



# City of Hampton

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

## Council Approved Minutes - Final City Council Work Session

*Mayor George Wallace*  
*Vice Mayor Linda D. Curtis*  
*Councilmember W.H. "Billy" Hobbs*  
*Councilmember Will Moffett*  
*Councilmember Teresa V. Schmidt*  
*Councilmember Chris Snead*  
*Councilmember Donnie R. Tuck*

*STAFF: Mary Bunting, City Manager*  
*Vanessa T. Valldejuli, City Attorney*  
*Katherine K. Glass, CMC, Clerk of Council*

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**Wednesday, March 9, 2016**

**1:00 PM**

**Council Chambers**

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### CALL TO ORDER

The meeting was called to order by Mayor Wallace at 1:01 p.m.  
All members of the City Council were present.

**Present** 7 - Vice Mayor Linda D. Curtis, Councilmember Billy Hobbs, Councilmember Will Moffett, Councilmember Teresa V. Schmidt, Councilmember Chris Snead, Mayor Donnie R. Tuck, and Mayor George Wallace

### GEORGE E. WALLACE PRESIDED

### AGENDA

1. [16-0094](#) Budget Briefings - Revenue Projections for the Fiscal Year 2017 Budget

**Attachments:** [Presentation](#)

City Manager Mary Bunting introduced Finance Director Karl Daughtrey who provided a presentation to Council on an overview of the City's Preliminary Revenue Projections for the Fiscal Year 2017. Ms. Bunting stated there is no change in the real estate tax rate.

Councilwoman Schmidt asked if the figures include retail online sales tax and if so, where does it come into play in the projections. Mr. Daughtrey answered that the amount did not include online sales tax and explained the State benefits from these sales and does not pass them along to the City.

Councilwoman Snead stated that her first thought was why business licenses are not

growing, however, she believes Mr. Daughtrey addressed that by indicating that the City did not have budget estimates in the past and built some of that growth in to keep it level. Mr. Daughtrey commented that he does anticipate some growth in the future.

Concerning the boat tax, Councilman Tuck asked if anyone had spoken with the marina owners concerning whether owners are actually taking their boats elsewhere. Mr. Daughtrey stated to his knowledge, no one had contacted the marina owners. He noted that he has requested analytical reasons from the Commissioner of the Revenue.

Vice Mayor Curtis asked if there was any sense why the City is going below projections and why Mr. Daughtrey believes that building permit activity will increase. Mr. Daughtrey stated over the past five years, the City has come under the projected amount and each year increased growth was anticipated. This projection has not changed and it gives the impression of non-performance. However, based on the projections in FY17 it is believed the City will bring it to the revenue estimate.

In response to Councilman Tuck, the City Manager stated the School Age Program includes both before and after school programs. Mr. Tuck asked if the increase is due to the expectation of more children participating or raising the cost to participate. Ms. Bunting answered that it is an increase in participation, not an increase in rate.

Vice Mayor Curtis requested clarification on who organizes the School Age Program, and asked if it is Parks and Recreation. Ms. Bunting stated that the Youth, Education and Families department runs the program.

Ms. Bunting stated that the City pledged to put all of the fund balance from the ATF fund toward youth violence and crime prevention. The City has been allocating money each year and will continue all the programs in the Manager's Recommended Budget even though the full amount of the funds will not be left to use as this is likely the final draw-down of these funds.

Councilman Tuck stated that he was surprised in the increase in lodging taxes as it was noted that there were underperforming hotel properties and two have been taken out of inventory. Is this reflective of an increase in the room rates? Mr. Daughtrey answered that it was not reflective of an increase in room rates but rather revenue trends.

Councilman Tuck then asked Mr. Daughtrey to explain the increase in lodging taxes. Mr. Daughtrey explained a number of factors come into play with individual hotels

such as increase in daily rate or increase in occupancy.

Councilman Moffett asked Mr. Daughtrey to elaborate on the "two plus two" for the citizens. Mr. Daughtrey explained as part of the financing plan for the Convention Center, Council dedicated taxes, two percent of the lodging and meal taxes, to help fund the debt service and operations of the Convention Center.

Councilwoman Schmidt asked Mr. Daughtrey if the retail sales tax is based on the brick and mortar or if he is able to project the internet sales. She stated that the City does receive internet sales as discussed last year. Mr. Daughtrey stated that his projections are based on current trends and with his discussion with the Commissioner of the Revenue. Based on his knowledge internet sales tax is going to the State of Virginia but he will confirm.

Ms. Bunting stated that she will ask the Commissioner of the Revenue to write something for all to have. All the sales taxes are sent to the State of Virginia and are sent back to the locality after the State has processed the sales.

Ms. Bunting wanted to remind Council that the revised and final State numbers will be shared once received.

Ms. Bunting also shared that the first public input session on the budget was low in attendance and believes the public may seek more online opportunities. There are two planned online town hall chats about the budget at [www.hampton.gov/chat](http://www.hampton.gov/chat).

Presented by Karl Daughtrey, Director of Finance. At the conclusion of Mr. Daughtrey's presentation, the City Manager announced two live chat opportunities for citizens to talk about the budget. These will take place on March 14th at 7 p.m. and March 22nd at noon via [www.hampton.gov/chat](http://www.hampton.gov/chat).

## **REGIONAL ISSUES**

### **NEW BUSINESS**

Councilwoman Schmidt made comment on the common theme between the "Urgency of Now" and "Virginia Unity Clergy Forum" of mentorship. It is believed there is a lack of mentorship and perhaps businesses or small organizations could commit their time to become mentors to the young people. Ms. Schmidt believes the City should take the lead as an example.

Mayor Wallace stated that this has been assigned to Synethia White and the City Managers to develop.

Councilman Tuck added that other municipalities allowed employees three hours to be actual mentors and believes this is something that can be worked out beyond the reading aspect of it.

Ms. Bunting agreed that the City should be part of the solution and will work out the kinks and come up with a plan for Council to consider.

Councilman Moffett acknowledged Public Works for their good work at the intersection of LaSalle and Armistead Avenues and the inspectors for ensuring citizens are taking their receptacles off the street after City pickup, working towards better curb appeal.

Mayor Wallace shared a story regarding a young boy that got a thrill every time the City claw truck came into the neighborhood to collect. The driver developed a relationship with the young boy by waving and acknowledging his presence. One day the truck driver was observed getting out of his truck and giving the young boy two miniature trucks. Mayor Wallace wanted to convey an example of what our employees do beyond the call of duty.

Ms. Bunting stated that they were able to get permission from the mother to share the pictures and they will be shown and the story told again at the evening session.

## CLOSED SESSION

2. [16-0030](#) Closed session pursuant to Virginia Code Section 2.2-3711.A.1, .3 and .7 to discuss a personnel matter involving a department head, to consider appointments as listed on the agenda, to discuss a performance matter involving current appointees, to discuss the acquisition and/or disposition of publicly held real property in the Coliseum Central and Downtown Hampton areas, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the City, and to consult with legal counsel employed or retained by the City regarding specific legal matters requiring the provision of legal advice by such counsel regarding signs.

A motion was made by Vice Mayor Curtis, seconded by Councilmember Moffett that this agenda item be approved. The motion carried by the following vote:

**Aye:** 7 - Vice Mayor Curtis, Councilmember Hobbs,  
Councilmember Moffett, Councilmember Schmidt,  
Councilmember Snead, Mayor Tuck and Mayor Wallace

- 3. [16-0080](#) Consideration of appointments to the Hampton Clean City Commission
- 4. [16-0081](#) Consideration of appointments to Hampton Parking Authority
- 5. [16-0082](#) Consideration of appointments to Neighborhood Commission
- 6. [16-0083](#) Consideration of appointment to Virginia Air and Space Center Board
- 7. [16-0084](#) Consideration of appointment to Peninsula Stadium Authority

**CERTIFICATION**

- 8. [16-0027](#) Resolution Certifying Closed Session  
A motion was made by Vice Mayor Curtis, seconded by Councilmember Moffett that this agenda item be approved. The motion carried by the following vote:

**Aye:** 7 - Vice Mayor Curtis, Councilmember Hobbs,  
Councilmember Moffett, Councilmember Schmidt,  
Councilmember Snead, Mayor Tuck and Mayor Wallace

**ADJOURNMENT**

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Donnie R. Tuck  
Mayor

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Katherine K. Glass, CMC  
Clerk of Council

Date approved by Council \_\_\_\_\_