the replacement of transit buses during the fiscal year beginning July 1, 2019 and ending June 30, 2020, the sum of \$21,000 or the amount of revenue actually received for such purpose. However, such appropriation shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council. Such appropriation shall be effective July 1, 2019.

VII. RISK MANAGEMENT APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville, that all sums previously appropriated to the Risk Management Fund, all sums received by such fund as payment from other City funds, are hereby appropriated for the uses prescribed for such fund, pursuant to the terms of, and subject to the limitations imposed by Article V of Chapter 11 of the Code of the City of Charlottesville, 1990, as amended.

VIII. EQUIPMENT REPLACEMENT FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville:

There is hereby appropriated from the Equipment Replacement Fund other sums received by such fund as payment from the General Fund and vehicle sales, and proceeds from vehicle loss insurance settlements for the lease, financing or purchase of motor vehicles and related equipment and for accumulation of a reserve for future equipment purchases during the fiscal year beginning July 1, 2019 and ending June 30, 2020. Such appropriation shall be effective July 1, 2019; provided that such appropriations shall not

be deemed to expire at the end of such fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council. Of the sums received by the Equipment Replacement Fund, a sum sufficient to service the debt on any pieces of general governmental equipment obtained under a master lease, credit line, or an installment purchase agreement shall be transferred to the Debt Service Fund.

IX. FACILITIES REPAIR FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville:

The sum of \$400,000 transferred to the Facilities Repair Fund from the General Fund, and such sums as may be transferred to the Facilities Repair Fund from other funds during the fiscal year beginning July 1, 2019 are appropriated for carrying out the purposes of this fund during that fiscal year. However, such appropriation shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council.

X. JOINT HEALTH DEPARTMENT BUILDING FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville:

The amounts received as Health Department Building Account revenue during the fiscal year beginning July 1, 2019 are appropriated to the Joint Health Department Building Fund to be used for general improvements, maintenance and small capital projects related to the Thomas Jefferson Health District building. Further, any unspent funds in the Health Department Building account shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless further altered by Council.

XI. DEBT SERVICE FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville:

A. The Debt Service Fund shall serve as a permanent reserve for the payment of principal and interest of bonds, notes and other evidences of indebtedness and the cost of issuance thereof issued by the City pursuant to its charter and/or the Virginia Public Finance Act.

B. The sum of \$8,560,788 transferred to such fund by Part II of this resolution, as well as the designated Meals Tax transfer (estimated at \$2,488,800), or as much thereof as may be necessary, is hereby appropriated to pay such debt service expenses during the fiscal year beginning July 1, 2019 and ending June 30, 2020.

C. Appropriations in the Debt Service Fund shall be deemed continuing appropriations, and balances remaining in such fund at the end of each fiscal year shall be carried forward to pay principal and interest due on City obligations and costs associated with the issuance of those obligations in future years.

XII. SPECIAL REVENUE FUND APPROPRIATIONS

BE IT RESOLVED by the Council of the City of Charlottesville, that the following appropriations are hereby approved for agency expenditures accounted for as separate funds on the books of the City, for their respective programs during the fiscal year beginning July 1, 2019 and ending June 30, 2020; the City contribution to each such fund having hereinabove been appropriated from the General Fund:

A. There is hereby appropriated from the Human Services/Community Attention Fund, for the operation of the Community Attention Homes and related programs during such fiscal year, the sum of \$6,572,778, or the amount of revenue actually received by such fund, whichever shall be the lesser amount.

B. There is hereby appropriated from the Social Services Fund, for the operation of the Department of Social Services during such fiscal year, the sum of \$14,792,558, or the amount of revenue actually received by such fund, whichever shall be the lesser amount.

C. There is hereby appropriated from the Children's Services Act Fund, for the operation of the Children's Services Act entitlement program, the sum of \$8,444,864, or the amount of revenue actually received by such fund, whichever shall be the greater amount.

Each such special revenue fund appropriation shall be deemed effective July 1, 2019. Except as is otherwise expressly provided herein, the balance of any General Fund contribution to such funds not expended or encumbered as of June 30, 2020 shall be deemed to revert to the unassigned balance of the General Fund, unless the Council by resolution provides that any such sum shall be deemed a continuing appropriation.

XIII. INTERNAL SERVICES FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville that the following appropriations are hereby approved for internal services accounted for as separate funds on the books of the City, for their respective programs during the fiscal year beginning July 1, 2019 and ending June 30, 2020; the payments of individual departments and agencies to each such fund having hereinabove been appropriated in the General Fund and other applicable funds:

A. There is hereby appropriated from the Information Technology Fund, for the operation of the various functions within this fund during the fiscal year beginning July 1, 2019, or the amount of revenue actually credited to such fund from other City departments and agencies, whichever shall be the greater amount:

1. For the operation and infrastructure of City Link, the sum of \$1,200,000. However, such appropriation shall not be deemed to expire at the end of the fiscal year,

but is hereby appropriated in the ensuing fiscal year into the City Link Infrastructure cost center unless altered by further action of this Council.

2. For Technology Infrastructure Replacement, the sum of \$232,900.

However, such appropriation shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council.

B. There is hereby appropriated from the Warehouse Fund, for the operation of the Warehouse during such fiscal year, the sum of \$163,218, or the amount of revenue actually credited to such fund from other City departments and agencies, whichever shall be the greater amount.

C. There is hereby appropriated from the Fleet Maintenance Fund, for the operation of the Central Garage, Vehicle Wash and Fuel System during such fiscal year, the sum of \$1,169,528 or the amount of revenue actually credited to such fund from other City departments and agencies, whichever shall be the greater amount.

D. There is hereby appropriated from the Communications System Fund, for the operation of the citywide phone system and mailroom operations during such fiscal year, the sum of \$280,831, or the amount of revenue actually credited to such fund from other City departments and agencies, whichever shall be the greater amount.

XIV. CAPITAL PROJECTS FUND APPROPRIATIONS

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that:

A. The following are hereby designated as revenue of the Capital Projects Fund:

1. The sum of \$6,968,323 in Albemarle County revenue sharing payments transferred from the General Fund pursuant to Section II-C of this resolution.

2. The sum of \$125,000 collected as mall vendor fees will be transferred from the General Fund and used to fund infrastructure repairs for the Downtown Mall.

3. The proceeds of the sale of any real property, as prescribed by resolution of this Council adopted November 3, 1986.

4. The proceeds of the sale of any real property to be used for housing shall be appropriated to the "Charlottesville Affordable Housing Fund" account in the Capital Fund.

5. Funds received as donations and/or contributions for sidewalks shall hereby be appropriated into Sidewalks account (P-00335) to be used for the replacement, construction or repair of sidewalks. These funds shall not be deemed to expire at the end of the fiscal year and shall be hereby appropriated in the ensuing fiscal year unless altered by further action of City Council

B. The sums hereinafter set forth are hereby appropriated from the Capital Projects Fund of the City for the respective capital purchases or projects so set forth, effective for the fiscal year beginning July 1, 2019; provided that such appropriations shall not be deemed to expire at the end of such fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of City Council.

C. The Capital Projects Fund Fiscal Year 2020-2024 will reflect the budget delineations set forth below for Fiscal Year 2019-2020.

The Capital Projects Fund grouped by area:

<u>Revenue</u>	
Transfer from General Fund	\$6,968,323
Transfer from General Fund - Mall Vendor Fees	\$125,000
F.Y.18 Year-End Appropriation - Affordable Housing Redevelopment	\$3,201,082
Reprogramming of Existing Capital Funds	\$1,872,833
Contribution from Albemarle County	250,000
Contribution from City Schools	200,000
PEG Fee Revenue	47,500
C.Y. 2020 Bond Issue	22,735,413
<u>TOTAL REVENUE</u>	<u>\$35,400,151</u>
<u>Expenditures</u>	
Education	\$6,500,000
Public Safety and Justice	3,700,000
Facilities Capital Projects	1,520,491
Transportation and Access	9,828,714
Parks and Recreation	1,818,963
Affordable Housing	10,595,159
Stormwater Initiatives	50,000
Technology Infrastructure	297,500
Other Governmental Commitments	1,089,324
<u>TOTAL EXPENDITURES</u>	<u>\$35,400,151</u>

XV. GAS FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Gas Fund, for the operation of the gas utility during the fiscal year beginning July 1, 2019 and ending June 30, 2020, the sum of \$27,916,554 or the amount of revenue actually received by such fund, whichever is the greater amount. Such appropriation shall be effective July 1, 2019. However, the appropriations for the Vehicle Replacement Program, the Gas Fund Capital program, the Thermostat Program

the Strategic Energy Initiatives program and the Gas Assistance Program shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council. The Gas rates for our customers indicated in the Utility Rate Study are reviewed and approved by Council each year. At that time the Gas operations budget, including any new programmatic requests, and the Gas capital improvement program budget are reviewed and may be amended.

XVI. WATER FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Water Fund, for the operation of the water utility during the fiscal year beginning July 1, 2019 and ending June 30, 2020, the sum of \$18,866,330, or the amount of revenue actually received by such fund, whichever is the greater amount. Such appropriation shall be effective July 1, 2019. However, the appropriations for the Vehicle Replacement Program, Water Fund Capital program, Water Conservation Program, Water Assistance Program, Rain Barrel Program and the Toilet Rebate Program shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council. The Water rates for our customers indicated in the Utility Rate Study are reviewed and approved by Council each year. At that time the Water operations budget, including any new programmatic requests, and the Water capital improvement program budget are reviewed and may be amended.

XVII. WASTEWATER FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Wastewater Fund, for the operation of the wastewater utility during the fiscal year beginning July 1, 2019 and ending June 30, 2020, the sum of \$19,915,761 or the amount of revenue actually received by such fund, whichever is the greater amount. Such appropriation shall be effective July 1, 2018. However, the appropriations for the Vehicle Replacement Program, the Wastewater Fund Capital program, and the Wastewater Assistance Program shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council. The Wastewater rates for our customers indicated in the Utility Rate Study are reviewed and approved by Council each year. At that time the Wastewater operations budget, including any new programmatic requests, and the Wastewater capital improvement program budget are reviewed and may be amended.

XVIII. STORMWATER FUND APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Stormwater Fund, for the operation of the stormwater utility during the fiscal year beginning July 1, 2019 and ending June 30, 2020, the sum of \$2,913,611 or the amount of revenue actually received by such fund, whichever is the greater amount. Such appropriation shall be effective July 1, 2019. However, the appropriations for the Stormwater Fund Capital program shall not be deemed to expire at

the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council.

XIX. UTILITIES FUNDS DEBT SERVICE APPROPRIATION

BE IT RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Utilities Funds (Gas, Water, Wastewater and Stormwater) for the payment of principal and interest of bonds, notes and other evidences of indebtedness and the cost of issuance thereof issued by the City pursuant to its charter and/or the Virginia Public Finance Act., during the fiscal year beginning July 1, 2019 and ending June 30, 2020, the following sums in each fund or the amount of revenue actually received by such fund, whichever is the greater amount. Such appropriation shall be effective July 1, 2019. However, such appropriation shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council.

A. There is hereby appropriated from the Gas Debt Service Fund, the sum of \$300,000 as revenue (transfer from Gas Fund) and \$133,166 in principal and interest payments.

B. There is hereby appropriated from the Wastewater Debt Service Fund the sum of \$3,000,000 in revenue (transfer from the Wastewater Fund) and \$2,731,162 in principal and interest payments.

C. There is hereby appropriated from the Water Debt Service Fund the sum of \$1,800,000 in revenue (transfer from the Water Fund) and \$1,696,008 in principal and interest payments.

D. There is hereby appropriated from the Stormwater Debt Service Fund the sum of \$129,683 in revenue (transfer from the Stormwater Fund) and \$119,039 in principal and interest payments.

XX. PARKING FUND

BE IT RESOLVED by the Council of the City of Charlottesville, that There is hereby appropriated from the Parking Fund, for parking operations the sum of \$3,657,155, or the amount of revenue actually received by such fund, whichever is the greater amount.

1. The Parking Operation budget includes a budgeted transfer to the General Fund in the amount of \$1,200,000 or the actual net revenues received from public serving parking facilities, permits, meters and fines, whichever is the lesser.
2. Revenue received for parking development contributions shall not be deemed to expire at the end of the fiscal year, but are hereby appropriated in the ensuing fiscal year unless altered by further action of this Council.

XXI. PAY PLAN APPROVAL

BE IT RESOLVED by the Council of the City of Charlottesville that the Employee Classification and Pay Plan for the City of Charlottesville dated July 1, 2019 and effective on that same date, which assigns salary ranges to each class or position in the City service is hereby approved pursuant to Section 19-3 and 19-4 of the City Code, 1990, as amended and a copy of the same shall be kept on file with the records of the meeting at which this resolution is approved.

XXII. PAY ADJUSTMENT FOR RETIREES

BE IT RESOLVED by the Council of the City of Charlottesville, that the Retirement Plan Commission is authorized and directed to provide for the payment from the Retirement Fund of a post-retirement supplement of 1% of the current retirement pay of each eligible retired employee effective July 1, 2019.

XXII. GOLF FUND

BE IT RESOLVED by the Council of the City of Charlottesville, that there is hereby appropriated from the Golf Fund, for the operation of the golf courses during the fiscal year beginning July 1, 2019 the sum of \$989,940 or the amount of revenue actually received by such fund, whichever is the greater amount.

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**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA
April 1, 2019**



Rivanna Sewer and Water Authority

Quarterly Update

MEMORANDUM

TO: THE HONORABLE CHARLOTTESVILLE CITY COUNCIL

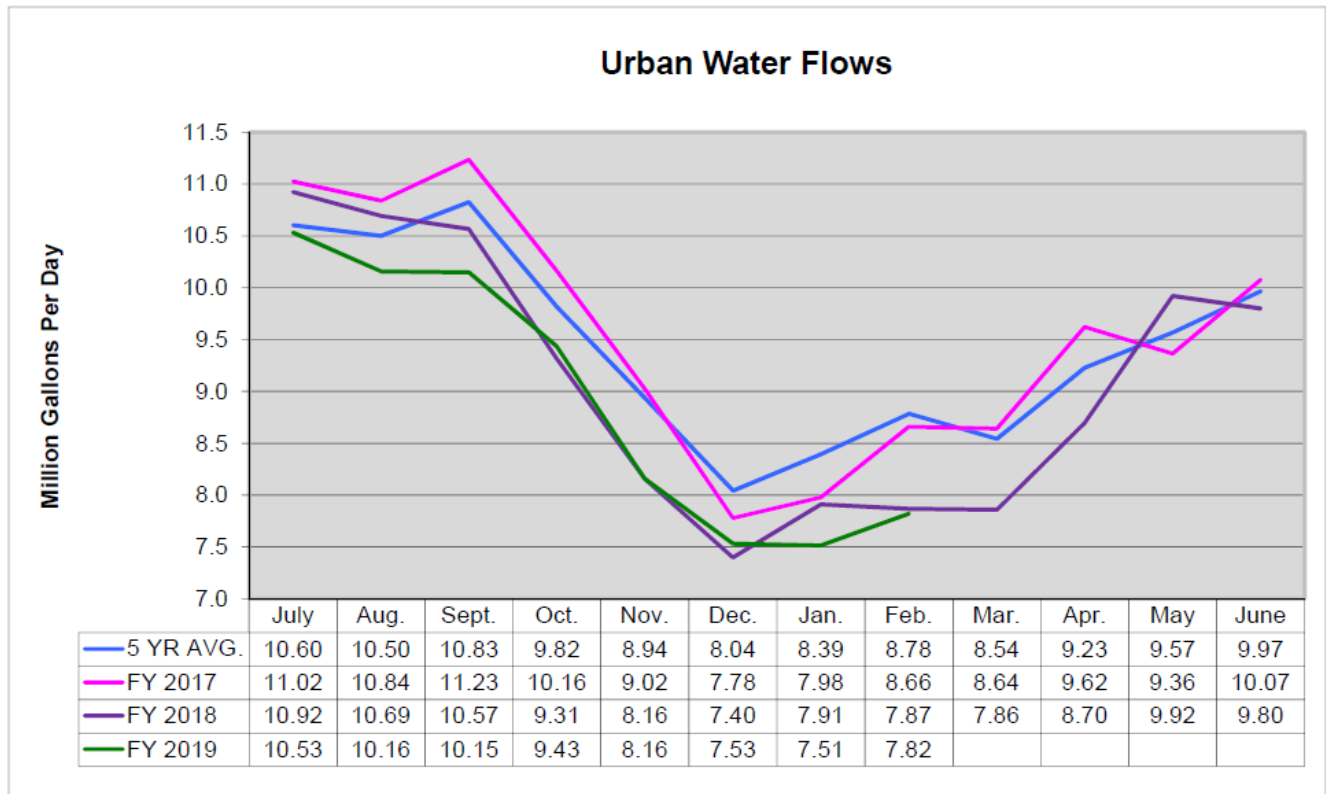
**FROM: BILL MAWYER, EXECUTIVE DIRECTOR
RIVANNA WATER & SEWER AUTHORITY
RIVANNA SOLID WASTE AUTHORITY**

SUBJECT: QUARTERLY UPDATE

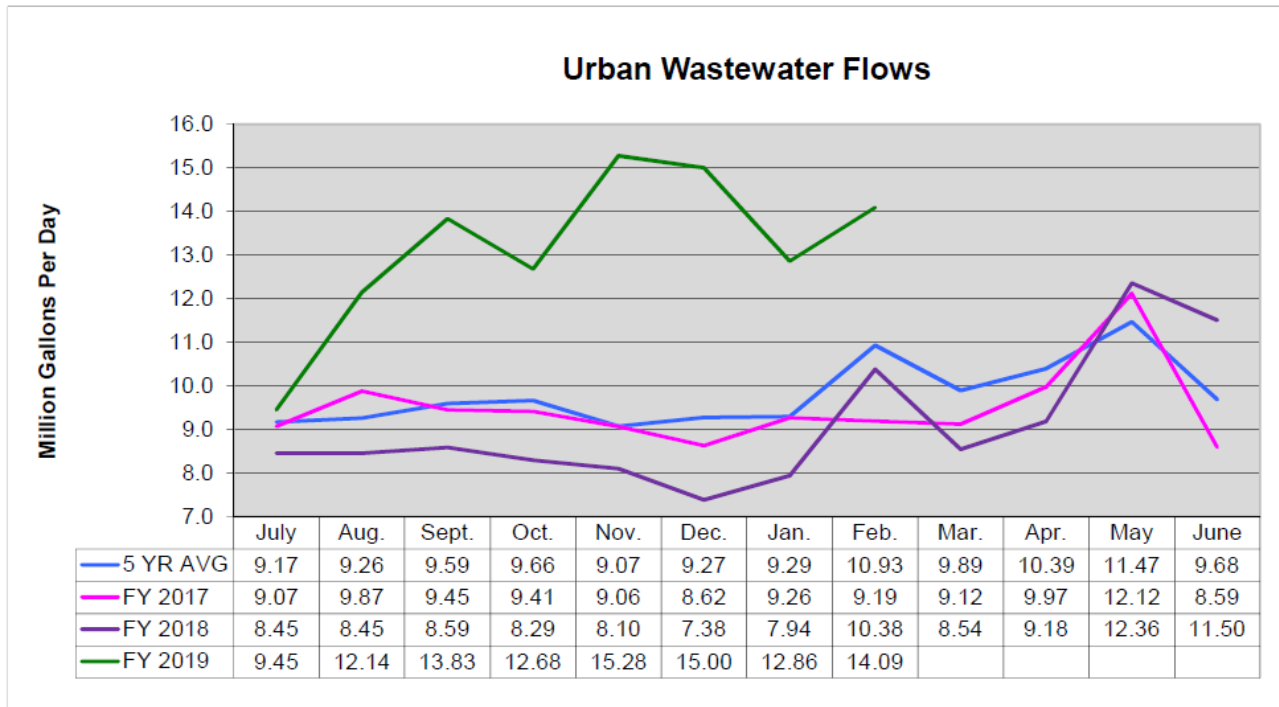
DATE: APRIL 2019

This quarterly update is to provide a general update on drinking water, wastewater and solid waste programs managed by the Rivanna Authorities, as follows:

1. The production of drinking water for the Urban area (Charlottesville and adjacent developed areas of Albemarle) averaged 7.6 million gallons per day for the first two months of 2019, somewhat below the five year average of 8.6 million gallons per day over the same timeframe, as shown by the following graph:



2. The treatment of Urban wastewater for the first two months of 2019, including flows from Crozet, is higher than the five year average over the same period (due to the amount of rainfall we have received), as shown by the following graph:



3. A general overview of significant current and upcoming Capital Improvement Projects includes:

A. Water Treatment Plant Improvements

Scope: Replace equipment which has reached end-of-service life at the South Rivanna and Observatory Water Treatment Plants. Increase water treatment capacity from 7.7 to 10 million gallons per day at the Observatory Water Treatment Plant.

Completion: 2019 - 2023

Cost: \$34.7 million

*Two short videos will be shown during the Council Meeting to provide an overview of this project.

B. Ragged Mountain Reservoir to Observatory Water Treatment Plant Raw Water Line and Raw Water Pump Station

Scope: Replace two 18-inch cast iron raw water pipes, which have been in service for more than 110 and 70 years, respectively, and the existing Stadium Road and Royal raw water pump stations which have exceeded their service lives or will require significant upgrades to support the Observatory Water Treatment Plant expansion.

Completion: 2022 - 2026

Total Capital Project: \$18 million

C. Sugar Hollow Dam – Rubber Crest Gate Replacement and Intake Tower Repairs

Scope: Replace the inflatable rubber device that sits on top of the concrete dam and regulates the normal water level in the reservoir. The gate is over 20 years old, and has reached the end of its service life. Concrete repairs will be made on the intake tower.

Completion: 2020 - 2022
Cost: \$1.1 million

D. South Fork Rivanna to Ragged Mountain Reservoir Pipeline Right-of-Way Acquisition

Scope: Determine alignment and acquire right-of-way and easements for a nine-mile-long pipeline and pumping station to transfer raw water between the South Rivanna Reservoir and the Ragged Mountain Reservoir, as required by the Community Water Supply Plan.

Completion: 2017-2021
Cost: \$2.3 million

E. Birdwood Raw Water Main

Scope: Install approximately 6,000 linear feet of 36-inch raw water piping along the eastern property boundary of the Birdwood property while the golf course is being reconstructed.

Completion: November 2018 - October 2019
Cost: \$4 million

F. Urban Water Demand and Safe Yield Study

Scope: Assess the capacity of the Urban water supply reservoirs as well as the community's future water demand to ensure our long-term water supply is adequate, as required by the Ragged Mountain Dam Agreement.

Completion: August 2019
Cost: \$154,000

G. Urban Finished Water Infrastructure Master Plan

Scope: Update our drinking water infrastructure master plan to ensure future water distribution piping projects are planned to effectively serve customers throughout the system.

Completion: January 2020
Cost: \$253,000

H. Upper Schenks Branch Wastewater Piping Replacement, Phase II

Scope: Replace sewer piping installed in the mid 1950's in conjunction with the City's sewer upgrade program to increase system capacity. The new underground piping would be located near McIntire Road.

Completion: TBD
Cost: \$4 million

4. Refuse disposal and recycling services have been improved at the Ivy Material Utilization Center as follows:

- A new and larger refuse transfer center was completed in September 2018
- Refuse disposal charges were reduced in January 2019

- The transfer center increased its service days by opening on Mondays starting on March 18, 2019.
- Interim recycling facilities were made available starting in March while plans for a permanent recycling convenience center are developed.
- Plastics #3 – 7 will not be accepted at the Ivy or McIntire Recycling Centers starting on July 1, 2019. There is no market to recycle these products.

Please let me know if you have any questions. I will be glad to provide additional information.

cc: RSWA Board of Directors
RWSA Board of Directors