

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



Agenda Date:	June 20, 2023
Action Required:	Approve Resolution
Presenter:	Michael Rogers, Interim City Manager
Staff Contacts:	Royal Gurley Superintendent
Title:	Appropriating \$5,300,000 to the Charlottesville City School Board for the Acquisition of CATEC (2nd reading)

Background

In October, 1969, the School Board of the City of Charlottesville ("CCS") and the School Board of Albemarle County (the "ACPS") entered into an agreement (the "Agreement") for the operation of a jointly owned and controlled "Vocational-Technical Education Center", now known as "CATEC". CATEC is comprised of certain real property consisting in the aggregate of 13.50 acres +/- and located at 1000 Rio Road East in Albemarle County, Virginia (more particularly described as County Tax Map Parcels 61-153 and 610167B) as well as other personal property (and goodwill) associated with its operations.

After several months of discussions on the future of CATEC, by way of a December 13, 2022 letter to CCS, ACPS offered to purchase all of CCS undivided one-half interest in the real and personal property comprising CATEC pursuant to Paragraph IX of the Agreement for \$5,300,000.00 (the "Purchase Price"). Pursuant to Paragraph IX of the Agreement, CCS elected to decline the ACPS offer to purchase and, instead, to proceed to purchase ACPS' undivided one-half interest in the real and personal property comprising CATEC for the Purchase Price with a closing date on or about July 19, 2023.

Discussion

CCS is requesting that the City of Charlottesville i) affirm CCS' election to purchase CATEC for the Purchase Price, ii) direct CCS to proceed with the acquisition of CATEC, and iii) make a one-time allocation of \$5,300,000.00 to CCS as payment of the Purchase Price in order to effectuate the purchase.

Dating back over 50 years, CATEC is a longstanding component of the educational fabric of the region, and it serves CCS students in a very meaningful way. The absence of CATEC or CATEC-like programming from the CCS curriculum would be extremely detrimental, not only to present and future CCS students, but to other key CCS stakeholders. CCS has thoroughly considered how to continue to operate CATEC so that it continues to serve its purpose for the community. The opportunity to own

the physical plant which comprises CATEC is a rare opportunity given the various difficulties associated with acquiring real property in the area real estate market.

Alignment with City Council's Vision and Strategic Plan

This item aligns with Goal 1 of the City's Strategic Plan - An Inclusive Community of Self-sufficient Residents by helping prepare students for academic and vocational success.

Community Engagement

City staff has been engaged with CCS on a regular basis regarding this purchase opportunity, including exploring proactive plans for on-going and sustainable programming for the future.

Budgetary Impact

The requested \$5,300,000 will be added to the City's Capital Improvement Fund as a bondable project under the education category.

Recommendation

The City manager and staff recommend that the City Council approve the proposed request to use funding to acquire the CATEC property.

Alternatives

Council may elect not to approve the recommendations, which would forego the opportunity to purchase the CATEC property.

Attachments

1. CATEC Resolution