

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	November 6, 2023
Action Required:	Approve the Resolution.
Presenter:	Samuel Sanders, Jr., City Manager, Jacob Stroman, City Attorney
Staff Contacts:	Samuel Sanders, Jr., City Manager Jacob Stroman, City Attorney
Title:	Resolution Authorizing the City Manager to Enter Into an Assignment of Contract to Acquire 23.81 Acres of Property at 0 Caroline Avenue, 510 Caroline Avenue, 532 Caroline Avenue and 0 East High Street and Enter into a Mutual Release

Background

Seven Development, LLC proposed a multi-family development informally known as the proposed 0 East High Street development. The Planning Commission found that some of the public facilities were not in conformance with the Comprehensive Plan. The developer appealed that finding to the Council which affirmed the Planning Commission's determination.

Discussion

In light of the location of the property in an environmentally sensitive area, and the City's need for additional passive recreation areas, City staff entered into discussions with the developer to acquire the property for passive recreation. Seven Development assigned its contract to acquire 23.81 acres of land at 0 Caroline Avenue 510 Caroline Avenue, 532 Caroline Avenue and 0 East High Street to Riverside Multifamily, LLC. Riverside Multifamily, the City and the current owners of the properties which were subject to purchase by the developer in the event the 0 East High Street project was approved have agreed to enter into a contract pursuant to which the City will acquire title to the properties. Riverside will receive an assignment fee in exchange for relinquishing its right to acquire the properties for development. The total compensation for the transaction is \$5.9 million plus closing costs. As a part of the transaction, the City and the developer and its successor in interest will execute a mutual release of claims which will insure that there will be no claims or litigation following the acquisition of the property.

Alignment with City Council's Vision and Strategic Plan

The transaction is consistent with the City Council's goal to insure that public facilities in developments are substantially in accord with the City's Comprehensive Plan. In addition, the transaction is consistent with City Council's goal to avoid high density development in environmentally sensitive areas and to expand passive recreational opportunities for City residents.

Community Engagement

The proposed transaction would address concerns expressed at the public hearing for the Code of Virginia Sec. 15.2-2232 review.

Budgetary Impact

The cost to acquire the property is \$5.9 million. There are funds available for this purpose.

Recommendation

Approve the resolution authorizing the City Manager to enter into the Assignment of Contract and Mutual Release of Claims in a form acceptable to the City Attorney.

Alternatives

If the City Council elects not to acquire the property, there is a possibility that the property may be developed at some point in the future.

Attachments

1. Resolution Authorizing Assignment of Contract and Release of Claims.11.1.23
2. 0 East High.Assignment of Contract.11.1.23
3. 0 East High Street.Mutual Release of Claims.11.1.23