



CITY COUNCIL AGENDA May 16, 2022

J. Lloyd Snook, III, Mayor
Juandiego Wade, Vice Mayor
Sena Magill, Councilor
Michael K. Payne, Councilor
Brian R. Pinkston, Councilor
Kyna Thomas, Clerk

4:00 PM OPENING SESSION

Register at www.charlottesville.gov/zoom. Virtual/electronic meeting in accordance with a local ordinance amended and re-enacted March 7, 2022, to ensure continuity of government and prevent the spread of disease during a declared State of Emergency. Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call (434) 970-3182 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide a 48 hour notice so that proper arrangements may be made.

Call to Order/Roll Call

Agenda Approval

Reports

1. Report: Youth Council Report
2. Report: City leases

5:30 PM CLOSED SESSION as provided by Sections 2.2-3711 and 2.2-3712 of the Virginia Code (legal consultation; Boards and commissions)

6:30 PM BUSINESS SESSION

This portion of the meeting will accommodate a limited number of in-person public participants in City Council Chamber at City Hall as we employ a hybrid approach to public meetings during the locally declared state of emergency. Registration is available for a lottery-based seating selection at www.charlottesville.gov/1543/Reserve-a-Seat-for-City-Council-Meeting. Reservation requests may also be made by contacting the Clerk of Council office at clerk@charlottesville.gov or 434-970-3113.

Moment of Silence

Announcements

Recognitions/Proclamations

- Proclamation: Mental Health Awareness Month

Consent Agenda*

3. Minutes: March 21 meeting
4. Resolution: Appropriating additional funding from the Virginia Department of Social Services for the VIEW Program - \$38,025 (2nd reading)
5. Resolution: Appropriating funding from the Virginia Department of Social Services for Child Abuse Prevention Month - \$1,000 (2nd reading)
6. Resolution: Appropriating Supplemental Funding received from Virginia Department of Housing and Community Development for HOPWA (Housing Opportunities for People with AIDS/H.I.V.) - \$10,098 (1st of 2 readings)
7. Resolution: Appropriating anticipated supplemental grant funding from Virginia Housing Solutions Program to be used for contracted services - \$141,000 (1st of 2 readings)
8. Resolution: Appropriating funding received from The United Way as reimbursement of Community Resource Hotline Staff Costs - 35,311.50 (1st of 2 readings)

City Manager Report

Community Matters

Public comment for up to 16 speakers (limit 3 minutes per speaker). Preregistration available for first 8 spaces; speakers announced by Noon on meeting day (9:00 a.m. sign-up deadline). Additional public comment at end of meeting. Public comment will be conducted through electronic participation while City Hall is closed to the public. Participants can register in advance at www.charlottesville.gov/zoom.

Action Items

9. Public Hearing/Res.: Authorizing the issuance and sale of General Obligation Public Improvement Bonds in an aggregate principal amount not to exceed \$26,000,000 (1 reading)
10. Public Hearing: Land acquisition for park and trail use with Virginia Outdoors Foundation Grant funding
11. Public Hearing/Res.: Community Development Block Grant (CDBG) funding and FY2022-2023 Annual Action Plan
 - a. Resolution: Appropriating Community Development Block Grant funds received from the U.S. Department of Housing and Urban Development for the FY 2022-2023 Action Plan - \$433,471 (1st of 2 readings)
 - b. Resolution: Appropriating HOME Investment Partnership Program funds received from the U.S. Department of Housing and Urban Development for FY 2022-2023 - \$84,576.88 (1st of 2 readings)
 - c. Resolution*: Approving the FY 2022-2023 Annual Action Plan for the City of Charlottesville's CDBG/HOME Programs (1 reading)
12. Resolution*: Appropriating a grant of public funds for housing assistance to low-and moderate-income homeowners within the City of Charlottesville - \$1,500,000 (1st of 2 readings)

General Business

13. Report: JAUNT Update

Other Business

Community Matters (2)

*Action Needed

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 16, 2022
Action Required:	Report
Presenter:	Hans Bai, Youth Council Member Zaneyah Bryant, Youth Council Member Harrison Greenhoe, Youth Council Member Caroline Jaffe, Youth Council Member Eve Keesecker, Youth Council Member Nicole King, Youth Council Member Christopher Procino, Youth Council Member
Staff Contacts:	Misty Graves, Director Dept. of Human Services
Title:	Youth Council Year End Report

Background:

In 2012, Charlottesville Alliance for Black Male Achievement, City Council, and the City Manager prioritized Black male achievement. The Alliance believes that when we all utilize our individual talents, and work together as a mighty fist, we can knock out the defeatist attitude of some, and empower our young men! Charlottesville Alliance for Black Male Achievement is dedicated to tackling long-standing systemic barriers to Black Male Achievement, so all young Black men have equal opportunity to lead successful and meaningful lives. The role of the Youth Opportunity Coordinator is to create equitable access to opportunities within the city and dismantle systemic barriers to achievement for our young people. The Youth Opportunity Coordinator also oversees the Youth Council. This group advises Council, informs the community about issues that affect youth, and makes recommendations on how they feel Charlottesville can be a better city. Youth who serve on the Council meet monthly, receive leadership training, are given opportunities to travel to national Youth Council conferences, and have the chance to make a real difference in our community. Currently, Youth Council is comprised of seven Charlottesville City residents between the ages of 13 and 17. They attend Charlottesville High School and St. Anne's Belfield.

Discussion:

This year's cohort of Youth Council wanted to gain a greater sense of what is going on in the local community and look for ways to become ambassadors and advocates for local causes. The intention of the final report is to share the knowledge they gained with their community as well as to help local organizations with recruitment and volunteering. Youth Council intentionally chose to engage in learning outside of the school system and to create opportunities to branch out and learn about the rich resources Charlottesville has to offer.

Alignment with City Council’s Vision and Strategic Plan:

The Youth Council supports City Council’s “Community of Mutual Respect” vision. It contributes to Goal 1: an inclusive community of self-sufficient residents specifically objective 1.1 prepare students for academic and vocational success and 1.5 intentionally address issues of race and equity. It also contributes to Goal 5: A well-managed and responsive organization, specifically 5.4 foster effective community engagement.

Community Engagement:

Over the course of this year, Youth Council hosted a variety of community organizations not only to gain information and insight about resources, but also to dive in to how these organizations impact and intersect with youth. Presentations included:

- H.E.R Sports
- Community Attention Youth Internship Program
- Police Civilian Oversight Board
- Blue Ridge Health District
- Prolyfyck
- Sexual Assault Response Agency
- Shelter for Help in Emergency

Budgetary Impact:

This report has no budgetary impact.

Recommendation:

Staff recommends continued support of Youth Council efforts.

Alternatives:

N/A

Attachments:

N/A



PLACEHOLDER

City Leases
5/16/2022

CITY OF CHARLOTTESVILLE



PROCLAMATION

MENTAL HEALTH AWARENESS MONTH MAY 2022

WHEREAS, mental health is essential to everyone's overall health and well-being; and

WHEREAS, mental illnesses are real and prevalent in our nation, and approximately 9.5% of American adults ages 18 and over will suffer from a depressive illness (major depression, bipolar disorder, or dysthymia) each year; and

WHEREAS, 1 in 5 individuals in our community are currently living with a mental health challenge; and

WHEREAS, everyone experiences times of difficulty and stress in their lives, and should feel comfortable in seeking help and support to manage these times; and

WHEREAS, we seek to address the disproportionate unmet mental health needs of Black and Brown community members; and

WHEREAS, engaging in prevention, early identification, and early intervention are as effective at reducing the burden of mental illnesses as they are at reducing the burden of other chronic health conditions; and

WHEREAS, with effective treatment, all individuals with mental illnesses – even serious mental illnesses - can make progress toward recovery and lead full, productive lives; and

WHEREAS, in Charlottesville we are actively working to create a community best able to meet the needs of its members living with mental health challenges by centering the voices of residents with lived experience; embracing trauma-informed and person-centered practices; and dismantling discriminatory policies; and

WHEREAS, by setting aside a month to acknowledge the impact of mental health on community wellbeing, thus increasing awareness and understanding of available behavioral health resources in our community and achieving positive outcomes for individuals experiencing a behavioral health crisis;

NOW, THEREFORE, the City Council of the City of Charlottesville does hereby proclaim the month of May 2022 as Mental Health Awareness Month, calling upon residents, government agencies, healthcare providers, public and private institutions including businesses and schools in Charlottesville to recommit to increasing awareness and understanding of mental health, the steps our citizens can take to protect their mental health, and appropriate response to mental health crises.

Signed and sealed this 16th day of May 2022.

J. Lloyd Snook, III, Mayor

CHARLOTTESVILLE CITY COUNCIL MEETING

March 21, 2022 at 4:00 PM

Electronic/virtual meeting

Call to Order/Roll Call

The Charlottesville City Council met in an electronic meeting on Monday, March 21, 2022, in accordance with a local ordinance amended and re-enacted on March 7, 2022, to ensure continuity of government and prevent the spread of disease during the coronavirus State of Emergency. Mayor Lloyd Snook called the meeting to order at 4:03 p.m. and Clerk of Council Kyna Thomas called the roll, noting all members present: Mayor Lloyd Snook, Vice Mayor Juandiego Wade, and Councilors Sena Magill, Michael Payne and Brian Pinkston.

On motion by Wade, seconded by Pinkston, Council voted 5-0 to ADOPT the meeting agenda (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none).

REPORTS

1. **REPORT: HR&A Advisors report - Charlottesville Affordable Housing Fund (CAHF) Program review and redesign update**

Alex Ikefuna, Interim Director - Office of Community Solutions, introduced the item as follow-up to the December 2021 City Council meeting. He stated that the direction given by City Council was to provide background on the agenda item, advising that the charge from City Council was for staff to study the CAHF to make sure that funds are being used for their intended purpose, that the program is run in a cost-effective way, and that the City is getting its money's worth from the investment. He advised that the study was designed to make programming more efficient and ensure accountability going forward. He invited HR&A Advisors to make the presentation.

Presenters from HR&A Advisors were Phillip Kash and Callahan Seltzer. The presentation agenda included:

- Review of past investments in affordable housing
- Program redesign recommendations
- Open policy and process questions
- Next Steps

For program review, HR&A's methodology analyzed multiple metrics of funding impact. Some summary statistics include:

- Since 2010, the City of Charlottesville has administered a total of \$46.7 million in funding to support a variety of affordable housing initiatives.

- 95% of CAHF was concentrated in grants to 11 recipients, who provide a range of housing development and programs.
- Nearly half of CAHF funding has gone to housing development, with an additional 40 percent to housing programs.
- Funding levels have averaged \$3.6 million per year, with a large outlier in 2021, which totaled \$10.4 million* (*In 2021, CRHA and PHA received a combined total of \$10.4 million.)
- On an average per-unit basis, public subsidy for new construction ranged \$20,000 –\$45,000, and rehab ranged \$3,000 –\$25,000.
- Of the select programs for which racial demographic data was reviewed, most beneficiaries were Black households.
- Over half of households served by home retrofit and single-family new construction programs earn less than 50% AMI (Area Median Income).

For program redesign, HR&A advised that they are formulating recommendations to the City’s NOFA (Notice of Funding Availability) process, to align the City’s funding with the Housing Plan priorities. The recommendations focus on three areas: Overall processes, Policy, and Project Viability and Efficiency. Regarding housing fund allocations, Mr. Kash stated that “Charlottesville is punching above its weight.” He advised that the City has sophisticated housing programs, but the allocation process has not kept up. He shared that affordable housing developers are also sophisticated for a locality of Charlottesville's size in the Southeast.

Mr. Kash shared the Annual Allocation Plan - Proposed Timeline for CAHF Funding.

Deputy City Manager Sam Sanders stated that staff intends to work with the recommendations from the Advisors. Mr. Ikefuna stated that in the past the affordable housing fund requests have not always gone through the CAHF process, but that going forward it is advised that developer requests come through CAHF so that staff can manage and track them. Mr. Sanders mentioned the need to have one portal for housing investment requests. He also advised that the April 4 City Council work session would focus on affordable housing.

Councilor Pinkston requested a flow chart to show how various housing components work together. Mr. Sanders advised that the Community Solutions Team is part of the City Manager office and housing-related components remaining in the Neighborhood Development Services Department would move to Community Solutions.

After discussion from City Council, consultants shared Next Steps for Program Redesign:

1. Revise overall NOFA and RFP (Request for Proposal) structure, including new schedule.
2. Rewrite guidelines, evaluation criteria, and application forms to fit updated structure and reflect housing plan priorities.

3. HR&A has begun to draft sample NOFA, application, and scoring criteria documents for several major programs.
4. Confirm City Council alignment with the revision approach.
5. Host program update convening with current interested applicants.
6. Issue compliance and technical assistance program guidelines so all applicants participate in the program revisions.

CLOSED SESSION

On motion by Magill, seconded by Wade, Council voted 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none) to convene in closed session as authorized by Virginia Code Sections 2.2-3711 and 2.2- 3712, specifically:

- Section 2.2-3711(A)(1), for consideration of prospective candidates for appointment by Council to City boards and commissions

The open meeting resumed at 6:42 p.m.

On motion by Magill, seconded by Wade, Council certified by the following vote: 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; 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.

BUSINESS SESSION

Having established quorum with all councilors present, Council observed a moment of silence.

ANNOUNCEMENTS

Councilor Payne announced the Human Rights Commission Town Hall on emergency housing access and equality of affordable public and subsidized housing being held on March 24 at 6:30 p.m. via Zoom.

BOARD/COMMISSION APPOINTMENTS

On motion by Magill, seconded by Wade, Council by the following vote: 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none), appointed the following members to boards and commissions:

- Charlottesville Economic Development Authority – Denise Herndon
- Charlottesville Redevelopment Housing Authority Board – Judy Sandridge
- Citizens Transportation Advisory Committee – Ethan Hail and Gregory Weaver
- Historic Resources Committee – John Mason

- Jefferson Area Board for Aging Advisory Council – L.D. Perry and Christina Rees
- Jefferson Area Board for Aging Board of Directors – Richard Brugh, John D’earth and Elayne Phillips
- Personnel Appeals Board – Robert Black
- Social Services Advisory Board – Sarah Flores and Patricia Jones Turner
- Tree Commission – Donna Shaunese, Makshya Tolbert, Tim Padalino and Holly Lafferty
- Youth Council – Jazmyn Carter-Page, Iya Feggans, Gloria Gaye, Saadia Hamilton, London Pryor-Williams, Rachel Rugumayo, Roman Sims and Ezhar Zahid

CONSENT AGENDA*

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

2. MINUTES: February 3 Budget work session, February 7 Council meeting, February 22 Council meeting
3. RESOLUTION: Appropriating funds for the Cville Plans Together (Comp Plan) Project from the Small Area Plans Account within the City's Capital Projects Fund - \$188,810 (2nd reading)

RESOLUTION

Appropriating Additional Funding of \$188,810 to the Cville Plans Together (Comp Plan) Project, from the Small Area Plans Account within the City’s Capital Projects Fund

WHEREAS the consulting contract for the Cville Plans Together (Comp Plan) Project (“Project”) encompassing updating both the Comprehensive Plan and the Zoning Ordinance, has included a commitment by the City of Charlottesville to a high standard for community engagement; and

WHEREAS the original budget allocated within the Project budget for community engagement activities and ongoing project management is insufficient to cover the consulting services necessary to complete the zoning rewrite portion of the Project;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$188,810 is hereby transferred within the Capital Projects Fund, from the Small Area Plans Account to the Cville Plans Together (Comp Plan) Project, and appropriated for expenditure to complete the Cville Plans Together (Comp Plan) Project, as follows:

Transfer From

\$188,810 Fund: 426 WBS: P-00819 G/L Account: 599999

Transfer To

\$188,810 Fund: 426 WBS: P-00935 G/L Account: 599999

4. RESOLUTION: Appropriating funds from the Virginia Department of Rail and Public Transportation to Charlottesville Area Transit - \$980,599 (2nd reading)

RESOLUTION

Appropriating State Grant Funding in the Amount of \$980,559 Received from the Virginia Department of Rail and Public Transportation (VDRPT) to be Expended for Charlottesville Area Transit (CAT) Operations

WHEREAS the City of Charlottesville has received notice that it has been awarded an additional \$980,559 in grant funding from the Virginia Department of Rail and Public Transportation (VDRPT); and City Manager proposes an increase in the budget for the CAT Department, in the amount of \$980,559, to allow the expenditure of this grant funding by the end of the current fiscal year, including an Alternative Fuel and Facility Feasibility Study and Integration Plan Study for the remainder of Fiscal Year 2022; and

WHEREAS in accordance with the grant, the funds must be expended by June 30, 2022, Charlottesville Area Transit CAT would like to use \$300,000 for an Alternative Fuel and Facility Feasibility Study, an Integration Plan Study and \$680,559 to supplement operational costs for the remainder of Fiscal Year 2022; and

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that grant funding in the amount of \$980,559 received from Virginia Department of Rail and Public Transportation (VDRPT) is hereby accepted by the City Council, and is appropriated for expenditure within CAT’s FY2022 budget, as follows:

Revenues

\$980,559	Fund: 245	Cost Center: 2801003000	GL Code: 430080
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Expenditures

\$300,000	Fund: 245	Cost Center: 2801003000	GL Code: 530560
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\$680,559	Fund: 245	Cost Center: 2801004000	GL Code: 520100
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5. RESOLUTION: Approving appropriation of the Annie E. Casey Foundation Family Engagement Support Stipend Grant - \$15,000 (carried)
6. RESOLUTION: Approving an appropriation for COVID Homelessness Emergency Response Program Funding (CHERP) - \$200,000 (carried)
7. RESOLUTION: Appropriating funds from the Charlottesville Albemarle Technical Education Center for CATEC kitchen floor repair - \$75,000 (carried)

8. RESOLUTION: Appropriating grant funding of \$94,276 from Virginia Department of Conservation and Recreation for development of a Flood Resilience Plan, and authorizing the City Manager to execute a Grant Agreement (carried)

Mayor Snook opened the floor for public comment on the Consent Agenda:

- Caja Edwards spoke about Buford Middle School reconfiguration.
- Annie Lopez spoke about the city budget.

On motion by Wade, seconded by Magill, Council by the following vote ADOPTED the Consent Agenda: 5-0 (Ayes: Magill, Payne, Pinkston, Snook, Wade; Noes: none).

CITY MANAGER REPORT

Interim City Manager Michael C. Rogers and Krisy Hammill, Senior Budget and Management Analyst, presented scenarios related to School reconfiguration as requested by Council at a prior work session, \$75M, \$50M and \$33M. Kevin Rotty, the city's financial advisor, provided information regarding timing of tax rate increases and potential other funding sources. Mr. Rogers summarized the presentation and options for Council to consider with known and unknown factors.

The City Manager's recommendation regarding funding for school capital projects in the FY23 proposed budget included the following observations and recommendations:

- The proposed school reconfiguration has not been integrated into the city's Capital Improvement Program in a manner that would allow City Council to make a coordinated funding plan.
- Council and staff are attempting to set a dollar amount as a cap for a school reconfiguration project in an attempt to figure out how reconfiguration will affect debt service.
- For the FY23 budget Council should enact a 2-cent real estate tax increase and set the money aside within the Capital Projects Fund, earmarked as the beginning of an annual funding program to generate funds for school configuration project, postpone any drawdowns for reconfiguration costs to give City Council, city staff and the city's financial advisor an opportunity to work on a five to ten-year funding plan.
- The City Manager's Office should begin work immediately to retool the city's Capital Improvements Program to make adequate plans for necessary projects for schools and city government so that the work will be reflected in the FY24 Capital Improvement Plan.

COMMUNITY MATTERS

Mayor Snook opened the floor for comments from the public.

1. Jason Halbert, Fry's spring resident, spoke in support of safety improvements on Stribling Avenue. He stated that the funding agreement for the 240 Stribling Ave PUD is not wise. He asked Council to put a hold on the development until other sources of funding could be determined.
2. John Marshall, city resident, voiced safety concerns about the 240 Stribling Ave PUD proposal, and advised that sidewalks need to be implemented first; however, he advised that topography may prevent sidewalks from being built. He asked Council to postpone the vote until a safety plan is in place and sidewalks are built.
3. William Abrahamson, co-president of the Fry's Spring Neighborhood Association, spoke about the need to establish a timeline for priorities. He suggested sending the funding agreement for the 240 Stribling Ave PUD proposal back to Planning Commission for review. He addressed safety, treescape and neighborhood engagement issues.
4. Myra Anderson, city resident, encouraged Council to form the Marcus Alert work group. She asked when the honorary street naming policy would be revisited. Regarding city budget allocations for outside agencies, she expressed concern about the rating of organizations in the Vibrant Communities process and suggested that Council have override authority. She encouraged rent support for the Jefferson School African American Heritage Center (JSAAHC).
5. Lisa Torres spoke about the need to move forward with school reconfiguration.
6. Josh Carp spoke about affordability of potential rental costs and traffic impacts for several proposed developments.
7. Andrew Shelton, city resident, spoke in support of rezoning on Stribling Avenue as a means of increasing affordable housing.
8. Kelcee Jones, with Public Housing Association of Residents (PHAR), spoke in support of funding for PHAR to continue equity programming.
9. Jane Smith spoke about the need to support the JSAAHC.
10. Kendall Dix, National Policy Director for a climate organization and county resident, spoke about housing affordability and suggested that more county residents would like to live in the city if housing were more affordable. He recommended investment in affordable housing and public transportation to address greenhouse gas emissions and deadly traffic accidents because of the need for commuting, and sustainability.
11. Paola Covarrubias, community organizer with PHAR, spoke in support of funding for PHAR.
12. Paul Josey, city resident, spoke about the need to increase density in the city and about safety concerns for Stribling Avenue because of the lack of safe infrastructure including sidewalks.
13. Benjamin Heller, city resident, spoke about 240 Stribling Avenue, advising that the land is not ready for development.
14. Kate Fraleigh, city resident, spoke about Item #10 on the agenda - Appropriating funding for American Rescue Plan eligible local activities, and suggested using funding for more community programs or individuals.
15. Matthew Gillikin, city resident, spoke in support of the 240 Stribling Avenue project. He

agreed that sidewalks are needed, and the project is a way to ensure a sidewalk is built.

16. Joy Johnson, city resident, spoke about affordable housing and efforts of public housing residents to design their neighborhoods. She stated that the city needs to clearly define "affordable housing".

ACTION ITEMS

9. PUBLIC HEARING: Real Estate Tax Rate and FY2023 Budget

Mr. Rogers referenced the advertised 10-cent real estate tax increase.

Commissioner of the Revenue Todd Divers provided a brief statement on personal property valuations, leading to tax increases. He recommended a personal property tax rate decrease to equalize payment amounts for individuals.

a. PUBLIC HEARING: Real Estate Tax Rate

Mr. Rogers reiterated his recommendation to implement a 2-cent increase in the real estate tax levy. Mayor Snook opened the public hearing:

- Elizabeth Stark, city resident, spoke in support of a tax rate increase and increased lodging tax to address City Budget priorities.
- Jamie Fitzgerald, city resident, voiced concern about implementing a real estate tax increase all at once.
- Gareth Gaston recommended that Council implement a bold budget. He advised that real estate tax is not the only tax to consider. He advised against the City borrowing money when other taxing options are available.
- Chris Meyer, city resident, spoke in support of raising the real estate tax rate and advised that the city is undertaxed as related to peer localities. He suggested a stepped approach and recommended borrowing while rates are lower.
- (Cabell Romer, was given permission by Council to speak about 240 Stribling Avenue. She spoke in opposition to the development. She raised her hand to speak during Community Matters; however, since she was signed in under the Zoom account for John Marshall, who had already spoken, the speaking request appeared to be a duplicate.)

Mr. Snook closed the public hearing.

b. PUBLIC COMMENT: FY23 Budget (official public hearing April 4)

Mayor Snook opened public comment.

- Brad Slocum, commuter to Charlottesville, requested funding for climate action, specifically to expand public transit fleet with near-term diesel and longer-term electronic vehicles and infrastructure.

- Brian Campbell, city resident, suggested scaling down the Charlottesville Police Department budget to match other localities.
- Gregory Weaver, city resident, requested funding to address climate goals particularly with public transit and increasing mixed use density.
- Roxanne White, former member of the Tree Commission, requested full funding for the \$100,000 Tree Commission recommendation to address tree canopy.
- Katie Yared, 4th year UVA student, recommended including a 5-cent plastic bag tax in the FY23 budget and encouraging a behavior change to reduce plastic waste.
- Mark Rylander, representing the Tree Commission, spoke in support of fully funding Tree Commission recommendations. He asked for consideration of tree planting as an infrastructure investment.
- Emily Yen, city resident, asked Council to support the Labor Relations position in the budget. She asked Council to leave vacancies in the police department and to remove the dollars allocated for SWAT support.
- Jen Doo, city resident, asked Council to follow through on priorities of affordable housing, greenhouse gas emissions reduction through support of public transit improvements, and collective bargaining for employees by employing a Labor Relations Analyst.
- Joy Johnson, speaking as a member of CLIHC (Charlottesville Low Income Housing Coalition), asked for affordable housing investment of \$10 Million annually and increase funding for Charlottesville Supplemental Rental Assistance Program.
- Ang Conn, city resident, spoke about funding for affordable housing, and against consideration of any increases in the police department budget or jail and detention center expansions. She spoke in favor of full funding for PHAR, Legal Aid Justice Center and rent relief.
- Bill Emory, city resident, encouraged Council to gradually implement a tax increase for the rich. He stated that he wanted to see a heat map for the city showing where the general funds go.
- Asia Green, city resident, requested funding for PHAR.
- Shelby Edwards, Executive Director for PHAR, requested funding for PHAR to support the internship program and resident-led development.
- William Abrahamson, city resident, spoke in support of fully funding the request from PHAR.

With no additional speakers coming forward, Mayor Snook closed public comment.

The meeting recessed at 9:25 p.m. and reconvened at 9:33 p.m.

10. RESOLUTION: Appropriating funding for American Rescue Plan eligible local activities - \$536,553.97 (carried)

Chris Cullinan, Director of Finance, reviewed the itemized requests.

Mayor Snook asked about the use of American Rescue Plan (ARP) funds for a particular request for the construction of a path between Michie Drive and Greenbrier School. Mr. Cullinan advised that he would review the request and ARP Act parameters and report back.

After discussion, Council agreed to move the item to the April 4 meeting for a second reading on the Consent Agenda.

11. ORDINANCE: 1613 Grove Street Extended – Consideration of requests from Landowner Lorven Investments, LLC, regarding approximately 0.652 acres of land, including multiple lots identified within 2021 City real estate records by Real Estate Parcel Identification Numbers 230133000, 230134000, and 230135000

Matt Alfele, City Planner, made the staff presentation. He advised of three prior Planning Commission meetings where this development was discussed. The Planning Commission at the March 8, 2022 public hearing recommended approval on the rezoning request, the Special Use Permit and the Critical Slope Waiver.

Justin Shimp, applicant, stated that he worked with the City Attorney for terms to include in development proffers.

City Attorney Robertson provided clarification of proffer parameters in response to a question from Vice Mayor Wade and advised that the Zoning Administrator would be responsible for enforcement. Mr. Shimp verified that housing choice voucher users will be able to use vouchers at this property.

After discussion, Council agreed to move the item to the April 4 meeting for a second reading on the Business Session agenda, with councilors reaching out to the developer to have additional questions answered in the meantime.

- a. ORDINANCE: 1613 Grove Street Extended rezoning request (carried)**
- b. RESOLUTION: 1613 Grove Street Extended Special Use Permit (carried)**
- c. RESOLUTION: 1613 Grove Street Extended Critical Slope Waiver (carried)**

12. ACTION ITEM: 240 Stribling Avenue

Matt Alfele, City Planner, made the staff presentation. The Planning Commission following a public hearing on unanimously to recommend approval of both applications to City Council subject to sidewalk improvements on Stribling Avenue being prioritized within the city's Capital Improvement Program (CIP).

Mr. Rogers noted that staff recommended moving forward with the Planning Commission's recommendation in order to increase the amount of local affordable housing available. He advised that the city is not in a position to recommend approval of the proposed funding agreement because of too many unknown variables and no city infrastructure, meaning strategy or policy, in place to support the public-private partnership agreement.

City Attorney Robinson stated that the timeline for the phases of the project is unknown and the project would need to be placed in the CIP for multiple years.

Councilor Magill asked for clarification that the city would not be asked to pay for the affordable housing in the future and she asked for consistent language in the proffer for affordability and "low and moderate income".

Vice Mayor Wade requested assurances regarding housing affordability and safety.

Councilor Pinkston asked for more information on the housing affordability component and he expressed concerns about prioritizing this project, given the road infrastructure challenges.

Mayor Snook voiced concerns about prioritizing the project and ensuring the financial security of the project.

Applicant Charlie Armstrong with Southern Development advised that they have been working on the project for three years and need to make decisions. He reviewed the types of development that were considered that led to the ultimate choice of a PUD with proffers. He stated that the developer is willing to work with the City Manager and City Attorney to make the agreement as good as it can be.

Councilor Payne expressed several potential benefits of the development and he voiced concerns about the budget component creating short-term trade-offs with other priorities.

Mr. Rogers suggested that he, Mr. Armstrong and Ms. Robertson would have a conversation to work through the item and bring it back to Council on April 4 for further discussion at the second reading.

- a. **ORDINANCE: Re-enacting the Zoning Map for the City of Charlottesville, Virginia, to reclassify certain property from R-1S and R-2 to Planned Unit Development ("240 Stribling PUD") and granting a critical slope waiver for the 240 Stribling PUD (carried)**
- b. **ORDINANCE: Consideration of a voluntary Infrastructure Funding Agreement in the amount of \$2.9 Million with Belmont Station, LLC, for construction of sidewalk along Stribling Avenue (carried)**

GENERAL BUSINESS

There were no items for general business discussion.

OTHER BUSINESS

Mayor Snook asked Councilors to send ideas for the April 1 and 2 Council retreat to him for discussion with the City Manager.

COMMUNITY MATTERS

- Joy Johnson, city resident, spoke about proffers and about the need to address deeply affordable housing.
- Ang Conn spoke about differences between affordability and accessibility, specifically about discriminatory practices of landlords.
- William Abrahamson, city resident, stated that in general the Fry's Spring neighborhood is not against the 240 Stribling Avenue project, but they are concerned about safe infrastructure in the area. He also stated that quantity does not guarantee affordability.

The meeting adjourned at 11:34 p.m.

BY Order of City Council

BY Kyna Thomas, Clerk of Council

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 2, 2022
Action Required:	Approve Resolution (Appropriation) (1 st of 2 Readings)
Presenter:	Sue Moffett, Director, Department of Social Services
Staff Contacts:	Mary Jane Skidmore, Chief of Benefit Programs, Department of Social Services Laura Morris, Chief of Administration, Department of Social Services
Title:	Additional VIEW Funding -- \$38,025

Background:

The Virginia Department of Social Services (VDSS) has provided the Charlottesville Department of Social Services with \$38,025 in additional funding to be used by the Virginia Initiative for Education and Work (VIEW) program in Fiscal Year 2022.

Discussion:

The VIEW program promotes economic independence by providing employment, education, and training opportunities as well as needed supportive services such as rental assistance, child care assistance, and transportation assistance to Temporary Assistance to Needy Families (TANF) recipients.

Alignment with Council Vision Areas and Strategic Plan:

Approval of this agenda item aligns with the City's mission to provide services that promote equity and an excellent quality of life in our community. It is consistent with Strategic Plan Goal 1: An inclusive community of self-sufficient residents and Objective 1.2, Prepare residents for the workforce; and Strategic Plan Goal 4: A strong, creative, and diversified economy and objective 4.1, Develop a quality workforce.

Community Engagement:

VIEW staff will work directly with program participants to provide supportive services that can help them overcome job-related challenges, as well as personal and family challenges that affect employment.

Budgetary Impact:

The Virginia Department of Social Services is providing the additional funding. No local general

funds are being requested.

Alternatives:

Funds that are not appropriated will need to be returned to the Virginia Department of Social Services.

Recommendation and Suggested Motion:

Staff recommends approval and appropriation of these funds.

Suggested Motion: I move to approve the Resolution Appropriating the Additional Funding Received from the Virginia Department of Social Services for the VIEW Program in the amount of \$38,025

Attachment:

Resolution

RESOLUTION

**Appropriating Additional Funding Received from the Virginia Department of Social Services for the VIEW Program
In the amount of \$38,025**

WHEREAS, the Charlottesville Department of Social Services has received an allocation of \$38,025 in the Fiscal Year 2022 budget from the Virginia Department of Social Services to be used for the VIEW program.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$38,025, upon receipt by the City, is hereby appropriated for expenditure within the FY22 budget in the following manner:

Revenue – \$38,025

Fund: 212 Cost Center: 9900000000 G/L Account: 451022 \$38,025

Expenditures - \$38,025

Fund: 212 Cost Center: 3333002000 G/L Account: 540060 \$38,025

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



Agenda Date:	May 2, 2022
Action Required:	Approve Resolution (Appropriation) (1 st of 2 Readings)
Presenter:	Sue Moffett, Director, Department of Social Services
Staff Contacts:	Jenny Jones, Chief of Family Services, Department of Social Services Laura Morris, Chief of Administration, Department of Social Services
Title:	Child Abuse Prevention Month Funding -- \$1,000

Background:

The Virginia Department of Social Services (VDSS) has provided funding to localities to be used for public information activities that focus on the healthy and positive development of parents and children and promotion of child abuse and neglect prevention activities during April for Child Abuse Prevention Month and/or other activities occurring before May 31, 2022. **The Charlottesville Department of Social Services has received \$1,000 from this funding.**

Discussion:

The department plans to use the funding to purchase infant sleepers to give to clients along with safe sleep information. The goal is to help prevent infant death due to unsafe sleep practices and to help engage parents in conversations around safe sleep practices. The Department will also partner with the University of Virginia Medical Center to distribute the sleepers and safe sleep information.

Alignment with Council Vision Areas and Strategic Plan:

Approval of this agenda item aligns with the City’s mission to provide services that promote equity and an excellent quality of life in our community. It is consistent with Strategic Plan Goal 2: A Healthy and Safe City and 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.

Community Engagement:

Family Services staff will work directly with families and medical center staff.

Budgetary Impact:

The Virginia Department of Social Services is providing 100% of the funding with no local general

fund match required.

Alternatives:

Funds that are not appropriated will need to be returned to the Virginia Department of Social Services. If funds are not appropriated, the department will be unable to provide the baby sleepers to families.

Recommendation and Suggested Motion:

Staff recommends approval and appropriation of these funds.

Suggested Motion: I move to approve the Resolution Appropriating Funding Received from the Virginia Department of Social Services for Child Abuse Prevention Month, in the amount of \$1,000

Attachment:

Resolution

RESOLUTION

**Appropriating Funding Received from the Virginia Department of Social Services for
Child Abuse Prevention Month
In the amount of \$1,000**

WHEREAS, the Charlottesville Department of Social Services has received an allocation of \$1,000 in the Fiscal Year 2022 budget from the Virginia Department of Social Services to be used for Child Abuse Prevention Month Activities.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia, that the sum of \$1,000, upon receipt by the City, is hereby appropriated for expenditure within the FY22 budget in the following manner:

Revenue – \$1,000

Fund: 212 Cost Center: 9900000000 G/L Account: 430080 \$1,000

Expenditures - \$1,000

Fund: 212 Cost Center: 3301008000 G/L Account: 520990 \$1,000

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 16 th , 2022
Action Required:	Approval and Appropriation
Presenter:	Misty Graves, Interim Director, Human Services
Staff Contacts:	Misty Graves, Interim Director, Human Services
Title:	Housing Opportunities for People with AIDS/H.I.V. (H.O.P.W.A.): \$10,098 (grant amendment)

Background:

The City's 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.), previously received a grant of funding from the Virginia Department of Housing and Community Development, to support Housing Opportunities for People with AIDS/H.I.V. (H.O.P.W.A.). Recently the City's DHS received notice of an additional (supplemental) award of H.O.P.W.A. funding, in the amount of \$10,098, which is a supplemental grant based on the COVID-19 pandemic awarded for expenditure during the period from July 01, 2020 to April 30, 2023.

Discussion:

The City of Charlottesville has staff from Human Services and Social Services taking leadership roles in the governance of T.J.A.C.H. H.O.P.W.A. is an important resource in our community's efforts to end homelessness. The grant provides services in four key areas.

1. **Tenant-Based Rental Assistance (TBRA):** The Thomas Jefferson Health District (T.J.H.D.) partners with The Haven to provide T.B.R.A. to eligible participants. The T.J.H.D. screens participants for eligibility and inspects the proposed property to ensure that it meets H.U.D. requirements. Upon successful screening, The Haven contacts the landlord to arrange monthly rent payment, similar to rapid re-housing.
2. **Short-term Rental, Mortgage and Utility Assistance:** T.J.H.D. screens eligible participants for short-term assistance including emergency utility payments to avoid shut-off. .
3. **Supportive Services:** T.J.H.D. provides supportive services including crisis intervention, case management and service referrals.
4. **Homeless Management Information System(H.M.I.S.):** The City of Charlottesville as the award recipient will ensure that H.M.I.S. data is complete through an agreement with T.J.A.C.H. to have the Executive Director ensure data quality. Our Continuum of Care(C.O.C.) has a well-populated database for individuals experiencing homelessness.

HMIS collaboration provides real-time monitoring of the needs and progress of individuals and households facing homelessness. Collaborative use of H.M.I.S. among T.J.A.C.H. C.o.C. Service Providers expedites communication and reduces the need to interface disparate documentation systems.

5. **Administration:** The City of Charlottesville as the award recipient is eligible for an administrative fee. Staff proposes that we pass these dollars through to T.J.H.D. & The Haven to support the supervision of assigned staff.

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:

This grant advances the City of Charlottesville's Strategic Plan Goal #1 of enhancing the self sufficiency of our residents. Specifically, it will facilitate the objective of increasing affordable housing options. This item primarily aligns with Council's vision for Quality Housing Opportunities for All.

Budgetary Impact:

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

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 while managing AIDS/H.I.V.: short-term rental assistance, utility assistance, rapid rehousing, H.M.I.S., and administration.

Recommendation:

Staff recommends approval and appropriation of grant funds.

Suggested Motion: I move the RESOLUTION Appropriating Supplemental Funding in the Amount of \$10,098 Received from Virginia Department of Housing and Community Development for H.O.P.W.A.

Attachments:

Resolution for Appropriation

RESOLUTION
Appropriating Supplemental Funding in the Amount of \$10,098
Received from Virginia Department of Housing and Community Development for
H.O.P.W.A.

WHEREAS, The City of Charlottesville, through its Department of Human Services, has received a supplemental H.O.P.W.A. Grant from the Virginia Department of Housing and Community Development in the amount of \$10,098, for expenditure during the period July 01, 2020 to April 30, 2023.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that, upon receipt of the supplemental grant funds from the Virginia Department of Housing and Community Development, the sum of \$10,098 is hereby appropriated in the following manner:

Revenues

\$10,098 Fund: 209 IO: 1900390 (H.O.P.W.A.) G/L: 430120 Federal Pass-Thru State

Expenditures

\$10,098 Fund: 209 IO: 1900390 (H.O.P.W.A.) G/L: 530550 Contracted Services

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 16 th , 2022
Action Required:	Approval and Appropriation
Presenter:	Misty Graves, Director, Human Services
Staff Contacts:	Misty Graves, Director, Human Services
Title:	Virginia Housing Solutions Program Grant Award (\$141,000)

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.), applied for and received a grant from the Virginia Department of Housing and Community Development. The Virginia Housing Solutions Program award is \$141,000 and is a renewal contract for the program for July 1, 2021 – June 30, 2022.

Discussion:

The City of Charlottesville has staff from the departments of Human Services and Social Services taking leadership roles 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. The grant provides services in several points along the local continuum of services:

1. **Coordinated Assessment:** The Haven serves as the physical front door to the homelessness system of care, using an evidence-based tool for determining priority access to available resources.
2. **Emergency Low Barrier Shelter** P.A.C.E.M. provides a low-barrier shelter for adults using rotating local churches for support.
3. **Rapid Re-Housing & Housing Navigation:** The Haven screens and administers rapid re-housing assistance and housing navigation to households experiencing homelessness.
4. **Case Management:** The Haven provides supportive services including crisis intervention, case management and service referrals.
5. **Homeless Management Information System(H.M.I.S.):** The City of Charlottesville as the award recipient will ensure that H.M.I.S. data is complete through an agreement with T.J.A.C.H. to have the Executive Director ensure data quality. Our Continuum of Care(C.O.C.) has a well-populated database for individuals experiencing homelessness. HMIS collaboration provides real-time monitoring of the needs and progress of individuals and households facing homelessness. Collaborative use of H.M.I.S. among T.J.A.C.H. Continuum of Care Service Providers expedites communication and reduces

the need to interface disparate documentation systems.

6. **Coalition Coordination:** The Thomas Jefferson Area Coalition for the Homeless provides leadership and coordination for the required local homelessness continuum of care.
7. **Administration:** The City of Charlottesville as the award recipient is eligible for an administrative fee. Staff proposes that we pass these dollars through to T.J.A.C.H. in recognition of staff time spent processing checks and managing this grant process.

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:

This grant advances the City of Charlottesville’s Strategic Plan Goal #1 of an inclusive community of self-sufficient residents. Specifically, it will facilitate the objective of increasing affordable housing options.

Budgetary Impact:

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

Recommendation:

Staff recommends approval and appropriation of grant funds.

Suggested Motion: I move the RESOLUTION Appropriating Supplemental Funding in the Amount of \$141,000 Received from V.H.S.P. to T.J.A.C.H..

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:

Resolution for Appropriation

RESOLUTION
Appropriating Supplemental Funding in the Amount of \$141,000 To Be Received from Virginia Housing Solutions Program

WHEREAS, The City of Charlottesville, through the Department of Human Services, has been notified that it will be awarded an additional grant from the Virginia Housing Solutions Program (V.H.S.P.) Fund of the Virginia Department of Housing and Community Development, in the amount of \$141,000.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that, upon receipt of the additional VHSP funding from the Commonwealth, said funding, anticipated in the sum of \$141,000, is hereby appropriated in the following manner:

Revenues

\$455,982	Fund: 209	IO: 1900370	G/L: 430110 State Grant
\$83,218	Fund: 209	IO: 1900370	G/L: 430120 Federal Pass-Thru State

Expenditures

\$141,000	Fund: 209	IO: 1900370	G/L: 530550 Contracted Services
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CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 16, 2022
Action Required:	Approve Resolution for Appropriation
Presenter:	Misty Graves, Director Dept. of Human Services
Staff Contacts:	Misty Graves, Director Dept. of Human Services
Title:	United Way reimbursement of Community Resource Hotline Staff Costs - \$35,311.50 (Appropriation)

Background:

As a response to the COVID-19 pandemic, the Community Resource Hotline expanded their services to provide economic financial assistance through the Pathways program, a collaborative effort of the Charlottesville Department of Human Services, Albemarle County, and United Way of Greater Charlottesville. Residents call the hotline Monday through Friday between 9 a.m. and 5 p.m. and requests are verified and approved by Department of Human Services staff working on the community resource hotline. Financial support will be distributed by the United Way of Greater Charlottesville.

Discussion:

As a result of call volume and requests, the Community Resource Hotline required hiring additional staff to serve as operators. The Department of Human Services maintains the operations and oversight of the program. The City of Charlottesville covers 40 percent of staff costs, while the County of Albemarle covers 60 percent of those costs. The appropriation is the reimbursement of the County's portion of staff costs from September 24, 2021 to March 18, 2022. Future invoices to United Way will be submitted quarterly.

Alignment with City Council's Vision and Strategic Plan:

This appropriation supports City Council's "Community of Mutual Respect" vision. It contributes to Goal 1: an inclusive community of self-sufficient residents. It also contributes to Goal 5: A well-managed and responsive organization.

Community Engagement:

From April 2021 to April 2022, the Community Resource Hotline has distributed \$700,846 in Pathways Funds to City residents. We have fulfilled 854 requests from City residents for financial assistance during that time. Through the first three quarters of fiscal year 22, the Community Resource Hotline has distributed \$667,684.09 of Albemarle County funds to 809 county households.

Budgetary Impact:

Funds will be posted as revenue to the Department of Human Services.

Alternatives:

Council may elect to not accept the funds and the community resource hotline will be understaffed and therefore will not have the capacity to administer the financial assistance to people experiencing hardship.

Recommendation:

Staff recommends approval and appropriation of funds.

Suggested Motion: “I move the RESOLUTION Appropriating the Amount of \$35,311.50 Received from The United Way, as reimbursement of Community Resource Hotline Staff Costs”

Attachment (1) Resolution:

RESOLUTION

Appropriating the Amount of \$35,311.50 Received from The United Way, as reimbursement of Community Resource Hotline Staff Costs

WHEREAS, The City of Charlottesville, through the Department of Human Services, has received reimbursement from the United Way of Greater Charlottesville in the amount of \$35,311.50;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the sum of \$35,311.50 is hereby appropriated in the following manner:

Revenues

\$35,311.50 Fund: 213 Cost Center: 3411001000 G/L: 451022

Expenditures

\$35,311.50 Fund: 213 Cost Center: 3411001000 G/L: 599999

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



Agenda Date:	May 16, 2022
Action Required:	Approve Resolution
Presenter:	Khristina S. Hammill, Director, Budget and Performance Management
Staff Contacts:	Khristina S. Hammill, Director, Budget and Performance Management Christopher V. Cullinan, Finance Director
Title:	\$26,000,000 Million Bond Issue (maximum amount) – New Debt

Background/Discussion:

The City regularly issues bonds as part of its on-going Capital Improvements Program. Capital spending and the related financing is projected for a 5 year period and updated annually.

This bond issue represents part of the funding plan approved by Council for the City’s on-going Capital Improvements Plan. All projects to be funded by this bond issue have been previously approved and appropriated by City Council. The proceeds are proposed, but not limited, to fund portions of the following projects:

<u>Projects</u>	<u>Amount*</u>
Transportation and Access	\$ 11,150,000
Public Facilities	1,561,179
Public Schools	3,200,000
Parks and Recreation	95,000
Public Safety	503,821
General Government Projects	\$ 16,510,000
Water System Improvements	\$ 5,000,000
Wastewater System Improvements	\$ 2,000,000
Stormwater System Improvements	1,500,000
Utility Projects	\$ 8,500,000
Total to Be Issued	\$ 25,010,000

**Amounts are estimates and subject to change based on actual project expenses and completion. Funds can be reallocated between categories as needed.*

These bonds will be repaid over the next 20 years with level annual principal payments. A more detailed discussion of the specific projects to be funded is attached.

PFM Financial Advisors LLC (PFM), the City's financial advisor, along with City staff, continue to monitor the bond market and interest rate environment and we are anticipating a sale in early June. It is anticipated that the bonds will be sold by a public offering through a competitive bid. The resolution authorizes the City Manager to accept the lowest interest rate bid on the bonds.

In addition, as with each new bond issue, City Staff along with its financial advisors, will take the opportunity to evaluate and refund bonds previously issued at a higher interest rate with new refunding bonds issued at a lower interest rate. The resolution approves the issuance of refunding bonds to refund certain outstanding debt of the City. Market conditions will continue to be monitored until the time of sale. If suitable savings opportunities do not materialize, then only the bonds for the new money will be issued.

City management has met with Moody's and Standard & Poor's to discuss the City's financial condition and to obtain ratings on these bonds. City staff anticipates that the City will retain its Aaa bond ratings, the highest rating given by both ratings agencies.

Community Engagement: As per the law, this public hearing has been advertised in the newspaper and the sale information will be advertised in other media outlets prior to the bond sale date.

Alignment with City Council's Vision and Priority Areas: Approval of this agenda item aligns directly with Council's vision for a **Smart Citizen Focused Government and Economic Sustainability**.

Budgetary Impact:

The City continues to manage its debt and plan its bond issuances in a manner to:

- (1) Provide a stream of funding as it is needed,
- (2) Keep annual debt service costs on a fairly level amount, (i.e., to avoid large spikes in debt service) and
- (3) To maintain and finance its physical facilities and infrastructure in such a manner that future users/beneficiaries will help to pay for them.

This bond issue is part of the City's on-going capital financing plan. The debt service on this issue will be paid from annual transfers from the General Fund for debt service and/or previously appropriated funds in the City's Debt Service Fund. No new appropriation of funds is required at this time.

Recommendation:

Staff recommends that Council approve the resolution authorizing the general obligation bond sale.

Alternatives:

The alternatives to not issuing new debt would be to either use funds on hand (cash) to fund projects or not construct projects.

Attachments:

Descriptions of projects
Resolution

PLANNED BOND FUNDED PROJECTS

The following projects are all part of the City's on-going Capital Improvements Program. All of the projects included here have been previously appropriated.

1. Public Schools - \$3,200,000 – Funds will be used to fund \$2.5M for the Buford Reconfiguration and design work and \$700k will fund additional upgrades in various schools funded by the lump sum account.
2. Transportation and Access - \$11,150,000 – \$10.5M will be used to fund the City's required match for the Belmont Bridge Replacement project, \$500k will help fund sidewalk repairs and \$150k will be used to traffic signal replacement.
3. Public Facilities - \$1,561,179 – These funds will be used to continue to address ongoing repairs and maintenance of existing infrastructure.
4. Parks and Recreation - \$95,000 – Funds will be used to fund various park improvements including the renovations to improve the patio area at the Meadowcreek Club Golf Course.
5. Public Safety - \$503,821 – These funds will be used to fund several public safety projects including the Bypass Fire Station and General District Court.
6. Water System Improvements - \$5,000,000 – Water system improvements will be funded by this bond issue. The debt will be repaid using the fee revenue generated by the Water Utility.
7. Wastewater System Improvements - \$2,000,000 – Wastewater system improvements will be funded by this bond issue. The debt will be repaid using the fee revenue generated by the Water Utility.
8. Stormwater System Improvements - \$1,500,000 – Stormwater system improvements and related equipment will be funded by this bond issue. The debt will be repaid using the fee revenue generated by the Stormwater Utility.

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RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE CITY OF CHARLOTTESVILLE, VIRGINIA, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$26,000,000, TO FINANCE THE COSTS OF CERTAIN PUBLIC IMPROVEMENT PROJECTS AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, the City Council of the City of Charlottesville, Virginia (the “City”), desires to issue general obligation public improvement bonds (the “Bonds”) to finance all or a portion of the costs to acquire, construct, renovate, rehabilitate, improve and equip certain capital improvement projects for various City purposes, including (without limitation) (a) transportation and access projects, (b) public facility projects, (c) public school projects, (d) parks and recreation projects, (e) public safety projects, and (f) water, wastewater and stormwater projects (collectively, the “Project”); and

WHEREAS, the City’s administration, in consultation with PFM Financial Advisors LLC, the City’s financial advisor (the “Financial Advisor”), has recommended to the City Council that the City issue and sell the Bonds, in one or more series, through one or more of the following methods: (a) a direct bank loan through a banking or other financial institution (a “Direct Bank Loan”), (b) a public offering through a competitive sale (a “Competitive Sale”), or (c) a public offering through a negotiated underwriting (a “Negotiated Sale”) (in any of such funding options, the purchaser(s) of the Bonds shall be referred to herein as the “Purchaser”);

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTESVILLE, VIRGINIA:

- 1. Authorization and Issuance of Bonds.** The City Council finds and determines that it is in the best interest of the City to authorize the issuance and sale of one or more series of Bonds in an aggregate principal amount not to exceed \$26,000,000 and to use the proceeds thereof, together with other funds as may be available, to finance costs of the Project and to pay costs incurred in connection with issuing such Bonds (if not otherwise paid from other City funds).
- 2. Election to Proceed under the Public Finance Act.** In accordance with the authority contained in Section 15.2-2601 of the Code of Virginia of 1950, as amended (the “Virginia Code”), the City Council hereby elects to issue the Bonds pursuant to the provisions of the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Virginia Code (the “Public Finance Act”), without regard to the provisions of the City Charter.
- 3. Bond Details.** The Bonds shall be designated “General Obligation Public Improvement Bonds, Series 2022,” or such other designation as may be determined by the City Manager (which term, for purposes of this Resolution, shall include any Acting, Interim or Deputy City Manager and the Director of Finance). The Bonds shall be in registered form, shall be dated such date as may be determined by the City Manager, shall be in denominations of \$5,000 and integral multiples thereof and shall be numbered R-1 upward, or such other designation as appropriate. Subject to Section 10 of this Resolution, the issuance and sale of any series of Bonds are authorized on terms as shall be satisfactory to the City Manager; provided, however, that the Bonds of such series (a) shall have a “true” or “Canadian” interest cost not to exceed 5.000% (taking into account

any original issue discount or premium), (b) shall be sold to the Purchaser thereof at a price not less than 99.00% of the principal amount thereof (excluding any original issue discount) and (c) shall mature, or be subject to mandatory sinking fund redemption in annual installments, in years ending no later than December 31, 2042.

Principal of the Bonds shall be payable, or be subject to mandatory sinking fund installments, on dates determined by the City Manager. Each Bond shall bear interest from its date at such rate as shall be determined at the time of sale, calculated on the basis of a 360-day year of twelve 30-day months, and payable semiannually on dates determined by the City Manager. Principal installments and interest shall be payable by check or draft mailed to the registered owners at their addresses as they appear on the registration books kept by the Registrar on a date prior to each payment date that shall be determined by the City Manager (the "Record Date"); provided, however, that at the request of the registered owner of the Bonds, payment may be made by wire transfer pursuant to the most recent wire instructions received by the Registrar from such registered owner; and provided further that the final principal amount or installment payable upon redemption or maturity, together with the redemption premium, if any, shall be payable to the registered owners upon surrender of Bonds at the office of the Registrar. If any payment date is not a business day, such payment shall be made on the next succeeding business day with the same effect as if made on the stated payment date, and no additional interest shall accrue. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

4. Securities Depository Provisions for Public Sale. If the Bonds are sold through a Competitive Sale or a Negotiated Sale, the following provisions shall apply:

(a) Initially, one Bond certificate for each maturity of the Bonds shall be issued to and registered in the name of The Depository Trust Company, New York, New York ("DTC"), or its nominee. The City has heretofore entered into a Blanket Letter of Representations relating to a book-entry system to be maintained by DTC with respect to the Bonds. "Securities Depository" shall mean DTC or any other securities depository for the Bonds appointed pursuant to this Section 4.

(b) In the event that (i) the Securities Depository determines not to continue to act as the securities depository for the Bonds by giving notice to the Registrar, and the City discharges the Securities Depository of its responsibilities with respect to the Bonds, or (ii) the City in its sole discretion determines (A) that beneficial owners of Bonds shall be able to obtain certificated Bonds or (B) to select a new Securities Depository, then the Director of Finance shall, at the direction of the City, attempt to locate another qualified securities depository to serve as Securities Depository and authenticate and deliver certificated Bonds to the new Securities Depository or its nominee or to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for in Section 7 of this Resolution; provided, however, that such form shall provide for interest on the Bonds to be payable (1) from the date of the Bonds if they are authenticated prior to the first interest payment date or (2) otherwise from the interest payment date that is or immediately precedes the date on which the Bonds are authenticated (unless payment of interest thereon is in default, in which case interest on such Bonds shall be payable from the last date to which interest has been paid). In delivering certificated Bonds, the Director of Finance shall be entitled to rely on the records of the Securities Depository as to the beneficial owners or the records of the Securities Depository participants acting on behalf of beneficial owners. Such

certificated Bonds will then be registrable, transferable and exchangeable as set forth in Section 9 of this Resolution.

(c) So long as there is a Securities Depository for the Bonds, (i) it or its nominee shall be the registered owner of the Bonds; (ii) notwithstanding anything to the contrary in this Resolution, determinations of persons entitled to payment of principal, premium, if any, and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established by such Securities Depository; (iii) the Registrar and the City shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants; (iv) references in this Resolution to registered owners of the Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial owners of the Bonds; and (v) in the event of any inconsistency between the provisions of this Resolution and the provisions of the above-referenced Blanket Letter of Representations such provisions of the Blanket Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

5. Redemption Provisions. Subject to the limitations contained herein, the City Manager is hereby authorized to determine the redemption provisions of the Bonds, including provisions for optional and mandatory sinking fund redemption.

(a) The Bonds may be subject to redemption prior to maturity at the option of the City upon such terms and on such dates, if any, as the City Manager determines to be in the best interests of the City based on financial market conditions. Such redemption terms may include payment of a redemption premium not to exceed 1.00% of the principal amount to be redeemed as well as “make whole” redemption premium.

(b) Any Bonds sold as term bonds may be subject to mandatory sinking fund redemption upon terms determined by the City Manager.

(c) If less than all of the Bonds are called for redemption, the maturities of Bonds to be redeemed shall be selected by the Director of Finance in such manner as such officer may determine to be in the best interest of the City. In the case of a Competitive Sale or a Negotiated Sale, if less than all the Bonds of any maturity are called for redemption, the Bonds within such maturity to be redeemed shall be selected by the Securities Depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof, and (b) in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by \$5,000. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof.

(d) The City shall cause notice of the call for redemption identifying the Bonds or portions thereof to be redeemed to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the date fixed for redemption, to the registered owner(s) of the Bonds. In all circumstances, the City

shall be responsible for giving notice of redemption only to the registered owner(s) of the Bonds, which, in the case of a Competitive Sale or a Negotiated Sale, shall be DTC or another qualified securities depository then serving or its nominee (unless no qualified securities depository is then serving as the registered owner of the Bonds). In the case of an optional redemption, the notice may state that (i) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, no later than the date fixed for redemption or (ii) the City retains the right to rescind such notice on or prior to the date fixed for redemption (in either case, a “Conditional Redemption”), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described herein. Any Conditional Redemption may be rescinded at any time. The City shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain outstanding, and the rescission shall not constitute an event of default. Further, in the case of a Conditional Redemption, the failure of the City to make funds available on or before the date fixed for redemption shall not constitute an event of default, and the City shall give immediate notice to all organizations registered with the Securities and Exchange Commission (“SEC”) as securities depositories or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

6. Execution and Authentication. The Bonds shall be signed by the manual or facsimile signature of the Mayor or Vice Mayor, the City’s seal shall be affixed thereto or a facsimile thereof printed thereon and shall be attested by the manual or facsimile signature of the Clerk of the City Council (which term, for purposes of this Resolution, shall include any Acting, Interim or Deputy Clerk of the City Council); provided, however, that no Bond signed by facsimile signatures shall be valid until it has been authenticated by the manual signature of an authorized officer or employee of the Registrar and the date of authentication noted thereon.

7. Bond Form. The Bonds shall be in substantially the form of Exhibit A, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officers signing the Bonds, whose approval shall be evidenced conclusively by the execution and delivery of the Bonds.

8. Pledge of Full Faith and Credit. The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on the Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Bonds, the City Council shall levy and collect an annual ad valorem tax on all taxable property within the City, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any, and interest on the Bonds.

9. Registration, Transfer and Owners of Bonds. The Director of Finance is hereby appointed paying agent and registrar for the Bonds (the “Registrar”). The City Manager is hereby authorized, on behalf of the City, to appoint a qualified bank or trust company as successor paying agent and registrar of the Bonds if at any time the City Manager determines such appointment to be in the best interests of the City. The Registrar shall maintain registration books for the registration of the Bonds and transfers thereof. Upon presentation and surrender of any Bonds to the Registrar, or its corporate trust office if the Registrar is a bank or trust company, together with an assignment duly executed by the registered owner or the owner’s duly authorized attorney or

legal representative in such form as shall be satisfactory to the Registrar, the City shall execute, and the Registrar shall authenticate, if required by Section 6 of this Resolution, and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in the name(s) as requested by the then registered owner or the owner's duly authorized attorney or legal representative. Any such exchange shall be at the expense of the City, except that the Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Registrar shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the Record Date.

10. Sale of Bonds. (a) The City Council authorizes the Bonds to be sold in one or more series, whether through a Direct Bank Loan, a Competitive Sale, a Negotiated Sale or any combination thereof, as determined by the City Manager to be in the best interest of the City, in a principal amount or principal amounts to be determined by the City Manager, in collaboration with the Financial Advisor, and subject to the limitations set forth below and in Sections 1 and 3 of this Resolution.

(b) If the City Manager determines that the Bonds (or a portion thereof) shall be sold through a Direct Bank Loan, the City Manager is authorized, on behalf of the City and in collaboration with the Financial Advisor, to solicit bids from banking institutions and other financial firms, to determine which bid (or bids) offers the best terms to the City, and, subject to the limitations set forth in Section 3 of this Resolution, to arrange for the issuance and sale of the Bonds to the Purchaser. Following a Direct Bank Loan, the City Manager shall file with the records of the City Council a certificate setting forth the final terms of the Bonds. The actions of the City Manager in selling the Bonds by Direct Bank Loan shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the City Council.

(c) If the City Manager determines that the Bonds (or a portion thereof) shall be sold through a Competitive Sale, the City Manager is authorized, on behalf of the City and in collaboration with the Financial Advisor, to take all proper steps to advertise the Bonds for sale, to receive public bids and to award the Bonds to the bidder providing the lowest "true" or "Canadian" interest cost, subject to the limitations set forth in Section 3 of this Resolution. Following a Competitive Sale, the City Manager shall file with the records of the City Council a certificate setting forth the final terms of the Bonds. The actions of the City Manager in selling the Bonds by Competitive Sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the City Council.

(d) If the City Manager determines that the Bonds (or a portion thereof) shall be sold through a Negotiated Sale, the City Manager is authorized, on behalf of the City and in collaboration with the Financial Advisor, to choose an investment banking firm to serve as underwriter for the Bonds and to execute and deliver to the underwriter, as Purchaser of the Bonds, a bond purchase agreement reflecting the final terms of the Bonds. The bond purchase agreement

shall be in a form approved by the City Manager, in collaboration with the City Attorney, the Financial Advisor and the City's bond counsel. The actions of the City Manager in selling the Bonds by Negotiated Sale shall be conclusive, and no further action with respect to the sale and issuance of the Bonds shall be necessary on the part of the City Council.

(e) Following the determination of which method(s) of sale shall be used, the City Manager is hereby authorized to (i) determine the principal amount of the Bonds, subject to the limitations set forth in Section 1 of this Resolution, (ii) determine the interest rates of the Bonds, the maturity schedules of the Bonds, and the price to be paid for the Bonds by the Purchaser, subject to the limitations set forth in Section 3 of this Resolution, (iii) determine the redemption provisions of the Bonds, subject to the limitations set forth in Section 5 of this Resolution, and (iv) determine the dated date, the principal and interest payment dates and the Record Date of the Bonds, all as the City Manager determines to be in the best interest of the City.

11. Official Statement. The draft Preliminary Official Statement describing the Bonds, copies of which have been made available to the City Council prior to this meeting, is hereby approved as the Preliminary Official Statement by which the Bonds may be offered for sale to the public in a Competitive Sale or a Negotiated Sale; provided that the City Manager, in collaboration with the Financial Advisor, may make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as the City Manager may consider to be in the best interest of the City. If the Bonds have been sold in a Competitive Sale or a Negotiated Sale, the City Manager, in collaboration with the Financial Advisor, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement. In addition, the City shall arrange for the delivery to the Purchaser of the Bonds of a reasonable number of printed copies of the final Official Statement, within seven business days after the Bonds have been sold, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom the Purchaser initially sells Bonds.

12. Official Statement Deemed Final. If the Bonds are sold in a Competitive Sale or a Negotiated Sale, the City Manager is authorized, on behalf of the City, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the "Rule") of the SEC, except for the omission in the Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to the Rule. The distribution of the Preliminary Official Statement and the execution and delivery of the Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the City, except for the omission in the Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

13. Preparation and Delivery of Bonds. After the Bonds have been awarded, the officers of the City are authorized and directed to take all proper steps to have the Bonds prepared and executed in accordance with their terms and to deliver the Bonds to the Purchaser thereof upon payment therefor.

14. Arbitrage Covenants. (a) The City represents that there have not been issued, and covenants that there will not be issued, any obligations that will be treated as part of the same issue of obligations as the Bonds within the meaning of Treasury Regulations Section 1.150-1(c).

(b) The City covenants that it shall not take or omit to take any action the taking or omission of which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, including the regulations issued pursuant thereto (collectively, the “Code”), or otherwise cause interest on the Bonds to be includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the City shall comply with any provision of existing law that may require the City at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bonds, unless the City receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. The City shall pay any such required rebate from its legally available funds.

15. Non-Arbitrage Certificate and Elections. Such officers of the City as may be requested by the City’s bond counsel are authorized and directed to execute an appropriate certificate setting forth (a) the expected use and investment of the proceeds of the Bonds in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code and (b) any elections such officers deem desirable regarding rebate of earnings to the United States for purposes of complying with Section 148 of the Code. Such certificate shall be prepared in consultation with the City’s bond counsel, and such elections shall be made after consultation with bond counsel.

16. Limitation on Private Use. The City covenants that it shall not permit the proceeds of the Bonds or the facilities financed therewith to be used in any manner that would result in (a) 5% or more of such proceeds or facilities being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, (b) 5% or more of such proceeds or facilities being used with respect to any output facility (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the City receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Bonds from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law, the City need not comply with such covenants.

17. SNAP Investment Authorization. The City Council has previously received and reviewed the Information Statement (the “Information Statement”), describing the State Non-Arbitrage Program of the Commonwealth of Virginia (“SNAP”) and the Contract Creating the State Non-Arbitrage Program Pool I (the “Contract”), and the City Council hereby authorizes the City Treasurer in his discretion to utilize SNAP in connection with the investment of the proceeds of the Bonds. The City Council acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the City in connection with SNAP, except as otherwise provided in the Contract.

18. Continuing Disclosure Agreement. If the Bonds are sold in a Competitive Sale or a Negotiated Sale, the Mayor and the City Manager, either of whom may act, are hereby authorized and directed to execute a continuing disclosure agreement (the “Continuing Disclosure

Agreement”) setting forth the reports and notices to be filed by the City and containing such covenants as may be necessary to assist the Purchaser of the Bonds in complying with the provisions of the Rule promulgated by the SEC. The Continuing Disclosure Agreement shall be substantially in the form of the City’s prior Continuing Disclosure Agreements, which is hereby approved for purposes of the Bonds; provided that the City Manager, in collaboration with the Financial Advisor, may make such changes in the Continuing Disclosure Agreement not inconsistent with this Resolution as the City Manager may consider to be in the best interest of the City. The execution thereof by such officers shall constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

19. Provision of Financial Information. If the Bonds are sold through a Direct Bank Loan, the Director of Finance is hereby authorized and directed to make available to the Purchaser, for so long as the Bonds remain outstanding, a copy of the City’s comprehensive annual financial report and such other financial information as may be reasonably requested by the Purchaser, as soon as is practicable upon the release of such information.

20. Other Actions. All other actions of officers of the City in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Bonds are hereby ratified, approved and confirmed. The officers of the City are authorized and directed to execute and deliver all certificates and instruments and to take all such further action as may be considered necessary or desirable in connection with the issuance, sale and delivery of the Bonds.

21. Repeal of Conflicting Resolutions. All prior resolutions or parts of prior resolutions in conflict herewith are repealed.

22. Filing With Circuit Court. The Clerk of the City Council, in collaboration with the City Attorney, is authorized and directed to see to the immediate filing of a certified copy of this resolution in the Circuit Court of the City.

23. Effective Date. This Resolution shall take effect immediately.

[FORM OF BOND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate is registered in the name of Cede & Co., or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

REGISTERED

REGISTERED

No. R-_____

\$_____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

CITY OF CHARLOTTESVILLE

General Obligation Public Improvement Bond

Series 2022

INTEREST RATE

MATURITY DATE

DATED DATE

CUSIP

_____%

_____, ____

_____, 2022

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

DOLLARS

The City of Charlottesville, Virginia (the “City”), for value received, promises to pay, upon surrender hereof to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above, subject to prior redemption as hereinafter provided, and to pay interest hereon from its date semiannually on each _____ and _____, beginning _____, at the annual rate stated above, calculated on the basis of a 360-day year of twelve 30-day months. Principal, premium, if any, and interest are payable in lawful money of the United States of America by the City’s Director of Finance, who has been appointed paying agent and registrar for the bonds, or by such bank or trust company as may be appointed as successor paying agent and registrar by the City Manager (the “Registrar”). If any payment date is not a business day, such payment shall be made on the next succeeding business day with the same effect as if made on the stated payment date, and no additional interest shall accrue.

Notwithstanding any other provision hereof, this bond is subject to a book-entry system maintained by The Depository Trust Company (“DTC”), and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the City’s Blanket Letter of Representations to DTC.

This bond is one of an issue of \$_____ General Obligation Public Improvement Bonds, Series 2022, of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity, and is issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, without regard to the provisions of the City Charter. The bonds are being issued pursuant to a resolution adopted by the City Council of the City (the “City Council”) on May _____, 2022 (the “Resolution”), to finance certain capital improvement projects for the City and to pay costs incurred in connection with issuing such bonds (if not otherwise paid from other City funds).

The full faith and credit of the City are irrevocably pledged for the payment of principal of and premium, if any, and interest on this bond. Unless other funds are lawfully available and appropriated for timely payment of this bond, the City Council shall levy and collect an annual ad valorem tax on all taxable property within the City, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, sufficient to pay when due the principal of and premium, if any, and interest on this bond.

Optional Redemption. Bonds maturing on or before _____, 20__, are not subject to redemption prior to maturity. Bonds maturing on or after _____, 20__, are subject to redemption prior to maturity at the option of the City on or after _____, 20__, in whole or in part (in any multiple of \$5,000) at any time, upon payment of the following redemption prices (expressed as a percentage of principal amount of bonds to be redeemed) plus interest accrued and unpaid to the date fixed for redemption:

Period During Which Redeemed (Both Dates Inclusive)	Redemption Price
--	-----------------------------

Mandatory Sinking Fund Redemption. [Bonds maturing on _____, 20__, are required to be redeemed in part before maturity by the City on _____ in the years and amounts set forth below, at a redemption price equal to the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
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Manner of Redemption. If less than all of the bonds are called for redemption, the bonds to be redeemed shall be selected by the Director of Finance of the City in such manner as such

officer may determine to be in the best interest of the City. If less than all of the bonds of any maturity are called for redemption, the bonds within such maturity to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, shall be selected by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some integral multiple thereof and (b) in selecting bonds for redemption, each bond shall be considered as representing that number of bonds that is obtained by dividing the principal amount of such bond by \$5,000. If a portion of this bond is called for redemption, a new bond in the principal amount of the unredeemed portion hereof will be issued to the registered owner upon surrender hereof.

Notice of Redemption. The City shall cause notice of the call for redemption identifying the bonds or portions thereof to be redeemed to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the date fixed for redemption, to the registered owner hereof. Consistent with the terms of the Resolution, the City may give notice of redemption prior to a deposit of redemption moneys if such notice states that the redemption is to be funded with the proceeds of a refunding bond issue and is conditioned on the deposit of such proceeds. Provided that moneys are deposited on or before the date fixed for redemption, such notice shall be effective when given. If such proceeds are not available on the date fixed for redemption, no default will be deemed to have occurred and such bonds will continue to bear interest until paid at the same rate they would have borne had they not been called for redemption. On presentation and surrender of the bonds called for redemption at the place or places of payment, such bonds shall be paid and redeemed.

The Registrar shall treat the registered owner of this bond as the person exclusively entitled to payment of principal of and premium, if any, and interest on this bond and the exercise of all others rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the ___ day of the month [preceding] [in which] each interest payment [is due].

All acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in connection with the issuance of this bond have happened, exist and have been performed, and the issue of bonds of which this bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the City of Charlottesville, Virginia, has caused this bond to be to be signed by the Mayor or Vice Mayor, its seal to be affixed hereto and attested by the Clerk of the City Council, and this bond to be dated the date first above written.

(SEAL)

[Vice] Mayor, City of Charlottesville, Virginia

(ATTEST)

Clerk of Council,
City of Charlottesville, Virginia

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sell(s), assign(s) and transfer(s) unto

(Please print or type name and address, including postal zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE:

: :
: :
: :

the within bond and all rights thereunder, hereby irrevocably constituting and appointing
_____,
Attorney, to transfer said bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution such
as a Commercial Bank, Trust Company,
Securities Broker/Dealer, Credit Union
or Savings Association who is a member
of a medallion program approved by The
Securities Transfer Association, Inc.

(Signature of Registered Owner)

NOTICE: The signature above must
correspond with the name of the
registered owner as it appears on the
front of this bond in every particular,
without alteration or enlargement or any
change whatsoever.

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 16, 2022
Action Required:	Public Hearing
Presenter:	Chris Gensic, Dept. of Parks and Recreation
Staff Contacts:	Chris Gensic, Dept. of Parks and Recreation
Title:	Land Acquisition for Park and Trail Use with Virginia Outdoors Foundation Grant Funding

Background:

For several months, the City and the owners of a parcel of land at the west end of McIntire Park have discussed the sale of their land for the purpose of a City trail. The Department of Parks and Recreation seeks to acquire land for a trail extension enabling a continuous link through this portion of the City. The City secured a grant through the Virginia Outdoors Foundation (VOF) to pay for the property acquisition at the west end of McIntire Park. The funding from VOF does come with conditions.

A. **Virginia Outdoors Foundation Grants**

Use of the VOF funds will require that:

- 1) the purchase of this parcel with VOF funds must subsequently be combined with an additional five acres of McIntire Park land and be placed under an open space conservation easement for the benefit of VOF.
- 2) the City's acceptance of this grant funding will require the City of Charlottesville Circuit Court to start charging and collecting a three (3) dollar fee with the recording of every deed, deed of trust, contract, or other such instrument. The fee shall be collected by the Circuit Court and remitted to the Commonwealth for the benefit of VOF.

"Virginia Recordation Tax Act" authorizes such contribution by the Circuit Court to the VOF. Specifically, Va. Code Ann. § 58.1-817 states:

In addition to all other taxes and fees imposed by this chapter, beginning July 1, 2020, there is hereby imposed a \$3 fee on every deed, deed of trust, contract, or other instrument admitted to record in those jurisdictions in which open-space easements are held by the Virginia Outdoors Foundation. See Va. Code Ann. § 58.1-800 et. seq.

The Virginia Outdoors Foundation, in administering the Open-Space Lands Preservation Trust Fund, is authorized to receive funds for open-space preservation. See Va. Code Ann. § 10.1-1800 et. seq. Citizens recording land instruments in jurisdictions with a VOF easement are then charged for every deed, deed of trust, contract, or other instrument admitted to record in that jurisdiction for the benefit

of VOF. See opinion of Attorney General to Ms. Brett C. Glymph, E.D., Virginia Outdoors Foundation, 15-081, (9/1/16). There are already VOF easements on City land located in Albemarle County and the fee is already applied to filing land transactions in the Albemarle Circuit Clerk's Office. Currently there are no VOF easements within the City of Charlottesville.

Consent by the City to accept VOF's grant money for this parcel will constitute consent for the additional three dollar recording fee in the City. It is important to note that this is a one-time charge per parcel and transaction. If the fee has been paid at the time of recordation of the original deed, no additional recordation fee is required for deeds of confirmation; correction; transfer deeds between husband and wife; and notices of assignment of a deed of trust or mortgage. Further, colleges, religious organizations, the federal government, the state, and/or localities, are not subject to the fee. The benefit of this VOF grant program is that it provides an ongoing source of funding which will be separately maintained as designated solely for the purpose of providing grants **to localities acquiring fee simple title or other rights, interests, or privileges in property**. See Va. Code Ann. § 10.1-1801.1.

The City has the authority to acquire this land and enter into a VOF easements based on Va. Code Ann. § 10.1-1701. The statute states: "To carry out the purposes of this chapter, any public body may (i) acquire by purchase..., grant or otherwise title to or any interests or rights of not less than five years' duration in real property that will provide a means for the preservation or provision of open-space land..." See Va. Code Ann. § 10.1-1701. The definition of public body includes a municipality. See Va. Code Ann. § 10.1-1700. Further, the Virginia legislature has made it clear that, "(i)nsofar as the provisions of this chapter are inconsistent with the provisions of any other law, the provisions of this chapter shall be controlling. The powers conferred by this chapter shall be in addition and supplemental to the powers conferred by any other law." See Va. Code Ann. § 10.1-1705.

B. **Public Hearing Requirement**

To purchase this land with VOF funds, the City will also need to hold a public hearing before approving an open space easement. This easement constitutes a disposition of property rights over park land. A city's grant of a conservation easement to a conservation organization effectively results in a permanent dedication of public property to its current public use and is thus a form of sale of municipal property. See opinion of Attorney General to The Honorable Viola O. Baskerville, Member, House of Delegates, 00-062 (11/3/00). The City may sell easement rights..., provided that no such real property, whether improved or unimproved, shall be disposed of until the governing body has held a public hearing concerning such disposal. See Va. Code Ann. § 15.2-1800B.

C. **Required Recorded Vote by Three Fourths Majority**

Va. Code Ann. § 15.2-1800 clearly establishes that the City may acquire title to, or any interests in, any real property, whether improved or unimproved, within its jurisdiction, for any public use. See Va. Code Ann. § 15.2-1800A. However as stated above, a conservation easement over park land is a form of land disposition subject to Article VII, Section 9 of the Constitution. This section states in relevant part: "(n)o rights of a city...in and to its...parks...**shall be sold except by an ordinance or resolution passed by a recorded affirmative vote of three fourths of all members elected** to the governing body." See Va. Const. Art. VII, § 9. Therefore, the City Council after a public hearing may by resolution of a three fourths majority accept this grant funding from VOF and approve placement of an open space easement for the benefit of VOF over five acres of land on the west side McIntire Park. Approval of this Resolution can only be passed after a public hearing and an affirmative vote of four of the five City Councilors in favor of such Resolution.

Whereupon, If City Council votes for the attached resolution, City staff would: (1) use VOF funds to acquire this trail land at the west end of McIntire Park; (2) enter into the VOF easement over five acres on the west side of McIntire Park and (3) record such easement triggering the Charlottesville Circuit Court's ongoing collection of three dollar recording fees in the City of Charlottesville for the benefit of VOF.

Discussion:

The parcel to be acquired is at the west end of McIntire Park and will allow construction of the 250-bypass shared use path which shall connect to Meadowbrook Heights Road and the existing section of trail from that point west to Hydraulic Road. The grant will cover the full cost of acquisition. Survey and title work has already been completed on the parcel.

The Clerk of Court is aware of and supports the three dollar per deed and/or instrument fee. The City of Charlottesville is one of only a handful of localities that does not yet participate in this program state-wide.

Alignment with City Council's Vision and Strategic Plan:

The project supports City Council's "America's Healthy City" vision by providing outstanding recreational areas and walking trails, as well as the vision of being a "Connected Community". It contributes to Goal 3 of the Strategic Plan, for a beautiful and sustainable natural and built environment, and specifically objective 3.3, to provide a variety of transportation and mobility options.

Community Engagement:

The Bicycle and Pedestrian Plan and Comprehensive Plan were both developed with multiple public meetings and opportunities for input, including public hearings, and was approved by City Council.

Budgetary Impact:

This grant has already been appropriated into the Trail and Land Acquisition fund of the Trail CIP fund.

Recommendation:

Public Hearing only

Alternatives:

Use local funds to purchase the property

Attachments:

Proposed Resolution for future consideration
Draft Easement
Letter from Charlottesville Clerk of Court

RESOLUTION

Approving the Acquisition of Land near Grove Road and the Western Portion of McIntire Park and Placement of Open Space Conservation Easement on such Park Land

WHEREAS Susan R. Hoover and Angus Arrington (the “Owner”) are the owners of land designated on City Real Estate Tax Map 41A as Parcel 94, and have indicated a willingness to convey a portion of the subject land to the City of Charlottesville for creation of parkland; and

WHEREAS the land to be conveyed, hereinafter the “Property”, is described as follows:

All that lot or parcel of land designated as City Real Estate Tax Map Parcel 41A094000, less and except a ten-foot (10’) wide strip of land at the northern boundary of Parcel 94, to be retained by Owner and combined with City Tax Map Parcel 41A093000, as shown on a plat dated [REDACTED], 2022, made by Draper Aden Associates (the “Plat”); and

WHEREAS Owner has agreed to convey to the City the Property for the purchase price of \$42,000; and

WHEREAS funds are available for the purchase and development of the Property through a Virginia Outdoors Foundation grant managed by the Parks and Recreation Department (Account PR-001); and

WHEREAS the Department of Parks and Recreation seeks approval from City Council to proceed with the purchase of the above-described Property at a purchase price of \$42,000, with funding supplied by use of funds from the Virginia Outdoors Foundation through the Parks and Recreation trails and parkland fund; and

WHEREAS use of such funding shall require the recording of an open space conservation easement on the combined parcels referenced herein to the benefit of Virginia Outdoors Foundation; and

WHEREAS the resulting open space easement shall trigger the collection of a three-dollar recording fee for all property conveyances from the date of the easement filed in Charlottesville Circuit Court to the benefit of Virginia Outdoors Foundation upon recording; 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 for creation of parkland and the placement of an open space easement over the Property. 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 their designee. The City Attorney’s Office shall take whatever actions are necessary to effect the acquisition of the above-described Property and recording of an open space easement, pursuant to the terms and conditions set forth in the agreement and Deed of Easement.

NOTE TO TITLE EXAMINERS: This open-space easement contains restrictions on permitted uses and activities on the property described below, which run with the land and are applicable to the property in perpetuity.

Prepared by: Allyson Manson Davies
Senior Deputy City Attorney
Office of the City Attorney
City of Charlottesville
PO Box 911,
Charlottesville, VA 22902

Return to: Virginia Outdoors Foundation
900 Natural Resources Drive, Suite 800
Charlottesville, VA 22903

Parcel ID Nos.: 41A094000 and 42A002000

Exempted from recordation tax
under the Code of Virginia (1950), as amended,
Sections 58.1-811 (A) (3), Virginia Code §§ 58. 1- 811(C)(4),
and from Circuit Court Clerk's fee under Section 17.1-266

THIS DEED OF OPEN-SPACE EASEMENT (this "Easement"), made this ___ day of _____, 2022, between THE CITY OF CHARLOTTESVILLE, VIRGINIA, a municipal corporation of the Commonwealth of Virginia with an address of Post Office Box 911, Charlottesville, Virginia 22902, ("Grantor") and the VIRGINIA OUTDOORS FOUNDATION, an agency of the COMMONWEALTH OF VIRGINIA, ("Grantee") (the designations "Grantor" and "Grantee" refer to Grantor and Grantee and their respective successors and assigns), witnesseth:

RECITALS:

R-1 Grantor is the sole owner in fee simple of real property situated in the City of Charlottesville, Virginia, containing in the aggregate five acres, more or less, as further described below (the "Property"), and Grantor desires to give in part, sell in part, grant, and convey to Grantee a perpetual open-space easement over the Property as herein set forth.

R-2 Grantee is a governmental agency of the Commonwealth of Virginia and is willing to accept a perpetual open-space easement over the Property as herein set forth.

R-3 The Commonwealth of Virginia has authorized the creation of open-space easements pursuant to the "Open Space Land Act." Va. Code Ann. Title 10.1, Subtit. II, Ch. 17 provides in

part that the provision and preservation of permanent open-space land are necessary to help curb urban sprawl, to prevent the spread of urban blight and deterioration, to encourage and assist more economic and desirable urban development, to help provide or preserve necessary park, recreational, historic and scenic areas, and to conserve land and other natural resources and authorizes the acquisition of interests in real property, including easements in gross, as a means of preserving open-space land. The balance of the Chapter is codified in Chapter 17, Title 10.1, Sections 10.1-1700 through 10.1-1705 of the Code of Virginia, as amended (the “Open-Space Land Act”), and Grantor and Grantee wish to avail themselves of the provisions of that law.

R-4 Pursuant to Section 10.1-1700 and 10.1-1703 of the Open-Space Land Act, the purposes of this Easement (as defined below in Section I) include retaining and protecting open-space and natural resource values of the Property, and the limitation on division, residential construction, and commercial and industrial uses contained in Section II which ensures that the Property will remain perpetually available for open-space use all as more particularly set forth below.

R-5 Chapter 18, Title 10.1, Sections 10.1-1800 through 10.1-1804 of the Code of Virginia, declares it to be the public policy of the Commonwealth to encourage preservation of open-space land and authorizes the Virginia Outdoors Foundation to hold real property or any estate or interest therein for the purpose of preserving the natural, scenic, historic, scientific, open-space, and recreational lands of the Commonwealth.

R-6 As required under Section 10.1-1701 of the Open-Space Land Act, the use of the Property for open-space land conforms to the City of Charlottesville Comprehensive Plan adopted on November 15, 2021, and the Property is located within an area that is designated as Open space and Parks on the City’s future land use map.

R -7 This open-space easement in gross constitutes a restriction granted in perpetuity on the use that may be made of the Property and is in furtherance of and pursuant to the clearly delineated governmental conservation policies set forth below:

(i) Land conservation policies of the Commonwealth of Virginia as set forth in:

- a. Section 1 of Article XI of the Constitution of Virginia, which states that it is the Commonwealth’s policy to protect its atmosphere, lands and waters from pollution, impairment, or destruction, for the benefit, enjoyment, and general welfare of the people of the Commonwealth;
- b. The Open-Space Land Act cited above;
- c. Chapter 18, of Title 10.1, Sections 10.1-1800 through 10.1-1804 of the Code of Virginia cited above;
- d. Grantee’s formal practices in reviewing and accepting this Easement. Grantee has engaged in a rigorous review, considered, and evaluated the benefits provided by this Easement to the general public as set forth in these recitals, and concluded

that the protection afforded the open-space character of the Property by this Easement will yield a significant public benefit and further the open-space conservation objectives of Grantee and the Commonwealth of Virginia; and

(ii) Land use policies of the City of Charlottesville as delineated in its comprehensive plan adopted on November 15, 2021, to which plan the restrictions set forth in this Easement conform and which contains the following vision and goals such that preservation of this land as open space will further the City's goals:

1. Charlottesville will be an environmental leader, with healthy air, water, and ecosystems, as well as ample, high-quality, and accessible open space and natural areas, and a preserved and enhanced tree canopy. The Rivanna River and other waterbodies will be celebrated and protected, and environmentally-sound community access will be enhanced. Charlottesville's built environment will utilize green infrastructure and encourage healthy and low carbon lifestyles by supporting walking, bicycling, and transit use, and access to outdoor public spaces and natural areas.
2. City will continue to work toward meeting the citywide goal of a 45% reduction in greenhouse gas emissions by 2030 (from 2011 levels) and carbon neutrality by 2050, accelerating greenhouse gas emission reductions where possible.
3. City will utilize resilience and adaptation to prepare for and work to minimize the impacts of climate change.
4. City will promote Urban Ecosystems which are healthy, interconnected ecosystems that deliver valuable ecosystem services, and support diverse native plant communities and wildlife habitats.
5. City will contribute to the creation, protection, and expansion of robust urban forests through an urban tree canopy.

R-8 The Property will be used for public park purposes. Specifically, the Property will include a section of the U.S. Route 250 bypass shared use path which will be used as a public trail. The overall U.S. Route 250 bypass trail will connect U.S. Route 29 with McIntire Park, and will connect to Schenk's Greenway leading into downtown, and John Warner Parkway trail north to Rio Road. Destinations along the trail include shopping in the Hydraulic Road/ U.S. 29 area, public housing along Hydraulic Road, McIntire Park which includes the YMCA and new skate park, and the future botanical garden. Preservation of the Property in its natural state hereunder will ensure that trail users enjoy forested surroundings amid an otherwise developed area of the City. Pursuant to this Easement Grantor will be allowed to engage in urban forest management, remove invasive plants, and provide for public enjoyment of the land outside of the trail corridors.

R-9 Pursuant to Section 10.1-1801.1 of the Code of Virginia, Grantee has approved an Open-Space Lands Preservation Trust Fund payment in the amount of \$50,000 to Grantor as an entity conveying an open-space easement on open-space land for partial purchase of the Easement and costs associated with the conveyance of this Easement to Grantee.

R-10 This Easement will yield significant public benefit to the citizens of the Commonwealth as set forth in these recitals and in Section I below.

R-11 Grantor and Grantee desire to protect in perpetuity the conservation values of the Property as specified in Section I by restricting the use of the Property as set forth in Section II.

R-12 Grantee has determined that the restrictions set forth in Section II (the Restrictions) will preserve and protect in perpetuity the conservation values of the Property and will limit use of the Property to those uses consistent with, and not adversely affecting, the conservation values of the Property and the governmental conservation policies furthered by this Easement.

R-13 Grantee, by acceptance of this Easement, designates the Property as property to be retained and used in perpetuity for the preservation and provision of open-space land pursuant to the Open-Space Land Act.

R-14 Grantor and Grantee have the common purpose of conserving the above - described conservation values of the Property in perpetuity.

NOW, THEREFORE, in consideration of the foregoing recitals, incorporated herein and made a part hereof, and in consideration of the mutual covenants herein and their acceptance by Grantee, and in further consideration of an Open-Space Lands Preservation Trust Fund grant in the amount of \$50,000, Grantor does hereby grant and convey to Grantee for the public purposes set forth in Section I below an open-space easement in gross (this "Easement") over, and the right in perpetuity to restrict the use of, the Property, which is described below and consists of five acres more or less, located in the City of Charlottesville, Virginia, within and near McIntire Park, fronting U.S. Highway Route 250, to-wit:

All those certain lots or parcels of land, with improvements thereon and appurtenances thereto, situated in the City of Charlottesville, Virginia, shown as Tax Map Nos. 41-A-94 and 42-A-2 among the land records of the City of Charlottesville, Virginia. **Even though the Property consists of more than one parcel for real estate tax purposes, and it may have been acquired previously as separate parcels, it shall be considered one parcel for purposes of this Easement, and the restrictions and covenants of this Easement shall apply to the Property as a whole and will bind Grantor and Grantor's successors in interest in perpetuity.**

SECTION I -PURPOSES

The purpose of this Easement is to preserve and protect the conservation values of the Property in perpetuity by imposing the restrictions on the use of the Property set forth in Section II and providing for their enforcement in Section III. The conservation values of the Property are described in the above recitals, are documented in the Baseline Documentation Report described in Section IV below and include the Property's open-space, scenic, natural, and public recreational values.

Pursuant to the Virginia Land Conservation Foundation's Conservation Value Review Criteria the further conservation purpose of this Easement is preservation of land for natural resource-based outdoor recreation or education, preservation of scenic open space, and preservation of open space designated by local government.

Grantor covenants that no acts or uses are currently being conducted or will be conducted on the Property, which are inconsistent with the conservation purposes of this Easement or the conservation values herein protected.

SECTION II – RESTRICTIONS

Restrictions are hereby imposed on the use of the Property pursuant to the public policies set forth above. The acts that Grantor covenants to do and not to do upon the Property, and the restrictions that Grantee is hereby entitled to enforce, are and shall be as follows:

1. DIVISION.

(i) Separate conveyance of a portion of the Property or division of the Property is prohibited. For purposes of this Easement, division of the Property includes, but is not limited to, creating a subdivision plat, judicial partitioning of the Property, testamentary partitioning of the Property, or pledging for debt of a portion of the Property.

(ii) The acquisition of a *de minimis* portion of the Property adjacent to Meadowbrook Heights Road, U.S. Route 250 bypass (John W. Warner Parkway) for minor road improvements shall not be considered a division of the Property, and neither the acquisition of such a *de minimis* portion of the Property nor the use of the portion of the Property so acquired shall be prohibited by this Easement, provided that Grantee approves such conveyance or taking, which approval shall be contingent upon the project including all reasonable actions, such as landscaping or topographic improvements, to minimize the project's impact on the Property and prevent harm to its conservation values. Grantor reserves its separate right to approve such acquisition. Use of the Property for such a project is limited to minor improvements to U.S. Highway Route 250 (John W. Warner Parkway) and access to the Property therefrom, including, but not limited to, maintenance, correction, repair, or upgrading of the existing public road. Any portion of the Property acquired from Grantor pursuant to this paragraph shall remain subject to the terms and restrictions of this Easement.

2. BUILDINGS, STRUCTURES, AND UTILITIES.

(i) No buildings, structures, or utilities, other than the following, are permitted on the Property. Such buildings and structures are subject to subparagraph 2(iii). **Siting of buildings and structures** below:

(a) Non-residential park-related buildings and structures.

Non-residential buildings and structures commonly and appropriately incidental to public recreational activities including, but not limited to, restroom facilities, picnic shelters, and informational kiosks, all sized appropriately to serve as amenities for public recreational activities, such as nature study, photography, hiking, biking, walking, and bird watching and natural resource-based educational or scientific activities; and

(b) Public Parking Areas and Trails.

Parking areas and trails; and

(c) Utilities and renewable energy facilities.

Public or private utilities and renewable energy facilities used to harness natural renewable energy sources such as sunlight, wind, water, or biomass to serve permitted buildings, structures, or activities on the Property. Such limitation will not prohibit the sale of excess power generated incidentally in the operation of renewable energy facilities; and

Public or private utilities to be constructed in whole or in part to serve other properties, provided Grantee determines, in its sole discretion, that the construction and maintenance of such utilities or facilities will cause no impairment of the Conservation Values of the Property and gives its prior written approval for such construction and maintenance. Approval of such construction and maintenance will take into consideration the visibility and any other possible adverse impact of such utilities or facilities on the Conservation Values of the Property. Grantor reserves its separate right to approve any public or private utilities; and

(e) Signs.

Signs necessary to provide information to the public about the use of the Property, the trail system, and its resources. At least one sign shall include acknowledgement that the Virginia Outdoors Foundation contributed funding for this project.

(ii) Grantor shall have the right to construct any buildings, structures, parking areas, trails, utilities, and signs permitted in Section II, Paragraph 2(i) above and to repair, maintain, renovate, expand, and replace any permitted buildings, structures, parking areas, trails, utilities, and signs on the Property, within the limitations set forth in this Easement.

(iii) The collective footprint of all buildings and structures and impervious parking areas on the Property, excluding linear surfaces, such as trails, walls, fences, bridges, and boardwalks, shall not exceed 5,000 square feet provided that if Grantor can demonstrate that an increase in the collective footprint would result in increased protection of the conservation values of the Property, Grantee may approve such increase. For the purpose

of this paragraph the collective footprint is the ground area measured in square feet of the buildings and structures set forth in Section II, Paragraph 2(i)(a), (b), and (c) and all other impervious surfaces, excluding linear surfaces.

3. ACTIVITIES PERMITTED ON THE PROPERTY.

No activities other than the following are permitted on the Property:

(i) outdoor public recreational activities, such as nature study, photography, hiking, biking, walking, and bird watching, but not activities requiring ballfields, tennis courts, or similar facilities;

(ii) natural resource-based educational or scientific activities, provided that they are consistent with the conservation purposes of this Easement and do not impair the conservation values protected herein;

(iii) small-scale incidental commercial operations compatible with activities set forth in (i) and (ii) above;

(iv) other outdoor activities that do not permanently alter the physical appearance of the Property and that do not impair the conservation values of the Property herein protected.

- 4. PUBLIC ACCESS.** This Easement will benefit the public. The public shall have a right of daily access to the Property for the activities described above at times set by Grantor, subject to reasonable restrictions to ensure the security of the Property and the safety of visitors. Notwithstanding the above, Grantor retains the right to exclude the public from the Property or a portion thereof in case of emergency or disaster (for as long as is necessary to abate the emergency or disaster), for maintenance of the Property, and as may be necessary for resource management and protection. Grantor, in its discretion, may charge fees for access to the Property.

SECTION III – ENFORCEMENT

- 1. RIGHT OF INSPECTION.** Employees, agents, and other representatives of Grantee may enter the Property from time to time for purposes of (i) inspection (including photographic documentation of the condition of the Property), (ii) flagging or otherwise marking the boundaries of specific areas or zones on the Property that are restricted as to the structures or activities allowed thereon in Section II above, and (iii) enforcement of the terms of this Easement after reasonable notice to Grantor or Grantor's representative, provided, however, that in the event of an emergency, entrance may be made to observe, document, prevent, terminate, or mitigate a potential violation of these restrictions with notice to Grantor or Grantor's representative being given at the earliest practicable time.
- 2. ENFORCEMENT.**

- (i) Grantee, in accepting this Easement, commits to protecting the Conservation Values and advancing the conservation purposes of this Easement and has the resources necessary to enforce the restrictions set forth herein. Grantee has the right to bring a judicial proceeding to enforce the restrictions, which right specifically includes the right (a) to require restoration of the Property to its condition on the Effective Date or to require restoration of the Property to its condition prior to a violation hereof, provided that such prior condition was in compliance with the provisions of this Easement; (b) to recover any damages arising from non-compliance; (c) to compel Grantor to disgorge to Grantee any proceeds received in activities undertaken in violation of the restrictions set forth in Section II of this Easement; (d) to require Grantor to replant or pay for the replanting of trees on the Property harvested in violation of the restrictions involving timber or trees set forth in Section II of this Easement, (e) to require Grantor to pay the costs of ascertaining the value of the timber harvested in violation of restrictions involving timber or trees set forth in Section II of this Easement; (f) to pay to Grantee three times the value of the timber on the stump for the value (at the time of harvesting) of such timber harvested in violation of restrictions involving timber or trees set forth in Section II of this Easement, constituting the agreed-upon harm to the Conservation Values protected herein caused by such wrongful harvest; (g) to enjoin non-compliance by temporary or permanent injunction; and (h) to pursue any other appropriate remedy in equity or at law. If the court determines that Grantor failed to comply with this Easement, Grantor must reimburse Grantee for any reasonable costs of enforcement, including costs of restoration, in addition to any other payments ordered by the court. Grantee's delay will not waive or forfeit its right to take such action as may be necessary to ensure compliance with this Easement, and Grantor hereby waives any defense of waiver, estoppel, or laches with respect to any failure to act by Grantee.
- (ii) Notwithstanding any other provision of this Easement, Grantor will not be responsible or liable for any damage to the Property or change in the condition of the Property (a) caused by fire, flood, storm, Act of God, governmental act, or other cause outside of Grantor's control or (b) resulting from prudent action taken by Grantor to avoid, abate, prevent, or mitigate such damage to or changes in the condition of the Property from such causes.
- (iii) Nothing in this Easement creates any right in the public or any third party to maintain a judicial proceeding against Grantor or Grantee. The conveyance of this Easement to Grantee does not affect the property rights of contiguous landowners or vest in any contiguous or nearby landowner rights in the Property or the administration of this Easement by Grantee.

SECTION IV – DOCUMENTATION

Grantor has made available to Grantee, prior to conveyance of this Easement, documentation sufficient to describe the condition and character of the Property, and the

Baseline Documentation Report (BDR), describes the condition and character of the Property on the Effective Date. The BDR may be used to determine compliance with and enforcement of the terms of this Easement. However, the parties are not precluded from using other relevant evidence or information to assist in that determination. The parties hereby acknowledge that the BDR contained in the files of Grantee is an accurate representation of the Property and contains a statement signed by Grantor and a representative of Grantee.

Grantee may compile written reports and photographic documentation of the condition of the Property from time to time as a result of inspection of the Property pursuant to Section III 1. above.

SECTION V – GENERAL PROVISIONS

1. **DURATION.** This Easement will be perpetual. It is an easement in gross that runs with the land as an incorporeal interest in the Property. The covenants, terms, conditions, and restrictions contained in this Easement are binding upon, and inure to the benefit of, Grantor and its successors in title to the Property, or any portion thereof or interest therein, and will continue as a servitude running in perpetuity with the Property. The rights and obligations of an owner of the Property under this Easement terminate upon proper transfer of such owner's interest in the Property, except that liability for acts or omissions occurring prior to transfer will survive transfer.
2. **GRANTOR'S REPRESENTATIONS AND WARRANTIES.** Grantor represents, covenants, and warrants that (i) Grantor has good fee simple title to the Property (including the mineral rights located under the surface of the Property), (ii) Grantor has all right and authority to give, grant and convey this Easement, (iii) the Property is free and clear of all encumbrances (other than restrictions, covenants, conditions, and utility and access easements of record), including, but not limited to, any leases, option contracts, mortgage liens, deed of trust liens, or other liens not subordinated to this Easement, and (iv) no consent of any third party is required for Grantor to enter into this Easement (v) each person and/or entity signing on behalf of Grantor is authorized to do so.
3. **ACCEPTANCE.** Grantee accepts this conveyance pursuant to Virginia Code Section 10.1-1801, which acceptance is evidenced by the signature of a Deputy Director or Staff Attorney by authority granted by Grantee's Board of Trustees.
4. **INTERACTION WITH OTHER LAWS.** This Easement does not permit any use of the Property that is otherwise prohibited by federal, state, or local law or regulation.
5. **CONSTRUCTION.** Pursuant to the public policy of the Commonwealth of Virginia favoring land conservation, any general rule of construction to the contrary notwithstanding (including the common-law rule that covenants restricting the free use of land are disfavored and must be strictly construed), it is the intent of the parties hereto that this Easement and all language contained herein be liberally construed in favor of the grant

to effect the purposes of this Easement and the policies and purposes of Grantee. If any provision of this Easement is found to be ambiguous, an interpretation that is consistent with the purposes of this Easement (to protect the Conservation Values of the Property and prevent the exercise of reserved rights in a way that would impair such values) and that would render the provision valid will be favored over any interpretation that would render it invalid. Notwithstanding the foregoing, lawful acts or uses consistent with the purposes of and not expressly prohibited by this Easement are permitted on the Property.

6. **REFERENCE TO EASEMENT IN SUBSEQUENT DEEDS.** This Easement must be referenced by deed book and page number, instrument number, or other appropriate reference in any deed or other instrument conveying any interest in the Property. Failure of Grantor to comply with this requirement will not impair the validity of this Easement or the conveyance or limit this Easement's enforceability in any way.

7. **NOTICE TO GRANTEE AND GRANTOR.** For the purpose of giving notices hereunder the current address of Grantee is Main Street Centre, 600 East Main Street, Suite 402, Richmond, Virginia 23219, and any notice to Grantor should be given to the recipient at the address at which the real estate tax bill is mailed for the Property or portion thereof that is the subject of the notice and which is currently City of Charlottesville, PO Box 911, Charlottesville, Virginia 22902.
 - (a) **Grantor must notify Grantee in writing at or prior to closing on any *inter vivos* transfer, other than a deed of trust or mortgage, of all or any part of the Property.**
 - (i) In addition, Grantor agrees to notify Grantee in writing before exercising any reserved or permitted right that may have an adverse effect on the Conservation Values of the Property as encumbered by this Easement or that, because of unforeseen or changed circumstances, involves activities or structures regarding which this Easement is silent or ambiguous. (The purpose of requiring such notice is to afford Grantee an adequate opportunity to either (a) prohibit or approve and monitor such activities to ensure that they are carried out in a manner not having an adverse impact on the Conservation Values of the Property or (b) to prohibit or permit the construction of such structures, depending upon whether the construction of such structures will have an adverse impact on the Conservation Values of the Property.) Such notice must describe the proposed activity or structure in sufficient detail to allow Grantee to judge the consistency of the proposed activity or construction of the proposed structures with the purposes of this Easement. Grantee may grant its consent if it determines, in its sole discretion, that the performance of such activities or the construction of such structures does not violate any of the terms of this Easement and does not have an adverse impact on the Conservation Values of the Property. Grantor may not engage in the proposed activities or construction of such structures unless and until Grantor receives Grantee's approval in writing.
 - (ii) Failure of Grantor to comply with these requirements will not impair the validity of this Easement or limit its enforceability in any way.

8. **NO MERGER.** Grantor and Grantee agree that in the event that Grantee acquires a fee interest in the Property, this Easement will not merge into the fee interest, but will survive the deed and continue to encumber the Property.
9. **ASSIGNMENT BY GRANTEE.** Assignment of this Easement is permitted by Virginia Code Section 10.1-1801, but Grantee may not transfer or convey this Easement unless Grantee conditions such transfer or conveyance on the requirement that (i) all restrictions set forth in this Easement are to be continued in perpetuity and (ii) the transferee is a public body as defined in Section 10.1-1700 of the Open-Space Land Act.
10. **CONVERSION OR DIVERSION.** Grantor and Grantee intend that this Easement be perpetual and acknowledge that no part of the Property may be converted or diverted from its open-space use except in compliance with the provisions of Section 10.1-1704 of the Open-Space Land Act, which does not permit loss of open space.
11. **AMENDMENT.** Grantee and Grantor may amend this Easement to enhance the Property's Conservation Values or add acreage to the restricted property by an amended deed of easement, provided that no amendment may (i) affect this Easement's perpetual duration or remove this Easement from any portion of the Property, (ii) conflict with or be contrary to or inconsistent with the conservation purposes of this Easement, or (iii) reduce the protection of the Conservation Values, No amendment will be effective unless documented in a notarized document executed by Grantee and Grantor and recorded in the Clerk's Office of the Circuit Court of City of Charlottesville, Virginia.
12. **COST RECOVERY CHARGES.** Grantee reserves the right to recover its costs incurred in responding to requests initiated by Grantor involving matters such as easement amendments, and access or utility easements over the Property. Such cost recovery charges will be determined and periodically adjusted by Grantee's Board of Trustees, as set forth in a published fee schedule.
13. **JOINT OWNERSHIP.** If Grantor at any time owns the Property or any portion of or interest therein in joint tenancy, tenancy by the entirety, or tenancy in common, all such tenants will be jointly and severally liable for all obligations of Grantor set forth herein.
14. **SEVERABILITY.** It is the express intent of the parties hereto that all provisions of this Easement be considered and construed as part of the whole and that no provision will be applied in isolation without consideration of the overall purposes of this Easement. Nevertheless, if any provision of this Easement or its application to any person or circumstance is determined by a court of competent jurisdiction to be invalid, the remaining provisions of this Easement will not be affected thereby.
15. **ENTIRE AGREEMENT.** This instrument sets forth the entire agreement of the parties with respect to this Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to this Easement.

16. **CONTROLLING LAW.** The interpretation and performance of this Easement will be governed by the laws of the Commonwealth of Virginia, resolving any ambiguities or questions of the validity of specific provisions in a manner consistent with the provisions of Section V, Paragraph 5 above in order to give maximum effect to its conservation purposes.
17. **RECODIFICATION AND AMENDMENT OF STATUTES**
This Easement cites various state statutes applicable to open-space easements. In the event that such statutes or regulations are re-codified or amended, this Easement will be interpreted and enforced according to the re-codified or amended statutes most closely corresponding to those cited herein and carrying out the purposes recited herein.
18. **RECORDING.** This Easement will be recorded in the land records in the Clerk’s Office of the Circuit Court of the City of Charlottesville, Virginia, and Grantee may take any steps necessary in said clerk’s office to preserve its rights under this Easement in the future.
19. **COUNTERPARTS.** This Easement may be executed in one or more counterpart copies, each of which, when executed and delivered, will be an original, but all of which will constitute one and the same Easement. Execution of this Easement at different times and in different places by the parties hereto will not affect the validity of this Easement.
20. **DEFINITIONS.** For purposes of this Easement, the phrase “Effective Date” means the date upon which this Easement was first put to record in the Clerk’s Office of the Circuit Court of the City of Charlottesville, Virginia. The words “currently” or “existing” mean currently or existing on the Effective Date. Time will be calculated in calendar days, not business days.

WITNESS the following signatures and seals: [Counterpart signature pages follow.]

[Counterpart signature page 1 of 2 of deed of open-space easement]

The City of Charlottesville, Virginia, GRANTOR

By: _____

(title)
COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ___ day of _____, 2022
by _____ of the City of Charlottesville,
Virginia

Notary Public

(SEAL) My commission expires: _____
Registration No. _____

Attest: _____
_____, Clerk

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this ___ day of _____, 2019 by
_____, Clerk of the Council of the City of Charlottesville, Virginia.

Notary Public

(SEAL) My commission expires: _____
Registration No. _____

Approved as to form and legal sufficiency:

City Attorney

[Counterpart signature page 2 of 2 of deed of open-space easement]

Accepted:
VIRGINIA OUTDOORS FOUNDATION,

By: _____

COMMONWEALTH OF VIRGINIA,
CITY/COUNTY OF _____, TO WIT:

The foregoing instrument was acknowledged before me this _____ day of _____, 2022 by _____, a Deputy Director/Staff Attorney of the Virginia Outdoors Foundation.

Notary Public

(SEAL) My commission expires: _____
Registration No. _____

**CIRCUIT COURT
CITY OF CHARLOTTESVILLE**
315 EAST HIGH STREET
CHARLOTTESVILLE, VIRGINIA 22902-5195
(434) 970-3766

Tracy D. Smith
Anita D. Spivey
Esther J. Bausserman
Cornelia H. Koepfel
DEPUTY CLERKS

Llezelle A. Dugger
CLERK

David A. Schmidt
CHIEF DEPUTY CLERK

Gwendolyn T. Williams
Dianne P. Pugh
Beatrice Bradford
DEPUTY CLERKS

May 3, 2022

Samuel Sanders
Deputy City Manager
City of Charlottesville

RE: Fee for open-space preservation

Dear Sam:

Pursuant to Va. Code §58.1-817, there is a \$3.00 fee imposed on every deed admitted to record in those jurisdictions in which open-space easements are held by the Virginia Outdoor Foundation.

Once this statute is triggered, I will have my real estate records vendor program the \$3.00 fee into our recording system. From that date forward, the \$3.00 fee will be automatically assessed when a deed is admitted to record in my office. The impact on my budget and on my staff is minimal.

If you have any further questions, please do not hesitate to contact me.

Sincerely,



Llezelle A. Dugger
Clerk of Court

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 16, 2022
Action Required:	Appropriation and Approval (multiple)
Presenter:	Erin Atak, Grants Coordinator Sam Sanders, Deputy City Manager for Operations
Staff Contacts:	Erin Atak, Grants Coordinator Alex Ikefuna, Interim Director, OCS
Title:	Approval and Appropriation of CDBG & HOME Budget Allocations and Annual Action Plan for FY 2022-2023

Background:

Each year, the City of Charlottesville receives federal funding from the U.S. Department of Housing and Urban Development (HUD), for the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs. Federal law and regulations require this funding to be spent through a very detailed and specific planning process.

- **May 7, 2018:** City Council approved a **Consolidated Plan** for the City/Planning District, covering the period 7-1-2018 through 6-30-2023. A Consolidated Plan sets forth how various actors will provide support for certain community development needs. The Consolidated Plan includes public engagement provisions, in the form of a **citizen participation plan** (which says that, once Council has approved a particular program, any changes to the program must be reviewed in accordance with the citizen participation plan).
- **May 3, 2021:** by resolution, City Council approved an **Action Plan** for FY 2021-2022. An Action Plan sets out the means by which the Consolidated Plan will be carried out during a specific period of time. Each Action Plan identifies programs to be funded with annual allocations. The persons/entities carrying out the funded programs are referred to as grant “sub-recipients”. The programs/sub-recipients are selected using a competitive process designed to reflect City Council’s stated priorities.
- **September 20, 2021:** City Council voted to establish the following **Priorities** to be applied in awarding funds for the FY 2022-2023 Action Plan: (i) access to affordable housing (including but not limited to low-income housing redevelopment); (ii) workforce development (including but not limited to efforts to bolster Section 3 training opportunities and partnerships with the City’s GO programs); (iii) microenterprise assistance; (iv) access to quality childcare; (v) homeowner rehabilitation, and (vi) down payment assistance for homeownership.

- **Spring 2022:** the City of Charlottesville advertised a Request for Proposals (RFP), inviting proposals seeking CDBG/HOME funding based on the priorities set by Council on September 21, 2021.

Discussion:

This agenda item seeks City Council approval of the Action Plan for FY2022-2023. Any programs approved by City Council will collectively comprise the FY 2022-2023 Action Plan.

To date, the City has not yet received its allocation letter from HUD. Therefore, for the purpose of carrying out the FY 22-23 Action Plan on time (the FY 22-23 Action Plan must be commenced on July 1, 2022, and approved programs/ services completed on or before June 30, 2023, staff will estimate allocations using previous FY allocations.

The City received three applications (requests totaling \$226,071) categorized as affordable housing projects; three applications (requests totaling \$111,807.00) categorized as public service projects; and two applications (requests totaling \$55,130) categorized as economic development projects. A summary of applications received is included in this packet.

On February 16 and March 21, 2022, the CDBG/HOME Task Force reviewed the applications received, and recommended housing, public service projects, and economic development activities for funding. Minutes from the Taskforce meetings are attached which outline the recommendations made. It is important to note that all projects went through an extensive review by the CDBG/HOME Task Force because of the RFP process.

On April 12, 2022, these items came before the Planning Commission and Council for a joint public hearing. The Planning Commission unanimously recommended the Task Force's recommendations for approval by City Council. The Planning Commission recommended approval of the proposed budget with any percent changes to the estimated amounts being applied equally to all programs. All Planning Commissioners present at the meeting voted unanimously to approve the recommendations.

The recommendations approved by the Task Force and Commission are referred to as the City's "Draft Action Plan for FY 2022-2023". The Draft Action Plan was advertised for a thirty-day public comment period (March 30 – April 30, 2022) and also from May 3, 2022 to May 12, 2022. The plan is in draft form pending approval from Council at the May 16, 2022, meeting. Following City Council approval of the Action Plan, the approved applications will be entered into the HUD IDIS database which will then create a final formatted version of the Action Plan. and this final version will be sent to HUD for final approval as required within the CDBG/HOME Citizen Participation Plan.

The Housing Directors Council and Regional Partners had an opportunity to make comments on the Draft Action Plan during their March 16, 2022, and April 20, 2022, meetings and during the 30-day public comment period. Comments received from all parties have been incorporated into the Draft Action Plan for FY 2022-2023. The Participation section of the Action Plan summarizes all community engagement efforts, as

well as all comments received and incorporated into the plan.

CDBG and HOME Project Recommendations for FY 2022-2023:

Staff estimates that the CDBG program total will have an estimated \$433,471 for the 2022-2023 program year. Staff estimates that the HOME total will have an estimated \$84,576.88, plus another \$21,144.22 of local funding which is a 25% required match for the City.

Recommendation #1: Priority Neighborhood – On September 21, 2021, Council approved Ridge Street to be the Priority Neighborhood. On March 15, 2021, City Council approved activities for the Ridge Street priority neighborhood to be carried out with CDBG funds. All chosen activities went through extensive community participation selection and engagement process through the Ridge Street priority neighborhood Taskforce that occurred in September of 2020 through February 2021.

Staff recommends that the Ridge Street Priority neighborhood activities proceed with construction using funds other than federal CDBG dollars. City departments were consulted on the projects proposed by the Ridge Street Priority neighborhood and expressed concerns with constructability and environmental impacts, which may eventually significantly impact timeliness of the three activities approved with completion under HUD guidelines 24 CFR 570.902. Staff recommends the surplus funds be placed for a request for proposal for an alternative activity.

Recommendation #2: Economic Development – Council set aside FY 22-23 CDBG funding for Economic Development Activities. The CDBG/HOME Taskforce recommended that two organizations, the Community Investment Collaborative and the Local Energy Alliance Program, receive funding. Funds are proposed to be used to provide Community Investment Collaborative Microenterprise scholarships assistance to 10-20 entrepreneurs to develop their businesses through a 16-session workshop through technical assistance mentorship and financial management training program. The Taskforce also recommended the Local Energy Alliance Program to receive funding for the Workforce Development program. Estimated benefits include hiring 2 staff members from the Home to Hope or CRHA's Section 3 program for their Weatherization Technician Workforce Development program.

Recommendation #3: Public Service Programs – The CDBG/HOME Task Force recommended several public service programs. Funds are proposed to assist the Literacy Volunteers of Charlottesville/Albemarle to prepare 32 illiterate City residents for the workforce through individualized instruction; and assist the Public Housing Association of Residents to fund the resident outreach and community organization of public housing redevelopment

Recommendation #4: Administration and Planning: On September 21, 2021, Council approved the admin and planning portion of the CDBG budget to be set at 20% of the entitlement budget. Funds are proposed to help pay for CDBG citizen participation, environmental reviews, staffing, and other costs directly related to CDBG funds. Approximately \$86,694.20 is budgeted to administer the program.

Recommendation #5: HOME Funds: The CDBG/HOME Task Force recommended funding the Local Energy Alliance Program that support homeowner energy maintenance rehabilitation. Estimated benefits include ten homeowner rehabilitations.

Recommendation #6: Adjusting for Actual Entitlement Amount: Because actual entitlement amounts are not known at this time, it is recommended that all recommendations are

increased/reduced at the same pro-rated percentage of actual entitlement to be estimated. No agency will increase more than their initial funding request.

Adjusting for Timeliness: Because several subrecipients are still in the process of completing their 2021-2022 CDBG/HOME contracts (which must be fulfilled no later than June 30, 2022); 2022-2023 contract awards to those sub-recipients will be made subject to reprogramming, if any of the 2021-2022 CDBG/HOME subrecipients fail to fulfill their current sub-recipient contract obligations by June 30, 2022.

Community Engagement:

A request for proposals was held for housing, economic development, public facilities and public service programs. Applications received were reviewed by the CDBG Task Force during their two public meetings. Priority Neighborhood recommendations will be made by members who serve on the Priority Neighborhood Task Force.

A notice of the April 12, 2022 joint Planning Commission-City Council Public Hearing was published in the Daily Progress for a 15-day public comment period on March 22, 2022. The public was also given the opportunity to voice their opinions during the 30-day public comment period published on March 30, 2022, and at the Thomas Jefferson Planning District Commission Public Hearing on May 5, 2022. The draft Action Plan was posted online through the following [link](https://tjpc.org/wp-content/uploads/pdf/Housing/HOME-Consortium/FY22-23-Charlottesville-HOME-Consortium-Draft-Action-Plan.pdf). (<https://tjpc.org/wp-content/uploads/pdf/Housing/HOME-Consortium/FY22-23-Charlottesville-HOME-Consortium-Draft-Action-Plan.pdf>)

Alignment with City Council’s Vision and Strategic Plan:

Approval of this agenda item aligns directly with Council’s vision for Charlottesville to have **Economic Sustainability and Quality Housing Opportunities for All.**

Budgetary Impact:

The HOME program requires the City to provide a 25% match (HOME match equals ¼ of the entitlement amount). The sum necessary to meet the FY 2022-2023 match is \$21,144.22, which will be appropriated out of the Charlottesville Affordable Housing Fund (CP-084).

Alternatives:

No alternatives are proposed.

Recommendation:

Staff, the Task Force, and the Planning Commission all recommend approval of the CDBG and HOME projects, as well as the reprogramming of funds for FY2022-2023. Funds included in this budget will not be spent until after July 1, 2022 when HUD releases the entitlement and the final Action Plan is approved by HUD.

Attachments (6, total):

- Appropriation Resolution for CDBG funds:
Suggested motion: “I move the RESOLUTION appropriating Community Development Block Grant funding received from the U.S. Department of Housing and Urban Development for the FY 2022-2023 Action Plan, in the amount of \$433,471.
- Appropriation Resolution for HOME funds:
Suggested motion: “I move the RESOLUTION appropriating the HOME Investment Partnership Program funding received from the U.S. Department of Housing and Urban Development for FY 2022-2023, in the amount of \$84,576.88
- Resolution: Approval of the 2022-2023 Annual Action Plan:
Suggested Motion: “I move the RESOLUTION approving the FY 2022-2023 Annual Action Plan for the City of Charlottesville’s CDBG/HOME Programs”
- 2022-2023 Proposed CDBG and HOME Budget
- Summary of RFPs submitted
- Minutes from CDBG Task Force meetings

RESOLUTION

Appropriating Community Development Block Grant funding anticipated from the U.S. Department of Housing and Urban Development for the FY 2022-2023 Action Plan, in the amount of \$433,471

WHEREAS the City of Charlottesville has been advised of the approval by the U.S. Department of Housing and Urban Development of a Community Development Block Grant (CDBG) for the 2022-2023 fiscal year in the total amount of \$433,471; and

WHEREAS City Council has received recommendations for the expenditure of funds from the CDBG Task Force, and Ridge Street Priority Neighborhood Task Force and the City Planning Commission; and has conducted a public hearing thereon as provided by law; now, therefore

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

FUND	ACCOUNT CODE	DESCRIPTION	AMOUNT
218	1900464	Ridge ST Priority Neighborhood	\$186,376.16
218	1900465	Community Investment Collaborative Microenterprise Scholarships	\$25,000.00
218	1900466	LEAP – Workforce Development	\$30,130.00
218	1900467	PHAR – Resident Involved Redevelopment	\$37,510.32
218	1900468	LVCA – Workforce Tutoring	\$27,510.32
218	1900469	LEAP – Solar Maintenance	\$40,250.00
218	3914001000	Administrative and Planning	\$86,694.20
TOTAL			\$433,471.00

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt of \$433,471 from the Department of Housing and Urban Development, and all sub-recipient awards are also conditioned upon receipt of such funds.

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

RESOLUTION

Appropriating the HOME Investment Partnership Program funding to be received from the U.S. Department of Housing and Urban Development for FY 2022-2023, in the amount of \$84,576.88

WHEREAS, the City of Charlottesville has been advised of the approval by the U.S. Department of Housing and Urban Development of HOME Investment Partnerships (HOME) funding for the 2022-2023 fiscal year;

WHEREAS, the region served by the Thomas Jefferson Planning District Commission will be receiving an award for HOME funds for fiscal year 2022-2023, of which the City will receive the sum of \$84,576.88 to be expended on affordable housing initiatives such as energy maintenance and homeowner rehabilitation.

WHEREAS, it is a requirement of this grant that projects funded with HOME initiatives money must be matched with local funding in varying degrees; now, therefore,

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that the local match in the amount of \$21,144.22 is hereby appropriated from the Charlottesville Housing Fund (accounting code CP-084 to Fund 210/ Account Code 1900463, for expenditure as the local match for HOME funding received from the U.S. Department of Housing and Urban Development for FY 2022-2023; and,

BE IT FURTHER RESOLVED THAT, upon receipt, HOME funding received from the U.S. Department of Housing and Urban Development for FY 2022-2023 is hereby appropriated to Fund 210/ Account Code 1900463, to be expended in accordance with the program(s) to be funded as the City’s FY 2022-2023 Action Plan, as set forth below:

FUND	PROJECTS	Account Code	HOME EN	MATCH	TOTAL
210	LEAP – Assisted Home Energy Performance	1900463	\$84,576.88	\$21,144.22	\$105,721.10

BE IT FURTHER RESOLVED that this appropriation is conditioned upon the receipt of \$84,576.88 from the Department of Housing and Urban Development, and any sub-recipient award(s) are also conditioned upon receipt of such funds.

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

RESOLUTION
Approving the 2022-2023 Annual Action Plan for the City of Charlottesville’s
CDBG/HOME Programs

BE IT RESOLVED by the Council of the City of Charlottesville THAT the fy 2022-2023 Action Plan for implementation of the City’s 2018-2019 CDBG/HOME Consolidated Plan is hereby approved, as follows:

ACCOUNT CODE	PROJECTS	AMOUNT
1900464	Ridge ST Priority Neighborhood	\$186,376.16
1900465	Community Investment Collaborative Microenterprise Scholarships	\$25,000.00
1900466	LEAP – Workforce Development	\$30,130.00
1900467	PHAR – Resident Involved Redevelopment	\$37,510.32
1900468	LVCA – Workforce Tutoring	\$27,510.32
1900469	LEAP – Solar Maintenance	\$40,250.00
3914001000	Administrative and Planning	\$86,694.20
	\$433,471.00	

Account Code	PROJECT	HOME EN	MATCH	TOTAL
1900463	LEAP – Assisted Home Energy Performance	\$84,576.88	\$21,144.22	\$105,721.10

In the event that funding received by the U.S. Department of Housing and Urban Development for FY 2022-2023 differs from the amounts referenced above, all CDBG and HOME project estimates shall be increased or reduced at the same pro-rated percentage in relation to actual CDBG/ HOME funding received by the City. No sub-recipient’s grant may be increased above their initial funding request.

2022-2023 CDBG & HOME BUDGET ALLOCATIONS
RECOMMENDED BY CDBG/HOME TASKFORCE: 2/16/22 & 3/21/22
RECOMMENDED BY PLANNING COMMISSION
APPROVED BY CITY COUNCIL

A. PRIORITY NEIGHBORHOOD

A. Ridge Street Priority Neighborhood **\$ 186,376.16**

B. ECONOMIC DEVELOPMENT PROJECTS

A. Community Investment Collaborative - Micro Scholarships **\$ 25,000.00**

B. Local Energy Alliance Program - Workforce Development **\$ 30,130.00**

C. PUBLIC SERVICE PROJECTS (15% CAP)

A. Public Housing Association of Residents **\$ 37,510.32**

B. Literacy Volunteers of Charlottesville/Albemarle **\$ 27,510.32**

D. HOUSING PROJECTS

A. Local Energy Alliance Program - Solar Energy Maintenance **\$ 40,250.00**

E. ADMINISTRATION/PLANNING (20% CAP)

A. Admin/Planning **\$ 86,694.20**

Grand Total **\$ 433,471.00**

Estimated Entitlement **\$ 433,471.00**

2022-2023 HOME BUDGET ALLOCATIONS

A. Local Energy Alliance Program - Assisted HOME Performance **\$ 84,576.88**

Total **\$ 84,576.88**

Estimated Entitlement **\$ 84,576.88**

Local Match **\$ 21,144.22**

CDBG FY22-23 Submissions

CDBG	Econ	Organization, Program Title	Project Contact	Program Description	Funding Requested
		Local Energy Alliance Program (LEAP)	Chris Meyer	Assisted Home Performance Workforce Development	\$ 30,130.00
		Community Investment Collaborative (CIC)	Stephen Davis	CIC Entrepreneur Program	\$ 25,000.00
		Total Amount of Request			\$ 55,130.00
CDBG	Public Services (15% Cap)	Organization, Program Title	Project Contact	Program Description	Funding Requested
		Public Housing Association of Residents (PHAR)	Shelby Edwards	Capacity Building, Empowerment, Protecting Affordable Housing	\$ 35,000.00
		PACEM	Jayson Whitehead	Referrals Specialist	\$ 39,375.00
		Literacy Volunteers Charlottesville/Albemarle	Ellen Osborne	Beginning Workforce Development Services	\$ 37,432.00
		Total Amount of Request			\$ 111,807.00
		Total Projected Budget			\$ 65,020.65
		Request Overage			\$ 46,786.35
CDBG	Housing	Organization, Program Title	Project Contact	Program Description	Funding Requested
		Local Energy Alliance Program	Chris Meyer	Low-Income Roof Repairs	\$ 40,250.00
		Total Amount of Request			\$ 40,250.00

HOME FY22/23 RFP Submissions

HOME	Organization, Program Title	Project Contact	Program Description	Funding Requested
		Local Energy Alliance Program (LEAP)	Chris Meyer	Assisted Home Performance
			Friendship Court Early Learning	
	Piedmont Housing Alliance (PHA)	Sunshine Mathon	Center	\$105,721
	Total Amount of Request			\$185,821
	Total Projected Budget			\$84,576.88
	Request Overage			\$101,244



Community Development Block Grant/HOME Taskforce

Wednesday, February 16th, 2022

4-5PM

Virtual Meeting (Zoom)

Meeting Minutes

1. Introductions/Housekeeping/Minutes

Grants Coordinator, Erin Atak (EA), took Roll Call.

Name	Attendance
Nancy Carpenter	<i>Present</i>
Helen Sporkin	<i>Present</i>
Matthew Gillikin	<i>Present</i>
Connor Brew	<i>Present</i>
James Bryant	<i>Present</i>
Kem Lea Spaulding	<i>Present</i>
Howard Evergreen	<i>Present</i>
Emily Cone Miller	<i>Absent</i>
Taneaia Dowell	<i>Absent</i>

All Taskforce members introduced themselves and their neighborhood designation/role on the CDBG/HOME Taskforce

2. CDBG/HOME Background

EA shared the CDBG/HOME introductory technical assistance PowerPoint for the Taskforce. The PowerPoint serves as the training slideshow that all CDBG and HOME applicants are required to sit through in a mandatory 30-45 training session with the grants coordinator prior to applying for CDBG and HOME. EA walks through the following topics with the Taskforce:

- a. 2022-2023 CDBG/HOME Priorities selected by City Council
- b. Three CDBG/HOME HUD National Objectives

Staff Contact:

Erin Atak, Grants Coordinator (atake@charlottesville.gov), (434) 970-3093

- c. CDBG/HOME program income guidelines posted on the City of Charlottesville website that all CDBG/HOME applicants adhere to.
- d. The updated CDBG/HOME Priority Neighborhood Map on the City Website: <https://www.charlottesville.gov/DocumentCenter/View/6760/2021-CDBG-Priority-Neighborhood-Map>
- e. The HOME HUD Program Definition, eligible activities, and ineligible activities.
- f. Projected HOME allocation for FY2022-2023
- g. Federal and Local requirements subrecipients are required to adhere to (submitting quarterly reports, getting environmental reviews done, spending requirements, documentation requirements for invoices, etc.)
- h. And submitting an internal controls checklist required by HUD as listed in the City's CDBG Guidelines by application date: current annual audit, policies and procedures manual, financial statements, Evidence of 501(c)3, etc.

EA explained to the Taskforce that there was a total of six technical assistance meetings prior to application submittal with the following organizations:

- i. Piedmont Housing Alliance
- j. Thomas Jefferson Community Land Trust
- k. Local Energy Alliance Program
- l. Literacy Volunteers of Charlottesville/Albemarle
- m. Virginia Supportive Housing
- n. Charlottesville Redevelopment and Housing Authority

Two organizations submitted applications for the FY2022-2023 HOME request for proposal:

- Local Energy Alliance Program (LEAP)
- Piedmont Housing Alliance (PHA)

EA explained to the Taskforce that HUD reviewed the applications and advised the City that the Piedmont Housing Alliance Application and a portion of the LEAP application would be better suited for other funding sources. The Taskforce would only be able to review one portion of LEAP's application for funding consideration this afternoon.

Nancy Carpenter (NC) asks about whether the HUD national objective #2 (blight/slum) wording can be updated. NC also brings up whether organizations submit policies on diversity, equity, and inclusion within the attachments that subrecipients were required to submit with applications.

3. Scores

EA asks the Taskforce is there were any concerns reviewing the applications. No concerns were brought up.

EA outlines LEAP's performance history. No concerns were brought up with audit history, timeliness, and documentation requirements.

Staff Contact:

Erin Atak, Grants Coordinator (atake@charlottesville.gov), (434) 970-3093

Discussion with the Taskforce revolved around LEAP’s FY2021 financial and performance workload. EA explains that LEAP is currently performing 16-20 energy efficiency audits with the same amount of funding that is being requested in the current application.

NC, Howard Evergreen (HE), and Connor Brew (CB) discuss the energy savings and impact on utility bills.

The Taskforce unanimously voted on the following funding recommendation for the LEAP assisted home performance application.

Applicant	Average Score	Funding Request	TF Funding Recommendations
LEAP	32.14	\$80,100.00	\$84,576.88
			Assisted Home Performance (Only)
<hr/>			
Funding Available	\$ 84,576.88		

4. Public Comment

None

Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call the ADA Coordinator (434)-970-3182 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide a 48-hour notice so that proper arrangements can be made.

Staff Contact:

Erin Atak, Grants Coordinator (atake@charlottesville.gov), (434) 970-3093



Community Development Block Grant/HOME Taskforce

Monday, March 21, 2022

4-5PM

Virtual Meeting (Zoom)

Meeting Minutes

1. Introductions/Housekeeping

Grants Coordinator, Erin Atak (EA), took Roll Call.

Name	Attendance
Nancy Carpenter	<i>Present</i>
Helen Sporkin	<i>Present</i>
Matthew Gillikin	<i>Present</i>
Connor Brew	<i>Present</i>
James Bryant	<i>Absent – sent in funding recommendations</i>
Kem Lea Spaulding	<i>Absent</i>
Howard Evergreen	<i>Present</i>
Emily Cone Miller	<i>Absent</i>
Taneaia Dowell	<i>Absent</i>

Guests Observing review process:

Shirese Franklin, TJPDC Planner III

Hunter Allen Smith, City Staff, Vibrant Communities Fund

EA explained to the Taskforce about how many applicants she met with during the pre-application technical assistance meetings. There was a total of eleven applicants that met with EA during the RFP process. 6 applications were received at the end of the RFP process.

1. Community Investment Collaborative
2. Local Energy Alliance Program
3. Literacy Volunteers of Charlottesville/Albemarle
4. Thomas Jefferson Area Coalition for the Homeless

Staff Contact:

Erin Atak, Grants Coordinator (atake@charlottesville.gov), (434) 970-3093

5. Charlottesville Redevelopment and Housing Authority
6. Piedmont Housing Authority
7. Region 10
8. Habitat for Humanity of Greater Charlottesville
9. Public Housing Association of Residents
10. People and Congregations Engaged in Ministry (PACEM)
11. The HAVEN

EA explained the CDBG timeliness concerns for current applicants to the Taskforce.

- 2021-2022 subrecipients with CDBG/HOME contracts were eligible to apply for new rounds of funding for CDBG as long as they are able to fully spend their 2021 contract by the end of their contract year.
- EA explained that the contract year ends June 30, 2022. All funds must be spend by then in order to be eligible for their 2022 CDBG awards. If the subrecipient is not able to fulfill their end of the contract obligation, the City can reprogram the 2021 and 2022 CDBG awards for timeliness purposes.
- EA explained three organizations fell into this category: LEAP, CIC, and PHAR.

2. Scores

Taskforce begins to look over the economic development scores first.

- EA gives an audit history for both applications in the economic development category. No concerns are listed from staff side.
- Nancy Carpenter (NC) makes a motion to fully fund both Community Investment Collaborative (CIC) and the Local Energy Alliance Program (LEAP). She explains that in LEAP's application she appreciates the initiative to re-acclimate people to the workforce with housing; and CIC's application was good and large in scope.
- Matthew Gillikin (MG) seconds the motion and wonders if CIC would be able to take on additional funding.
- Howard Evergeen (HE) asks what happens to any undesignated funds at the end of the awarding process
- EA explains several options to the taskforce:
 - o There is the option to issue another RFP
 - o There is the option to fund an unfunded project within the CDBG priority neighborhood that the City is looking for funding for
 - o There is the option to give the extra funds to the priority neighborhood taskforce budget
- NC states that the Taskforce should proceed with awarding the rest of the CDBG categories and then coming back and seeing if there are any extra funds remaining. The committee agrees.

Taskforce begins to look over the housing applications.

- EA gives an audit history for both applications in the economic development category. No concerns are listed from staff side.

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- MG and NC states that this proposal was interesting and different from the typical housing application that LEAP generally requests for funds for. NC states that the application addresses the need for families to stay in their homes and addresses financial concerns.
- NC moves to fully fund the LEAP application.
- Connor Brew (CB) seconds the motion.

Taskforce begins to look over the public service applications.

- EA reminds the committee that the public service section has a HUD cap of 15% with CDBG funds.
- EA gives an audit history for applications in the public services category. No concerns are listed from staff side. EA gives several options to the Taskforce about how to fund the applications because there is a finite amount of funds to give out to the applicants.
- MG makes a motion to fully fund Literacy Volunteers of Charlottesville/Albemarle (LVCA) as they ranked the highest among the public service category.
- HE and NC seconds the motion.
- Helen Sporkin (HP) states that LVCA had the most thorough application among all that was submitted.
- NC makes the motion to fully fund Public Housing Association of Residents.
- NC states that there was not anything sustainable in the PACEM application about keeping the staff position long term past the one-year contract agreement.
- EA states that generally previous taskforces have also tended to stray away from funding staff positions for that reason.
- CB, MG, and HS support fully funding PHAR and LVCA.
- EA offers the option of adding the remaining additional \$5,020.64 split between the two funded programs. The Taskforce agrees. This uses the full 15% of the funding for public services.

The CDBG/HOME Taskforce unanimously votes on the following budget:

Applicant	Average Score	Funding Request	TF Recommendation
CIC	37.33	\$25,000.00	\$25,000.00
LEAP Workforce	33.17	\$30,130.00	\$30,130.00
LEAP Solar Roof	33.50	\$40,250.00	\$40,250.00
PACEM	32.17	\$39,375.00	\$0.00
LVCA	39.67	\$25,000.00	\$27,510.32
PHAR	34.17	\$35,000.00	\$37,510.32

- Shirese Franklin (SF): Makes a comment to the comment about how the review process on shovel ready projects is a great idea the City does and should be implemented to the region.
- Hunter Allen Smith (HAS) noted that it was great getting to shadow along the review process and the budget making process with the Taskforce.

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- MG stated that the process had a learning curve to it and the technical assistance trainings are always helpful.

3. Public Comment

- Shelby Edwards: Shared her appreciation for the dialogue from the Taskforce and the Grants Coordinator and is looking forward to the future funding.
- Joy Johnson: Shared her concerns for the review process of the applications and asked whether the Taskforce received training.

Individuals with disabilities who require assistance or special arrangements to participate in the public meeting may call the ADA Coordinator (434)-970-3182 or submit a request via email to ada@charlottesville.gov. The City of Charlottesville requests that you provide a 48-hour notice so that proper arrangements can be made.

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SCORING RUBRIC FOR HOME PROPOSALS

Name of Applicant:

Name of Project:

	Exemplary (3 Points)	Adequate (2 Points)	Needs Improvement (1 Point)	Missing Information (0 Points)	Score	Comments
Program/Project Description	Provides a clear description and clearly explains how it will address a Council Priority	Provides a description that adequately explains how it will address a Council Priority	Program/project description needs improvement	Proposal does not describe how it will address a Council Priority		
Program/Project Goal	Provides a clear explanation of the goal. Identifies what will be provided to whom, how many. Provides demographic information of the beneficiaries and how they will meet the income guidelines	Provides an adequate explanation of the goal	Program/Project goal needs improvement. Barely identifies what will be provided to whom and how many. Barely provides demographic information and how the beneficiaries will meet the income guidelines	Goal is missing and/or not explained. Identification of beneficiaries, number of beneficiaries, demographic information, and information about how the beneficiaries will meet the income guidelines is missing		
Need	Clearly describes how the program will directly address the needs.	Adequately describes how the program will directly address the needs using some local	Description of need needs improvement. Only state, regional, or national data	Does not describe how the program will directly address the needs and/or		

	Provides local data to describe the needs of the community <u>and</u> the beneficiaries	data to describe the needs of the community <u>and</u> the beneficiaries	provided, data not specific to clients	does not provide data to describe the needs of the community and the beneficiaries		
Outcomes	Clearly explains how proposed outcomes will be meaningful, client-focused and related to the service	Adequately explains how proposed outcomes will be meaningful, client-focused and related to the service	Explanation of how proposed outcomes will be meaningful, client-focused and related to the service needs improvement	Does not explain how proposed outcomes will be meaningful, client-focused and/or related to the service		
Strategies	Provides evidence-based strategies for how the program/project will address the need	Adequately describes how strategies address need using researched best practices strategies at a minimum	Describes how strategies address need without information about best practices or research	Does not identify how strategies directly address need		
Implementation Timeline	Timeline is detailed and realistic	Timeline is adequate	Timeline is limited or not realistic	No timeline provided and information is missing		
Evaluation Plan	Provides a rigorous evaluation plan which informs ongoing work, explains metrics and why they are used	Provides a solid evaluation plan	Evaluates some elements of its work, but the evaluation is not thorough	Proposal does not provide an evaluation plan or the plan is insufficient		
Demographic Verification	Proposal clearly describes how the agency will collect and verify <u>all</u> required information	Proposal adequately describes how the agency will collect and verify all required information	Proposal describes how the agency will collect and verify <u>some</u> required information	Proposal does not describe how the agency will collect and verify any required information		

Financial Benefits	Proposal describes how the program fully meets two financial benefits	Proposal describes how the program fully meets one financial benefit	Proposal describes how the program <u>partially</u> meets one to two financial benefits	Proposal does not describe how the program will provide a financial benefit		
Collaboration	Proposal describes how the program collaborates with other organizations to achieve a common goal using defined deliverables and metrics (ex. Clear accountability, shared management, such as MOU's or formal partnership agreements)	Proposal describes formal agreements with more than two organizations describing how they cooperate, but does not share common deliverables or metrics.	Proposal describes collaboration informally with other organizations (ex. information sharing, resource sharing)	Proposal does not describe collaboration with other entities		
Engagement/ Outreach Strategy	Proposal describes complete outreach and engagement strategies and explains how it will serve needy and underserved populations	Proposal describes some outreach and engagement strategies and how it will serve needy and underserved populations	Proposal explains that services are available to needy and underserved populations but program/project does not conduct outreach or engagement	Proposal does not provide strategies for outreach and engagement to needy and underserved populations		
Priority Neighborhood Ridge Street	Proposal describes complete outreach strategies and program/project serves residents in the Priority Neighborhood	Proposal describes some outreach and program/project serves residents in the Priority Neighborhood	Proposal explains that services are available to priority neighborhood residents but program/project does not conduct outreach	Proposal does not provide strategies for outreach to priority neighborhood residents		

Organizational Capacity (STAFF ONLY)	Organization demonstrated sufficient capacity and fully met projected outcomes in previous grant year	Organization demonstrated adequate capacity and almost met projected outcomes in previous grant year	Organization capacity needs improvement, did not meet projected outcomes	The organization demonstrated a lack of a capacity		
Organizational Capacity	Proposal provides clear evidence of the capacity and ability to ensure timely performance and reporting	Proposal provides adequate evidence of the capacity and ability to ensure timely performance and reporting	Evidence of capacity and ability needs improvement. Does not address the question fully	Proposal does not provide evidence of the capacity and ability		
Budget	Proposal clearly demonstrates: <ul style="list-style-type: none"> A. How requested funds will be applied to expense line items B. How the amount requested is reasonable C. That the overall program budget shows a direct relationship with proposed service items 	Proposal provides an adequate budget. Adequately addresses A, B, and C	Proposed budget needs improvement and barely addresses A, B, and/or C. Proposed budget needs improvement.	The proposal does not demonstrate how the requested funds will be applied to expense line items, how the amount requested is reasonable, and does not show a direct relationship with proposed service items		
TOTAL SCORE (MAX SCORE = 42 PTS)						

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	May 16, 2022
Action Required:	Approval of Homeowner Tax Relief Grant Program
Presenter:	Todd D. Divers, Commissioner of the Revenue Sue Moffett, Director of Social Services
Staff Contacts:	Todd D. Divers, Commissioner of the Revenue
Title:	Homeownership Assistance Program Grant – Tax Year 2022

Background: Attached is an appropriation resolution for Council’s consideration, to provide a public grant to the City’s local board of social services, to assist needy persons with ongoing costs of home ownership.

Discussion:

For some time, faced with a mounting housing affordability crisis, City Council has been inquiring as to how to better assist low- and moderate-income persons whose ownership of a home may be in jeopardy due to financial distress. Over the years, the City’s CHAP Program has been administered under the auspices of City Charter, Section 50.7; however, City Council has indicated that it does not currently believe that the guidelines used by the VHDA to administer its single-family mortgage loan program allow the CHAP Program to reach an adequate number of persons in need of assistance. In the face of a continuing—and worsening—affordable housing crisis, there is a significant number of persons whose status as homeowners is tenuous due to rising transportation, utility and food costs, rising real estate and personal property taxes, and other circumstances that result in costs of homeownership exceeding reasonable portions of a family’s income.

Pursuant to the provisions of Va. Code §63.2-314, the City Council may make a grant of public funds to the City’s Director of Social Services, in her capacity as the “local board”, for the purpose of aiding needy persons within the City. Eligibility of homeowners to receive disbursements from this grant fund will not be limited to the requirements for any state public assistance programs, or any VHDA program. Upon City Council’s appropriation of funds to the Department of Social Services, the public funds would be deposited in the local treasury to the credit of the local board. The Director of DSS, in her capacity as the “local board” will be responsible for dispensing the funds in accordance with specific eligibility requirements as determined by the Commissioner of the Revenue through a cooperative agreement. The Commissioner of the Revenue’s Office shall receive applications and determine eligibility for assistance.

For 2022, the following income parameters are proposed, with relief calculated as flat amounts:

2022 CHAP—(Public Grant for Housing Assistance)				
2022 Grantee Household Income Limits	\$0 - \$35,000	\$35,001 - \$45,000	\$45,001 - \$55,000	\$55,001 - \$60,000
Grant	\$2,500	\$2,000	\$1,500	\$1,000

Proposed Eligibility Criteria for this Public Grant:

- 1) Grantee must be an individual. No applications will be accepted from any company, corporation, partnership, or other form of legal entity (other than a trust, as referenced below) or awarded to any legal entity.
- 2) Grantee must be the owner of a home within the City. “Ownership” may be any of the following: (i) individually, or in conjunction with a spouse holding life rights, (ii) individually, or in conjunction with a spouse holding the power of revocation in a revocable inter vivos trust of which the home is an asset, or (iii) alone or in conjunction with a spouse who possesses a life estate, or an estate for joint lives, or a continuing right of use or support under the terms of an irrevocable trust of which the property is an asset.
- 3) Grantee must reside within the home.
- 4) Maximum value of the home cannot exceed \$420,000 (this is the average assessed value in 2022 of single family improved parcels).
- 5) Grantee, grantee’s spouse, or any other owner residing in the home cannot own any other interest in real estate, within the City or at any other location. This includes any real estate interest owned (i) as an individual, (ii) as the beneficiary of a trust, (iii) as a member of an LLC, or (iv) by virtue of any other interest in a trust or legal entity.
- 6) Grantee must demonstrate evidence of Household Income within the limits established for calendar year 2022.

Alignment with City Council’s Vision and Priority Areas: This aligns with the City Council’s Vision “...to be flexible and progressive in anticipating and responding to the needs of our citizens.”

Budgetary Impact: The cost of this program is funded with the annual budget appropriation for Fiscal Year 2022 approved by Council.

Recommendation: Approval. *Suggested Motion: “I move the RESOLUTION appropriating a grant of public funds for housing assistance to low- and moderate-income homeowners within the City of Charlottesville.”*

Attachment (1): Proposed Resolution

RESOLUTION

Appropriating a grant of public funds for housing assistance to low-and moderate-income homeowners within the City of Charlottesville

WHEREAS pursuant to the provisions of Va. Code §63.2-314 this City Council may offer public grants to its local director of social services, serving in her capacity as the “local board” under the provisions of §63.2-304; and

WHEREAS this City Council desires to offer a grant of public funds during Fiscal Year 2022-2023, to aid low- and moderate-income homeowners within the City who are affected by the rising costs of homeownership (which include mortgage payments, fees and taxes, insurance, utilities, maintenance and repairs; and

WHEREAS the average assessment of a single-family residential property within the City has risen by approximately 12 percent over the past year, and with rising inflation, transportation costs, and utility costs, many individuals who have income significantly lower than the Charlottesville area median income will experience significant financial stress and may need financial assistance to remain in their homes; and

WHEREAS City Council hereby finds and determines that it is both necessary and desirable, to promote the general welfare of the City, and to promote the safety, health, comfort and convenience of City inhabitants, to support the affordability of continuing homeownership by low- and moderate-income individuals;

WHEREAS public funding is available and has been appropriated within the City budget for the proposed public grant, in the amounts set forth within this resolution;

NOW, THEREFORE BE IT RESOLVED BY THE Council of the City of Charlottesville, Virginia, THAT effective July 1, 2022 and for calendar year 2022 a grant of public funds is hereby made to the Director of Social Services, in her capacity as the “local board of social services” pursuant to Va. Code §63.2-304, to be used to provide housing assistance to City homeowners in need of such, as follows:

Expenditures

\$1,500,000 Fund: 105 Cost Center: 3343019000 G/L Account: 540065

BE IT FURTHER RESOLVED THAT the Director of Social Services (“Director”) is solely responsible for administration of this assistance fund, pursuant to the provisions of Va. Code §63.2-304 and §63.2-314, provided that the Director may enter into written agreements with the Commissioner of Revenue, Treasurer, and City Manager, as may be necessary to administer the fund. And

BE IT FURTHER RESOLVED THAT it is the desire of City Council that this grant of public funds, hereafter to be referred to as the “Charlottesville Homeownership Assistance Program”, shall be provided to City homeowners in need of assistance due to rising costs of homeownership, in accordance with the following parameters:

2022 CHAP—(Public Grant for Homeownership Assistance)				
Applicant Household Income	\$0 - \$35,000	\$35,001 - \$45,000	\$45,001 - \$55,000	\$55,001 - \$60,000
Grant	\$2,500	\$2,000	\$1,500	\$1,000

- 1) Applicant/ Grantee must be a human being, own a home within the City of Charlottesville, and must reside within the home. As of January 1, 2022 and as of the date an application is submitted, the applicant must occupy that real estate as his or her sole residence and must intend to occupy that real estate throughout the remainder of calendar year 2022. An applicant who is residing in a hospital, nursing home, convalescent home or other facility for physical or mental care shall be deemed to meet this condition so long as the real estate is not being used by or leased to another for consideration. “Ownership” may be any of the following: (i) individually, or in conjunction with a spouse holding life rights, (ii) individually, or in conjunction with a spouse holding the power of revocation in a revocable inter vivos trust of which the home is an asset, or (iii) alone or in conjunction with a spouse who possesses a life estate, or an estate for joint lives, or a continuing right of use or support under the terms of an irrevocable trust of which the property is an asset.
- 2) Maximum value of the home cannot exceed \$420,000 (this is the average assessed value in 2022 of single family improved parcels).
- 3) Applicant, applicant’s spouse, or any other owner residing in the home cannot own any other interest in real estate, either within the City or at any other location. This includes any real estate interest owned (i) as an individual, (ii) as the beneficiary of a trust, (iii) as a member of an LLC, or (iv) by virtue of any other interest in a legal entity.
- 4) Applicant/ Grantee must demonstrate evidence of Household Income within the limits established for calendar year 2022, as set forth above within this Resolution. *Household Income* means (i) the adjusted gross income, as shown on the federal income tax return as of December 31 of the calendar year immediately preceding the taxable year, or (ii) for applicants/grantees for whom no federal tax return is required to be filed, the income for the calendar year immediately preceding the taxable year: of the applicant and of any other relatives who reside in the applicant’s home, and any other person(s) who (i) owns any interest in the home and (ii) resides in the applicant’s home. The Director shall establish the Household Income of applicants/ grantees for whom no federal tax return is required through documentation satisfactory for audit purposes.
- 5) This public grant shall be used only to assist individuals who are not receiving the real estate tax exemption or deferral program provided under Chapter 30, Article IV of the Charlottesville City Code (Real Estate Tax Relief for the Elderly and Disabled Persons) during 2022.
- 6) Not more than one grant shall be provided to any one (1) address.



PLACEHOLDER

JAUNT
5/16/2022