

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



Agenda Date:	December 19, 2022
Action Required:	Approve Ordinance (2 Readings)
Presenter:	Chris Engel, Director of Economic Development, Samuel Sanders, Jr., Deputy City Manager
Staff Contacts:	Chris Engel, Director of Economic Development Samuel Sanders, Jr., Deputy City Manager Lisa Robertson, City Attorney
Title:	Amending the 2018 City/County Courts Memorandum of Agreement and approving a 40-year lease (2nd reading)

Background

On December 17, 2018, the County of Albemarle and the City of Charlottesville executed an inter-governmental memorandum of agreement (MOA) to redevelop the Levy Opera House and site located at 350 Park Street to serve as a co-located General District Court (GDC). The agreement outlines the commitments and responsibilities of each party and specifically requires the City to provide the County with parking spaces for their exclusive use prior to the commencement of court activities in the new facility.

As contemplated in the MOA, the City initially explored developing a new parking structure proximate to the new courts facility on land owned by the City at 701 East Market Street. However, by resolution approved June 21, 2021 the City Council directed the City Manager and staff to halt planning for the new structure.

While the Original Agreement offered options should the City fail to complete the parking structure (Section 2 (G)), the County and the City agree that pursuit of the options are not in the best interest of either party. As such, additional discussions involving City and County staff have occurred resulting in the Amendment presented herein.

Discussion

The Amendment replaces section 2 of the Original Agreement and deletes section 3 entirely. All other terms and conditions of the Original Agreement remain in full force and effect.

In summary, the County receives exclusive control of the East Market Street Parking Lot (located at 701 East Market Street) during regular court hours which are defined as Monday through Friday from 7:00 a.m. to 6:00 p.m and during special court sessions or events which must be noticed in advance. The East Market Street Parking Lot currently includes 63 surface parking spaces. The City and

County will execute a lease to confer access to these spaces and it will be effective February 1, 2023. The term will be 20 years, with one 20-year renewal option. The City will retain full ownership of the ground and will conduct basic repairs and maintenance. The County is responsible for parking enforcement regulations during its hours of exclusive use. Should the County decide to install parking management infrastructure on the lot the cost of installation and maintenance will be the responsibility of the County.

In addition, the City will provide access to 27 spaces in the Market Street Parking Garage by free validation for County Court users for up to 11 hours per day. Parking spaces in the Market Street Garage are not reserved, but Courts users would have the opportunity choose from all available spaces. Should the County install parking control equipment that reduces the number of available spaces in the East Market Street Parking Lot, the City will provide additional free parking validation hours in the Market Street Garage to accommodate the number of parking spaces lost.

The Amendment retains those County options defined in the MOA should the City be unable to meet its obligations to provide parking for County Courts users. The Amendment includes a third option, requiring the City to convey to the County ownership of the Market Street Parking Lot parcel at a price based on the then-current appraised value of the property.

Alignment with City Council's Vision and Strategic Plan

This action aligns with the Council's Vision for a connected community that enables convenient transit supporting mixed-use development. This action aligns with the City Council's Strategic Plan Goal Four: A Strong Diversified Economy.

Community Engagement

The City and County both had significant engagement from the legal and justice system communities regarding the ultimate decision on where and how to expand the court facilities.

Budgetary Impact

No new funding is being requested. The City will lose parking revenue of approximately \$105,000 annually.

Recommendation

Staff recommends that, contingent on approval of the amendment by the County Board of Supervisors as scheduled for December 7, 2022, the Council approves the amendment and authorizes the City Manager to execute the Lease.

Suggested Motion: "I move the ORDINANCE to approve an amended Agreement with Albemarle County for a shared court facility and to approve a 40-year Lease of the 7th Street Parking Lot to Albemarle County, to be used for County Courts parking."

Alternatives

Attachments

1. ORD to Approve Lease of 7th Street Parking Lot and Amended MOA_rev

2. 701 Market Street Parking Lot Lease 11.21.22
3. Amendment to Courts Agreement_Draft 11.8.2022
4. Co.City.ExpandCoCC,GDC.CiGDC.MOA.12.17.18