



City of Hampton

22 Lincoln Street
Hampton, VA 23669
www.hampton.gov

Council Approved Minutes - Final City Council Work Session

Mayor Donnie R. Tuck
Vice Mayor Jimmy Gray
Councilmember Chris L. Bowman
Councilmember Eleanor Weston Brown
Councilmember Steven L. Brown
Councilmember Billy Hobbs
Councilmember Chris Snead

STAFF: Mary Bunting, City Manager
Cheran Cordell Ivery, City Attorney
Katherine K. Glass, Clerk of Council

Wednesday, December 8, 2021

9:00 AM

**Lawson Conference
Room**

CALL TO ORDER - Lawson Conference Room

Mayor Tuck called the meeting to order at 9 a.m. All members of City Council were present except for Councilwoman Brown who came in just following roll call.

Present 5 - Councilmember Chris L. Bowman, Councilmember Steven L. Brown, Vice Mayor Jimmy Gray, Councilmember Billy Hobbs, and Mayor Donnie R. Tuck

Out 1 - Councilmember Eleanor Weston Brown

DONNIE R. TUCK PRESIDED

Present 6 - Councilmember Chris L. Bowman, Councilmember Eleanor Weston Brown, Councilmember Steven L. Brown, Vice Mayor Jimmy Gray, Councilmember Billy Hobbs, and Mayor Donnie R. Tuck

AGENDA

CLOSED SESSION - beginning in Lawson Conference Room, 8th Floor

1. [21-0320](#) Closed session pursuant to Virginia Code Sections 2.2-3711.A (.1), (.3), (.7) and (.8), to consider the appointment of an individual for an interim appointment to the City Council seat which will be vacated by Councilwoman Chris Snead on

December 31, 2021; to discuss appointments as listed on the agenda; to discuss the performance of City Council appointees; to discuss or consider the disposition of publicly held real property in Buckroe where discussion in an open meeting would adversely affect the bargaining or negotiating strategy of the City; to consult with legal counsel employed by the City pertaining to the expenditure of federal funds received pursuant to the American Rescue Plan Act of 2021 (“ARPA”) which requires the provision of legal advice by such counsel; and to consult with legal counsel pertaining to actual litigation involving the real and personal property tax exemptions as outlined in Virginia Code §58.1-3606.

A motion was made by Councilmember Billy Hobbs and seconded by Councilmember Steven Brown, that this Closed Session - Motion be approved. The motion carried by the following vote:

Aye: 7 - Councilmember Bowman, Councilmember Weston Brown, Councilmember Brown, Vice Mayor Gray, Councilmember Hobbs, Snead and Mayor Tuck

2. [21-0315](#) Consideration of appointments to Citizens Police Advisory Group (CPAG)
3. [21-0319](#) Consideration of Appointments to the Coliseum Advisory Committee
4. [21-0324](#) Consideration of Appointments to the Hampton Federal Area Development Authority (HFADA)

Note: It is anticipated that Council will recess the closed session to allow the regular afternoon work session to begin at 1 p.m. in City Council Chambers. Council will then reconvene in the Community Development Conference Room to continue discussion of closed session topics once the open session afternoon work session items have concluded.

Mayor Tuck recessed closed session at 1:01 p.m. to be reconvened in the Community Development Conference Room following the open session agenda items which will take place in City Council Chambers.

OPEN SESSION AGENDA ITEMS - beginning at 1 p.m. in Council Chambers

The Clerk called roll again once the meeting moved to City Council Chambers. Assistant City Manager, Steve Bond, sat in for City Manager Mary Bunting.

Present 6 - Councilmember Chris L. Bowman, Councilmember Eleanor Weston Brown, Councilmember Steven L. Brown, Vice Mayor Jimmy Gray, Councilmember Billy Hobbs, and Mayor Donnie R. Tuck

5. [21-0332](#) Land Development Code and Ordinance Study

Attachments: [Presentation - at time of publication](#)
[Presentation - Updated](#)

Assistant City Manager Steve Bond introduced the item.

Director of Community Development, Mr. Terry O'Neill, greeted those on the dais and reminded everyone that one of Council's priorities is for Hampton's Development Services Center (DSC) to be as business and customer friendly as possible. This study is a part of the on-going effort to receive an independent assessment of how Hampton's critical land development codes and ordinances compare to its peer jurisdictions.

Mr. O'Neill shared that Kimley Horn, a national civil engineering environmental firm, was asked to evaluate how Hampton compares with other jurisdictions in this area. He also noted that the project was a team effort with collaboration from City departments including the Community Development Department, Public Works and the City Attorney's Office.

Mr. O'Neill shared a slide which listed the major codes and ordinances that the DSC is required to enforce at the local level. The codes and ordinances are categorized according to the ones which are mandated by state and/or federal law and the ones which are City ordinances. He also shared a slide which depicted the number of reviews that staff processed in FY2021 to implement the codes and ordinances. He shared that thousands of reviews are completed before projects are permitted and their construction phases begin. The review categories include: permits issued, commercial plan reviews, residential plan reviews, site plan reviews, subdivision reviews and zoning reviews. The reviews are required to take place before a project can be permitted.

The next portion of the slide presentation listed and provided images of several recent projects. The team reviews documents to ensure that projects are in compliance with ordinances and regulations. Recent projects include Monroe Gates

Apartments, the Amazon Logistics Center, the Huntington Ingalls Advanced Manufacturing Facility, the Mary Jackson Neighborhood Center and the Hampton Virginia Aquaplex.

Mr. O'Neill turned the floor over to Kimley Horn's Senior Project Manager, Robyn Niss.

Ms. Niss provided a bit of information about Kimley Horn; listed the peer jurisdictions to which Hampton was compared; and listed the codes and ordinances that were reviewed.

Ms. Niss shared the recommendations that Kimley Horn made following the study. Recommendations were related to the pre-submittal process; the process for smaller development projects; conditional approval; zoning ordinance provisions which support Hampton's development objectives; requirements for water quality impact assessments; the subdivision ordinance; as-built drawings; and the Floodplain Ordinance. This information is outlined in the slide presentation.

The next portion of the slide presentation provided Kimley Horn's conclusions following the study. In general, Hampton is in line with its peers; in some areas, simplifying the process would make it clearer for out-of-town developers and would streamline their efforts from the City; and the lack of clarity regarding what is required for submittal of smaller sites is the largest area for improvement.

Ms. Niss paused to compliment Hampton's DSC staff who stand out for their effectiveness. She added that Hampton's review process is easier than some of its peer's process due to the excellent work of Hampton's DSC staff.

In summary, Ms. Niss said that overall, Hampton's major land development codes and ordinances are generally competitive and less restrictive than their peer jurisdictions; there are selected codes and ordinances that could be improved to make the land development processes more efficient; and Hampton's staff is generally well-respected and do their best to make the development community supported. In closing, Ms. Niss noted that she saw nothing that is a significant barrier to development in the City of Hampton.

Mr. O'Neill reviewed the remaining slides of the presentation which listed additional staff recommendations and the next steps in the process. This information is outlined in the slide presentation. Mr. O'Neill opened the floor for questions and comments from Council.

Mayor Tuck asked Mr. O'Neill to speak about his and staff's opinion of the

recommendations.

Mr. O'Neill stated that staff agrees with most of the recommendations; however, there are a few areas which require additional discussion. For example, conditional approval needs to be discussed further with the City Attorney's Office to sort through topics such as approvals which may affect vesting.

Vice Mayor Gray asked if the conditional approval is related to land disturbance.

Mr. O'Neill clarified that it is related to the entire approval process. He spoke about a scenario in which staff is often asked for a partial permit while other parts of a project are still going through the approval process. Staff must be careful about agreeing to this type of request because they have to take into consideration how it will affect vesting rights.

Vice Mayor Gray shared some feedback that he has received from developers who have stated that obtaining various permits at different times slows down the process and it would be easier if they could get disturbance permits at the same time as other permits, building permits, for example.

Mr. O'Neill clarified that a parallel process is possible when developers submit all requests upfront; however, oftentimes, developers request the land disturbance permit (because that is the first part of their process) prior to completing their site plan or other needed documents. He added that the City must be clear on boundaries if conditional approvals are going to be allowed.

Ms. Niss added that builders sometimes are unaware that the site plan process takes much longer than the building process because there are multiple steps involved. She noted that helping developers understand the process will alleviate the problem.

Councilman Brown complimented Mr. O'Neill and Ms. Niss on the report. He said that he likes the idea of conditional approval as long as what is and is not permitted is documented along with the consequences of projects not completed in the way they were agreed upon. He also asked about the timeline for implementation and if new processes will require additional staff.

Mr. O'Neill clarified that there is no set timeline; however, staff is working on priorities and will create a work plan to accomplish tasks. He noted that Kimley Horn is currently under contract to help advise and draft revisions to ordinances.

Mayor Tuck opened the floor for additional questions and comments. None were posed.

6. [21-0329](#) Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021

Attachments: [Report](#)
[Memo](#)
[Presentation - City of Hampton](#)
[Presentation - Cherry Bekaert](#)

Assistant City Manager Bond introduced the item.

Director of Finance, Karl Daughtrey, greeted those on the dais and shared that the preparation of this report is a major project that takes the effort of not only Finance Department staff, but also staff in other departments of the City including the Internal Audit Department. He then turned the floor over to Laura Harden, Director of the Government Services Group at Cherry Bekaert.

Ms. Harden greeted those on the dais and began sharing the results of the June 30, 2021, audited financial statements of the City of Hampton.

Ms. Harden reviewed the next several slides of the presentation which provided an overview of the audit including components of each section of the audit. Sections of the audit include the financial audit, the compliance audit and ACFR/unaudited information such as the introduction, supplementary information and statistical information.

Ms. Harden announced the audit results. Hampton was issued an unmodified/clean opinion (the best possible opinion) with regard to the financial and compliance audits, and no material weaknesses were identified. In addition, no noncompliance was reported regarding government auditing standards or uniform guidance. One instance of non-material noncompliance was reported in the category of Specifications for Audits of Counties, Cities and Towns (finding #2021-001 in the schedule of findings and question costs).

Ms. Harden reported that there were no changes in accounting policies; however, there was a significant undertaking by the finance team to implement GASB Statement #84 for fiduciary activities. She also reported that there were no difficulties in conducting the audit; no disagreements with management; no corrected or uncorrected misstatements; and no consultation with other accountants.

Ms. Harden noted that Cherry Bekaert is independent of the City and that the City has provided a management representation letter as a part of the audit process. This indicates that all of the information needed to complete the audit was provided

and that the City has taken responsibility for the audited financial statements.

Ms. Harden opened the floor for questions and comments from Council. None were posed.

Mr. Daughtrey returned to the podium to continue the presentation.

Mr. Daughtrey provided a summary review of the financial results of the General Fund for the fiscal year ending June 30, 2021. This information is outlined in the slide presentation.

Mr. Daughtrey pointed out that the FY2021 adopted budget was a pre-pandemic budget. At the time, staff did not know how the pandemic would impact City revenues; therefore, it was conservative in some cases. Once staff realized the trends of FY2021, they estimated that there would probably be a revenue loss of approximately \$6 million, so we ended at approximately \$700,000 under budget. We are also the billing agent for our Community Development Authorities (CDA's) and Elizabeth Services District, therefore, if we remove the revenue impact of these agencies, we would be showing that revenues exceeded budget by \$2.3 million for City activities.

Mr. Daughtrey continued summarizing the financial results. The City ended the year with unassigned fund balance of \$80.8 million resulting in a good year. Mr. Daughtrey paused to answer questions about the first portion of the presentation. No questions were posed.

Mr. Daughtrey shared information about general fund revenues and expenditures (significant revenue variances and significant appropriation variances) and whether the variances were favorable or unfavorable. Significant revenue variances include: general property taxes; sales and use tax; business license tax; other revenues; special assessments; and lodging and transit. Significant appropriation variances include: public safety salaries and COVID leave; City Department's personnel, operating and capital outlay; transfers to other funds; and special assessments.

With regard to sales tax, Mayor Tuck said that it is his understanding that sales tax is charged according to the home state when individuals buy services online. Subsequently, the tax goes to the state and the City receives a portion of the sales tax. Mr. Daughtrey confirmed the Mayor's understanding of the process is correct.

The last slide of this portion of the presentation summarized data about the general fund unassigned fund balance, the City's savings account. Over a 5 year trend, there has been an approximate \$26 million increase in unassigned fund balance. As

of June 30, 2021, Hampton is approximately 5.9 % higher than our policy of 10% or \$30 million in excess of our policy.

Mr. Daughtrey opened the floor for questions and comments from Council.

Mayor Tuck asked if the majority of the \$30 million is CARES Act funds.

Mr. Daughtrey clarified that that money is an accumulation over several years and that the only portion of it related to the CARES Act is the \$8.7 million shown on the slide under the public safety salaries and COVID leave category.

The next part of the presentation was given by Brittany Abbott, Deputy Director/Controller of the Finance Department. She spoke about the Government-wide financial statements which are designed to view the City's financial data as a single economic unit. This basis of accounting makes the City's financial statements comparable to corporate America and includes things such as capital assets, long-term debt, pension and OPEB (other post-employment benefits) liabilities.

Ms. Abbott stated that the real value in the Government-wide statements can be seen in the City's net position which represents the City's net worth.

Mr. Abbott reviewed the final slides of the presentation which described the City's governmental activities and business-type activities net position over the last four fiscal years (FY18-FY21). Net position has increased each year, much of which is due to the general fund surplus.

Ms. Abbot continued explaining that business-type activities are those self-contained funds that operate on their own revenue sources. The largest business-type activities for the City are golf courses, solid waste, waste water, the Convention Center, the Coliseum and the steam plant. This fiscal year, business-type activities were hit by the pandemic and were negatively impacted due to closures; however, there was a \$2.5 million increase in net position mainly due to the maximization of federal funding and the reduction of expenses.

Ms. Abbot opened the floor for questions and comments from Council. None were posed.

Mr. Daughtrey also recognized members of his staff: Andrea Lane, Veronica Kmetz, Marcie Dunn, Sybil Ellsworth, April Peters and Valerie Jarrett.

He also recognized members of the staff of the Internal Audit

Department: Terri Tennessee and LaTrina Sweatt.

7. [21-0307](#) Briefing on the Residential Parking Assistance Grant

Attachments: [Presentation](#)

Assistant City Manager Bond introduced the item.

Director of Community Development Terry O'Neill greeted those on the dais and reminded everyone of Council's desire to receive information about the grant program as they proceed with deliberations on the parking on lawns regulation. He noted that this is a work in progress and staff welcomes feedback from Council.

Mr. O'Neill reviewed the slide presentation which described the purpose of the grant; eligible property types; priorities for issuing grants (criteria for the program); the average median income of households (per person in the household); and additional recommended policies being considered in the program.

Councilman Brown referenced two of the recommended policies which state that additional funds may be awarded if a driveway apron is required by City Code and any expenses over the grant amount will be the responsibility of the owner and then asked if a separate grant will be required if a driveway apron is required.

Mr. O'Neill clarified that the maximum grant amount of \$2,250 (as shown in the presentation) would fund the ribbon driveway; however, City Code requires installation of an apron that matches those on the surrounding street. He continued explaining that in a case where everyone in a designated area has a concrete driveway apron/entrance, and an individual is installing a driveway, City Code would require the individual to install a concrete driveway, and therefore, would consider funding that project (to the extent that funds are available) in addition to the \$2,250 because it is a City requirement.

Mr. O'Neill emphasized that, when a grant is issued, specifications will be clear about what is to be built. The grant amount will be reimbursable based on receipts submitted; however, if costs exceed what was requested or applied for, the owner will be responsible to pay the additional amount.

Mr. O'Neill continued speaking about the recommended policies (as shown in the slide presentation) and then shared the timeline of events and the next steps in the process.

Mr. O'Neill opened the floor for questions and comments.

Councilwoman Snead commended staff for increasing the grant amount to allow for the concrete ribbon as this is a minimal way to attain the goal of adding to curb appeal and beautification in the City.

For the benefit of all, Mr. O'Neill added that the original amount was based on do-it-yourself projects; however, after taking into consideration the many applicable areas of the City and that some property owners, such as the disabled or elderly who could not do the projects themselves, staff determined that the fair thing to do and the only way for this to happen would be for the City to pay for the labor.

For clarification purposes, Vice Mayor Gray asked Mr. O'Neill to share the maximum reimbursement amount (through the application process) for an individual who spends \$5,000 to install a full concrete driveway.

Mr. O'Neill replied stating that the reimbursement in the scenario described by Vice Mayor Gray would be in the amount of \$2,250 if the scenario only involves the driveway and not the apron.

Councilman Hobbs asked if those who do not install an apron are eligible for grant funds.

Mr. O'Neill explained that an individual who proposes a driveway (whatever the cost), would max out for reimbursement at \$2,250; however, because City Code requires installation of an apron that does not exist, the City would help pay for the apron in addition to the \$2,250 (assuming funds are available). Cost for a concrete apron is estimated at \$2,000.

Mr. O'Neill noted that not all streets require concrete aprons; some are gravel. The ordinance bases it according to the standard of the street.

A brief discussion took place between Mr. O'Neill and Mayor Tuck about a few scenarios in certain sections of the City where there may be no sidewalk, no driveway apron and only gravel and areas which transition from pavement to where the property line occurs.

Mayor Tuck indicated that he would try to provide a pictured example of what he described at a later date for clarity.

Mayor Tuck thanked Mr. O'Neill for the helpful information.

Mr. Bond noted that staff would try to provide answers to the Mayor's questions. Mayor Tuck reiterated that he would provide an example of what he was attempting

to describe.

REGIONAL ISSUES

There were no regional issues.

NEW BUSINESS

There were no items of new business.

RECONVENE CLOSED SESSION - Community Development Conference Room - 5th Floor

The open session items concluded at 2:15 p.m. Mayor Tuck stated that the closed session would reconvene in the Community Development Conference Room at 2:30 p.m.

CERTIFICATION

8. [21-0317](#) Resolution Certifying Closed Session

At 4:06 p.m., a motion was made by Councilmember Billy Hobbs and seconded by Councilmember Chris Bowman, that this Closed Session - Certification be approved. The motion carried by the following vote:

Aye: 7 - Councilmember Bowman, Councilmember Weston Brown, Councilmember Brown, Vice Mayor Gray, Councilmember Hobbs, Snead and Mayor Tuck

ADJOURNMENT

The meeting adjourned at 4:06 p.m.

Contact Info:
Clerk of Council, 757-727-6315, council@hampton.gov

Donnie R. Tuck
Mayor

Katherine K. Glass, CMC
Clerk of Council

Date approved by Council _____