

ADDENDUM TO DEVELOPMENT AGREEMENT

THIS ADDENDUM TO DEVELOPMENT AGREEMENT dated July 1, 2019, (the “**Development Agreement**” or “**Agreement**”) is made as of April, ____, 2022, by and between the **COUNTY OF ALBEMARLE, VIRGINIA** (the “**County**”) a political subdivision of the Commonwealth of Virginia, and **CROZET NEW TOWN ASSOCIATES, LLC**, a Virginia limited liability company (the “**Developer**”). The County and the Developer are collectively referred to as the “Parties.”

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

I. **AUTHORITY**

Pursuant to Section 7.4 (**MISCELLANEOUS – AMENDMENTS**) of the Development Agreement between these Parties, the Parties hereto are authorized to enter into this written addendum to the Development Agreement. The Parties hereto seek ratification of this Addendum from the Economic Development Authority of Albemarle County, Virginia (the “EDA”), but declare that no modification, amendment, or waiver contained herein is being sought or intended that would be enforceable against the EDA.

II. **ROAD PLAN AND CONSTRUCTION**

A. Section 3.1(b) Road Revenue Sharing Match is superseded and replaced in full by the following:

Road Revenue Sharing Match, Developer Rights-of-Way, Utility Installation, and Completion Costs.

- (i) Developer shall contribute \$2,000,000 (the “Local Revenue Sharing Match”) which shall be used to pay for the County’s revenue sharing match requirement for the construction of the Roads under the “Programmatic Project Administration Agreement – Revenue Sharing Projects” dated November 5, 2019, between the County and VDOT. Developer shall provide a line of credit or cash in the amount of \$375,000 for Rights-of-Way acquisition for the roads within 30 days after VDOT’s approval of the 60% road design plans. Developer shall provide a line of credit or cash in the amount of \$1,625,000 for the remainder of the County’s revenue share match prior to execution by the County of a construction contract for the Road Project. These contributions must be available for the County to draw upon or access during right-of-way acquisition and road construction, as the case may be. The County will have no obligation to repay any outstanding balances on any line of credit the Developer obtains pursuant to this Addendum and the resulting Project Management Agreement.

- (ii) \$200,000 shall be used from the Road Revenue Sharing Match funds to compensate the Developer fully for acquisition of all rights-of-way from the Developer as stipulated in the grant application for VDOT revenue share matching funds.
- (iii) Developer shall contribute \$1,100,000 for water and sewer utility installation. This contribution shall be by line of credit or cash from which the County can draw or access during road construction. Any unused portion of this contribution will be returned to Developer or credited to Developer's other required contributions at the Developer's election and direction. Developer shall be responsible for water and sewer utility installation expenses that exceed \$1,100,000. The County will have no obligation to repay any outstanding balances on any line of credit the Developer obtains pursuant to this Addendum and the resulting Project Management Agreement.
- (iv) Developer shall participate in the review of the construction bids the County receives and the review of contractor qualifications.
- (v) Developer shall be responsible for and pay all road construction costs exceeding the Developer's Local Revenue Sharing Match (\$2,000,000), VDOT's Revenue Sharing Match (\$2,493,351), and the County's contribution (\$2,500,000) to complete the road construction project. Such funds must be secured by a line of credit or cash from which the County can draw or access during road construction. The County will have no obligation to repay any outstanding balances on any line of credit the Developer obtains pursuant to this Addendum and the resulting Project Management Agreement.
- (vi) Within 30 days of the County receiving bids for the Road Project construction contract, Developer must direct the County on whether to proceed with any bid additive terms which might require additional financial contributions from Developer.

B. Section 3.2(a) Construction Management is superseded and replaced in full by the following:

Construction Contract and Management.

- (i) The County will obtain from third parties all rights-of-way and easements needed for the Road Project.
- (ii) The County will manage water and sewer public utility installations, including contingencies, testing, inspections, and other necessary services.
- (iii) The County will disburse up to \$1,100,000 from Developer for water and sewer public utility installations. Upon completion, the County will return any unused balance under the County's control and possession to Developer unless otherwise agreed. Upon exhaustion of such funds, Developer will be

responsible for providing additional funds by way of a line of credit or cash sufficient to complete installation. The County will have no obligation to repay any outstanding balances on any line of credit the Developer obtains pursuant to this Addendum and the resulting Project Management Agreement.

- (iv) Upon VDOT's final approval of the road design, the County will prepare the construction contract and all other supplemental materials needed to request bids according to the County's purchasing manual.
- (v) Upon the procurement of a road construction contract, the County will manage the construction subject to the procured contract and a Project Management Agreement between the Developer and County Executive.
- (vi) The County will expend up to and no more than \$6,780,000 to complete the Road Project. The source of the funds will be: \$2,000,000 from Developer; \$2,294,349 from VDOT (total match less VDOT project expenses); and \$2,500,000 from the County. The Developer will pay any amounts above \$6,780,000 needed to complete the Road Project.
- (vii) The County will be responsible for obtaining match payments from VDOT.
- (viii) The County will share accounting records related to the Road Project and related construction draw and disbursement reports with Developer as the Parties agree in the Project Management Agreement.

C. Section 3.3 **Contribution Increases** of the Development Agreement is deleted in its entirety.

III. PLAZA DEVELOPMENT, CONSTRUCTION, AND CONVEYANCE

A. Section 4.3 **Developer Obligations** is amended as follows by adding:

- (g) Upon completion of the Plaza construction, the Developer will donate \$50,000 to The Downtown Crozet Initiative, Inc., or other charitable organization that may be responsible for the Plaza's management, whether by contract, lease, or otherwise with the County, to hire or retain an executive director to organize and manage Plaza events and maintenance.
- (h) Developer must design and build public restrooms located in a structure on a parcel adjacent to the Plaza and readily accessible to the public visiting the Plaza. Developer must submit pre-construction designs to the County for approval. Construction of the public restrooms will be at Developer's expense and such expense shall not be considered a Plaza construction cost or a contribution increase as contemplated by Sections 4.1, 4.2, 4.3(a) through 4.3(f), or 4.6 of the Agreement. Upon completion of the public restrooms, Developer must grant the County a long-term lease or permanent easement subject to additional terms,

restrictions, and conditions as the Parties agree, including access, maintenance and repair responsibilities, renewal, reversion, and termination. The Development Agreement, this Addendum, and nothing more shall constitute good and valuable consideration for such lease or easement.

IV. INCORPORATION

All other terms and conditions of the Development Agreement not replaced, superseded, or modified by this Addendum are affirmed and remain in full force and effect and are incorporated into this Addendum by reference.

[SIGNATURE PAGE FOLLOWS]

DRAFT

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

COUNTY:

THE COUNTY OF ALBEMARLE, VIRGINIA

By:

Jeffrey Richardson
County Executive

Approved as to form:

County Attorney

DEVELOPER:

CROZET NEW TOWN ASSOCIATES, LLC,
a Virginia limited liability company

By:

Frank R. Stoner, IV
Manager

Approved and Ratified, but not a party hereto:

EDA:

THE ECONOMIC DEVELOPMENT
AUTHORITY FOR THE COUNTY OF
ALBEMARLE, VIRGINIA

By:

Donald D. Long
Chair