



Albemarle County

Legislation Text

File #: 15-012, **Version:** 1

AGENDA DATE: June 3, 2015

TITLE:

Crozet Artisan Depot LLC Lease

SUBJECT/PROPOSAL/REQUEST: Resolution to approve a lease with Crozet Artisan Depot LLC for a portion of the old Crozet Depot

ITEM TYPE: Action

STAFF CONTACT(S): Foley, Letteri, Davis, Herrick, Catlin, Shadman, Stimart, and Freitas

PRESENTER (S): Lee Catlin, George Shadman

LEGAL REVIEW: Yes

REVIEWED BY: Thomas C. Foley

BACKGROUND: For almost 30 years, the old Crozet Depot was used as the Crozet Branch of the Jefferson Madison Regional Library (JMRL). Since the opening of the new Crozet Library in 2013, the 2,655 square-foot building has been vacant, with no identified local government use in the immediate future.

STRATEGIC PLAN: Economic Prosperity: Foster an environment that stimulates diversified job creation, capital investment, and tax revenue that support community goals.

DISCUSSION: In December 2014, General Services solicited proposals for leasing the old Crozet Depot. That solicitation resulted in four proposals. The most viable proposal for the old Crozet Depot was submitted by Crozet Artisan Depot LLC. This proposal also best met the evaluation criteria for the space developed in consultation with the Crozet Community Advisory Council. However, the Crozet Artisan Depot, LLC requested to lease only 1,100 square feet of the 2,655 square-foot Depot. After discussion, County staff, the Crozet Artisan Depot LLC, and the Charlottesville-Albemarle Convention Bureau (CACVB) agreed that the County's leasing of a portion of the remaining square footage to the CACVB would accommodate all parties. The CACVB was initially expected to occupy space on the ground floor of the new Crozet Library, but it was later determined that the space would be too large for its operation. The proposal would lease 1,100 square feet to the Crozet Artisan Depot LLC and 456.3 square feet to the CACVB at fair market value. The proposed lease between the County and Crozet Artisan Depot LLC is attached as Attachment A. The remaining square footage located in the rear room of the Depot would remain available as meeting space under the County's ***Community Use of County Facilities*** policy.

The attached proposed lease includes the following provisions:

- An initial five year term beginning July 1, 2015, which may be renewed for an additional period as may be mutually agreed
- A termination clause for either party to terminate the lease upon 90 days written notice
- A rent escalator for subsequent years based on an inflation index
- A utility provision under which the County would provide water, sewer, electricity, and heating and cooling

included as part of the Tenant's rent

The proposed lease would also allow the Tenant rent-free access prior to the beginning of the lease term to make certain improvements to ready the space for occupancy. This provision is consistent with past County practice.

Virginia Code § 15.2-1800 requires that the Board hold a public hearing prior to the proposed conveyance of this interest in County-owned real property.

- An initial

BUDGET IMPACT: The lease is expected to generate \$17,996.00 in its first year.

RECOMMENDATION:

After the public hearing, staff recommends that the Board adopt the attached Resolution (Attachment B) approving a lease with Crozet Artisan Depot LLC for a portion of the old Crozet Depot and authorizing the County Executive to execute a lease in a form acceptable to the County Attorney.

A - Crozet Artisan LLC Lease

B - Resolution