

**MINUTES OF REGULAR MEETING
OF THE NEWPORT NEWS CITY COUNCIL
HELD IN THE CITY COUNCIL CHAMBERS
2400 WASHINGTON AVENUE
December 12, 2006
7:30 P.M.**

PRESENT: Sharon P. Scott; Joseph C. Whitaker; Charles C. Allen; Herbert H. Bateman, Jr.;
Joe S. Frank; William F. Haskins; and Madeline McMillan-----7

ABSENT: None-----0

1. The invocation was rendered by Pastor Neil Ross, Community Bible Church.
2. The Pledge of Allegiance to the Flag of the United States of America was led by the Boy Scouts of America, Troop #6, from Warwick Memorial United Methodist Church.
3. Public Hearings
 - (a) Conditional Use Permit CU-05-177, World Outreach Worship Center

Mayor Frank presented AN ORDINANCE THAT WOULD GRANT A CONDITIONAL USE PERMIT TO ALLOW THE CONSTRUCTION OF A 400-FOOT FM RADIO TOWER AND AN EQUIPMENT BUILDING ON A 12.46 ACRE PARCEL ZONED M-1 LIGHT INDUSTRIAL AT 525 INDUSTRIAL PARK DRIVE. This item pertained to a request for a Conditional Use Permit to allow the construction of a 400-foot FM radio tower and an equipment building on a 12.46 acre parcel zoned M-1 Light Industrial at 525 Industrial Park Drive. The Planning Commission voted 9:0 to recommend to City Council the denial of this application. This application had been seen before City Council since March 14, 2006 pending the completion of various engineering studies. The last continuation of this public hearing was granted by City Council on November 14, 2006. The applicant requested further continuation until January 9, 2007. City Manager Hildebrandt reported that staff was close to finalizing the conditions for this particular application and would forward information to the applicant within a week's time. He anticipated action being taken at the January 9, 2007 Regular Meeting of City Council.

(No Speakers)

Councilman Haskins moved to defer the public hearing to the January 9, 2007 Regular Meeting of City Council; seconded by Councilwoman Scott.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Frank, Haskins, McMillan

Nays: None

Abstention: Bateman (member of the Peninsula Airport Commission)

- (b) Framework for the Future Comprehensive Plan Amendment (PLN-06-67)

3. Public Hearings Continued
 - (b) Framework for the Future Comprehensive Plan Amendment (PLN-06-67)
Continued

Mayor Frank presented A RESOLUTION AMENDING THE FRAMEWORK FOR THE FUTURE TO IDENTIFY THE USE OF PROPERTY IDENTIFIED HEREIN TO BE COMMUNITY COMMERCIAL. He advised this amended the City's Comprehensive Plan known as the "Framework for the Future" to change the future land use of properties located at 12861, 12869, 12871, 12873 and 12873 (B) Jefferson Avenue from Office to Community Commercial. This would allow the construction of a Casey BMW car dealership. This Public Hearing was continued from the October 24, 2006 and the November 28, 2006 Regular Meetings of City Council. The City's Planning Commission voted 7:1 to recommend to City Council the approval of this plan amendment, and the City Manager concurred with that recommendation. Mayor Frank indicated that the applicant, A & P Associates, LLC, requested deferral of Items b, c, and d to the January 9, 2007 Regular Meeting of Council (see attached letter of request).

(No Speakers)

Mr. Mike Hawkins, 113 Deal Drive, chose to defer making comments until the January 9, 2007 Regular Meeting of Council.

Mr. Todd Lynn, Counsel for A & P Associates, LLC, was available for questions.

Councilman Bateman filed a declaration in accord with Section 2.2-3115G of the Virginia Code, pursuant to subdivision A 3 of §2.2-3112 of the Virginia Conflict of Interest Act that (i) the City Manager had recommended consideration of three land use transactions to approve the conditional rezoning and issuance of a conditional use permit and an amendment to the Comprehensive Plan for real estate at 12861, 12869, 12871, 12873, and 12873 (B) Jefferson Avenue as applied on behalf of contract purchaser A & P Associates, LLC, for a Casey BMW dealership; (ii) that he was an employee of TowneBank; (iii) the contract buyer was a customer of TowneBank; (iv) that he had no personal interest in the transactions; and (v) that he was able to participate in the transactions fairly and objectively (a copy of the Declaration is attached and made a part of these minutes).

Councilman Haskins moved to defer the public hearing of items b, c, and d to the January 9, 2007 Regular Meeting of City Council; seconded by Councilman Bateman.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (c) Change of Zoning CZ-06-227, Paul C. P. Wong

Mayor Frank presented AN ORDINANCE TO AMEND AND REORDAIN ORDINANCE NO. 5028-97 BY AMENDING THAT CERTAIN MAP ENTITLED, "ZONING

3. Public Hearings Continued

(c) Change of Zoning CZ-06-227, Paul C. P. Wong Continued

DISTRICT MAP” (CONSISTING OF REAL ESTATE TAX ASSESSMENT MAPS 001 THROUGH 322 AND KEPT ON FILE IN THE OFFICES OF THE DEPARTMENTS OF CODES COMPLIANCE AND PLANNING) DATED THE 10TH DAY OF JUNE, 1997, WHICH SAID MAP IS MADE A PART OF THE SAID ORDINANCE NO. 5028-97. He advised this would change the zoning of five parcels totaling approximately 3.87 acres located at 12861, 12869, 12871, 12873 and 12873 (B) Jefferson Avenue from C1 Retail Commercial and 01 Office to C2 General Commercial with proffered conditions. This Public Hearing was continued from the October 24, 2006 Regular Meeting of City Council. The Planning Commission voted 6:2 to recommend to City Council the approval of this change of zoning request, and the City Manager concurred with the recommendation.

(No Speakers)

(d) Conditional Use Permit CU-06-208, Paul C. P. Wong

Mayor Frank presented AN ORDINANCE GRANTING CONDITIONAL USE PERMIT NUMBER CU-06-208 FOR THE HEREINAFTER DESCRIBED PROPERTY FOR THE PURPOSE OF OPERATING AN AUTOMOBILE SALES/NEW CAR DEALERSHIP; AN AUTOMOBILE SALES, USED CAR DEALERSHIP; A SMALL MOTOR VEHICLE REPAIR AND SERVICE FACILITY; AND A CAR WASH ON PROPERTY ZONED C2 GENERAL COMMERCIAL DISTRICT AS CONDITIONED BY PROFFERS. He advised this granted a conditional use permit for the operation of an automobile sales, new and used car dealership (Casey BMW), with service and repair facilities, and the operation of a car wash, on five parcels totaling approximately 3.87 acres and located at 12861, 12869, 12871, 12873 and 12873 (B) Jefferson Avenue. The Planning Commission voted 7:1 to recommend to City Council the approval of this conditional use permit application, and the City Manager concurred with that recommendation, with an amendment to Condition number sixteen, which re-inserted staff's language requiring on-site retention of runoff.

(No Speakers)

(e) Change of Zoning CZ-06-226, J. Denbigh Associates, Inc.

Mayor Frank presented AN ORDINANCE TO AMEND AND REORDAIN ORDINANCE NO. 5028-97 BY AMENDING THAT CERTAIN MAP ENTITLED, “ZONING DISTRICT MAP” (CONSISTING OF REAL ESTATE TAX ASSESSMENT MAPS 001 THROUGH 322 AND KEPT ON FILE IN THE OFFICES OF THE DEPARTMENTS OF CODES COMPLIANCE AND PLANNING) DATED THE 10TH DAY OF JUNE, 1997, WHICH SAID MAP IS MADE A PART OF THE SAID ORDINANCE NO. 5028-97. He advised this would change the zoning of a 4.08 acre parcel located at 13130 Jefferson Avenue from M1 Light Industrial to C1 General Commercial District. This Public Hearing was continued from the October 24, 2006 and November 28, 2006 Regular Meetings of City Council. The Planning Com-

3. Public Hearings Continued

(e) Change of Zoning CZ-06-226, J. Denbigh Associates, Inc. Continued

mission voted 8:1 to recommend to City Council the approval of this change of zoning request; however, the City Manager concurred with staff that this request be denied. Mayor Frank was in receipt of a letter from the Mr. Stephen Romine, Attorney for the applicant, requesting that this matter be deferred until the January 23, 2007 Regular Meeting of City Council (copy attached).

(No Speakers)

Mr. Stephen R. Romine, 999 Waterside Drive, Norfolk, Attorney for the applicant, was available for questions.

Councilman Haskins moved to defer the public hearing to the January 23, 2007 Regular Meeting of City Council; seconded by Councilman Whitaker.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(f) Change of Zoning CZ-06-228, Aaron Rents, Inc.

Mayor Frank presented A REQUEST TO CHANGE THE ZONING OF A 0.54 ACRE PARCEL LOCATED AT 700 J. CLYDE MORRIS BOULEVARD FROM C-1 RETAIL COMMERCIAL TO C-2 GENERAL COMMERCIAL WITH PROFFERS. The Planning Commission voted 7:0 with two abstentions to recommend the approval of this change of zoning denial of this change of zoning request and the City Manager concurred with this recommendation.

(No Speakers)

Councilman Haskins moved closure of the public hearing; seconded by Councilwoman Scott.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

Councilman Haskins moved denial of the above request; seconded by Councilwoman McMillan.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

3. Public Hearings Continued

(g) Conditional Use Permit CU-06-211, Aaron Rents, Inc.

Mayor Frank presented A REQUEST TO GRANT A CONDITIONAL USE PERMIT FOR THE OPERATION OF AN AUTOMOBILE REPAIR AND SERVICE FACILITY ON A 0.54 ACRE PARCEL LOCATED AT 700 J. CLYDE MORRIS BOULEVARD. He advised this dealt with a conditional use permit to allow the operation of an automobile and service facility at 700 J. Clyde Morris Boulevard. The Planning Commission voted 7:0 with two abstentions to recommend the denial of this conditional use permit application, and the City Manager concurred with this recommendation.

(No Speakers)

Councilwoman Scott moved closure of the public hearing; seconded by Councilman Whitaker.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

Councilwoman McMillan moved denial of the above request; seconded by Councilman Haskins.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(h) Conveyance of City-Owned Property in the Copeland Industrial Park to the Industrial Development Authority

Mayor Frank presented AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST ON BEHALF OF THE CITY OF NEWPORT NEWS ANY AND ALL DOCUMENTS, INCLUDING DEEDS, NECESSARY TO EFFECTUATE THE CONVEYANCE OF CERTAIN CITY OWNED PROPERTY TO THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF NEWPORT NEWS. He advised this authorized the execution of any and all documents necessary to convey a City-owned parcel of property located at 1011-44th Street in Copeland Industrial Park to the Industrial Development Authority (IDA) of the City of Newport News. This was a 1.06 acre parcel that had a narrow frontage and location at the edge of the park which the IDA had been marketing for a number of years. D. F. Lentz Electric, a commercial electrical contractor who leased space in the park, wished to purchase this parcel. Transferring title of this property to the IDA would facilitate its sale to D. F. Lentz Electric. The company planned to construct a 9,000 square foot office/warehouse building on the site.

(No Speakers)

3. Public Hearings Continued

- (h) Conveyance of City-Owned Property in the Copeland Industrial Park to the Industrial Development Authority Continued

Councilwoman McMillan moved closure of the public hearing; seconded by Councilwoman Scott.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

Councilman Haskins moved adoption of the above ordinance; seconded by Councilman Whitaker.

Vice Mayor Allen inquired whether there was a zoning change between these two properties. He indicated that theoretically the buffer would protect the apartment complex. City Manager Hildebrandt stated if there was, the applicant would have to comply with whatever transitional or buffer requirements were established by the zoning ordinance.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (i) Acquisition of Rights-of-Way for the Jefferson Avenue and Thimble Shoals Boulevard Intersection Improvements Project

1. Appropriation of Funding

Mayor Frank presented A RESOLUTION APPROPRIATING FUNDS FROM FY 2007 BONDS AUTHORIZED AND UNISSUED – STREETS AND BRIDGES (\$346,000.00) TO VDOT JEFFERSON AVENUE/THIMBLE SHOALS BOULEVARD IMPROVEMENTS (\$346,000.00). He advised this appropriated \$346,000.00 from FY 2007 Bonds Authorized and Unissued for rights-of-way acquisition and continuation of utility relocations for the Jefferson Avenue and Thimble Shoals Boulevard intersection improvements project. The City's portion of funding for this Virginia Department of Transportation (VDOT) project was \$1,700,000.00, which was programmed in the City's Capital Improvements Plan. Six properties were needed within the project limits for rights-of-way. The City's offers for these properties were based on an independent appraisal that established fair market values.

(No Speakers)

Councilman Haskins moved closure of the public hearing; seconded by Councilman Bateman.

3. Public Hearings Continued
 - (i) Acquisition of Rights-of-Way for the Jefferson Avenue and Thimble Shoals Boulevard Intersection Improvements Project Continued
 1. Appropriation of Funding Continued

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

Councilwoman McMillan moved adoption of the above resolution; seconded by Councilman Haskins.

Mayor Frank read a declaration in accord with Section 2.2-3115G of the Virginia Code, pursuant to subdivision A 3 of §2.2-3112 of the Virginia Conflict of Interest Act that (i) the City Manager had recommended that action be taken to approve the acquisition of six rights of way at or near the intersection of Jefferson Avenue and Thimble Shoals Boulevard for the construction and continuation of a utility relocation project (the “transaction”); (ii) that Old Point National Bank of Phoebus (the “Bank”) as owner of land at 11780 Jefferson Avenue was one of the land owners affected by this transaction; (iii) that the Bank was a client of his law firm; (iv) that he had no personal interest affected by the transaction; and (v) that he was able to participate in the transaction fairly and objectively (a copy of the Declaration is attached and made a part of these minutes).

Vote on Roll Call:

Ayes: Scott, Whitaker, Bateman, Frank, Haskins, McMillan

Nays: None

Abstention: Allen (a member of the Regional Advisory Board for Old Point National Bank)

2. Authorization to Acquire

Mayor Frank presented AN ORDINANCE TO AUTHORIZE THE ACQUISITION OF INTERESTS IN CERTAIN REAL PROPERTIES HEREINAFTER MORE PARTICULARLY DESCRIBED, SITUATE, LYING AND BEING IN THE CITY OF NEWPORT NEWS, VIRGINIA, TO IMPLEMENT THE VIRGINIA DEPARTMENT OF TRANSPORTATION (“VDOT”) JEFFERSON AVENUE AND THIMBLE SHOALS BOULEVARD INTERSECTION IMPROVEMENTS PROJECT, AND PROVIDE FUNDS FOR THESE PURPOSES. He authorized the acquisition, including condemnation if necessary, of six rights-of-way for construction of the Jefferson Avenue and Thimble Shoals Boulevard intersection improvements project. These proposed acquisitions would provide for the continuance of project utility relocations involved with the project. This VDOT project would provide dual left turn lanes from Jefferson Avenue onto Thimble Shoals Boulevard and dedicated right turn lanes from Thimble Shoals Boulevard to northbound Jefferson Avenue and from Jeffer-

3. Public Hearings Continued
 - (i) Acquisition of Rights-of-Way for the Jefferson Avenue and Thimble Shoals Boulevard Intersection Improvements Project Continued
2. Authorization to Acquire Continued

son Avenue to eastbound Thimble Shoals Boulevard. The project would connect to the completed improvements on Thimble Shoals Boulevard at Channel Drive.

(No Speakers)

Mayor Frank made the same disclosure with regard to the previous matter in Item 3(i)(1).

Councilwoman McMillan moved adoption of the above ordinance; seconded by Councilman Haskins.

Vote on Roll Call:

Ayes: Scott, Whitaker, Bateman, Frank, Haskins, McMillan

Nays: None

Abstention: Allen (a member of the Regional Advisory Board for Old Point National Bank)

4. Consent Agenda

Councilwoman McMillan moved adoption of the Consent Agenda, Items A through I, both inclusive, as shown below; seconded by Councilman Whitaker.

- (a) Minutes of Work Session of November 28, 2006

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (b) Minutes of Special Meeting of November 28, 2006

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (c) Minutes of Regular Meeting of November 28, 2006

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

4. Consent Agenda Continued

(d) Minutes of Regular Meeting of November 29, 2006

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(e) Amendment No. 12 to Lease of Former Jackson School Site Parking Lot

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST, ON BEHALF OF THE CITY OF NEWPORT NEWS, VIRGINIA, THAT CERTAIN AMENDMENT NO. 12 TO A LEASE FOR A PORTION OF THE FORMER JACKSON SCHOOL SITE BY AND BETWEEN THE CITY OF NEWPORT NEWS, VIRGINIA, AND NEWPORT NEWS SHIPBUILDING AND DRY DOCK COMPANY DATED THE 12TH DAY OF DECEMBER, 2006. This resolution authorized the execution of Amendment No. 12 to the lease of the former Jackson School site parking lot to Newport News Shipbuilding & Dry Dock Company. This pertained to a lease of long standing involving 1,090 parking spaces at the former Jackson School site. This proposed lease extension incorporated a three percent increase in the rental rate. This lease extension was to commence on January 1, 2007 and terminate on December 31, 2007. All other terms and conditions of the original lease remained unchanged.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(f) Renewal of Cable Route License Agreement with Muller Martini Manufacturing

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST, ON BEHALF OF THE CITY OF NEWPORT NEWS, VIRGINIA, THAT CERTAIN NON-EXCLUSIVE, REVOCABLE, CABLE ROUTE LICENSE AGREEMENT BY AND BETWEEN THE CITY OF NEWPORT NEWS, VIRGINIA, AND MULLER MARTINI MANUFACTURING CORP., DATED THE 12TH DAY OF DECEMBER, 2006. This resolution authorized the execution of the renewal for a cable route license agreement with Muller Martini Manufacturing Corporation. This was the renewal of a five-year cable route license agreement that would expire on December 31, 2006. Muller Martini had requested a renewal of this agreement in order to maintain its existing cable in the City's easement. This renewal was for another five year term containing the same terms and conditions of the original agreement. This agreement provided the licensee with a non-exclusive, revocable license to install and maintain underground cable between its plant Number 1 at 11850 Jefferson Avenue and plant Number 2 in Oyster Point Industrial Park.

4. Consent Agenda Continued
- (f) Renewal of Cable Route License Agreement with Muller Martini Manufacturing Continued

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (g) VDOT Revenue Sharing Program Application – Richneck Road Widening Project

A RESOLUTION SUPPORTING AN APPLICATION TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION (VDOT) FOR AN ALLOCATION OF \$1,000,000 THROUGH THE VDOT REVENUE SHARING PROGRAM FOR FY 07 FOR THE “RICHNECK ROAD PHASE I PROJECT.” This resolution authorized the execution of the City’s application to participate in the Virginia Department of Transportation Fiscal Year 2007 Revenue sharing program for the Richneck Road widening project. This was an application for VDOT funding in the maximum amount of \$1,000,000.00 for this road widening project from Jefferson Avenue to west of Woodside Lane. The actual amount of funding eventually received must be matched on a 50/50 basis with City funding. The Department of Engineering staff and the City’s consultant on this project were finalizing the project design and would initiate right-of-way acquisition and utility relocation soon. Construction was anticipated to commence in the summer of 2007.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (h) Extension of Military Leave Benefits

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 2, ADMINISTRATION, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE IV., EMPLOYEE BENEFITS, DIVISION 4., MISCELLANEOUS LEAVES, SECTION 2-133.1, EMPLOYEES IN REGULAR FULL-TIME POSITIONS WHO ARE ON MILITARY ACTIVE DUTY LEAVE FOR OPERATION ENDURING FREEDOM. This ordinance amended the City Code to continue the policy of extending benefits to City employees that were called up for active military duty in response to the Middle East Conflict. This amendment continued the policy that was begun five years ago to provide employee benefits to those called up in support of the current mid-east conflict. The amendment allowed for another one-year extension until December 31, 2007. There were no other changes to the provisions of the existing ordinance. Eleven (11) City employees were on active military duty and fell within

4. Consent Agenda Continued
 - (h) Extension of Military Leave Benefits Continued

this benefits exception.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (i) City Code Amendment – Transient Occupancy Tax

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 40, TAXATION, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, ARTICLE VIII., TAX ON TRANSIENTS OBTAINING BOARD AND LODGING, SECTION 40-137, EXCEPTIONS, AND SECTION 40-142, PENALTY AND INTEREST FOR LATE REMITTANCE OR FALSE RETURN. This ordinance amended the City Code relative to the transient occupancy tax provision to make it consistent with a recent change to the State Code. This amendment was considered a “housekeeping” measure to conform the applicable City Code sections with State Code changes made by the 2006 General Assembly. This amendment limited the penalty imposed for late remittance to an amount not to exceed the amount of the tax assessed. It also clarified the property that may be assessed. The City’s Commissioner of the Revenue recommended approval of this ordinance.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

5. Amendment No. 6 of the Lease for Suite 103 in the 2600 Building

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST, ON BEHALF OF THE CITY OF NEWPORT NEWS, VIRGINIA, THAT CERTAIN AMENDMENT NO. 6 DATED THE 12TH DAY OF DECEMBER, 2006, TO THAT CERTAIN OFFICE LEASE BY AND BETWEEN 2600 BUILDING LIMITED PARTNERSHIP AND THE CITY OF NEWPORT NEWS, VIRGINIA, RELATING TO ROOM 103 IN THE 2600 BUILDING. This resolution authorized the execution of a lease renewal for Suite 103 in the 2600 Building for the Police Department. The Police Department indicated that it had a continuing need for certain functions to remain in the 2600 Building and had determined that Suite 103 on the first floor would meet its needs. This proposed amendment reduced the square footage of the leased premises from 33,138 square feet to 3,180 by retaining Suite 103. This lease amendment was for a term of five years commencing January 1, 2007 at an initial rate of \$12.81 per square foot with an annual rent escalation of 3%.

5. Amendment No. 6 of the Lease for Suite 103 in the 2600 Building Continued

(No Speakers)

Councilman Haskins moved adoption of the above resolution; seconded by Councilman Whitaker.

Councilman Haskins inquired about the need to retain space in the 2600 Building given the fact that a new police headquarters had been built. City Manager Hildebrandt responded that the Warrants Squad would maintain space to remain close to the Magistrate's Office. Chief James Fox, Newport News Police Department, replied that the space would also be used as a 24-hour operating desk to answer questions regarding various issues, file reports, and maintain an office in the area, etc., and was convenient to the citizens in this part of the City.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, McMillan

Nays: Haskins

6. The Big Read Community Read Program Grant – National Endowment for the Arts

A. Authorization to Accept Grant

A RESOLUTION OF THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, ACCEPTING A GRANT FROM ARTS MIDWEST, ON BEHALF OF THE NATIONAL ENDOWMENT FOR THE ARTS FOR THE BIG READ INITIATIVE AND AUTHORIZING THE ACCEPTANCE OF SUCH GRANT TO THE CITY OF NEWPORT NEWS, ON BEHALF OF THE NEWPORT NEWS PUBLIC LIBRARY SYSTEM, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE GRANT. The resolution authorized the acceptance of a grant from the National Endowment for the Arts for the City's participation in the Big Read Program. The Big Read grant program was an initiative of the National Endowment for the Arts that was designed to restore reading to the center of the American public culture. The program encouraged localities to partner with other organizations to encourage people to begin reading again. The City had formed such partnerships with other Peninsula jurisdictions, the City's public school system, Christopher Newport University (CNU) and Thomas Nelson Community College (TNCC).

(No Speakers)

Councilman Whitaker moved adoption of the above resolution; seconded by Councilwoman Scott.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

6. The Big Read Community Read Program Grant – National Endowment for the Arts

B. Appropriation of Grant

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL REVENUE (\$18,000.00) TO CONTRACTUAL SERVICES (\$18,000.00). The resolution appropriated \$18,000.00 of grant revenue from the National Endowment for the Arts for participation in the Big Read Community Read Program. The City was notified that it was eligible for this grant, which required a dollar for dollar match, but would meet that with in-kind staff services rather than a cash contribution.

(No Speakers)

Councilwoman Scott moved adoption of the above resolution; seconded by Councilman Whitaker.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

7. Bond Restructuring and Authorization to Issue Refunding Bonds

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED FORTY-FIVE MILLION DOLLARS (\$45,000,000) PRINCIPAL AMOUNT OF GENERAL OBLIGATIONS OF THE CITY OF NEWPORT NEWS, VIRGINIA, IN THE FORM OF CITY OF NEWPORT NEWS, VIRGINIA, GENERAL OBLIGATION GENERAL IMPROVEMENT REFUNDING BONDS AND/OR GENERAL OBLIGATION WATER REFUNDING BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND IN ADVANCE OF THEIR STATED MATURITIES AND REDEEM CERTAIN OUTSTANDING GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS AND/OR GENERAL OBLIGATION WATER BONDS OF SUCH CITY; AUTHORIZING THE SALE OF SUCH BONDS; FIXING THE FORM, DENOMINATION AND CERTAIN OTHER DETAILS OF SUCH BONDS; PROVIDING FOR THE SALE OF SUCH BONDS AND DELEGATING TO THE CITY MANAGER CERTAIN POWERS WITH RESPECT THERETO, INCLUDING THE POWER TO SELECT THE UNDERWRITERS THEREFOR; AUTHORIZING THE SALE OF GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS AUTHORIZED FOR ISSUANCE UNDER ORDINANCE NO. 6263-06 ADOPTED BY THE COUNCIL OF SUCH CITY ON JUNE 27, 2006 TOGETHER WITH THE BONDS AUTHORIZED FOR ISSUANCE HEREUNDER AND DELEGATING TO THE CITY MANAGER CERTAIN POWERS WITH RESPECT THERETO; AUTHORIZING THE CITY TO ENTER INTO ONE OR MORE BOND PURCHASE CONTRACTS OR FORWARD DELIVERY AGREEMENTS BY AND BETWEEN THE CITY AND THE UNDERWRITERS, RELATING TO SUCH BONDS; AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER SUCH BOND PURCHASE CONTRACTS OR FORWARD DELIVERY AGREEMENTS; AUTHORIZING THE PREPARATION AND DELIVERY OF THE PRELIMINARY OFFICAL STATEMENT

7. Bond Restructuring and Authorization to Issue Refunding Bonds Continued

AND FINAL OFFICIAL STATEMENT RELATING TO SUCH BONDS; AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER A CONTINUING DISCLOSURE CERTIFICATE OR A CONTINUING DISCLOSURE AGREEMENT RELATING TO SUCH BONDS; AUTHORIZING THE APPOINTMENT OF AN ESCROW AGENT; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT BY AND BETWEEN THE CITY AND SUCH ESCROW AGENT AND THE PURCHASE OF THE SECURITIES TO BE HELD THEREUNDER; AND AUTHORIZING THE DESIGNATION OF THE REFUNDED BONDS FOR REDEMPTION. This ordinance authorized the issuance of refunding general obligation bonds to achieve debt service savings, to restructure existing general obligation debt service, and authorized the sale of such refunding bonds together with general obligation general improvement bonds previously authorized. In addition to reducing debt service by restructuring some of the City's existing debt, this proposed refunding action reduced the City's debt service interest costs through the refinancing of existing debt. This refunding of existing bonds and replacing them with lower interest rate instruments was a procedure that the City had previously followed when market conditions were favorable. The proposed refunding could produce a present value savings of approximately \$1,231,198.00 or 3.418% of the principal amount of the funds refunded. City Manager Hildebrandt indicated this would allow the City to level its debt service over the next few years and take advantage of the opportunity to refinance some bonds at a lower interest rate in an effort to save money over the term of the bonds.

(No Speakers)

Councilman Whitaker moved adoption of the above ordinance; seconded by Councilwoman Scott.

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

8. Appropriations

Councilman Bateman moved adoption of Items A through I, both inclusive, as shown below, seconded by Councilman Whitaker.

(a) Peninsula Marine Institute

A REQUEST TO ADOPT A RESOLUTION APPROPRIATING \$25,200.00 FROM THE COMMUNITY SUPPORT CONTINGENCY FUND FOR THE PENINSULA MARINE INSTITUTE. This request for funding from the Peninsula Marine Institute (PMI) was to support its capital program to build additional classrooms in the building that it purchased. The requested appropriation was in addition to the \$24,900.00 already appropriated for the agency under Community Support in the City's current operating budget. The PMI indicated that if this additional appropriation was approved, it would no longer be requesting Community Support funding from the City.

- 8. Appropriations Continued
 - (a) Peninsula Marine Institute Continued

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (b) Lee Hall Depot Relocation and Rehabilitation Project

A RESOLUTION APPROPRIATING FUNDS FROM VDOT FEDERAL ENHANCEMENT GRANT (\$520,000.00) AND FY 2007 BONDS AUTHORIZED AND UNISSUED – PUBLIC BUILDINGS (\$57,500.00) TO LEE HALL DEPOT RELOCATION/RENOVATION (\$577,500.00). This resolution appropriated \$520,000.00 of Federal Enhancement Grant Funds, and \$57,500.00 from FY 2007 Bonds Authorized and Unissued for the Lee Hall Depot Relocation and Rehabilitation Project. This project involved relocating the Depot from its current location on the west side of the CSX right-of-way to the east side onto City-owned property. The City received Federal TEA-21 grant funding totaling \$520,000.00 for this project. Once relocated, efforts would commence to restore this structure to become an exhibit and interpretative center.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

- (c) Library Facility and Space Needs Study

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 GENERAL FUND RESERVES (\$100,000.00) TO LIBRARY FACILITY AND SPACE STUDY NEEDS (\$100,000.00). This resolution appropriated \$100,000.00 from FY 2006 General Fund Reserves for the Library Facility and Space Needs Study. Funding for this study was removed from the proposed fiscal year 2008 Capital Improvements Plan and would be funding using unexpended fiscal year 2006 year-end surplus monies. The City's public library system has four branch libraries, a bookmobile and a public law library totaling 72,740 square feet. This study determined whether the existing facilities were optimally used, whether they met the service needs of the community, had maximized technology, accessibility, were there maintenance issues, and whether additional facilities were needed.

(No Speakers)

8. Appropriations Continued

(c) Library Facility and Space Needs Study Continued

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(d) Stoney Run Watershed Improvement Project

A RESOLUTION APPROPRIATING FUNDS FROM FY 2007 BONDS AUTHORIZED AND UNISSUED – STORMWATER DRAINAGE (\$600,000.00) TO STONEY RUN WATERSHED IMPROVEMENTS (\$600,000.00). This resolution appropriated \$600,000.00 from FY 2007 Bonds Authorized and Unissued for the planned fiscal year 2007 portion of the Stoney Run Watershed Improvement Project. This appropriation would be applied to the five projects included in the Stoney Run Watershed Study, which were intended to reduce the effect of flooding in the watershed. In addition to these projects from the study, clearing of the Colony Pines Basin, which consisted of constructing a berm and widening of existing channels from the outfall of the basin, were also included. This FY 2007 appropriation would be used for permitting, design and as much of the construction as the funding allowed. Future planned fiscal year funding of \$2.8 million was programmed in the proposed Capital Improvements Plan (CIP).

Vice Mayor Allen read a declaration in accord with Section 2.2-3115G of the Virginia Code, pursuant to subdivision A 2 of §2.2-3112 of the Virginia Conflict of Interest Act that (i) the City Manager had recommended that Council consider an appropriation of \$600,000.00 for a portion of the Stoney Run Watershed improvement project (the “transaction”); (ii) that he and his wife were sole owners of property, purchased in 1960, located at 462 Richneck Road, in the Stoney Run Watershed area, a map of that area being attached; (iii) that as an owner of land in the Stoney Run Watershed area, was one of a large number of persons who would be affected by the transaction; and (iv) that he was able to participate in the transaction fairly and objectively (a copy of the Declaration is attached and made a part of these minutes).

Councilman Haskins commended the City Manager for moving forward with this badly needed project. Councilwoman Scott concurred.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(e) “Four-For-Life” Program Revenue – Fire Department

A RESOLUTION APPROPRIATING FUNDS TO EMS FUNDS/LICENSE TAX (\$53,090.00) AND EMERGENCY MEDICAL SERVICES (\$53,090.00). This resolution

8. Appropriations Continued

(e) "Four-For-Life" Program Revenue – Fire Department Continued

appropriated \$53,090.00 of State Revenue from the "Four-For-Life" Program for use by the Fire Department. This represented the City's portion of the "Four-For-Life" fee that was included in the registration cost of motor vehicles. These funds were to be used only for emergency medical service purposes. The City's Fire Department would use these monies for supplies, equipment and training. This appropriation represented additional revenue beyond that which was established and appropriated with the Fiscal Year 2006 Operating Budget.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(f) Police Department Bulletproof Vest Grant

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL REVENUE (\$6,814.00) TO SPECIALIST POLICE EQUIPMENT (\$6,814.00). This resolution appropriated \$6,814.00 of Federal Grant Revenue for the purchase of bulletproof vests. These federal grant monies were awarded to the City by the U. S. Department of Justice to be shared between the Police Department and the Sheriff's Office for the purchase of bulletproof vests. Eleven vests were to be purchased for the Police Department and four for the Sheriff's Office. No local grant match was required.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(g) Police Department G.R.E.A.T. Grant

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL REVENUE (\$122,974.00) AND LOCAL REVENUE (\$13,664.00) TO POLICE OFFICER (\$136,638.00). This resolution appropriated \$122,974.00 of Federal Grant Revenue from the "Gang Resistance Education and Training (G.R.E.A.T.)" Program, and \$13,664.00 of Grant Match from the City's Operating Budget for use by the Police Department. This grant revenue would be used by the Police Department to conduct a summer camp program for youth who were at risk for becoming involved in gangs. Gang resistance training would be expanded from the Huntington Middle School pilot program to the remainder of the seven middle schools in the City. This grant program was administered by the U. S. Department of Justice.

(No Speakers)

8. Appropriations Continued

(g) Police Department G.R.E.A.T. Grant Continued

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(h) Library of Virginia Grant for Newport News Circuit Court Clerk's Office

A RESOLUTION APPROPRIATING FUNDS FROM LIBRARY OF VIRGINIA (\$21,697.00) TO CONTRACTUAL SERVICES (\$21,697.00). This resolution appropriated \$21,697.00 of Grant monies from the Library of Virginia for participation by the City's Circuit Court Clerk's Office in the State Circuit Court Records Preservation Program. These grant monies would be used to contractually hire someone to convert negative deed and deed of trust records to microfilm and digital images. The grant program expires on July 6, 2007, and the funds must be expended or obligated by this date. There was no local match requirement for this grant.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

(i) Virginia Sexual and Domestic Violence Victim Fund Grant

A RESOLUTION APPROPRIATING FUNDS FROM STATE REVENUE (\$40,000.00) TO VA SEXUAL AND DOMESTIC VIOLENCE VICTIM FUND (\$40,000.00). This resolution appropriated \$40,000.00 of State Grant Revenue to support the City's Sexual and Domestic Violence Prevention Program. This program was administered in Newport News by the Commonwealth's Attorney's Office, which prosecutes misdemeanor and felony cases involving domestic violence, sexual assault, stalking and family abuse. This grant funding would be specifically used for the personnel costs for a part-time attorney. No local grant match was required.

(No Speakers)

Vote on Roll Call:

Ayes: Scott, Whitaker, Allen, Bateman, Frank, Haskins, McMillan

Nays: None

9. Citizen Comments on Matters Germane to the Business of City Council

Mr. Bland Burcher, 6 Walters Road, expressed concern about rising real estate

9. Citizen Comments on Matters Germane to the Business of City Council
Continued

assessments. He suggested that taxes be tied to cost of living or inflation. He expressed opposition to the real estate tax relief proposal as discussed at the November 28, 2006 Regular Meeting of City Council and asked that an alternative be considered. Mr. Burcher requested a tax reduction similar to adjacent municipalities. He further advocated the extension of Middle Ground Boulevard from Jefferson Avenue to Warwick Boulevard. He indicated that Council should consider the Middle Ground overpass as one of its highest priorities.

Mayor Frank suggested Mr. Burcher meet with him to discuss the proposed real estate tax relief proposal. Mayor Frank assured that City Council considered Middle Ground Boulevard a high priority and continued to work on finding a way to fund the project. He explained that it had not been included in the Capital Improvement Plan, but Council was researching public/private partnership approaches, State funding, and funds from the Hampton Roads Metropolitan Organization for the project. He described a balancing act where citizens were asking that City Council look carefully at its spending, cut the tax rate, but yet build expensive projects.

Ms. Shari Robertson, 10 Museum Drive, expressed concern about the rising costs of real estate taxes and inquired about the percentage property taxes would increase. As property taxes increased, her donations and contributions to non-profit organizations would decrease.

Mr. Douglas Nunnally, 9 Hilton Terrace, represented RETRO, a citizens organization trying to persuade Council to make a commitment to stop raising real estate taxes, shared that the group had acquired 1,590 signatures on a petition in favor of the same.

Mr. Jeremy Fitz-Patrick, 501 River Road, advocated fiscal policy reform to include a redirection in spending practices. He stated it was the fiduciary duty of elected members of City Council to represent the citizens and make sure that administrators acted in the common best interest of the citizens. He further stated that to continue approval of reckless spending, was not fulfilling Council member's fiduciary obligations. Mr. Fitz-Patrick reminded that members of Council were elected and stated, in future elections, Council's actions on citizen's funds would be part of the consideration of the electorate.

10. New Business and Councilmember Comments

City Manager, Randy Hildebrandt, wished Council members and citizens a happy holiday season and thanked City employees for their efforts in the past year. On behalf of City employees, he expressed appreciation to Council members for approving an extra half-day holiday after Christmas.

City Attorney, Stuart Katz, wished Council members and citizens a happy holiday season.

10. New Business and Councilmember Comments Continued

City Clerk, Mabel Washington wished Council members and citizens a happy holiday season.

Councilwoman Scott reminded citizens about the North District Holiday Food Drive Party scheduled for December 16, 2006, 12:00 noon – 10:00 p.m., at the American Legion Post 368. She advised that entertainment and children's activities would be a part of the event. She announced a monetary discount to visitors contributing non-perishable food items to the City's Celebration in Lights at Newport News Park. She further advised that citizens in need of food for the holidays could shop for food at the American Legion Post 368 on December 19, 2006, 2:00 p.m. – 7:00 p.m.

Councilwoman Scott wished Council members and citizens a happy and safe holiday season.

Councilman Whitaker wished everyone a Merry Christmas and a prosperous New Year.

Vice Mayor Allen extended holiday greetings to members of Council and citizens at-large.

Vice Mayor Allen further stated that the City had assumed a tremendous number of State activities in order that the community remained safe and thriving, having picked up costs for nearly every State agency that functioned in the City. He indicated that citizens forget they have State representatives, yet they focus on City Council, which he felt was sort of "cowardly." Responding to the threatening remark by Fitz-Patrick, Vice Mayor Allen indicated those members of Council that chose to seek re-election, would stand on their records and it was the prerogative of the electorate to elect someone else.

Councilman Bateman expressed appreciation to the citizens for sharing their concerns and views on real estate taxes. He spoke favorably about the expected return on assets expected from City Center over time, as well as the legislative proposal that City Council asked the General Assembly consider, that would enable the City to provide tax relief. Councilman Bateman urged citizens involvement in the details of the development of the City's budget in an effort to share in the problem solving first-hand. He encouraged their continued communication regarding the same. Responding to Vice Mayor Allen's comments, he asked citizens to bear in mind that the equation for taxation in the State of Virginia, was not all designed by the Newport News City Council.

Mayor Frank suggested that a mid-year tax rate reduction/adjustment would not be possible and that "capping" the rate would not be prudent and would be a violation of Council's fiduciary duty to the citizens. Mayor Frank reminded that City Council had an obligation to address the needs of all citizens and operated under rules established by the State government. He stated that Council wrestled with many issues, such as requests from the Schools, growth in the City's budget, increase in health care costs, etc. They worked hard to address the

10. New Business and Councilmember Comments Continued

concepts and concerns that citizens express. Respectful of citizens' suggestions and proposals, he invited continued citizen interest and input during the FY 2007 budget preparation period. Mindful of a free country and elections, invited anyone who wanted to seek a position on Council, and reminded that Council's obligation was to manage the affairs of the City to the best of their ability, delivering a high quality of services. He further stated his hopes that Council would produce a result that was understandable and acceptable to the majority of citizens. He invited citizens to continue to make their input and interests known on budget matters.

Mayor Frank announced that this was the only scheduled meeting of City Council during the month of December. The next regularly scheduled meeting would be held on January 9, 2007. He wished the citizens a happy holiday season and urged citizens to remember those less fortunate, as well as the men and women in the military.

Councilman Haskins indicated that City Council would in all probability not be able to cut taxes in FY 2007. He indicated that he and his colleagues would like to cut taxes, but felt it would be irresponsible at this time. He encouraged citizens to continue to make their interests known on budget matters.

Councilwoman McMillan indicated that tax relief was on her Christmas list. She wished the Council and citizens a happy holiday season.

THERE BEING NO FURTHER BUSINESS,
ON MOTION, COUNCIL ADJOURNED AT 8:17 P.M.

Mabel V. Washington, CMC
City Clerk

Joe S. Frank
Mayor
Presiding Officer

A true copy, teste:

City Clerk