PROPOSED REVOCATION USE PERMIT NO. 24-0028

Chance's Restaurant & Lounge 555 Settlers Landing Rd. Suite M & N

> City Council October 22, 2025



REVOKING A USE PERMIT

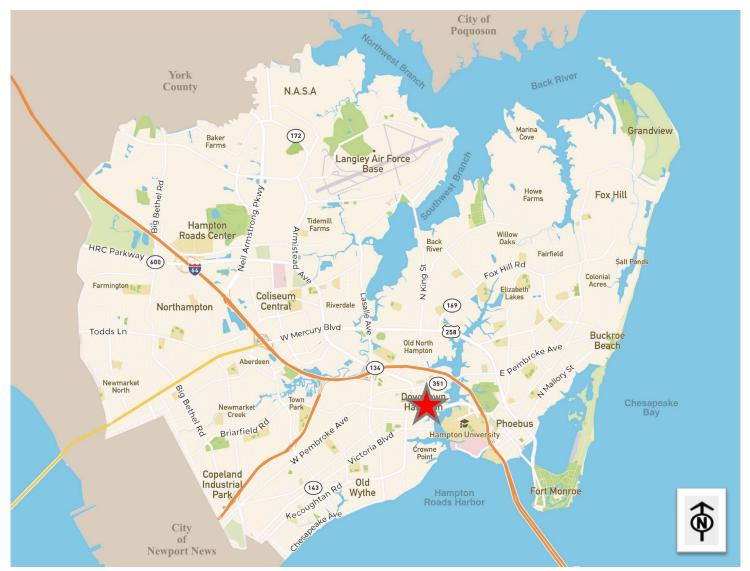
A use permit ("UP") may be revoked for any violation of a term or condition of the permit.

Procedures to consider revocation of a UP are the same as those to approve a UP.

- Hampton Zoning Ordinance § 14-11



LOCATION MAP





LOCATION MAP





HISTORY

- Application for UP to change use from Restaurant 2 to Restaurant 3 submitted on in July 7, 2023
- UP for Restaurant 3 use with live entertainment and onpremises alcohol sales was approved on March 23, 2024
- Open for business in October 2024
- Hours of operation permitted:

Sun. - Thu. 5:00 AM to 12:00 AM

Fri. - Sat. 5:00 AM to 2:00 AM



UP CONDITION 7: SECURITY

- Permitholder must provide security personnel to monitor inside and outside the premises
- Security staffing must be "sufficient to monitor and control patron behavior inside as well as upon exit of the building"
- All criminal activity must "be reported to the Hampton Police Division"
- Staff must "cooperate with the Hampton Police Division in their investigation of criminal activity"



UP CONDITION 9: ABC LICENSE

 Permitholder must "obtain and maintain all applicable licenses to conduct the business," including Virginia ABC license necessary to serve alcohol

 Permitholder must "comply with all restrictions or requirements imposed by VABC."



UP CONDITION 10: COMPLIANCE

 UP may be terminated "for any violation of federal, state, or local law."

 UP may be terminated if permitholder is no longer registered to transact business in Virginia or allows its corporate existence to lapse.





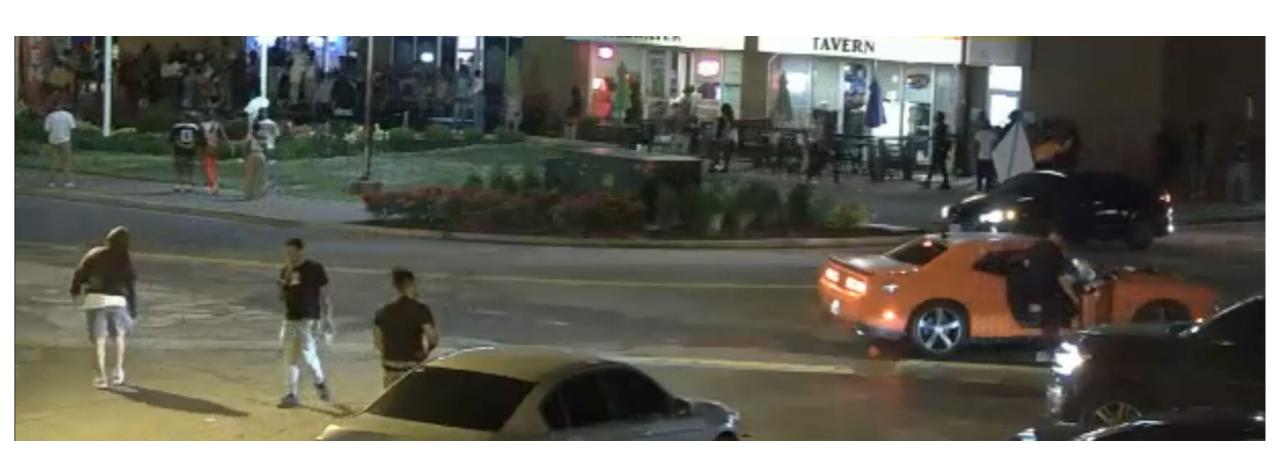
April 03, 2025: Weapon Law violation





May 1, 2025: Individual with a gun





May 5, 2025: Homicide





September 20, 2025: Weapon law Violation



VABC COMPLIANCE

- May 8, 2025: VABC summarily suspended license due to permitholder's failure to "take reasonable measures to prevent an act of violence," a reference to the May 5 homicide.
- May 21, 2025: VABC reinstates license subject to additional security conditions
- October 1, 2025: VABC revokes permitholder's license for violating the May 21 security conditions, citing incidents on September 6, 13, and 20



OTHER INCIDENTS

- May 15, 2025: The City issued a Notice of Violation to permitholder for allowing patrons to smoke indoors in violation of the Virginia Indoor Clean Air Act.
- May 6, 2025: The City issued a Notice of Violation to permitholder for applying a window treatment that impedes visibility into the premises.



HPD ANALYSIS

- 25 Calls for service (CFS) in 2025 directly related the business (excluding other businesses that share address); 3 CFS were fights.
- Crowd management concerns and lack of security oversight for loitering
- Public concern brought on by fights and firearm related offenses



HPD RESOURCES EXPENDED

- More than 500 hours spent on keep check and directed patrols by operations
- RTIC Camera Deployment
- Multi-officer/ shift responses for crowd control
- Assignment of Chesapeake region Business Improvement District (BID) HPD officers
- Light Tower with posted officers





GROUNDS FOR REVOCATION

- Pattern of violent incidents and ineffectiveness of permitholder's responses indicates security staffing is not "sufficient to monitor and control patron behavior" (Condition #7).
- Continued violence indicates that permitholder does not fully "report all criminal activity" or "cooperate" with HPD investigations (Condition #7).



GROUNDS FOR REVOCATION (cont'd)

- Multiple VABC violations document that permitholder does not "comply with all restrictions or requirements imposed by VABC" (Condition #9)
- October 1 Revocation of VABC license indicates permitholder's failure to "obtain and maintain all applicable licenses to conduct the business" (Condition #9)



GROUNDS FOR REVOCATION (cont'd)

- The City's May 15 Notice of Violation regarding indoor smoking indicates permitholder's violation of state law (Condition #10)
- The City's May 6 Notice of Violation regarding window treatments indicates permitholder's violation of (Condition #4) regarding window transparency
- The permitholder's entity status with the State Corporation Commission is "Pending Inactive," which if not corrected will cause its legal existence to lapse (Condition #10)



BUSINESS IMPACTS

- Use permits for ABC licensees are specific to the applicant/permitholder and can not be transferred to a new owner or manager (Conditions #1, #9)
- Subsequent tenants/owners of the premises are required to seek a new UP to engage in a regulated use at the site
- Because of this, revoking the permitholder's UP will not impact future business opportunities at the site



CONCLUSION

- Permitholder opportunity to present
- Public hearing
- Action
 - Staff & Planning Commission recommend REVOCATION of Use Permit Application No. 24-0028

