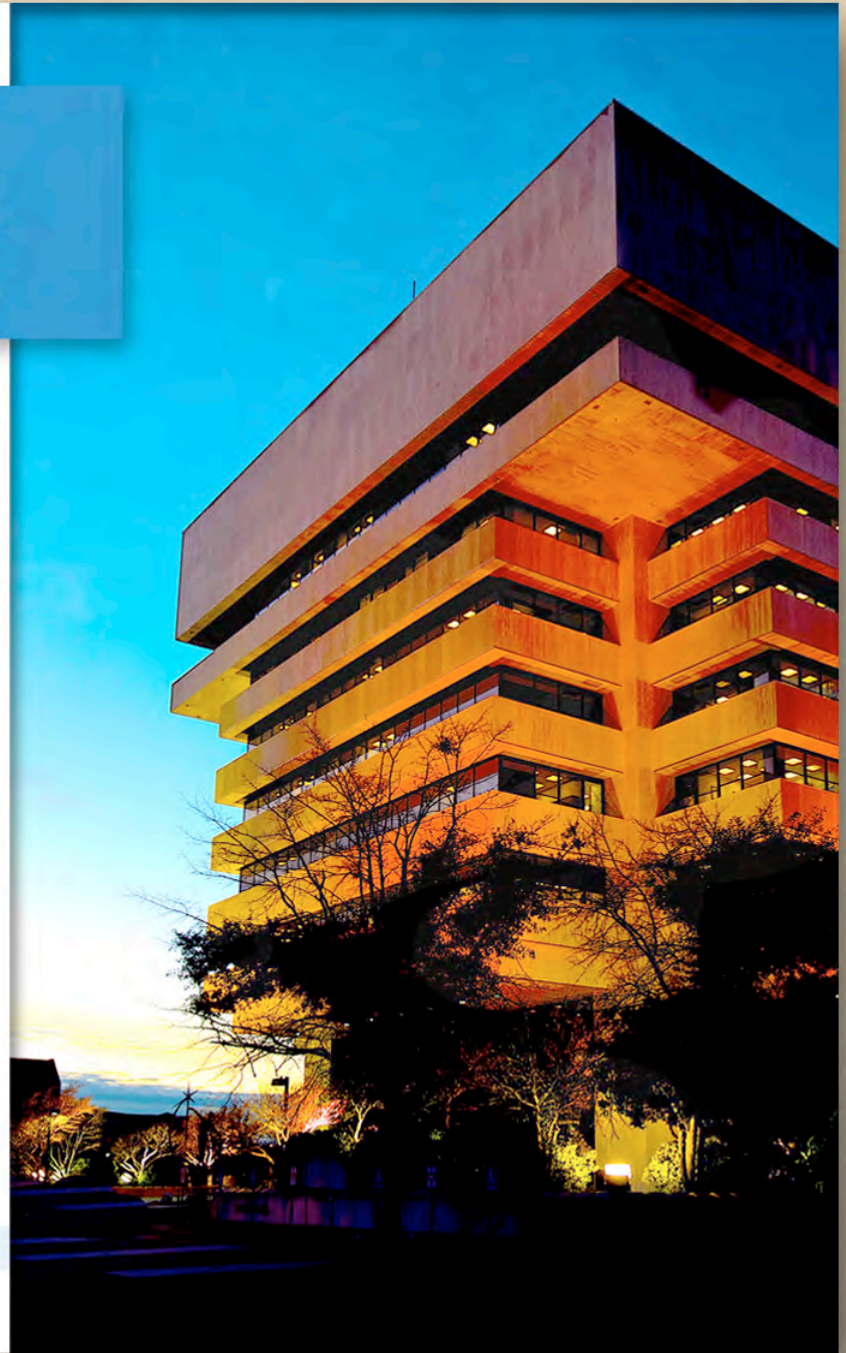


HAMPTON VA

Sunset Boat Ramp & Bluewater Yacht Proposal Considerations

June 10, 2020



Briefing Topics

- History of Bluewater Interest in Sunset Boat Ramp
- Current Efforts
- Proposal Details
- Proposed Process Moving Forward

History of Bluewater Interest in Sunset Boat Ramp

- Dates back to 2003 after Hurricane Isabel left the Herbert House (one of the oldest structures in the City) in a compromised state that would have required demolition if not repaired
- The Halls were planning to demolish the Herbert House as a result, but received an offer to repair the House from a generous benefactor
- Initially, they were inclined to demolish the structure anyway because of the need for additional land to expand their operation
- The then-Council asked the then-City Manager to try to facilitate an approach to save the historic property

History of Bluewater Interest in Sunset Boat Ramp

- With that Council's permission, the City Manager and the Halls discussed the following key points:
 - The Halls would permit the benefactor to save the Herbert House and would give the History Museum access to part of the house for presentations
 - The City would sell the Sunset Boat Ramp and associated properties to the Halls once a suitable boat ramp was constructed
 - The price would be "market value" for the property which was then estimated to be \$120-\$140K

History of Bluewater Interest in Sunset Boat Ramp

- The City Manager and staff felt comfortable with this concept because:
 - It was believed that the Sunset Boat Ramp - while adequate - was not ideal and the parks plan called for improvements. (It is narrow and lacks amenities such as restrooms and cleaning stations.)
 - There was an identified potential partnership and location for an improved ramp
- The then-Council agreed with this plan, although no formal Memorandum of Understanding or agreement was signed

History of Bluewater Interest in Sunset Boat Ramp

- After that, several things changed:
 - The owner of the potential site opted not to sell or lease the property
 - At the time, staff did not find any suitable sites with willing sellers & did not want to condemn
 - As time went on, the assessment for the properties increased
 - The Halls balked at the higher assessments and petitioned the Council to reconsider the price
 - Council appointed a committee that met with the Halls and proposed a resolution

History of Bluewater Interest in Sunset Boat Ramp

- January, 2005 Resolution - approved at an open public meeting by all 7 Council members
 - The Sunset Boat Ramp will be sold to Bluewater Yacht at such time as a viable alternative boat ramp is secured
 - The sales price for the properties will be the official city assessment at that time
 - The sales agreement will provide that the City can lease back and use the boat ramp properties at a nominal rate (\$1 per year) during the construction of the new relocated boat ramp and until such time as the new ramp is operational

History of Bluewater Interest in Sunset Boat Ramp

- The Halls were not satisfied and continued conversations in late 2005 and then re-engaged with a suit for breach of contract in 2009
- This suit was never advanced to court
- During this time, staff continued to pursue various alternative localities but could never find a willing seller
- In 2009, the Council decided to proceed with a refurbishment of the ramp

Current Effort

Bluewater submitted an unsolicited proposal to purchase the properties for the current assessed value (\$536K)

- An alternative boat ramp had been identified - Fort Monroe Boat Ramp is publicly available since the fort was decommissioned
- The Council and staff advanced consideration of the potential disposition for community input as it appeared to meet conditions of the 2005 Resolution

Company Background

- Bluewater Yachting Center was developed by Chris Hall in the 1970's along the Hampton River waterfront. The business expanded in the 1980s with the acquisition of a four-acre boat yard on Sunset Creek
- The company has since expanded to both the north and south of Hampton with its Bluewater Yacht Sales division headquartered in Hampton
- Bluewater Yacht Sales is still owned and operated by founding partners Chris Hall, Earl Hall and Jud Black

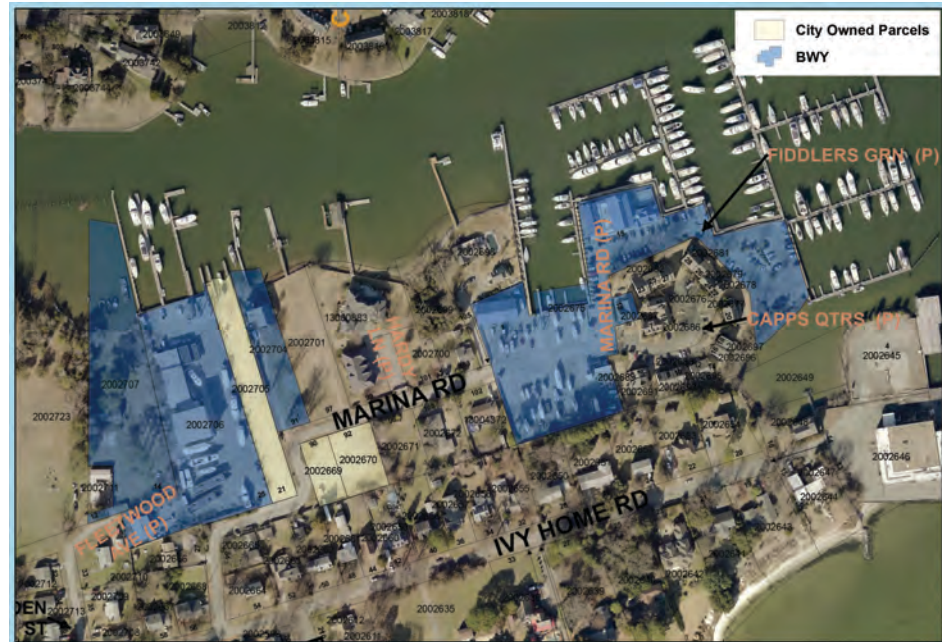
Proposal



- Bluewater has acquired the adjacent properties for its Virginia yacht sales brokerage and marine repair services
- Acquisition of the city-owned land will allow the company to expand its slip leasing, marine repair and yacht sales

Proposed Expansion

- Replace/repair bulkhead
- New dock
- Buy 150 - 200 ton marine boat lift
- Improve infrastructure to support repair services for larger yachts
- Create high-wage jobs



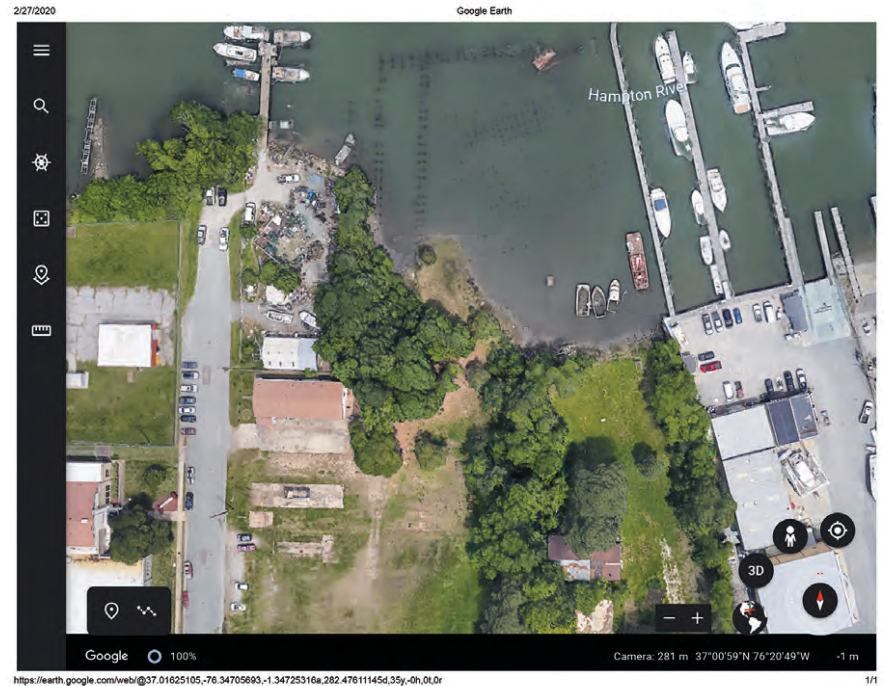
Proposed
Bluewater Yacht Sales
Expansion

26 Feb 2020

Proposed Cleanup



- Environmental cleanup of the adjacent property and shoreline



Purchase Price & Property Values



- **LRSN 2002705, 21 Marina Road**
FY21 assessment \$395,000 Zoned M2, Acreage .71
- **LRSN 2002669, 90 Marina Road**
FY21 assessment \$53,100 Zoned R-13, Acreage .23
- **LRSN 2002670, 92 Marina Road**
FY21 assessment \$88,500 Zoned R-13, Acreage .34
- Properties are located within the Hampton Urban Enterprise Zone
- Total Assessed Value: \$536,600
- Purchase Price: \$536,600

Why Consider the Deal?

- Support of an existing business with a national presence
- More jobs, higher tax base, improvements to the aesthetics of the area
- Prior discussions

Why Consider the Deal?

- Facilitates cleanup of this area of Sunset Creek
- Contributes to goals of Hampton Resiliency
- Places properties on the tax roles
- Provides direct economic impact through wages, real estate taxes, business property and license taxes
- Provides indirect economic impact through spending – meals and shopping
- Enhances Hampton's reputation as a boat and yachting community

Where We Are Now

- Pandemic response interrupted the public consideration of the proposal for several months
- During all of March, April and most of May, only items that would cause “irreparable harm” if not considered could be advanced to public meeting
- Thus, this project (along with many others on the agenda today) could not be advanced publicly until recently
- To move the backlog of requested items, a special Planning Commission meeting was held at the first opportunity (Thursday, June 4) to get all those items that had been held in abeyance moving once again

Where We Are Now

- In the effort to bring these delayed cases forward under unique circumstances, ads were placed in the newspaper as usual but some other typical pre-public hearing protocols, such as signage being placed on the property were inadvertently not implemented and the community meeting was held closer to the Planning Commission meeting than usual
- In recognition of this, staff proposed and Planning Commission supported a deferral of the item consideration at the June 4th meeting

Where We Are Now

- Public feedback received before, during and after the June 4 Planning Commission has made it clear that residents do not consider the Fort Monroe Boat ramp is to be an adequate ramp facility, and thus the boating public does not see it as being the desired replacement facility

Recommendation



- Create waterfront and boating advisory committee to pursue an alternative boat ramp so that both needs -- the appropriate water access for our boating public and expansion of a local business -- are met