

City of Hampton

Council Approved Minutes - Final

City Council Work Session

Mayor Donnie R. Tuck Vice Mayor Jimmy Gray Councilmember Eleanor Weston Brown Councilmember Steven L. Brown Councilmember Linda D. Curtis Councilmember W.H. "Billy" Hobbs Councilmember Chris Snead

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

Wednesday, March 13, 2019

1:00 PM

Council Chambers

CALL TO ORDER

Vice Mayor Gray called the meeting to order at 1:03 p.m. Councilwoman Brown was not present due to travel and Vice Mayor Gray announced that Mayor Tuck would join the meeting later after giving welcoming remarks to the 2019 National Association of Blacks in Criminal Justice Conference.

- Present 5 Councilmember Steven L. Brown, Councilmember Linda D. Curtis, Vice Mayor Jimmy Gray, Councilmember Billy Hobbs, and Councilmember Chris Snead
- Excused 1 Councilmember Eleanor Weston Brown
 - Absent 1 Mayor Donnie R. Tuck

JIMMY GRAY PRESIDED

AGENDA

1. <u>19-0091</u> Sports Tourism Presentation

Attachments: Presentation

City Manager Mary Bunting introduced Mr. Brooks Hierstein, Senior Group Services Manager, who provided a presentation to Council.

Councilman Brown noted that Sports Hampton had 37 events last year. He asked if this was an increase over previous years. Mr. Hierstein stated that the number of events has remained consistent over the years. Councilman Brown asked what the City is doing to attract more events. Mr. Hierstein stated that the Sports Hampton division meets with event owners at different trade shows and conferences, as well as works with local partners to bring in more events.

Councilman Brown asked what revenue these events brought to the City. Mr. Hierstein stated that according to the Convention & Visitor's Bureau (CVB) formula, the events Sports Hampton brings into the City have an economic impact of approximately \$18 million.

Councilman Brown noted that last year's Virginia High School League (VHSL) football playoffs were held at the Hampton University (HU) stadium. Darling Stadium's field was in horrible condition, resulting in this move to HU. He would like to consider new artificial turf at Darling Stadium because he believes it would draw more sporting events. The track also needs to be redone. He stated that most cities across the region are using artificial turf because natural turf can be more expensive to maintain over time. He would like Hampton's venues to become the venues of choice, so the City does not lose revenue to other places that are building or upgrading their facilities.

In reference to the Hampton Cup Regatta, Councilman Brown asked if there had been an increase in participants, or if the City has been sustaining attendance levels. Mr. Hierstein stated that this year it is a national event, so there will be an increase in the number of boats participating in that event.

Councilwoman Curtis asked what Council's highest priority should be in terms of increasing capacity to attract these kinds of events, which are clearly important to the City's economy. She noted that she appreciated Mr. Hierstein's comment about hotels, because approximately 40% of our sports event participants and visitors stay in a nearby locality. Mr. Hierstein stated that the Boo Williams Sportsplex has been such an asset for the City and for sports tourism. The City needs to ensure it is keeping that facility at the highest level. Having twelve courts there is essential, and the City has the expertise in basketball to compete with anyone for those events.

Councilman Hobbs asked if Sports Hampton considers any of the events at Langley Speedway in their counts. He noted that there was a race Saturday, and there were over 2,000 people sitting in the cold for four hours to watch the races. Mr. Hierstein stated that they do not take into consideration all the races there. The City has worked with them in the past for programs such as the Drive for Diversity program, which were calculated in previous years.

Councilwoman Snead asked if Mr. Hierstein was suggesting that the Boo Williams Sportsplex needs to have twelve courts physically there, or if he meant twelve courts available total, across the Sportsplex, the Hampton Roads Convention Center (HRCC), and the Coliseum. Mr. Hierstein stated he was referring to having twelve courts in one facility, at the Sportsplex. The City currently utilizes HRCC for some of the tournaments to have twelve courts across two facilities. This requires portable flooring. In response to Councilwoman Snead's question, Mr. Hierstein stated that if there were four additional courts at the Sportsplex, there are some events that would still require HRCC to use the additional court availability.

Councilwoman Snead noted that the City is consistently getting 37 sporting events. She asked what the City can do to get more. She asked if there are areas that have not been tapped yet that could be beneficial to the City from a sports tourism perspective. Mr. Hierstein stated that the City is branching out into more and more sports. For example, Sports Hampton is working with Hampton BMX to host national level events, working with Youth Sailing Virginia to utilize Mill Creek, and increasing the youth baseball tournaments hosted at Briarfield Park and War Memorial Stadium. He stated that tapping into those markets is important to continue to increase the number of events in the City.

Ms. Bunting noted that this presentation has been about existing facilities, and there has been discussion on Council about additional facilities. For example, if the City builds an aquatics center, it would open up a whole different array of opportunities currently unavailable. This is part of why a prior Council had voted to proceed with doing an aquatics facility.

Councilwoman Snead stated that she would like a study done to see if there is a need to add artificial turf at Darling Stadium. She asked if VHSL had utilized HU for those playoffs because it was a bigger stadium or if it was because of the condition of Darling Stadium. Mr. Hierstein stated that VHSL likes to expose their athletes to the college environment, so putting them on a campus - allowing the City to showcase HU's campus to 400 of the State's best athletes - was part of the decision to host it there. Councilwoman Snead asked if HU has an artificial turf field. Mr. Hierstein confirmed that they do. Councilwoman Snead asked if it was common for high school stadiums to have artificial turf. Mr. Hierstein stated that he was not familiar with how many high schools may have artificial turf, but most of the universities do.

Councilman Brown stated that he would like a study looking at the maintenance of a natural field versus artificial turf, and who in the region may have artificial turf and why they have moved in that direction. Ms. Bunting stated that she will get that information together as quickly as possible. Some of it is already on hand, but the survey of other localities may take some time. Councilman Brown stated that the field at Darling Stadium was in disrepair last year.

Vice Mayor Gray stated that this presentation showcased that the City is not just a basketball town - there is so much more going on. Although Richmond and Virginia Beach are building new venues, Hampton is in-between those two locations, so it is a matter of making people come here instead. He asked Mr. Hierstein to describe what Sports Hampton does to host these events to enhance the experience of these athletes, as well as their parents and families. Mr. Hierstein stated that the nice thing about Hampton is that it has such a small town feel when hosting these events and it can really roll out the red carpet for a lot of the athletes and their families. Some of the surrounding cities cannot or will not provide the same level of service because the sport events may not be the only thing in town that week. The City has a Visitor Information representative at every single event to let the families know what there is to do in Hampton. Sports Hampton is constantly in contact with each of the event organizers, sending information about the City and its attractions. It also works to keep hotel rates down, and the hotels have done a great job of working with the City to keep those groups here. There is a lot that goes into welcoming each of these events, and the community itself is involved, which is important.

Vice Mayor Gray asked if there was a way we could bring other sports up to the same level as basketball, such as BMX racing. He asked if there is a way to invest more in these areas to move up to the next level of events. Mr. Hierstein stated that investing in Briarfield Park, getting that facility up to tournament quality, would bring in additional softball tournaments. Sports Hampton is currently exploring BMX options with the new track operator, trying to figure out exactly what the current track can accommodate and what challenges it is facing.

Vice Mayor Gray asked what "tournament quality" looks like at Briarfield Park. Mr. Hierstein stated that the City needs to ensure that the facility is graded properly for drainage, that there is staff available during tournaments to make sure the field is protected during weather events and ready to play, and that the concessions and restrooms are up to par. It is a great venue and the space is ideal for events. The layout allows for a lot of different activities during softball tournaments, but the City needs to ensure the fields themselves are playable and ready.

Councilman Hobbs asked if Mr. Hierstein could get him a schedule for the BMX track when they are running again. He noted that his son was #10 in the nation for two years. He also noted that the City had tried to get the old operators to move their location to Briarfield Park, but they did not want to leave their current location. He stated that it is a great, family sport, and that is what Hampton needs.

Ms. Bunting noted that the City did try to work with expanding the BMX facility, but it would require moving offsite because it is adjacent to the water at its current location. With the new Chesapeake Bay Preservation Act rules, the City is not

allowed to expand where it is currently located. The City is still interested in working with the BMX partners, and they can certainly stay where they are, but they cannot expand there.

Vice Mayor Gray asked if the City is currently researching how to make Briarfield Park "tournament quality." Ms. Bunting noted that this is currently in the works.

Vice Mayor Gray stated that he knows the City is looking at how to accommodate additional teams with using other facilities, but he is not sure if the City has a cost of actually expanding the Boo Williams Sportsplex with additional courts and adding additional parking. Ms. Bunting stated that the City does not have a current cost estimate on those improvements, but staff will work on getting an updated cost estimate. The City has been exploring the purchase of twelve courts to use more consistently in HRCC, because that is a high expense to rent when there are certain levels of tournaments that require it. If the City already had that equipment, it could host larger tournaments on a more consistent basis.

Vice Mayor Gray stated that it is a great use of HRCC, but wondered if the dependence on that location for sports was preventing other events from occurring there. He stated that he hopes there is some balance in the scheduling. Ms. Bunting stated that a sports tourism delegate is not unlike a convention center delegate, because they are spending nights in the hotels, going to restaurants, and shopping in the area. She would prefer having a sports event hosted at HRCC than a consumer show, because those tend to only bring day-trippers.

Councilman Brown asked if the proposed additional courts would give the City a better opportunity to recapture the Boys Amateur Athletic Union (AAU) tournament, which was recently lost. Mr. Hierstein stated that Sports Hampton is working to bring that tournament back to Hampton. The additional courts would help, but part of the decision was dictated by the National Collegiate Athletic Association (NCAA). Ms. Bunting stated that she believes the loss of that tournament had more to do with the NCAA recruiting changes, and the Girls AAU tournament. Mr. Hierstein stated that the NCAA only allows a certain number of periods where college coaches can go out and recruit, and one of the periods was the April date where the City currently hosts the Girls AAU Tournament.

Mayor Tuck noted that he has tried to get to the BMX course several times, but parking and walking are a challenge. He noted BMX and extreme skateboarding can be indoor events, which he would think were temporary setups. He asked if this is something the City can consider, and asked about the cost of those indoor tracks. Mr. Hierstein stated that he does not have the costs associated with those temporary tracks, but noted that BMX requires approximately 3,000 cubic yards of dirt, and there is a specific composition of dirt required. Mayor Tuck asked about extreme skateboarding. Mr. Hierstein stated that these would probably be ramps and the City can look into doing that.

Mayor Tuck asked if there was additional information about the scope of the national BMX event the City is currently working on. Mr. Hierstein stated that BMX is all age groups, youth through adult. There are approximately 30 national events throughout the country on a yearly basis. Depending on what the track can accommodate, there can be anywhere between 800 and 1,500 riders. Mayor Tuck asked what could be accommodated here. Mr. Hierstein stated that he is meeting with the track operators tomorrow to determine if it is possible. The track needs to accommodate at least 800 to host a national event.

Councilman Hobbs stated that he has been to national BMX events, and he believes that Gosnold's Hope Park can only handle approximately 500 riders. The National Bicycle League required the operators to rent equipment to sculpt a track to the national standards. It was all temporary and could be removed after the event, but Hampton BMX would leave it in.

Mayor Tuck stated that he is concerned about the access at Gosnold's Hope Park. It is not possible to park close to the track and he does not know how it could accommodate a national crowd.

Presented by Brooks Hierstein, Senior Group Services Manager.

Mayor Tuck arrived at 1:21 p.m.

- Present 6 Councilmember Steven L. Brown, Councilmember Linda D. Curtis, Vice Mayor Jimmy Gray, Councilmember Billy Hobbs, Councilmember Chris Snead, and Mayor Donnie R. Tuck
- **Excused** 1 Councilmember Eleanor Weston Brown
- **2.** <u>19-0089</u> Budget Briefings Revenue Estimates

Attachments: Presentation

Ms. Bunting stated that today's budget workshop is focused on revenue estimates. She introduced Mr. Karl Daughtrey, Finance Director, who provided a presentation to Council. Mr. Daughtrey thanked those departments who support the Finance Department with developing the revenue estimates. He specifically thanked Ms. Marcie Dunn, Financial Analyst, who provides the research, supporting information, and some of the statistical analysis.

Referencing the General Property Taxes, Mayor Tuck asked if the increase was a result of commercial property increase. Mr. Daughtrey stated that the increase is primarily residential.

Referencing the Communication Sales Tax, Councilwoman Snead stated that rather than the State increasing that tax, they should consider taxing those services that are currently untaxed. The Virginal Municipal League and Virginia First Cities are both working to encourage the delegates to take that step.

Referencing Sales Tax, Councilwoman Snead asked about purchases online. If she purchases something online, she is charged Virginia Sales Tax. She asked if the City gets credit for that purchase. Mr. Daughtrey stated that if a business has a nexus in Virginia - a location, office, or some other connection - the State collects the sales taxes on online purchases. Beginning July 1st, the State will collect sales tax on all online purchases, but the City does not expect it to be significant overall. Councilwoman Snead asked what happens to the tax when the City does not have a store associated with the online purchase. Mr. Daughtrey stated that it is his understanding that the tax revenue follows the person who made the purchase.

Referencing the proposed violation fee increases, Councilman Brown asked if these fees have been flat. Mr. Daughtrey stated that this is the first time the City has raised these fees. Ms. Bunting stated that the City is behind its peer localities in this fee. The City is not trying to collect increased fees, but trying to dissuade the violations in the first place.

Referencing the City's investments, Mr. Daughtrey stated that the City tries to keep approximately \$5 million on-hand. Anything above that amount is typically invested with Virginia's local government investment pool, which is earning approximately 2.5%. There is also approximately \$30 million the City invests on a longer term basis in U.S. Treasury obligations. The City is limited by the Code of Virginia as to what it can invest in, and risky ventures, such as stocks, are not allowed. The City has three guiding principles: 1) Maintain and preserve principal, 2) Have liquidity to meet all cash flow needs, and 3) Maximize return without the risk of principal.

Referencing EMS Transport Fees, Councilman Brown asked what the City is charging residents when they have to be transferred by ambulance. Ms. Bunting stated that there are several items that factor into the fee, including basic versus advanced life support and mileage. It all depends on the type of service required. The City aims to get the insurance money in particular, so what residents pay depends on their insurance, because there are different levels of negotiated discounts and copays. She stated that she will get Council a chart comparing different insurance companies. Councilman Brown stated that he was concerned about seniors who might have an outstanding balance because they could not pay for a transport. He asked if there were any allowances to lighten the burden. Ms. Bunting stated that the City has a hardship fee waiver program for those who simply cannot afford to pay. She will provide Council with those details. Mr. Daughtrey noted that this particular collection process was not a "hard" collection. The Treasurer's Office will work with people on different payment arrangements.

Vice Mayor Gray stated that this presentation provided outstanding news, based on what has happened over the years. He believes these numbers reinforce what can be seen around the City. There has been a transformation; businesses are upgrading and improving their locations, there are new apartments and residential units, and there are a number of new businesses. Hampton is a business friendly City with a great staff.

Presented by Karl Daughtery, Director of Finance

REGIONAL ISSUES

NEW BUSINESS

CLOSED SESSION

3. <u>19-0087</u> Closed session pursuant to Virginia Code Sections 2.2-3711.A.3 and .8 to discuss or consider the acquisition of real property for a public purpose, or the disposition of publicly held real property in the areas of Downtown Hampton and Coliseum Central, 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 a zoning matter requiring the provision of legal advice by such counsel.

> At 2:21 p.m., a motion was made by Councilmember Billy Hobbs and seconded by Councilmember Chris Snead, that this Closed Session - Motion be approved. The motion carried by the following vote:

- Aye: 6 Councilmember Brown, Councilmember Curtis, Vice Mayor Gray, Councilmember Hobbs, Councilmember Snead and Mayor Tuck
- Absent: 1 Councilmember Weston Brown

CERTIFICATION

4. <u>19-0106</u> Resolution Certifying Closed Session

ADJOURNMENT

The meeting adjourned at 5:11 p.m.

Donnie R. Tuck Mayor

Katherine K. Glass, CMC Clerk of Council

Date approved by Council _____