

MINUTES OF WORK SESSION  
OF THE NEWPORT NEWS CITY COUNCIL  
HELD IN THE 10<sup>th</sup> FLOOR CONFERENCE ROOM  
2400 Washington Avenue  
November 10, 2009  
3:00 p.m.

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PRESENT: Joe S. Frank; Madeline McMillan; Sharon P. Scott (arrived at 4:00 p.m.); Tina L. Vick; Joseph C. Whitaker; Dr. Patricia P. Woodbury (arrived at 3:20 p.m.); and Herbert H. Bateman, Jr. ----- 7

ABSENT: None ----- 0

OTHERS PRESENT: Neil Morgan; Stuart Katz; Mabel Washington Jenkins; Alan Archer; Cynthia Rohlf; Allen Jackson; Wanda Pierre; Jerri Wilson; George Consolvo; Karen DeMoors; Thad Holloman; Alonzo Bell; Florence Kingston; Joy Robison; Douglas Winstead; Sam Workman; Tricia Wilson; Matthew James; Cathy Grimes; and Jennifer Walker

I. 2010 Legislative Package

Mr. Neil Morgan, Acting City Manager, introduced Ms. Jerri Wilson, Legislative and Management Analyst, to report on the City's 2010 State Legislative Priorities. He stated a Legislative Breakfast was scheduled for December 2, 2009, 7:30 a.m. – 9:00 a.m., in the James Room at City Center.

Ms. Wilson reported the 2010 State legislative priorities included:

- Request for Study of Defective Drywall;
- Request for Certain Unfinished Construction to be Defined as Derelict or Blighted;
- Request for Authority to Use Volunteer Property Maintenance and Zoning Inspectors;
- Proposal to Establish a Prostitution Mapping Program;
- Request for Increased Penalties for Repeat Offenses of Prostitution;
- Request to Add Burglary and Shooting Into An Occupied Dwelling to the List of Predicate Criminal Acts for Gang Prosecution;
- Request to Authorize Local Community-based Probation to Supervise Adult Drug Court Participants; and
- Proposal to Allow Localities to Request Determination of Constitutionality of Local Ordinances.

The 2010 legislative position statements included:

- Support for Alternate Advertising of Required Public Notices;
- Support for Civil Penalties for Violations of Sewer Use Ordinances;

- Support for Proposal to Allow All Localities to Regulate Solicitation on Highways; and
- Support for 180-day Delay of Implementation of Stormwater Regulations.

Ms. Wilson explained the details of each request. (A draft copy of the “2010 State Legislative Priorities, City of Newport News, Virginia,” is attached and made a part of these minutes.)

Councilwoman McMillan inquired about the legislative request for a Study of Defective Drywall. She stated the legislation provided no relief and definitive action to help victims of Chinese drywall. The legislative request allowed the General Assembly an entire year before providing any relief to the victims of Chinese drywall. She felt the General Assembly should take action to provide immediate relief to the victims of Chinese drywall.

Ms. Wilson stated City staff had reviewed various options and asked for input from the Department of Housing and Community Development in Richmond. She agreed with Councilwoman McMillan that a study did not provide much relief. She inquired whether Councilwoman McMillan had any suggestions. City staff wanted to do something but were not sure exactly what. Mr. Bill Shelton, Director, Department of Housing and Community Development suggested that a study be done. A Senate resolution, at the federal level, was proposed to provide mortgage relief for victims of Chinese drywall.

Councilwoman McMillan stated there had also been a proposal made to the Small Business Association to provide loans to victims of Chinese drywall, which people could not afford. Councilwoman McMillan stated she did not care for the proposed legislation. She suggested that City Council voice the problem to its legislators during the legislative breakfast scheduled for December 2, 2009. She arranged a visit to the Hollymeade Subdivision for members of the Peninsula legislature on November 20, 2009. She felt the City should present the problem to the legislature and advocate that immediate relief be provided to the victims, rather than ask for a study that would not be available until 2011.

Mayor Frank agreed and stated the Chinese drywall issue was an urgent matter that needed priority. The residents were in need of a plan that offered immediate relief. Refinancing an unlivable home was an unwise choice. This was not a government liability issue; government did not create the problem. City Council should not make this a problem for taxpayers; however, the residents needed relief. It was not keeping with good faith with the homeowners to only ask the legislature to study this problem. Mayor Frank felt the legislature had to provide some relief from debt.

Councilwoman McMillan stated City Council should be concerned with the health of its community as a whole. The City had a beautiful subdivision that was being abandoned,

due to Chinese drywall which did not speak well for the community as a whole. To prolong the issue with a study was not appropriate.

Vice Mayor Whitaker indicated the residents could begin the process of rebuilding by finding out the cost to replace the drywall.

Mayor Frank inquired whether the legislature could lawfully freeze foreclosures on the Hollymeade properties. He inquired whether there was some way to provide low to zero interest loans to homeowners, with an option to combine their loan and mortgage payment.

Councilman Bateman felt Habitat for Humanity and the local homebuilder's association could pitch in to assist the homeowners.

Councilwoman McMillan felt such a job would be too large for Habitat for Humanity. It could cost up to \$100,000, per unit, to replace the drywall.

Councilwoman Vick felt the toxic drywall was the responsibility of the builder. She inquired whether City staff had spoken with the builder. Mayor Frank indicated that the developer, nor the builder, could be held responsible for a property after a certain amount of time, and the warranty period for the Hollymeade residents had expired. From a legal point of view, the residents did not have liability.

Acting City Manager Morgan suggested that the General Assembly be asked to take specific decisive action that would provide relief to individual impacted homeowners, without telling them exactly what it might be.

Councilwoman McMillan felt the Homeowners Association should be advised that relief for the homeowners was being sought from the General Assembly. Perhaps the Homeowner's Association could then ask for some relief for their builders who were also victims of Chinese drywall.

Mayor Frank suggested that the Acting City Manager coordinate a group of individuals that included staff from the City Attorney's office and the Department of Codes Compliance, along with an outside lawyer who specialized in real estate warranty matters, to research a specific program for recommendation to the legislature. He also suggested that City staff inquire whether the National Association of Home Builders had information on Chinese drywall.

Acting City Manager Morgan stated the City needed to include some form of urgency to the legislature for specific relief to the impacted homeowners, and ask that they offer some suggestions.

Mayor Frank suggested talking to the National and Local Associations of Home Builders to inquire about an amendment to the Contractor's Liability Fund. This might be a vehicle for the legislature to offer some relief.

Councilwoman McMillan invited members of City Council to view the Chinese drywall units of Hollymeade on November 20, 2009 at 11:30 a.m.

Vice Mayor Whitaker reiterated a firm estimate for replacement of the drywall and rewiring of the units was needed.

Acting City Manager Morgan stated he and staff would work further on the issue.

Councilwoman McMillan inquired, regarding legislation requesting that certain unfinished construction be defined as derelict or blighted, whether a performance bond could be required for new construction projects that obligated a contractor to finalize a project in a set amount of time. The bond would cover the cost of tearing down a building if construction was not completed or if it were left deserted for six or more months. Councilwoman McMillan inquired whether the City needed to seek permission from the General Assembly to do such. City Attorney Katz replied a statutory amendment to the State Code would be needed to allow a local government to impose a performance bond on a construction project.

Mayor Frank voiced concern regarding the legislative request for authority to use volunteer property maintenance and zoning inspectors to supplement the need for more inspectors without necessitating additional funds for staff. He felt there could be an abuse of power by the volunteers. Acting City Manager Morgan replied the City would provide a program and guidelines for the volunteers.

Councilwoman McMillan inquired whether other Cities had asked for a legislative proposal to allow localities to request determination of constitutionality of local ordinances. City Attorney Katz replied he did not know of any other locality asking for the proposal, but indicated the Virginia Municipal League was in support of the proposal. Councilwoman McMillan inquired whether it would be helpful to ask other localities to include the proposal in their legislative packages. Ms. Wilson replied that it could be done, although many localities had finalized their packets. She felt the request could be included as a support statement.

Councilwoman McMillan inquired about the statement, (see last paragraph on page 17 of the 2010 State Legislative Priorities document, attached to these minutes) "This could put Newport News in conflict with other water quality programs such as its MS4 permit and the upcoming Chesapeake Bay Total Maximum Daily Load implementation plan." She inquired

how this was related to the legislative position statement in support of the 180-day delay of implementation of stormwater regulations. Mr. Brian Lewis, Stormwater Manager, Department of Engineering, replied until the City knew what was going to happen to the permit or the Chesapeake Bay Total Maximum Daily Load implementation plan there was no way to know the impact of the regulations. He stated additional time was requested in an effort to obtain all of the needed information and input.

Mayor Frank felt 180 days was not enough time to study the issue in a very comprehensive way. He stated the State was trying to micro-manage how local government designed the features that would protect Chesapeake Bay run-off. He indicated he wrote a letter asking that the State be thoughtful about what was required, and the impact on the City's ability to manage growth and redevelopment.

Councilwoman Woodbury inquired whether an option could be included in the legislation that extended the time period for an additional 180 days. Acting City Manager Morgan stated the City was in tune to what other localities were asking and 180 days was a sufficient amount of time.

Councilwoman Woodbury inquired whether the position statement for support for alternate advertising of required public notice meant the City was not required to advertise in the newspaper, and whether a cost savings would be realized. City Attorney Katz stated the legislation afforded alternatives to newspaper advertising and provided flexibility for situations beyond the City's control.

Councilwoman Woodbury inquired whether the legislation meant the City would not use the newspaper. City Attorney Katz replied it depended on the latitude the General Assembly would allow if the legislation was approved. The law presently recognized a daily newspaper or a certain circulation as the statutory vehicle for providing a public notice. The proposed legislation allowed flexibility. Mayor Frank stated the legislation allowed a variety of ways to communicate to the public.

Acting City Manager Morgan understood the direction of City Council was to see what other options were available to help the victims of Chinese drywall. He advised a resolution in support of the 2010 State Legislative Priorities would be included on the November 24, 2009 regular meeting agenda of City Council, with a placeholder for the Chinese Drywall legislation.

## II. Dissolution of the Peninsula Ports Authority of Virginia (PPAV)

Acting City Manager Morgan reported the Peninsula Ports Authority of Virginia (PPAV) wished to dissolve and transfer its assets to the City's Economic Development

Authority (EDA). He introduced Mr. George Consolvo, General Counsel to the PPAV, to brief City Council on the details related to the proposed dissolution of the PPAV.

Mr. Consolvo stated the EDA had engaged the Public Financial Management Group (PFM) to assist in the transfer of PPAV assets to EDA. He announced Ms. Karen DeMoors, of PFM, was present to offer comments on the due diligence of PFM's efforts.

Mr. Consolvo reported, during the 2008 session of the General Assembly, the PPAV's charter was amended, which authorized the PPAV to dissolve should its functions be undertaken by another political subdivision. He stated the amendment to the Charter was made, at the request of the Commissioners, because their sole function to issue industrial development revenue bonds had been undertaken by the Newport News Industrial Development and Economic Development Authorities, and other political subdivisions.

Mr. Consolvo stated there were four or five bond issues of the PPAV that would be transferred to the EDA. He stated the PPAV had less than \$1 million in assets. As a component of its anticipated dissolution, the PPAV would contribute \$250,000 of its \$1 million in assets to the Peninsula Workforce Development Program, and \$600,000 to the Regional Air Service (RAISE) Fund. The balance of the cash and assets would be transferred to the EDA. The PPAV Board adopted a Resolution on May 5, 2009, which noted that the PPAV would be dissolved and all of its functions would be undertaken by other political subdivisions.

Councilwoman Woodbury inquired about the amount of cash and assets to be transferred to the Newport News EDA. Mr. Consolvo responded the amount of cash and assets to be transferred was approximately \$60,000 to \$70,000.

Councilwoman McMillan inquired about the EDA's obligation as fiscal agent for the RAISE funds. Ms. Florence Kingston, Department of Development, replied the funding would be held by the EDA to promote expanded air service and part of the funding would be used for legal expenses to complete the transfer of documentation.

Councilwoman McMillan inquired about the role of the EDA once the four or five outstanding bonds had been dissolved. Ms. Kingston replied the EDA would act as an administrator over the bond issues.

Councilwoman McMillan inquired why it had taken so long if the decision was made in May 2009. Mr. Stuart Katz, City Attorney, replied it was because of the due diligence. The EDA could not take on the responsibility without knowing the liability. Ms. Kingston stated the City had to make sure there were no hidden fee responsibilities.

Ms. Karen DeMoors, PFM, stated PFM had studied all the transcripts and publicly available sources for the debt to understand the amortization schedules, interest payments and the amount of the outstanding obligations to put together a debt profile for the EDA's records.

### III. Proposed Southeast Redevelopment

Acting City Manager Morgan stated the purpose of the presentation was to receive consensus on how to proceed with making investments that were programmed in the FY 2009 – 2010 CIP for the Southeast community. He reminded that in July 2009, City Council received a lengthy and comprehensive presentation on how the Southeast redevelopment could unfold over the next two decades. Acting City Manager Morgan felt, with the resources available and all of the energy that was surfacing, the Jefferson Avenue corridor, which ranged from 16<sup>th</sup> Street to 34<sup>th</sup> Street and Jefferson Avenue, was the place to invest. There was an opportunity to have six to seven projects come together. The projects could hopefully reinforce each other and come to fruition in the years ahead.

Acting City Manager Morgan noted the following projects taking shape in the Southeast Community: 1) Harbor Homes/Dickerson Courts Demolition; 2) Martin Luther King (MLK) Plaza; 3) 28<sup>th</sup> & Jefferson Development Area; 4) Mesic Development Area; 5) Undergrounding of Utilities; 6) Jefferson Avenue Streetscape; 7) Expansion of Overlay District; 8) Hornsby Tire Company Relocation; and 9) Southeast Commerce Center;

Acting City Manager Morgan stated a 35-acre site would become available after the demolition of Harbor Homes and Dickerson Courts. He stated the Newport News Redevelopment & Housing Authority (NNRHA) would solicit requests for proposals for commercial and job-generation uses for the site, but indicated that the Department of Housing and Urban Development (HUD) approval would be required for the disposition and reuse of property.

Acting City Manager Morgan recommended that City Council proceed with the MLK project at Martin L. King Jr. Way (25<sup>th</sup> Street) and Jefferson Avenue, and appropriate the \$1.2 million authorized in the FY 2008 CIP budget. He stated City staff would commit to bring the project in at or below \$1.2 million. He would appoint a committee, chaired by staff of the Engineering Department, to advise whether cost containment might become necessary should the bids for the project come in too high; however, he felt the project could be accomplished with available committed funding.

Acting City Manager Morgan stated the NNRHA owned several prominent properties along Jefferson Avenue next to the Mesic Development area, and Ms. Karen Wilds, Director, NNRHA, felt the time was right to proceed with the issuance of a request for qualification (RFQ) for an experienced mixed-use and multi-family developer. The selected developer would partner with the NNRHA to plan and develop some of its properties along Jefferson Avenue. This provided another opportunity to invest in the Jefferson Avenue corridor to leverage the investments that had been previously made.

Acting City Manager Morgan stated the Jefferson Avenue corridor plan recommended that the above ground utilities be removed and a streetscape be constructed. He recommended that City Council appropriate funding to design the Jefferson Avenue Streetscape with underground utilities. The design would provide definitive information on costs and the number of phases necessary to complete the project. He hoped the project would qualify for a SMAC grant and assistance from Virginia Dominion Power. When considering other projects along the corridor, a streetscape design was necessary.

Mayor Frank inquired about the lifespan for a streetscape design. Acting City Manager Morgan replied the design had a reasonably long useful life. The design would not be composed without the intent to build it in some fashion. The streetscape might have to be built incrementally in phases, but basic questions about what and where utilities and easements were required had to be noted to ensure a site plan for a building was not inconsistent.

Acting City Manager Morgan reported the Jefferson Avenue Overlay District was between 25<sup>th</sup> and 31<sup>st</sup> Streets and was the area in which mixed-use development could be done by right. He stated the purpose and intent of the Overlay District was to promote a well-planned, mixed-used, pedestrian oriented development along the Jefferson Avenue Corridor. The Jefferson Avenue Corridor Study recommended expanding the boundaries to include key opportunity sites for redevelopment such as the MLK Plaza, Hornsby Tire Company, the Southeast Commerce Center, and various vacant parcels owned by the NNRHA. Construction of the Hornsby Tire Company was underway and should be completed by the summer of 2010.

Acting City Manager Morgan reminded that City Council authorized a Pre-Development Agreement with Tidewater Partners, Mr. Aaron Brooks and Associates, for a mixed-used development in the Southeast Commerce Center. He stated City staff continued to have dialogue with Mr. Brooks. Mr. Brooks pointed out that the process had not happened as quickly as originally anticipated; however, he was committed to moving the project forward. City staff hoped to secure a Development Agreement by the summer of 2010, and was committed to offer a detailed update at that time. A key component in securing the Development Agreement was whether businesses and organizations were prepared to make commitments and provide letters of interest.

Acting City Manager Morgan asked City Council for direction and consensus that what was outlined were the matters they wanted staff to pursue with the FY 2009 – 2010 CIP Southeast Redevelopment funding. He recommended appropriating the funding at an upcoming City Council meeting. He would seek an appropriation of \$1,525,000 from the FY 2009 and FY 2010 CIP authorization for Southeast Redevelopment projects to begin implementation of the following initiatives: 1) Engineering work for the design of the relocation of utilities along Jefferson Avenue from 25<sup>th</sup> to 36<sup>th</sup> Streets; 2) Jefferson Avenue streetscape design and phasing schedule, to be completed in conjunction with utility relocation; 3) the demolition of the old Hornsby Tire buildings; 4) Environmental remediation as may be required; and 5) Funding for EDA and/or NNRHA for Council directed strategic property acquisition, development and disposition. (A copy of the presentation, "Southeast Community Redevelopment Update," is attached and made a part of these minutes.)

Councilman Bateman questioned what would happen to the Farmer's Market in the plan. Acting City Manager Morgan replied the Farmer's Market was an unresolved issue. It was conceivable that someone might say there was a higher and better use, but until then the Farmer's Market was publicly owned. Mayor Frank felt the Farmer's Market should be used as a placeholder.

Councilwoman Vick inquired about the underground utilities and whether the Hornsby Tire Company would have underground utilities. Ms. Kingston replied the Hornsby facility would be built with underground utilities.

Councilwoman Vick inquired whether Virginia Dominion Power would help in the undergrounding of utilities. She felt there was much negligence on the part of Virginia Power in how Jefferson Avenue was wired. She hoped Virginia Power would do something to rectify the problem. Mr. Morgan stated he would contact Virginia Power to inquire whether they were willing to help in the relocation of utilities along the Jefferson Avenue corridor.

(Closed Session 5:00 p.m. - 5:20 p.m.)

#### V. Council Comments/Ideas/Suggestions

Mayor Frank stated, pursuant to Section 4.06 of the City Charter and Section 2.22 of the Newport News City Code, the notice of this meeting, which was timely provided to each member of the City Council, was required to contain the specific items or items of business to be transacted during this portion of the meeting. He asked for a motion of City Council, by unanimous consent, to waive the requirement.

Councilwoman Woodbury moved to waive the requirement; seconded by Councilman Bateman.

Vote on Roll Call:

Ayes: Frank, McMillan, Scott, Vick, Whitaker, Woodbury, Bateman

Nays: None

Councilman Bateman inquired whether the State Legislature could be lobbied to remove the ceiling on the Residential and Commercial Tax Abatement Revitalization Program to offer additional tax abatement for commercial improvements, if it were fiscally prudent. He felt incentivizing businesses to invest in their real estate was important in a down economy. Mayor Frank stated he respected Councilman Bateman's interest, but voiced concern that offering additional tax relief to commercial properties during difficult economic times would add burden to residential property owners who were already overburdened. He felt considering such in good times could be well advised, but doing so in bad times struck him as putting more burden on residential property homeowners.

Councilman Bateman inquired whether the City had adequately communicated its Commercial Tax Abatement program so that businesses could take full advantage of the program, or whether it was a program for convenience. He felt there were companies that could qualify for the program and felt the matter should be looked into. He felt the Residential and Commercial Tax Abatement Revitalization Program should be adequately communicated to the public; however, he was interested in the fiscal impact to the City. Acting City Manager Morgan stated the programs were not easy to administer, understand or well publicized. He stated he would report back to City Council on the number of people taking advantage of the program, and what the fiscal circumstances entailed.

Councilwoman McMillan stated the tax abatement only benefitted homeowners who made improvements that totaled 25% of the assessed value of their homes, which was difficult to reach on a yearly basis. She felt City Council might want to look into decreasing the percentage.

Vice Mayor Whitaker noted a resident of a commercial property he rented, applied for a building permit to make improvements to the property, and because of that, his tax bill was increased by 50%. He argued the matter and received a refund from the City, noting an error had been made. It was not a dollar-for-dollar matter, but was an improvement to the value of the property.

Councilwoman Woodbury noted a Workshop she attended as a member of the Newport News School Board, which reported that a particular U.S. school system encouraged citizens to volunteer in jobs around the school to receive a reduction in their real estate tax. She indicated a broadcast aired on the television program 20/20 that highlighted a similar program, offered by a U.S. City that allowed tax relief to citizens who worked a certain number of hours

per week. She felt such a program was worth looking into. Councilwoman Woodbury indicated she would provide the presentation to the Acting City Manager.

Councilwoman Woodbury inquired whether the Airport Commission could offer a complimentary parking pass to each member of City Council in light of the funding they would receive from the PPAV. Councilman Bateman stated he would look into the matter, although he did not know the rules for offering such an incentive. Mayor Frank cautioned City Council against receiving a similar pass from the Newport News airport. He recalled receiving a complimentary parking pass from the Norfolk International Airport that he never used, and the Virginia Pilot newspaper did an article on elected officials in Hampton Roads that received free complimentary parking tickets. He indicated his pass was mailed back with an explanation it had never been used. Attorney Katz stated the funding received from the PPAV for the Airport Commission would be administered by the EDA to promote expanded air service. Councilwoman Woodbury understood that the funding was not going directly to the Airport Commission.

Councilwoman McMillan inquired whether there was an ordinance concerning litter and debris on commercial properties. She indicated residential property owners were required to keep their property clean to the curb. She inquired whether the same was required of businesses. She felt the litter and debris ordinance should be amended to require businesses clean up their parking lots and the green areas up to their curbs. She reported the following businesses needed to clean their properties of litter and debris: 1) the Shopping Center at Colony Road and Warwick Boulevard; 2) the Greyhound Bus Station at 14407 Warwick Boulevard; and 3) Mo's Convenience Store at 14628 Warwick Boulevard. She felt an ordinance was needed that forced businesses to clean-up their properties. Mayor Frank understood Councilwoman McMillan's concern. City Attorney Katz responded he would review the City Code pertaining to litter and debris, and determine whether commercial properties were included. He would report back to City Council should there be a need for a revision to the City Code. Acting City Manager Morgan stated he would report back to City Council on the matter.

Acting City Manager Morgan reported there was a chance for a severe tropical storm that was presumed to take place on Wednesday through Thursday, November 11 – 12, 2009, that would potentially cause severe flooding. He stated the Department of Public Works, the Emergency Operations Center and the Police Department were all on alert for the upcoming storm.

Acting City Manager Morgan stated he received a call from Reverend James Rudisill expressing his disappointment in the demolition of the Friends of the Homeless Shelter. Acting City Manager Morgan reported the shelter had been demolished and indicated Reverend Rudisill announced his plans to attend the November 10, 2009 Regular Meeting of City Council, accompanied by members of the homeless community.

Councilwoman Scott suggested that Acting City Manager Morgan point out that the Friends of the Homeless Shelter's grand-fathered use had expired and could not be reversed.

Mayor Frank suggested that City Council refer all questions posed by Reverend Rudisill to the Acting City Manager.

Councilwoman Woodbury stated it was important that the homeless problem be addressed, which she understood Mr. Alan Archer, Assistant City Manager, was working on. She asked for a report on the status of the issue and where the City was going with the matter. Mayor Frank agreed and indicated the program first embarked upon, originally to engage other communities, was not going to get the City anywhere. He felt the City needed to address the homeless issue on its own.

Acting City Manager Morgan reminded City Council about the Housing Broker Team effort and the \$3.6 million that was being spent in the region on different initiatives. He cautioned that there was no way that Newport News could differentiate homeless citizens from other regions.

Councilwoman Vick advocated for a homeless program that offered a labor ready incentive. She felt many homeless people did not want to work. She noted a program in New York City that coordinated work activities or some type of City clean-up. She felt Newport News would experience a reduction in its homeless population if jobs were connected as a requirement for shelter.

Mr. Archer reported an orientation for a Homelessness Prevention and Rapid Re-housing (HPRP) grant had been completed. The City received an entitlement of \$650,000, and the Commission on Homelessness, who applied for funding directly through the State Department of Housing and Development, received an award of \$727,000. City staff had been trying to decide how to administer programs for both grants to cover the entire Peninsula. With all the HUD paperwork that was required for case management, it was important that all localities were able to coordinate and participate in the Homeless Management Information System no matter which received funding.

Councilwoman McMillan inquired whether the grants were one-time funding, and if so, indicated she had a problem. Mr. Archer replied the grants were one-time funding, with two years to spend the money. The question was what other localities would do to step up to the plate to continue the effort, if the region did not receive additional funding. He felt good about what was being done. From a policy perspective, came the question of what to do to compliment the housing options in this community. Most localities were not building emergency shelters, but were shifting to housing broker teams and other models to provide permanent housing for homeless individuals. The more the City proceeded in that direction, the better off it would be.

Mayor Frank felt the homeless issue needed to be dealt with by providing long-term housing solutions; however, a short-term plan was needed that transitioned to long-term permanent housing. He felt the City should differentiate between the categories of homeless people and what the outcomes should be for the different categories.

Councilwoman McMillan recalled eleven years ago when the very same conversation took place with regards to all of the Social Service programs that Newport News provided, and it was noted that other localities were not stepping-up to the plate. She stated everyone acknowledged that something needed to be done for the homeless, but indicated if the City started a program it would be centered in Newport News. She felt other communities needed to provide homeless services as well. Mayor Frank concurred.

Vice Mayor Whitaker felt permanent housing was the solution to homelessness, and indicated everyone should play a part.

Acting City Manager Morgan stated he could spend all the money that was given to him and there still would be a homeless problem.

Councilwoman Vick agreed that there needed to be a differentiation between the categories of homeless people and what the outcomes needed to be. She felt work was the answer for the homeless. Everyone needed to go to work, especially homeless men.

Councilwoman Scott was in support of a daytime employment center for the homeless population to assist in finding employment.

THERE BEING NO FURTHER BUSINESS,  
ON MOTION, COUNCIL ADJOURNED AT 6:30 P.M.

Jennifer D. Walker  
Chief Deputy City Clerk

Joe S. Frank  
Mayor  
Presiding Officer

A true copy, teste:

City Clerk