

### **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 Steven D. Bond, Interim City Attorney Katherine K. Glass, CMC, Clerk of Council

Wednesday, February 14, 2024

1:00 PM

**Council Chambers** 

This document serves as an interim record of the legislative actions of the City Council and will be replaced by the final narrative minutes once those are approved by the Hampton City Council.

#### **CALL TO ORDER**

Mayor Tuck called the meeting to order at 1 p.m. All members of the City Council were present except for Councilwoman Harper who Mayor Tuck indicated isn't feeling well.

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

**Excused** 1 - Councilmember Hope L. Harper

#### **DONNIE R. TUCK PRESIDED**

#### **AGENDA**

1. 24-0055 Short-term Rental Phase 2 Staff Briefing

Attachments: Presentation

STR Zones Map

Legal Memo: Legal Framework for Stakeholders

Summary of Stakeholder Engagement

Stakeholder Meeting Slides Stakeholder Meeting Notes

Complete Stakeholder Survey Results

**Current UP Generalized Conditions** 

City Manager Mary Bunting acknowledged the members of the citizen and business stakeholder group that worked with staff on this initiative. She also reminded everyone that the use permit issuance was delayed so that nuisance issues associated with short-term rentals (STRs) and the concern about the preservation of our neighborhoods' character could be addressed. She then introduced Community Development Director Bonnie Brown and Zoning Administrator Allison Jackura to make the presentation.

Ms. Brown greeted everyone and shared the topics to be discussed during the presentation. They include: the history of regulations around STRs; phase two stakeholder outcomes; and staff's recommendations.

Ms. Brown reviewed the first portion of the slide presentation which included the definition of a STR according to state and local code; the requirements associated with operating a STR in Hampton; the manner in which Hampton's Zoning Ordinance addressed STRs prior to 2013 and from 2013 - 2019; the components of phases 1 and 2 of STR stakeholder engagement; and the stakeholder composition (names/representation) from phases 1 and 2.

Ms. Brown turned the floor over to Ms. Jackura to review the work of the Phase 2 stakeholders.

Ms. Jackura emphasized that the stakeholders received briefings to ensure that their feedback was well-tailored and came from an informed position. The main outcome of the group's work was a unanimous consensus on the method of limiting density called the STR zone approach.

The next group of slides included a map of the suspected STR locations in the City and descriptions of potential approaches for regulating density. The map indicated that Buckroe and Phoebus are two cluster areas in the City.

Ms. Jackura shared that the stakeholder's consensus was that the best way to regulate density is through the STR zone approach in which density of STRs should be limited by using STR zones. She added that another approach, the block-face approach, was found to be burdensome because it involves limiting how many STRs would be within the same side of a street between intersections.

Ms. Jackura spoke about the questions posed to stakeholders about the components of the regulatory density process. The questions were related to destination zones, historic districts, housing venture areas, and separation requirements. In response to Mayor Tuck, Ms. Jackura clarified that staff sought out feedback from the stakeholders in these areas, but did not push for a consensus or majority.

Ms. Jackura continued speaking about the proposed components of the regulatory density process including administrative approvals, alternatives and requirements; types of STRs (part-time and owner-occupied); and requirements associated with each type of STR.

Ms. Jackura shared the following comments (feedback) from the stakeholders who considered these things important for successful implementation of the proposed process: Enforcement and staffing are vital to success; support for collecting all appropriate taxes; regular re-inspections (with a fee) is desired for continued compliance; the desire to have authority to have Use Permits (UP) and Zoning Administrator Permits (ZAP) with a fee, expire when the owner or operator changes; and start off with a conservative density cap and adjust upward as necessary.

The final portion of the presentation provided staff's recommendations. With respect to density, staff recommends the use of STR zones in which each zone will have a maximum number of STRs based on the percentage of the total dwelling units in that zone; and the three, two, one approach. In addition, staff believes allowing clustering makes sense; however, there are concerns about overwhelming a block and the impact that would have on neighbors. Staff also recommends adding a cap to allow only two STRs adjacent to each other, and not allow a sandwich.

Ms. Jackura clarified that currently, two dwellings on a single property, such as a primary house and an accessory dwelling, is treated as one STR.

Ms. Jackura continued sharing staff's recommendations. They are: do not create separate zones for housing venture areas or historic districts; do not distinguish between part-time or full-time STRs; and do not distinguish between owner-occupied and whole-house STRs. With regard to administration, staff recommends that all STRs must meet the adopted density and separation requirements; enable administrative approval of STRs via a ZAP when the STR has not had any continued violations related to STR operation within six months or meets standard conditions; and to require the Use Permit approval process which requires two public hearings

and notice to the public. With regard to ZAP conditions, staff recommends the standard set of conditions being used now; reinspection every two years (with a fee); no repeated STR violations within six months; appeal of a revocation would come to City Council; and a condition clarifying that STR operators are not a Bed and Breakfast and not allowed to serve food or have too many rooms (as they are not hotels). Staff's recommendations regarding STRs which would require a Use Permit are those that have had a repeated violation within six months; exceed the residential building code classification of five bedrooms or ten lodgers; proposes events; do not provide required parking on-site; do not have an improved parking surface for parking; and proposes signage. In addition, staff does not recommend requiring a Use Permit for historic contributing structures - this recommendation deviates from what the majority of the stakeholders indicated.

Finally, Ms Jackura stated that staff recommends the following steps moving forward: City Council implements these concepts including policy for Use Permit reviews; staff begins working on amendments to adopt the recommendations; and a phased approach be used to begin enforcement in order to manage the volume.

Discussion took place among the members of Council and staff. Topics of discussion include: ordinance violations; classification of historic districts; STRs potentially being a deterrent for people considering purchasing a home in one of the housing venture neighborhoods (Pasture Point, Old Hampton, Sussex, Phoebus and Old North Hampton); tenant-occupied properties that are not properly cared for; how STRs will affect the City's long-term goals of stabilizing and encouraging homeownership in housing venture neighborhoods; options for STRs in neighborhoods with vacant lots; options for STRs in duplexes; the overlay zone map and the large number of houses that could potentially become STRs in one area; beginning with 1% and increase percentages incrementally versus the 1%, 2%, 3% approach; enforcement of regulations will be burdensome (staffing and levels of enforcement); how many instances a violator will be allowed before action is taken or a permit is revoked; mitigating public relations that goes along with bad behavior; and the General Assembly's take on STRs.

Housing and Neighborhood Services Division Manager Jonathan McBride commented about staff's work to protect the City's investment in housing venture neighborhoods. He explained that STRs can make home ownership more affordable because owners can rent out a space while residing in another part of that same structure. There is also some investment with STRs because they are rentable. In addition, staff has ensured that the zone scale is fitting to the size of the community. He emphasized that staff has determined that these are complex issues and there is not one lever that will tip the owner/renter ratio in the communities; however, targeted blight abatement has been done in some areas, such as Old

Hampton, and progress has been made in these areas to encourage ownership.

Finally, Mr. McBride shared that the market has driven us to more owners in those areas and the need for owner-occupied housing from an owner's perspective has seen some investment of more owners buying in those areas. He said as rental needs are addressed through larger multifamily projects, this will help alleviate some of the burden on those neighbors to provide rental in a single-family model versus a multi-family model.

Ms. Jackura noted that, if directed, staff could potentially pursue grant funding programs and add specific conditions when funding is provided.

Mayor Tuck made a few comments about the zone scale concept; managing STR disturbances through the Police Department; instances in which homes are left to family members due to owners either aging out or passing away; and his opinion about protections being there and STRs not causing a problem for other homeowners.

Ms. Bunting reminded everyone that use permits are revocable and, if there is a repetitive issue with a property, the police can respond immediately, and the City can also revoke the permit. This was something the City could not do prior to putting this framework into place.

Ms. Brown addressed the question related to the General Assembly stating that staff is currently monitoring two bills, one of which would restrict the ability to require use permits for STRs if the locality did not already have an ordinance in place. Since Hampton has an ordinance, it would be exempt. The other bill is related to accessory dwelling units (ADUs) and would require localities to allow ADUs under certain circumstances. Ms. Brown added that she does not think either of these bills would require staff to move quickly or do something different, therefore, the proposed schedule should not be affected by the current bills.

2. <u>24-0058</u> Briefing on City of Hampton's Internship Program

Attachments: Presentation

Ms. Bunting introduced the item.

Human Resources Director Nicole Clark greeted those on the dais and provided background information about how internships have traditionally worked in the City and what is being proposed with this program. She then introduced Human Resource Managers Nicquita Scott and Shikyra Dailey and Human Resources Specialist Patricia Magby to highlight the aspects of the Program.

Ms. Dailey greeted those on the dais; noted that the City of Hampton's Internship Program (CHIP) will not conflict with or take the place of any other program the City has for our youth, and provided the following overview of the program. CHIP offers college students real-world experience in city governance bridging theory with practical application for professional growth. Hampton's Human Resources Department realized individual departments may have some iterations of internship programs, but knew that it was essential for the City to have a centralized process to ensure consistency across departments. This will include customized internship work plans that will be specific to where the intern is assigned. Human Resources (HR) will partner with the departments to provide assistance and guidance to make sure the experience is useful for the interns and serves as a recruitment opportunity for the City. In addition, it will encourage participants to remember their experience with Hampton and select the City of Hampton as an employer of choice after graduation.

Ms. Dailey shared the key components of the program. They include centralized coordination, customized internship plans, and cross-departmental exposure. This will result in the interns receiving the full gamut while reporting to a specified department. The program also aims to enrich the intern experience while supporting the City's strategic priorities. Recruitment will target local college students, recent graduates and graduate students. The participants will be paid. In addition, some departments will be encouraged to bring on interns out of season, but those instances will be for college credit and hands-on experience.

Ms. Dailey turned the floor over to Ms. Scott to provide more in-depth information about the program.

Mayor Tuck noted that Ms. Dailey's presentation appeared to have come from the heart. Ms. Dailey shared that the group has worked tirelessly on this project, and, therefore, it is very important to them.

Ms. Scott announced that the program has been advertised on the City's Human Resources page and that the application was posted in January and will close in March.

Ms. Scott elaborated a bit about the program. She reiterated that the program will be centralized in the HR department, allowing the opportunity to provide a consistent experience across all departments. It will provide a great opportunity for Hampton to work with local universities, like Hampton University, particularly since many students are now required to have an internship before they can graduate. The application includes a section about majors, minors and career goals, and interns will be strategically placed in various City departments. The HR department will work

alongside City departments to come up with projects and tasks for the interns and HR will facilitate the process to ensure consistency. HR has developed a workplan template for departments to use as an onboarding tool. The main goal of the program is to give students an opportunity to get an overview of working for the City, not just in a particular department. Some departments have expressed interest and others will be able to participate via the cross departmental projects. HR expects to host about eight interns this year, therefore, not every department will have an intern, but there will be opportunities for the interns to work with multiple departments.

Ms. Scott shared the following information in response to a few questions posed by Council. The intern program will be launched in the summer; however, HR has discussed potentially extending the program to the fall and spring. In addition, the program will align interns with their study area, but also have them work together with other departments for a City-wide experience and city-wide project that will incorporate multiple departments.

Ms. Bunting reminded everyone that this is just one program, but other opportunities for internships still exist. For example, students who need credit experience often come here, enjoy working with Hampton and potentially pursue employment opportunities after graduation. She reiterated that this program is designed so that interns get a whole-City experience which will encourage them to return here to join Hampton's team.

Ms. Clark shared that Hampton provides a unique opportunity as it is an organization with a number of different businesses and professions under one organization. She emphasized that the goal of the program is to align people in their field of study. She added that oftentimes, she encourages students that the City most likely will have a job directly or indirectly related to their field of interest.

Ms. Scott shared HR's role in the program which will be to provide support and resources for interns, the departments and supervisors. This ensures that interns will receive guidance and feedback throughout the project. Interns will receive a template of best practices and tools so that they can be ready to go.

Ms. Scott spoke about the importance of feedback and shared an example of an intern from Hampton University who worked as part of the pilot program in the Finance Department. The City received good feedback from the intern who spread the word and inquired about future intern opportunities. Several Hampton University students have sent in applications for this program as a result of that.

Ms. Scott reiterated that the common goal is to maintain the flexibility and

individuality of department internships while enhancing the overall quality and impact of the internship program. She also spoke about recruitment and the diverse employment initiatives which target local college students and recent graduates. This program aims to offer course credits and hands-on experience, ultimately fostering a pipeline for recruiting future employees.

Ms. Scott emphasized that the program strives to align its priorities by providing practical experience in projects that foster economic growth, community development, environmental sustainability, educational advancement and public safety. This is also an opportunity to provide virtual government service enhancement and allow interns to share ideas on how Hampton can expand and improve in that area.

Ms. Scott turned the floor over to Ms. Magby to share the next steps in the process.

Ms. Magby shared the following information. The website went live on January 19th, and applications have already been received. Applications will be accepted until March 3. To date, 17 applications have been received, two of which were from graduate students, with the others being from undergraduates and four being from Hampton University. Applications have also been received from Newport News University, Columbia University, George Mason University, Old Dominion University, St. Augustine University, Virginia Commonwealth University and the College of William and Mary. All applications will be reviewed once the application deadline has passed, and the project for the work plan will be finalized. Interns will then be assigned to their departments. At the beginning of March, eight interns will have been selected and they will work from May until August. Interns will be paid a rate from \$18.46 to \$20.17 depending on their status (graduate, undergraduate, or a student from a technical or vocation university). This information has been shared with the Town and Gown Committee. Other marketing efforts have also been made and staff has established points of contacts at local universities.

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

Vice Mayor Gray thanked staff for their work to get the program off the ground. He noted that we are excited to establish relationships with these schools and also acknowledged Alisa Walker, the City Manager's Office's Intern, who has been working through the Hampton Roads Workforce Council 757 Program.

Councilwoman Mugler complimented the cross-departmental exposure approach to this project and said that this program will help young people prepare for their careers. She also suggested that beginning the program with eight students is a good idea because it provides the City an opportunity to do the program right and

then create room for expansion. She also thanked staff and noted that she looks forward to meeting the interns.

Councilman Bowman thanked staff for the great framework and asked how the project will be funded. Ms. Clark explained that HR will partner with departments to see what funds are available through their departmental vacancy savings and additional funding will be supported through HR.

Councilman Brown thanked staff for this outstanding program which will bring people back to Hampton. He also thanked them for the great presentation and noted that he, too, looks forward to meeting the interns.

Ms. Bunting made closing remarks and said that staff looks forward to introducing the interns to Council sometime this summer.

#### 3. 24-0078 I-Value Citizen Outreach

Ms. Bunting reminded everyone that Hampton is one of the few localities that asks for citizen input prior to releasing the Manager's Recommended Budget and staff looks forward to continuing that for the upcoming FY25 budget development cycle. She then introduced Communications Strategist Robin McCormick to speak about the input sessions.

Ms. McCormick stressed that it is important for citizens to understand the budget process because it is how we make things happen in the City. She added when people are able to provide their input upfront, they are more likely to see the things that they value in our services.

Ms. McCormick shared examples of some of the things that have previously been funded in the capital budget (one-time spending) including the Mary Jackson Center, the Fire Station in Wythe, the splash zone at the Aqua Plex, the Resilient Hampton Project (ground breaking) and improvements to Buckroe Beach. She also shared examples of things that have been funded through the operating budget (expenses that recur annually) including technology upgrades, the Office of Youth and Young Adult Opportunities, competitive pay for the Police and Fire departments, and increased facility maintenance.

Ms. McCormick said that the goal is to ask citizens what their priorities are for FY25 and for Council to hear more about that at their budget retreat in a few weeks. Staff expects requested one-time capital spending projects to include upgrades to parks, streets and roads; a replacement schedule for potentially replacing playground equipment citywide; and flooding and resilience projects. With regard to operating expenses, staff expects requests for adjustments in pay rates in additional

departments; inflation increases of goods and services the City uses; new programming for teens and youth in Parks and Recreation and Leisure Services; and tax rates.

Ms. McCormick spoke a bit about unfunded mandates and potential fee increases for FY25, some of which include fees related to solid waste, stormwater and wastewater.

Ms. McCormick emphasized that there is a lot at stake, and this is why it is so important for staff to hear from the citizens. Opportunities for citizen input include in-person sessions on Thursday, March 7, at Bethel High School at 6:30 PM, and Saturday, March 9, at Kecoughtan High School at 9:00 AM; and a virtual question and answer session on Tuesday, March 12, at 6:30 PM, via the City Manager's Facebook Live page. In addition, citizens will have an opportunity to provide input during the scheduled public hearings on April 24 and May 1 and any public comment period at City Council meetings. The final vote on the budget is schedule for May 8.

Ms. McCormick opened the floor for questions and comments. No further discussion took place.

#### **REGIONAL ISSUES**

There were no regional issues for discussion.

#### **NEW BUSINESS**

There were no items of new business.

#### **CLOSED SESSION**

Ms. Glass read the motion required for closed session.

**4.** 24-0056

Closed session pursuant to Virginia Code Sections 2.2-3711.A (.1), (.3), and (.8) to discuss the performance of the City Manager, City Attorney and City Clerk and to discuss appointments as listed on the agenda, to discuss or consider the acquisition of real property for a public purpose, or the disposition of publicly held real property in the Downtown Hampton, LaSalle Avenue Corridor, and Coliseum Central areas of the City, 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 by the City

regarding specific legal matters requiring the provision of legal advice by such counsel.

At 2:32 p.m., a motion was made by Councilmember Martha Mugler and seconded by Councilmember Billy Hobbs, that this Closed Session - Motion be approved. The motion carried by the following vote:

Aye: 6 -Councilmember Bowman, Councilmember Brown, Vice Mayor Gray, Councilmember Hobbs, Councilmember Mugler and Mayor Tuck

5.	<u>24-0065</u>	Consideration of an Appointment to the Athletic Hall of Fame
6.	<u>24-0066</u>	Consideration of an Appointment to the Board of Review of Real Estate Assessments
7.	<u>24-0067</u>	Consideration of Appointments to the Hampton Clean City Commission
8.	<u>24-0068</u>	Consideration of Appointments to the Hampton Federal Area Development Authority
9.	<u>24-0069</u>	Consideration of Appointments to the Mayor's Committee for People with Disabilities
10.	<u>24-0070</u>	Consideration of an Appointment to the Hampton Economic Development Authority
11.	<u>24-0073</u>	Consideration of Appointments to the Parks & Recreation Advisory Board
12.	<u>24-0079</u>	Consideration of an Appointment to the Hampton VA 250

#### **CERTIFICATION**

13. Resolution Certifying Closed Session 24-0057

Committee

At 6:25 p.m., a motion was made by Councilmember Billy Hobbs and seconded by Councilmember Chris Bowman, that this Closed Session - Certification be approved. The motion carried by the following vote:

Aye: 6 - Councilmember Bowman, Councilmember Brown, Vice Mayor Gray, Councilmember Hobbs, Councilmember Mugler and Mayor Tuck

#### **ADJOURNMENT**

The meeting adjourned at 6:25 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