

Policy Briefing Summary

City Council



Regarding:	Public hearing and Resolution to approve New Lease Agreement with The Virginia Discovery Museum for use of City-owned property located at 524 East Main Street
Staff Contact(s):	Brenda Kelley, Redevelopment Manager
Presenter:	Brenda Kelley, Redevelopment Manager
Date of Proposed Action:	May 4, 2026

Issue

The Virginia Discovery Museum, Inc. ("VDM" or "Museum") entered into a lease with the City of Charlottesville, Virginia ("City"), for use of the City-owned property located at 524 East Main Street, in July 2021; that lease expires on June 30, 2026. For City Council's review and consideration, attached is a new, proposed Lease Agreement and a Resolution authorizing execution of the same.

Background / Rule

VDM, a nonprofit organization, has operated out of 524 East Main Street (on the Downtown Mall) since May 1990 (thirty-six (36) years). Last year, VDM welcomed 57,619 visitors.

VDM is a key driver of customers to Downtown shops, restaurants, hotels and other attractions. Families plan a day around visiting the Museum, then purchase meals and goods from Downtown shops. In 2022, VDM restored its historic carousel to attract visitors to the Downtown Mall, and the Museum's popular events including Kid*vention Science Festival, Date Night Drop Off, and the Boo Bash Halloween Carnival brought over 1,500 weekend and evening visitors to Downtown in the past year. From a workforce development standpoint, the Museum recruits and trains nearly 300 volunteers a year by providing a warm, inclusive environment for teenagers, college students, and those planning a return to the workforce to build workforce skills, as well a place for senior citizens to continue to be involved in the community in a way that is important, but not physically taxing. VDM is proud to be the first workplace for many young volunteers, and to help volunteers on their pathway to paying work. For over a decade, VDM has been a popular worksite for Community Attention Youth Internship ("CAYIP") interns, and the Museum Staff is honored to offer references for CAYIP interns. Additionally, through its eight (8) weeks of Summer Camp and Day Off Camps offered on days when City Public Schools are closed, the Museum offers childcare to hundreds of working parents in our community.

VDM regularly engages in cross-marketing efforts and tourism outreach designed to bring local families and tourists to the City. Upcoming examples are the Museum's Kidvention Family Science Festival in the Key Recreation Center on April 25, 2026, typically attracts 1,000 visitors), hosting a family craft activity station during the Tom Tom Festival, and participating in Spring/Summer 2026 activities related to the 50th Anniversary of the Downtown Mall. Currently, VDM has a marketing partnership with Chaps Ice Cream, and in Summer, typically hosts a Free Family Film Series with Violet Crown on the Downtown Mall. For twenty (20) years, the Museum has offered a free Pass Check Out Program with the Jefferson Madison Regional Library.

City Staff provides the following information relative to this new, proposed Lease Agreement execution approval request:

-Building Space (approximate square footage): 7,747

-Outdoor Carousel (approximate square footage): 990
-Assessed Value: \$2,493,000.00
-Current Lease Rate: \$325.00/month (\$3,900.00/annual)
-Current Lease Rate per square foot (building): \$0.51 +/-
-Potential Annual Lease Value (building): \$27 / SF
-Potential Annual Lease Value (carousel): \$5 / SF
-Comparable Fair Market Rent Value: \$214,119.00
-In-Kind Donation Value: \$210,219.00

The general terms of the new Lease Agreement are:

-Lease Period: 5 years (expires June 30, 2031)
-Lease Rate: \$325.00/month, with no more than 3% automatic annual increase in the following years
-Tenant Responsibilities: grounds maintenance; maintenance of exterior light fixtures; janitorial services; cost of utilities, insurance; Tenant accepts Premises "as-is"
-City Responsibilities: maintenance of structural elements and systems; maintenance of the exterior of the premises
More information about VDM can be found at: <https://www.vadm.org/>

Analysis

City Council may enter into agreements for the use of City property. Per Virginia Code Section 15.2-1800(B), a Public Hearing is legally required to be advertised and held prior to disposition of City-owned property.

Financial Impact

None.

Recommendation

Following conducting the legally required Public Hearing, City Staff recommends that City Council adopt the attached Resolution authorizing the execution of the new Lease Agreement with VDM for the use of City-owned property located at 524 East Main Street.

Recommended Motion (if Applicable)

"I make a Motion to adopt the attached Resolution authorizing the execution of the new Lease Agreement with VDM for the use of the City-owned property located at 524 East Main Street."

Attachments

1. Resolution VA Discovery Museum May2026
2. Resolution VA Discovery Museum May2026jvhedits