

MINUTES OF WORK SESSION
OF THE NEWPORT NEWS CITY COUNCIL
HELD IN THE 10TH FLOOR CONFERENCE ROOM
2400 WASHINGTON AVENUE
JANUARY 24, 2006
3:15 P.M.

PRESENT: Charles C. Allen; Herbert H. Bateman, Jr.; Joe S. Frank; Madeline McMillan; Sharon P. Scott (arrived at 3:35 p.m.); and Joseph C. Whitaker -----6

ABSENT: William F. Haskins -----1

OTHERS PRESENT: Edgar E. Maroney; Stuart E. Katz; Randy W. Hildebrandt; Neil Morgan; William P. Mitchell; L. A. Wallin, II; Mabel V. Washington; K.M. Blanks; Al Riutort; Florence Kingston; Chuck Hall and Joy Cipriano, Hampton-Newport News Community Services Board; Tricia Wilson; Michael Poplawski; Mike Barber; Everett Skipper; Susan Lineberry; Chris Morrello; Sheila McAllister; Michael King; Chad Pritchett; Cleder Jones; Brian Ramaley; Eileen Leininger; William Hudgins and Harvey Lindsay, HL Development Service Group, LLC; Rob Cross and Scott Jackson, Virginia Arts Festival; Kim Lee; Julian Scott; and Jennifer Walker

I. Proposed Attendance Policy - Boards, Commissions and Committees

Mayor Frank stated it had come to the attention of City Council that attendance had become a problem for several City Council appointed boards, authorities, commissions and committees. City Council found that attendance of members was important and necessary, and that failure to attend schedule meetings affected the ability of boards, authorities, commissions, and committees to conduct their public business. In an effort to address the issue, City Council instructed the City Attorney to draft an ordinance concerning attendance. Mayor Frank stated after three unexcused absences the Chair would contact the member advising that he/she was in violation of the policy and ask the member to communicate their intention of continuing to serve on the board.

Vice Mayor Allen felt the ordinance should reflect three unexcused absences and define what they were. Mr. Katz, City Attorney, noted the ordinance would define excused absences as personal illness, illness or death of a relative, or other circumstances beyond a member's control and would require proper notice to the Chair of the Board. Vice Mayor Allen felt Boards should track and maintain attendance data for all members. Mayor Frank concurred that the ordinance should reflect three unexcused absences and instructed the City Clerk, Mabel Washington, to prepare a letter to Committee Chairs advising of City Councils' instructions that each Board track and maintain attendance data and file same with the City Clerk on a monthly basis. Attendance would become a factor at the time of reappointment.

II. Regional Plan to End Homelessness

City Manager, Ed Maroney, introduced Mr. William Mitchell, Assistant City Manager, to provide a brief presentation on the Regional Plan to End Homelessness.

Mr. Mitchell, noted, on January 24, 2005, Mayor Frank made a presentation to the Peninsula Mayors and Chairs (Mayors of the City Councils of Hampton, Newport News, Williamsburg, and Poquoson and the Chairpersons of County Boards of Supervisors of Gloucester, James City, New Kent and

York Counties) regarding homelessness. The presentation included information regarding recent trends and costs related to homelessness. The Mayors and Chairs expressed an interest in pursuing the issue of homelessness and forming a regional Commission on Homelessness. The Commission was formed on March 1, 2005 and developed a "Framework for Building a Successful Regional Plan to End Homelessness." (A copy of the plan is attached and made a part of these minutes.) Mr. Mitchell advised that the Mayors and Chairs agreed to ask each jurisdiction, on the Peninsula, to pass a resolution committing to participate in an effort to develop the regional plan (copy attached). He introduced Mr. Chuck Hall, Executive Director, and Ms. Joy Cipriano, Resource Developer, Hampton-Newport News Community Services Board (CSB), who worked on the Commission on Homelessness, to continue with the presentation.

Ms. Cipriano noted the Commission adopted the following tasks to accomplish the elimination of homelessness in the region: develop an understanding of the issues, data, and magnitude of homelessness on the Virginia Peninsula with all jurisdictions; educate and inform top administrative and elected levels of local government of issues along with practices to solve the problems associated with homelessness; provide a forum for communicating, sharing ideas, reducing barriers to solutions, and developing regional strategies to address homelessness on the Virginia Peninsula; periodically report to the Mayors and Chairs Committee on progress; produce a report on a regional framework that indicated a course of action for producing a viable plan to address homelessness on the Virginia Peninsula; and create an ongoing forum for discussion of issues of regional concern that may be addressed through collaboration within the Commission regarding how individual jurisdictions do business with one another on issues of common concern.

Ms. Cipriano indicated statistics confirmed all Peninsula jurisdictions were facing homelessness and included both single individuals and families with children. The Peninsula United Way reported that only three (3%) percent come from outside of the Peninsula. Sub-populations of homeless people exist in all localities (those with mental illness, domestic violence, veterans, substance abuse, and HIV/AIDS). Ms. Cipriano reported that HUD awarded \$1,188,677 in homeless funds to the Peninsula in December 2005. These funds would help the region, through regional cooperation and systems coordination, eliminate homelessness on the Virginia Peninsula.

The Commission's five primary objectives were: prevention of homelessness; increase affordable permanent housing; appropriate and coordinate services; systems improvements; and education and public awareness. The action plan development would include jurisdiction and semi-regional meetings, a regional summit, creation of work groups focusing on the five primary objectives, focused work group sessions on plan, merging of plans by work groups into one regional plan, and presentation of plan to Mayors and Chairs.

Mayor Frank questioned how the City could help homeless individuals who refused assistance. Ms. Cipriano replied such individuals would be given housing as a first resource rather than substance abuse and mental health services. The Commission followed Maslow's Hierarchy of Needs Theory, wherein humans seek higher needs only after taking care of primary needs, such as housing. Research indicated Maslow's Theory was a proven success with the homeless.

Mayor Frank questioned whether there were resources available to pay an individual's mortgage for a month or two, while recuperating from a major illness or loss of occupation. Ms. Cipriano stated such programs were sporadic, but noted a state program such as the Homeless Intervention and Prevention Fund. Mayor Frank asked that such resources be researched as the process

goes forward to end homelessness.

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Councilwoman McMillan commended the Commission and reiterated Mayor Frank's concern regarding the chronic homeless who put a heavy burden on the City, particularly the police. She noted a group of homeless individuals in Denbigh who had been taken through programs but returned to the streets. Councilwoman McMillan indicated she could not agree that best management practices would work. She felt for any program to be successful, the individual must have the desire to move forward. She questioned whether the Commission was advocating more public housing for the prevention of homelessness. Ms. Cipriano replied housing had to be subsidized, not necessarily public, depending on individual circumstances. However, most programs for the homeless were in private market housing. There was a large variety of housing stock from which to choose, which were not limited to one type of housing.

Councilwoman Scott questioned whether the homelessness program coordinated its subsidized housing through Newport News Redevelopment & Housing (NNRHA). She recalled several complaints from homeless individuals who were sent to NNRHA, only to be put at the bottom of a waiting list and who never received housing. Ms. Cipriano replied the CSB did have one program in partnership with the NNRHA, and noted other programs administered by LINK and CANDY that coordinated private market housing.

Mr. Hall noted one of the duties of the Commission was the planning process that brought all regions together to focus energies on the issue of homelessness in a coordinated fashion. He stated the Commission was beginning to take root and noted the chronic homeless were the most visible. Mr. Hall stated the true challenge was to eliminate the homelessness of children.

Vice Mayor Allen indicated there was a side to the program that was very damaging to the community. He stated he lived Downtown and felt the residents of the Southeast community would be impacted by the burden of homelessness more than any other area on the Peninsula. He was interested in how to remove colonies of homeless individuals from the community, in that it portrayed a negative picture of Newport News' Downtown area and its investment possibilities. Vice Mayor Allen expressed an interest in a fair share program which would alleviate the downtown area from being the prime area for homeless residents. The Superblock and Christopher Newport Park, during the summer, were two main spots where the homeless population gathered. While there was a human service side, he wanted to see something that would deal with the fact that Newport News was a major attraction.

Mayor Frank concurred. He felt that by engaging all the communities in the region to recognize and commit to the problem of homelessness the volume of homeless people would be reduced in Newport News.

III. Heath Department Presentation: Services for Medically Uninsured/Underinsured

City Manager, Ed Maroney, introduced Dr. David Trump, MD, MPH, Director, Peninsula Health District, to provide a follow-up presentation on services for the medically uninsured and under-insured. (A copy of his presentation is attached and made a part of these minutes.)

Dr. Trump explained that the Peninsula Health District provided a wide range of

services such as disease control, public health preparedness and planning, public health medical and dental services, environmental health, community-based prevention and nursing, health education and public health training, vital statistics, women, infants and children (WIC), and a nutrition and child development clinic.

Dr. Trump compared Newport News and the State's statistics regarding family planning, teen pregnancy, infant death rates, sexually-transmitted diseases, immunizations, adult medical services, and dental services.

Mayor Frank questioned Dr. Trump's comparison of Newport News with State statistics. He felt a large part of the State did not compare to Newport News' issues and population makeup. He asked whether there was data available to compare Newport News to comparable Cities and populations. Dr. Trump replied his comparisons were relatively comparable with parts of the Commonwealth's urban and diverse populations.

Mayor Frank inquired whether the statistics for teen pregnancy and sexually-transmitted diseases had improved or worsened. Dr. Trump replied the statistics indicated a gradual improvement, but noted Newport News had challenges ahead. Newport News was not any worse than any other comparable city.

City Manager Maroney questioned whether there were statistics available for regional area jurisdictions, such as Norfolk, Portsmouth, etc. He felt that would give a true picture as to how Newport News was fairing with other municipalities in the region. Dr. Trump replied the numbers were available. City Manager Maroney noted it would be beneficial to City Council in the future to see how other urban centers stack up compared to Newport News.

Mayor Frank inquired about the types of adult medical services the Peninsula Health District provided to citizens. Dr. Trump replied the Peninsula Health District had one full-time physician position and two full-time nurse practitioners and a number of part-time physicians who provided primary care such as out patient care, diagnosis, treatment, prescriptions for medications and follow-up. They did not provide hospitalization.

Mayor Frank felt the Peninsula Health District had a larger caseload than a single practitioner and questioned whether the staff could effectively provide services to 1400 patients. Dr. Trump replied the staff was able to provide services to 1400 patients.

Councilman Whitaker noted physicians were refusing to care for medicare patients because of its complexity. He inquired about cases where senior citizens had medical coverage but could not find a doctor to care for them. Dr. Trump replied he was aware of the problem. He explained in order for a physician to keep his business open it might not be feasible to have a large number of medicare patients when other insurance providers would reimburse them. Dr. Trump stated 30% of the Health District's patients did have medicare or medicaid.

Dr. Trump stated one of his challenges was to focus on dental care for adults and children. He and Dr. Syed Kalamuddin, Executive Director, Peninsula Institute for Community Health (PICH), were interested in the problem of dental and pharmacy related services.

Councilman Whitaker noted the dental program at PICH needed improvement. He explained it took more than one month for children to be seen by a dentist at PICH. It was a chronic problem because a lot of health issues start, due to poor oral hygiene.

Councilwoman Scott questioned whether Dr. Trump had a network of dentists outside of the staff at the Peninsula Health District and PICH that would volunteer time. Dr. Trump replied there was no such network, but stated there was a small number of dentists enrolled in the SMILE for Children program who expressed a willingness to take children with medicaid. Councilwoman Scott inquired whether Dr. Trump would be responsible for contacting the dentists enrolled in the SMILE program in an effort to build up a network or whether that was a State responsibility. Dr. Trump felt the Health District had a responsibility for providing better services to Peninsula residents.

Dr. Trump explained a needs assessment was done in the Southeast Community and revealed residents in the 23607 zip code had a higher risk of health care problems than residents in the 23605 zip code area and other areas in the City. He noted the focus needed to be on diabetes, stroke, and eating habits in the area.

Mayor Frank stated he had met with several dentists and dental organizations who expressed an interest in providing volunteer services during evenings and weekends. He stated obstacles the dentists noted were organization, development of a program and a facility that was adequately equipped. He felt that Dr. Trump and PICH could coordinate a place, equipment, scheduling, screening and whatever was appropriate with available resources they had. He requested that Dr. Trump look into the matter of partnering with dentists in the community to provide volunteer service on a part-time basis. He stated dentist needed a facility to work from, as well as supplies.

Councilman Bateman stated he would be interested in seeing comparable statistics of surrounding localities and municipalities the size of Newport News rather than State comparisons. Dr. Trump stated he would provide the figures.

IV. City Center Events and Entertainment Proposal

City Manager Maroney introduced Ms. Florence Kingston, Director, Department of Development, to provide a presentation on a proposal from the Virginia Arts Festival with recommendations from private development partners, Mr. Harvey Lindsay and Mr. William Hudgins, outlining steps for excitement and vitality in City Center at Oyster Point.

Ms. Kingston explained to achieve a successful urban experience in a downtown business district a place that includes shopping, dining, cultural and social opportunities for fellowship must be created. During the late spring/early summer of 2006, many new retail establishments planned to open in City Center at Oyster Point. To prepare for the opening, private development partners and businesses were planning many special events and activities. In addition, HL Development Services Group and Mr. Harvey Lindsay proposed a program of events and entertainment from April 2006 through June 2007. Ms. Kingston indicated the Economic Development Authority requested that City Council appropriate \$300,000 to assist with the marketing of City Center. She introduced Mr. Lindsay and Mr. Hudgins to provide the private development prospectives and initiatives that would highlight the activities proposed for City Center at Oyster

Point. She also introduced Mr. Rob Cross, and Mr. Scott Jackson, Virginia Arts Festival, to review the programming activities.

Councilwoman McMillan inquired about the representatives of the Hospitality Industry. Ms. Kingston replied the representatives were within the Oyster Point area.

City Manager Maroney noted the City had been working on the special events programming for City Center at Oyster Point for more than a year. He felt the City had a responsibility to the merchants of City Center to help them succeed.

Councilwoman McMillan questioned where the \$300,000 was coming from. City Manager Maroney noted the \$300,000 was a savings realized by the City from the prior fiscal year's general fund, and noted there was \$1 - \$2 million still available.

Mr. Harvey Lindsay thanked City Council for all the support shown regarding the City Center project. He explained special event programming was necessary in order for City Center to be successful. He noted retail centers could not survive in City Center with Fountain Park alone. The City needed special events throughout the year in conjunction with Fountain Park. He stated high fashion quality retail stores would open in City Center beginning April 2006, with a total of more than 50 stores opening overall. He asked City Council to support the request.

Mr. Bill Hudgins shared that Block II at City Center had 200,000 square feet of space to include 100,000 square feet of office and 100,000 square feet of retail space which totaled a private investment of close to \$40,000,000. Over \$500,000 had been targeted for marketing to bring retailers together. On an annual basis, retailers were contributing \$125,000 to \$150,000 to marketing efforts. Such funds would pay for a full-time event staff person and Christmas decorations. He stated the Newport News Town Center LLC managers had committed the public art piece to be seen in a round-about on Thimble Shoals Boulevard at an investment of \$150,000 to \$250,000 and supported a component of year round events. They wanted to promote a full-time person, focused exclusively on events around City Center, with a budget of \$55,000 per year for the position.

Mr. Hudgins noted the Newport News Town Center LLC group had been brainstorming the Virginia Arts Festival for more than a year. The Virginia Arts Festival ran yearly from Williamsburg to the Virginia Beach Oceanfront with a budget of more than \$40,000,000. He explained the Festival had taken a leadership role in venue management. The Virginia Arts Festival manages the Tidewater Community College Roper Performing Arts Center, the Atticks Theater, and Thomas Nelson College Theater. He introduced Mr. Rob Cross, Executive Director, Virginia Arts Festival.

Mr. Cross stated he was excited about being invited to be a part of the City Center at Oyster Point project. He believed by working in management with the City, Parks, Recreation and Tourism, and the managers and owners of the project, they could create great events that would be beneficial to the City of Newport News, such as strolling musicians, large signature events and special events centered around the holidays, to include ice skating.

Councilwoman Scott felt the Parks, Recreation and Tourism Department did a great job and questioned what additional events the Virginia Arts Festival were planning that the City could not provide in house. Mr. Cross replied that Parks, Recreation and Tourism did a fine job throughout the City, but felt a management vehicle was needed in City Center that was constant and consistent with day-to-day management. He felt the Virginia Arts Festival in collaboration with Parks, Recreation and Tourism, would have unmatched resources. The Virginia Arts Festival could add leverage to the promotion of events and bring in a higher percentage of private investors and sponsors for events and marketing. He felt the Virginia Arts Festival could leverage the marketing dollar by getting people out to events.

City Manager Maroney stated the initial thrush in promoting City Center to be successful was to hire top professionals and let them lead the role for 18 months and eventually turn it over to the Parks Department. He felt the City did not have experience in dealing with high-end merchants.

Councilwoman McMillan stated the City was considering a substantial amount of money before budget deliberations for the coming year. She felt City Center was still in its initial construction phase and wondered whether the City was "jumping the gun" in making such commitments without knowing whether the retail establishments would generate a sense of place. Councilwoman McMillan stated the City was entering into a marketing mechanism before there was an attraction to City Center. She stated it was not her understanding from the original documents that the City would be participating in the marketing of the private retail establishments in City Center. She felt further consideration should to be given in using public money for a private venture.

City Manager Maroney replied the funds in question were for event funding, and not individual companies. He stated the funding was to promote City Center. The City had one opportunity to make City Center shine.

Councilwoman McMillan stated it was her understanding that the funding would be one time. It would be a continued event process to market the retail establishments in City Center and to establish a sense of place. She was concerned about how the City would go about doing such in fairness to other commercial corridors in the City. She reiterated this was something the City needed to reconsider.

Mayor Frank felt the City's 18 month investment, if successful, would encourage future business investment in City Center and bring people to the area to see what the retail establishments had to offer. He felt it would be a well made investment.

Councilwoman McMillan was concerned about the public's perception of the City appropriating money for marketing of private businesses.

City Manager Maroney was concerned that early merchants to City Center at Oyster Point were floundering due to no activity in the area. He noted the best night for businesses was during the Holly Dazzle event in December. He stated the City had an obligation to make sure

merchants had an opportunity to be successful.

Councilman Whitaker was concerned as to how the merchants in City Center stayed in business due to constant construction in the area. He had no problem with investing funds to help market City Center at Oyster Point.

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Mayor Frank noted it was tough being the first merchant in an area and the construction, mud and parking issues did not help matters.

Vice Mayor Allen expressed concern about the local capacity in that Parks, Recreation and Tourism could not handle the marketing of City Center. He understood the value of the Virginia Arts Festival, but had a concern that the City was not building a local capacity. The Virginia Arts Festival saw the City as a resource, and he wanted to know what the Virginia Arts Festival was going to do in the community to ensure the capacity was being built to do the same thing with or without them. Secondly, he did not want the resources of the City to be shifted only to City Center. He referenced a memo regarding the movement of the 4th of July events to City Center. Vice Mayor Allen expressed a desire to see funding done in the context of city programs, in order that the City did not get isolated, particularly during upcoming budget deliberations. He wanted to alleviate issues concerning who was getting what, because it was not put out in a comprehensive form. City Council needed to determine what would benefit the entire City rather than a certain area.

Councilwoman Scott questioned the generation of sponsorships to promote City events. She felt the City could consider a compromise between the merchants of City Center. For example, if they were successful in generating large amounts of sponsorships, the money the City appropriated could be reimbursed.

Mayor Frank replied once City Center at Oyster Point became successful, sponsorships would not be an issue because organizations would want their names to be a part of a successful venture.

Councilwoman Scott understood the initial investment was needed, but was concerned about an incentive or rebate that would reimburse the City if the expectations were exceeded.

Councilwoman McMillan noted the City needed a set budget to operate an office and staff because sponsorships would vary from year-to-year. She felt the City was making a two year commitment which would then be reviewed.

Councilwoman Scott indicated sponsorships would vary from project to project and event to event.

Mr. Hudgins noted the City could be proactive by having a sponsor breakfast to bring in five or ten sponsors to get them poised to observe what the City was doing. Later, the City could go back to the invited sponsors and enlist their sponsorship for an event. It was the goal of HL Development Service Group to get 35 - 40% sponsorship driven events.

Vice Mayor Allen noted the judgement was to look back at money coming into the City after the first year. As time went on, there would be less local money and more sponsorship

money to pay for events. He felt the City should appropriate the funds.

Councilman Bateman questioned whether the City could benchmark how well merchants did as a result of marketing efforts. He requested a report confirming success rate. Ms. Kingston replied staff would do some assessment on a monthly basis.

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There was a consensus on City Council to move forward with the project.

V. Discussion of Development on Twenty-Five Foot Wide Lots

City Manager Maroney introduced a matter brought to his attention by Vice Mayor Allen regarding 25 foot lots destroy communities. Mr. Maroney noted staff would continue to research the matter to determine how the City could continue to improve the reduction of 25 foot lots.

Mayor Frank stated he would support efforts to reduce 25 foot lots in the City, but noted the City needed to be mindful of the cost. He instructed staff to come up with a recommendation. City Manager Maroney replied the City Attorney would work on the legal issues. He further stated there needed to be a certain amount of money set aside, during the CIP process, to buy land that could eventually be used for housing development.

Councilwoman Scott inquired whether the City had implemented a procedure that prohibited construction of housing on 25 foot lots. Vice Mayor Allen replied the City Council could not legally prohibit such, per the City Attorney. He stated City Council restricted how and what could be built on 25 foot lots. Vice Mayor Allen indicated he would like to see what could be done to restrict construction on 25 foot lots. Depending on area, 25 foot lots were allowed in the City of Newport News. In the early 1960's and 1970's citizens brought lots believing they were 50 feet, only to find out later they had brought 25 feet. He stated so much had been done over the years to correct the flaws of the past.

THERE BEING NO FURTHER BUSINESS
THE MEETING ADJOURNED AT 5:37 P.M.

Jennifer D. Walker, CMC
Deputy City Clerk

Joe S. Frank
Mayor

A true copy, teste:

City Clerk