



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 Steven L. Brown
Councilmember Hope L. Harper
Councilmember Billy Hobbs
Councilmember Martha Mugler

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

Wednesday, February 8, 2023

1:00 PM

Council Chambers

CALL TO ORDER

Mayor Tuck convened the meeting at 1 p.m. All members of the City Council were present except for Councilman Bowman who arrived just after roll call.

Present 6 - Councilmember Steven L. Brown, Vice Mayor Jimmy Gray, Councilmember Hope L. Harper, Councilmember Billy Hobbs, Councilmember Martha Mugler, and Mayor Donnie R. Tuck

Out 1 - Councilmember Chris L. Bowman

DONNIE R. TUCK PRESIDED

Present 7 - Councilmember Chris L. Bowman, Councilmember Steven L. Brown, Vice Mayor Jimmy Gray, Councilmember Hope L. Harper, Councilmember Billy Hobbs, Councilmember Martha Mugler, and Mayor Donnie R. Tuck

AGENDA

1. [23-0030](#) Strategic Plan Briefing

Attachments: [Presentation](#)

City Manager Mary Bunting introduced Community Development Director Terry O'Neill to provide an update on the City's Strategic Planning process in preparation for next week's community checkpoint meeting.

Ms. Bunting shared that today’s presentation will provide an update on the work that the focus groups have done thus far. She also invited the public to participate in next week’s checkpoint meeting.

Mr. O’Neill reported that the steering groups’ work to develop a Strategic Plan recommendation is about halfway complete. The community is being invited to view the work of the steering groups and provide feedback, after which the necessary adjustments will be made regarding that feedback. Once complete, the recommendation will come before City Council.

Mr. O’Neill reviewed the components of the presentation which will be given to the public on February 15.

The current vision statement for the City that was adopted by City Council is: “We are Hampton, a vibrant waterfront community celebrating and embracing 400 years of history and innovation to create an even more dynamic future.” This statement was used as a guiding principle for the steering groups.

Included in the presentation to the public will be the two components of the Community Plan (the Strategic Plan and the Comprehensive Plan); the Hampton 2040 Community Plan process; the positive core values (define, destiny, discover, design and dream); the seven critical strategic areas confirmed by the community (Economic Growth, Living with Water, Place Making, Educated Citizenry, Safe and Clean Community, Family Resiliency/Economic Empowerment and Excellence in Government); and the tasks for each steering group which are to develop a draft vision statement and goal statement for their topic and create action items for each goal.

Mr. O’Neill spoke about the steering groups’ work and read the draft vision statements and goals for each of the seven strategic areas. He also shared some of the common themes and goals derived from the work of the groups. Common themes include: diversity, equity and inclusion; innovation and excellence; connectivity, relationships and engagement; resiliency; and Hampton’s unique history, culture and identity.

Mr. O’Neill spoke about the community input process which is scheduled to take place on February 15. Visual presentation boards and poster sheets will be available for citizens to review and provide input. This will be a self-paced community feedback process where people will have the opportunity to go from station to station, engage with staff and the steering committee members and provide feedback. Citizens who are unable to attend on February 15 will be allowed an

opportunity to provide input online through March 3.

Mr. O'Neill shared the steps which will be taken following the community input process. The steps are: feedback will be gathered; the steering groups will reconvene; the steering groups will make refinements to their vision statements and goals and develop key strategies to support those goals; a community checkpoint meeting will take place in the summer to receive feedback on the overall plan; a final document will be prepared and reviewed by the Boards and Commissions; and in the fall, the recommendation will be brought before Council for consideration to adopt the Strategic Plan.

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

Councilman Brown thanked Mr. O'Neill and noted that Hampton has always involved citizens in its Comprehensive Plans. He also asked who will be responsible for keeping track of the tasks and maintaining continuity with objectives and goals to ensure that the action items are completed and that the plan comes to fruition.

Mr. O'Neill explained that there will be a sorting process for these strategies that will involve local government and partners in the community who have been key players in the process. Staff will generate a matrix which will identify all the action items from each goal and strategy and who the lead will be. Those strategies will be transferred into work programs throughout the City.

Ms. Bunting concurred with Mr. O'Neill's remarks and added that there are business teams which focus on local government responsibilities around the strategic priority objectives. The local government's role is to be the convener for community partners. In addition, we will have implementation teams for the areas that cross borders. The City's responsibility will be worked into the annual work plans that staff will present to Council.

Vice Mayor Gray thanked Mr. O'Neill and commented that the committees have progressed in their work since the beginning of this process. He also said that he hopes more advertisement will be done to encourage citizen participation with the goal of obtaining more feedback as community involvement will help with the process.

Ms. Bunting added that the checkpoint meeting is designed to give people an opportunity to provide feedback. She emphasized that one reason for today's update is to inform citizens that it is not too late to participate and voice their opinion about the things that are important to them.

Mayor Tuck opened the floor for additional questions and comments. No further discussion took place.

2. [23-0009](#) Budget Briefings - City Real Estate Assessments

Attachments: [Presentation](#)

Ms. Bunting spoke about the assessment process and the economy and how Hampton is performing in that regard. She also shared that her intent is to develop a budget which includes a tax rate adjustment to offset the impact of assessment increases. She then introduced Interim City Assessor Libby Griebel to provide the reassessment recap for FY24.

Prior to the presentation, Ms. Griebel introduced Real Estate Assessments Manager Jonathan Garner who has done an excellent job of preparing statistical reports for the Assessor's Office.

Ms. Griebel reviewed the first portion of the slide presentation which provided the record of transfer data for the year. Mayor Tuck asked what contributed to the increase in foreclosures. Ms. Griebel explained that mortgage companies have had restrictions lifted as a result of COVID. In addition, many foreclosures are with property owners who have had them for some time or may be paying a higher interest rate.

Ms. Griebel reviewed the next group of slides related to FY24 change of assessment notices; the grand total of assessed values; the residential assessment value change from FY23 to FY24; and FY24 residential neighborhood change maps for various quadrants of the City.

In response to Mayor Tuck, Ms. Griebel clarified that the purple triangle in the center of the second map represents the Bonaire Drive area off of Fox Hill Road in the Northeast quadrant of the City. This and the Salt Ponds area saw a significant increase in assessments. She noted that there were significant increases, not only in areas on the water, but also in other pockets throughout the City. The Assessor's Office will attempt to match sales to existing properties to determine if existing properties are too low, too high or accurate.

Ms. Griebel continued describing the assessment change maps for the various quadrants in the City.

In response to Councilman Brown, Ms. Griebel gave the following explanation about what causes increases in assessments. Increases are based on numerous sales in a particular neighborhood causing an increase in assessments for that specific neighborhood. However, an adjoining similar neighborhood may have little to no

increase. These changes are based on sales calibrated to the market to the assessed values with the goal of bringing Hampton's assessed values to where the sale prices indicate they should be. Oftentimes, circumstances, such as remodeling, may also impact the increase in some home values in a given area.

Ms. Griebel noted that the City Council Office may receive an influx of calls about this matter and those calls should be directed to the Assessor's Office so that residents may receive the appropriate information from an appraiser about how they arrived to that specific value. She also reminded everyone that the Assessor's Office does mass appraisals representing sales from January-December, and they are not pinpoint single fee appraisals such as appraisals used for re-financing or used to sell or purchase a home.

Ms. Griebel returned to the presentation and reviewed the slides related to changes in multi-family assessments; commercial assessments; and exempt assessments.

Mayor Tuck asked how a commercial property can get changed to exempt status. Ms. Griebel explained that commercial properties purchased by an exempt entity (such as a city, school or church) would go into an exempt status because that entity is automatically exempt by Code.

With regard to commercial assessments, Ms. Griebel shared some good news about the significant increases in some property classes within the commercial properties category. They include hotels, marinas, warehouse condominiums, distribution warehouses and self-storage. She added that marinas are one of the most difficult properties to assess because each marina is different and assessed on an individual basis taking into consideration the income and expenses of that specific property. She reiterated that this is why the appeal process is important as it allows owners an opportunity to appeal an assessment with which they may not agree.

Mayor Tuck asked Ms. Bunting to speak about the impact veteran exemptions have had on Hampton and what is being done at the General Assembly for communities with high veteran populations.

Ms. Bunting clarified that Mayor Tuck was speaking of the measure that provides tax relief to 100% service-connected disabled veterans. People assumed that this would be restrictive and classify individuals who could not work and needed and deserved a real estate tax rate exemption; however, overtime, the ability to get 100% service-connected disability has grown to all types of ailments (including ailments such sleep apnea) and people are able to work and still be considered 100% service-connected disabled.

Ms. Bunting continued explaining that as word grew among the veteran community, more veterans began to apply for the service-connected disability designation. The concern is that the application does not take into consideration the income or value of an individual's home; instead, it questions whether the individual has the 100% service-connected disability and this has had a significant impact on Hampton because it is a military-rich community.

Ms. Bunting announced that a bill is currently before the General Assembly to consider expanding and doing retroactive applications dating back to 2011. She emphasized that no one would dispute the appropriateness of providing tax relief to veterans who deserve assistance; but, it is important that people realize the growth of the program, particularly in areas like Hampton, Northern Virginia, Richmond and other Hampton Roads areas impacted by V.A. facilities, military bases and retirees who remain rooted in those communities. These impacts are disproportionate in some localities when compared to other localities across the state. She added that we all, as Virginians, voted for this, and therefore, should share equitably in the cost rather than having a handful of localities have a disproportionate impact. To date, the General Assembly has not provided funds to offset the relief, but an ongoing conversation about it continues to take place.

Ms. Griebel continued with the presentation and shared the statistics related to the exempt assessment change, the land use deferral change, the rehabilitation tax credit change and the taxable value change.

Councilwoman Mugler asked if the FY23 value accounts for the potential of this legislation in Richmond that would extend the period of time people could go back. Ms. Griebel replied no, and explained that this is the assessed value of all the tax properties after the exemptions are taken.

Ms. Bunting shared that Finance Director, Karl Daughtrey, provided an update from the Commissioner of the Revenue on the disabled veteran impact. As of January 19, 2023, the total amount was \$5.2 million which is equal to roughly 5 cents on the tax rate.

Ms. Griebel reviewed the next few slides which provided local multiple listing data based on the entire region. She emphasized that Hampton is one of three cities that experienced a rise in median sale price from May to December while other localities were beginning to move downward.

Ms. Griebel closed the presentation by sharing that Old Dominion University economists expect inflation to decrease, but housing prices to continue to remain high. She also thanked the appraisers and the administrative staff for their hard

work and dedication to bring the assessment to fruition.

The final slides of the presentation included an image of the notice of change in assessment card that will be mailed to residents and a list of important upcoming dates. Change in assessment notices will be mailed February 10; the appeal deadline to the Office of Assessor is March 13; and the Board of Review Appeal deadline is April 13. Also included in this group of slides was contact information for the Assessor's Office and an image of Hampton's International Association of Assessing Officers (IAAO) Certificate of Excellence in Assessment Administration.

Ms. Griebel emphasized that owners who have any change in their assessments will receive a notice and have the opportunity to appeal. In addition, owners whose assessments remain the same will also have the right to appeal their assessments. She reiterated that callers with questions about assessments should be directed to the Assessor's Office for assistance.

Ms. Griebel opened the floor for questions and comments from Council.

Mayor Tuck complimented Ms. Griebel on the presentation and for doing a fine job of answering Council's questions. He wished her success in the coming days as cards go out and phone calls come in. Ms. Griebel assured everyone that the Assessor's Office is prepared to handle what comes their way.

Councilwoman Mugler asked if citizens have an avenue to appeal after the March 13 and April 13 deadlines have passed.

Ms. Griebel clarified that if the Board of Review deadline of April 13 is missed or if the property owner is unsatisfied with an appeal, the property owner's last appeal is to file a motion with the Circuit Court. She noted that information related to the appeal process is available on the website.

Councilwoman Mugler rephrased her question and asked if a property owner decides to appeal an assessment in August as a result of the assessment change card received in February, are there any avenues for them to appeal at that point.

Ms. Griebel clarified that after April 13, the property owner would be required to go to Circuit Court in order for the assessment to be changed. The exception to this rule would be if the property owner finds that information is incorrect on the property record card. In that case, the Assessor's Office would make an adjustment based on incorrect data. For example, if a property owner receives a card for a full second story home and that does not match the owner's property, the Assessor's Office would make an adjustment at any time of the year because the assessment

would have been based on incorrect data. She reiterated that reassessment appeals have a drop dead date of April 13.

For the benefit of the public, Ms. Bunting reminded everyone that the actual rate will be set as part of the budget process. While the cards legally have to show what the taxes would be with the current rate, she expects to make a budget recommendation that proposes changing the rate of some magnitude. However, the Assessor's office is required, by law, to notify the public as to what the new assessment would be if the rate remains unchanged.

REGIONAL ISSUES

There were no regional issues to be reported on.

NEW BUSINESS

There were no items of new business.

CLOSED SESSION

3. [23-0027](#) Closed session pursuant to Virginia Code §§ 2.2-3711 A (.1), (.3), and (.8); to discuss appointments to the Economic Development Authority, the Hampton Roads Community Action Program, and the Peninsula Airport Commission and the Planning Commission; to discuss the acquisition of property for a public purpose in the Downtown area of the City where discussion in an open meeting would adversely affect the bargaining or negotiating strategy of the City; and to consult with legal counsel employed by the City pertaining to the legal authority to regulate citizen behavior during public meetings and the legal authority pertaining to the composition of local planning commissions; Hampton City Code § 24-12, and Virginia Code § 15.2-915 and Hampton City Code § 2-202, Virginia Code § 15.2-2212, respectively.

At 2:11 p.m., a motion was made by Councilmember Billy Hobbs seconded by Councilmember Chris Bowman, that this Closed Session - Motion be approved. The motion carried by the following vote:

Aye: 7 - Councilmember Bowman, Councilmember Brown, Vice Mayor Gray, Councilmember Harper, Councilmember Hobbs, Councilmember Mugler and Mayor Tuck

CERTIFICATION

4. [23-0028](#) Resolution Certifying Closed Session

At 4:41 p.m., a motion was made by Councilmember Billy Hobbs and seconded by Councilmember Martha Mugler, that this Closed Session - Certification be approved. The motion carried by the following vote:

Aye: 7 - Councilmember Bowman, Councilmember Brown, Vice Mayor Gray, Councilmember Harper, Councilmember Hobbs, Councilmember Mugler and Mayor Tuck

ADJOURNMENT

The meeting adjourned at 4:41 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 _____

