



To: Hampton Planning Commission

From: Kim Mikel, Interim Director

Date: October 9, 2025

Re: Revocation of Use Permit Application No. 24-0028

On March 13, 2024, City Council approved Use Permit Application No. 24-0028 to operate a Restaurant 3 at 555 Settlers Landing Road, Suites M and N, [portion of LRSN: 2002950], the "Location", subject to twelve (12) conditions. Specifically, the Restaurant 3 use was granted to extend the general hours of operation, extend the hours of indoor live entertainment, and to expand the indoor live entertainment performance area beyond the provisions permitted through a Zoning Administrator Permit (ZAP). The property is zoned Downtown Business (DT-1) District, which allows a Restaurant 3, subject to an approved use permit.

The use permit was granted, subject to twelve (12) conditions based upon the proposed use's operational and land use characteristics. Highlighted conditions include limitations on the hours of operation, location of Live Entertainment, security, ABC licensing, compliance with laws, window transparency, expiration, and revocation. Pursuant to City of Hampton Zoning Ordinance§ 14-11 and Virginia Code§ 15.2-2309(7), the Hampton City Council, upon recommendation from the Planning Commission, may revoke a use permit for any violation of a term or condition of the use permit, and for repeated continuing violations of the Zoning Ordinance or the Hampton City Code. The City has information demonstrating that the following violations of the Use Permit have occurred:

- **Security.** City agents have observed multiple violations of Condition #7 of the Use Permit concerning security at the Location. Violations were observed in relation to at least three separate incidents at the Location:
 - September 6, 2025: A fight involving 15-20 Permitholder patrons occurred at the Location, including an assault on a disabled individual.
 - September 13, 2025: Another fight involving numerous Permitholder patrons occurred at the Location.
 - September 20, 2025. At least 15 firearm rounds were shot by at least two different shooters at the Location, and a patron was observed breaking a storefront window.

Community Development Department, Planning & Zoning Administration Division

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Based on these incidents as well as other information provided by the Hampton Police Division, the City believes that the following violations of Condition #7 of the Use Permit have occurred:

- Failure to "monitor and control patron behavior inside as well as upon exit of the building into the surrounding area;" and
 - Failure to ensure that "criminal activity [is] reported to the Hampton Police Division," and to "cooperate with the Hampton Police Division in their investigation into criminal activity."
- **ABC Compliance.** On May 21, 2025, the Virginia Alcoholic Beverage Control Authority ("VABC") issued a Negotiated Resolution resolving Permitholder's failure "to take reasonable measures to prevent an act of violence resulting in death or serious bodily injury" as required by applicable law. Permitholder has continuously operated in violation of the Negotiated Resolution, particularly with regard to the requirement to patrol the common area outside the Location to prevent loitering. Permitholder's failure to comply with the Negotiated Resolution violates Condition #9 of the Use Permit requiring Permitholder to "comply with all restrictions or requirements imposed by VAABC." In addition, as of Oct. 1st, 2025, the Virginia Alcoholic Beverage Control (ABC) Authority revoked Chance's ABC License.
 - **Compliance with Laws.** City agents have observed evidence of the following violations of Use Permit Condition #10:
 - The City issued a Notice of Violation ("NOV") to Permitholder on May 15, 2025 for allowing patrons to smoke inside the Location in violation of the Virginia Indoor Clean Air Act (Va. Code § 15.2-2820 et seq.). Condition #10 provides that the Use Permit "may be terminated for any violation of federal, state, or local law."
 - As of the date of this letter, the Permitholder, "Chances Restaurant and Lounge, LLC," is listed "pending inactive" on the Virginia State Corporation Commission's Clerk's Information System. If the Permitholder's status becomes "inactive," the Permitholder will no longer be "authorized to transact business in Virginia" as required by Condition #10.
 - **Window Transparency.** On May 16, 2025, the City issued a NOV to Permitholder for violation of Use Permit Condition #4, which prohibits Permitholder from applying a window treatment or finish that would impede visibility into the Location from outside.

Based upon multiple violations of the use permit conditions as outlined above as well as the public safety and welfare concerns associated with the recent restaurant operations, staff recommends Planning Commission approve the request to revoke UP 24-0028 for a Restaurant 3 at the subject property.

Upon receipt of the Planning Commission's recommendation, City Council will conduct a public hearing to consider revocation of the Use Permit, during its Legislative Session on October 22, 2025.