

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



Agenda Date:	November 7, 2022
Action Required:	Approve Resolution
Presenter:	Samuel Sanders, Jr., Deputy City Manager
Staff Contacts:	Brenda Kelley, Redevelopment Manager Krisy Hammill, Director of Budget
Title:	<b>Appropriating \$107,203.32 for Jefferson School African American Heritage Center Rent Agreement (2nd reading)</b>

**Background**

The Jefferson School African American Heritage Center (JSAAHC) currently occupies and rents 11,065 SF of space at the Jefferson School City Center located 223 4<sup>th</sup> Street NW, Suite A. The rent has been paid by JSAAHC using prior grants by the City Council of funding from what was formerly known as the "Equity Fund". The grant resources were placed in an escrow account and used monthly to cover JSAAHC's rent from December 2012 – November 2017 and again over a 5-yr renewal option that was exercised for the period of October 5, 2017 - November 30, 2022. JSAAHC intends to execute a new lease for a 5-year period of December 1, 2022 – November 30, 2027 with an option.

**Discussion**

The new lease rate beginning December 1, 2022, will be \$15,314.76 per month. During the FY23 Budget discussions, JSAAHC requested consideration from council to provide ongoing grant funds to ensure continued operations. At that time, council did not add any grant funds, but instead indicated a willingness to revisit the matter, while determining how best to evaluate its agreements with external organizations. That work concluded in early summer with work sessions on City Leases and City-Owned Properties that have provided staff with direction on how to organize a consistent process for following in the development, execution, and management of these types of agreements. This arrangement with JSAAHC is different and requires additional consideration as it is the direct payment of rent on behalf of a private entity, which may only be done in the nature of a "donation", pursuant to the enabling authority set forth within Virginia Code 15.2-953.

The City Manager has reviewed the matter and JSAAHC is a nonprofit organization to which City Council may make gifts and donations under the provisions of Virginia Code SEc. 15.2-953.

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

This item aligns with Strategic Plan Goal: 1.5 Intentionally address issues of race and equity.

### **Community Engagement**

City Council will resume discussions of special investment agreements as a part of their upcoming strategic planning process.

### **Budgetary Impact**

This item will use \$107,203.32 from the existing Council Strategic Initiatives Account.

### **Recommendation**

With City Council's approval, staff will remit the equivalent of 7 months of payments from the Council Strategic Investments account to the Jefferson School Foundation's Operations Account for continued processing by JSAAHC as an ACH payment for the monthly rent. This would make the new grant award: \$107,203.32.

**Recommended motion:** *"I move the RESOLUTION approving a gift or donation in the amount of \$107,203.32 to the Jefferson School African American Heritage Center"*

### **Alternatives**

City Council could choose to approve at a different amount or choose to not fund at this time.

### **Attachments**

1. Resolution\_\$107203.32\_JSAAHC