

**MINUTES OF REGULAR MEETING
OF THE NEWPORT NEWS CITY COUNCIL
HELD IN THE CITY COUNCIL CHAMBERS
2400 WASHINGTON AVENUE
June 27, 2006
7:30 P.M.**

PRESENT: William F. Haskins; Madeline McMillan; Sharon P. Scott; Joseph C. Whitaker;
Herbert H. Bateman, Jr.; and Joe S. Frank-----6

ABSENT: Charles C. Allen -----1

*MOTION MADE BY COUNCILMAN WHITAKER; SECONDED BY
COUNCILMAN BATEMAN; AND CARRIED UNANIMOUSLY TO EXCUSE VICE MAYOR
ALLEN FROM THIS MEETING.*

1. The invocation was rendered by Reverend Robert A. Price, Warwick Baptist Church.
2. The Pledge of Allegiance to the Flag of the United States of America was led by Councilman William F. Haskins.
3. Public Hearings
 - (a) "Framework for the Future" Comprehensive Plan Amendment PLN-06-66

Mayor Frank presented A RESOLUTION AMENDING THE FRAMEWORK FOR THE FUTURE TO IDENTIFY THE USE OF PROPERTY IDENTIFIED HEREIN TO BE MIXED USE. He advised this resolution amended the City's Comprehensive Plan known as "Framework for the Future" to change the land uses for properties located at 75 Yorktown Road, 165 and 185 Yorktown Road and 350 Yorktown Road from Neighborhood Commercial, Industrial, and under study by the Endview Task Force to Mixed Use, along with removal of the Northern Bypass. The Planning Commission voted 8:0 to recommend to City Council the approval of this Plan amendment, and the City Manager concurred with the recommendation.

Mr. Larry Horton, Style Craft Homes, 103 N. 29th Street, Richmond, having visited several L. M. Sandler & Sons developments and performed due diligence, in three states, spoke positively on behalf of the Asheton project. He indicated Newport News was fortunate to have a firm of this caliber. He urged City Council approve this Plan amendment.

Mr. Gordon Gentry, Jr., Chairman, Economic Development Authority (EDA), urged City Council approve this Plan amendment. He indicated the proposed mixed-use designation was an appropriate land use for the Endview, Carleton Farms, and the Hoover-Clement properties. The mixed-use designation would allow for a flexible land-planning proposal that would benefit the Lee Hall community and the citizens of Newport News. The EDA endorsed the Plan amendment and urged Council vote in favor of the same.

3. Public Hearings Continued
 - (a) "Framework for the Future" Comprehensive Plan Amendment PLN-06-66 Continued

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

Vote on Roll Call:

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

Nays: None

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

Councilwoman McMillan expressed disappointment that after previous discussion on the library, that a re-zoning was being considered and an increased density in the Lee Hall Village, which totally ignored the purpose of the Lee Hall Village Plan. She was under the impression that the Lee Hall Village Plan would be considered through the Asheton process. Councilwoman McMillan expressed concern and indicated the City should not proceed without coming forth with the cost for transportation infrastructure that comes with the Asheton development. There were traffic impact studies, revenue and cost projections that had not been reviewed or considered. She indicated there was nothing that defined the cost to the City for the initial phases of the Asheton development. The developer was bound to improve Yorktown Road, from the southern end of the Hoover property to Crafford Road, and the traffic impact study went far beyond that as to what needed to be done for this project, to Jefferson Avenue, to Warwick Boulevard, eliminating the Northern Bypass, the Southern Bypass. The other infrastructure improvements needed to be made at the beginning of the project, not in a 30-year projection. Councilwoman McMillan indicated she could not proceed without knowing the cost to the citizenry in the short-term, as well as the long-term. She inquired what would occur to other City projects in the coming years, i.e. improvements to Richneck Road, Atkinson Way, Middle Ground Boulevard. She further inquired how the City would pay for improvements, the time frame, and the total cost. These questions must be answered before the City proceeded.

Vote on Roll Call:

Ayes: Haskins, Scott, Whitaker, Bateman, Frank

Nays: McMillan

- (b) Change of Zoning CZ-06-223, Economic Development Authority of the City of Newport News

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

3. Public Hearings Continued
 - (b) Change of Zoning CZ-06-223, Economic Development Authority of the City of Newport News Continued

SAID MAP IS MADE A PART OF THE SAID ORDINANCE NO. 5028-97. He advised this ordinance changed the zoning of 436 acres located at 75 Yorktown Road, 165 and 185 Yorktown Road and 350 Yorktown Road from R-1 Single Family Dwelling, M-1 Light Industrial, C-1 Retail and O-2 Office Park to R-9 Mixed Use. The Planning Commission voted 8:0 to recommend to City Council the approval of this rezoning request, and the City Manager concurred with the recommendation.

Mr. Art Sandler, L. M. Sandler & Sons, Inc., reflected over the 10-year process for the project, beginning when the City purchased the property in the Endview/Lee Hall area, around historic homes, in an effort to prevent unplanned growth and development. Through the plans, the concept of Asheton was shaped and strengthened by ongoing citizen participation, intensive staff review, and constant review by the EDA and City Council. It was his belief that the special features defined the community and would become a landmark for the City of Newport News. The plan reflected the commitment by L. M. Sandler & Sons, Inc. to create a transformational community that would respect the land and history, be sensitive to the environment and the watershed, would value Lee Hall and Endview, as well as deliver the benefits of a quality neighborhood. Mr. Sandler commended former City Manager Ed Maroney; Assistant City Manager, Neil Morgan; Director of Development, Florence Kingston; the City Planning staff, and City Council who worked tirelessly on the project. Mr. Sandler indicated L. M. Sandler & Sons would like to get started on the project as soon as possible, and would submit engineering plans by the end of 2006 in an effort to break ground by July 2007.

Mr. Mark Jones, Looney Ricks Kiss Architects, Inc., Town Planner and Architect, 1120 Celebration Avenue, Celebration, Florida, indicated this plan comprised all of the pieces essential in creating a sense of community, and was unique and responsive to its own site. There role would be to follow-up with design, review, and implementation of the guidelines to verify that quality and integrity were maintained, and supported the vision of creating a legacy community.

Mr. Thomas Sullivan, 119 James Landing Road, Realtor with Abbitt Realty, urged favorable action to the zoning request. He indicated Asheton was an exciting project that would improve and expand the City's housing stock, and would provide a wide variety of affordable housing choices to the community. He looked forward to being a part of the project.

Mr. Charles Wornom, 36 Spottswood Lane, President of Abbitt Realty Company, reminded that he was a part of the Sandler presentation team in 2004 when Council considered request for qualifications to determine which development team would lead the development of Endview and Lee Hall. Asheton had been a combined effort of the Sandler organization, the EDA, the citizens, City staff, Planning Commission and City Council. He stated Asheton would be a signature landmark development of which the residents of the City and the region could be

3. Public Hearings Continued
 - (b) Change of Zoning CZ-06-223, Economic Development Authority of the City of Newport News Continued

proud, and would provide housing opportunities that did not exist. He encouraged City Council's endorsement of the project, as well as the approval of the zoning issues before them.

Mr. Gordon Gentry, Jr., Chairman, Economic Development Authority (EDA), expressed support for what the EDA felt would be one of the most exciting, transformational communities in Hampton Roads. Following two years of hard work and collaboration, the EDA was confident that efforts would result in a dynamic, upscale neighborhood that would strengthen the character and vitality of Lee Hall, while bringing a fiscally positive return to the City. The EDA further believed that the right team was in place to achieve these aims. L. M. Sandler had engaged a nationally renowned team of architects, planners, and engineers, who were prepared to shape Asheton into an inviting, quality community. It would foster a sense of place while preserving and enhancing the sensitive, environmental and historic resources of Endview and Lee Hall. The EDA encouraged Council to approve this re-zoning.

Ms. Chris Bridge, 11001 Old Church Road, New Kent, considered herself a prospective home buyer in Asheton. Having worked with the Asheton project for the past three years to promote community participation and feedback about the project. She mentioned key people whom she had worked with over the past three years that were unable to be present, but had specific comments of support to present - Sarah and Tom Huddleston, Yorktown Road residents; Barbara Lucas, owner of the Boxwood Inn; and Pastor Dennis Worsham, of Lebanon Church; all of whom had provided ongoing guidance, feedback, and comments.

Councilman Haskins commended Chris Bridge for her work with the General Assembly in the past legislative session and keeping Council informed regarding issues that would affect the City.

Mr. John Quarstein, representing the Virginia War Museum Foundation Board of Directors, indicated that Endview and Lee Hall were a great part of local history, and what made Newport News Newport News. He indicated that L. M. Sandler & Sons gave great respect to the cultural landscape and view sheds of Lee Hall Mansion and Endview Plantation. Asheton and the development that was created, had provided certain critical view shed land for both Lee Hall and Endview. On behalf of the Virginia War Museum Foundation, Mr. Quarstein stated that it had been a pleasure to work with the Sandler team, who had done what they said they would do as far as historic preservation was concerned.

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

Vote on Roll Call:

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

Nays: None

3. Public Hearings Continued
 - (b) Change of Zoning CZ-06-223, Economic Development Authority of the City of Newport News Continued

Councilwoman Scott inquired whether Crafford Road would be used as an access into the project, and whether it would be improved with other infrastructure once the project was started. Mr. John Kaoudis, Transportation Services, Department of Engineering, responded specific to the development of Asheton, there were improvements determined to be necessary at the intersection of Crafford Road and Yorktown Road; and as part of the development plan review for the access points that would come into Crafford Road, there would be localized improvements along that frontage. The turning movements, the direction of traffic, was coming more from the Jefferson Avenue/Interstate 64 corridor and did not warrant turn lanes or a widening. When the development streets came in along Crafford Road, half of a city street would be constructed, curving or improvements made to that part of the road, along the front of the development.

Councilwoman McMillan inquired when referring to the development plan, whether this referred to the responsibility for doing the work. Mr. Kaoudis replied under traditional development, the developer would be responsible for that aspect of the design of the entrance, which was staff's expectation. Councilwoman McMillan inquired whether there would be improvements to the road. Mr. Kaoudis responded, localized improvements at the entrance, but not additional lanes on Crafford Road.

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

Councilwoman Scott commented to the Sandler team, and indicated that she was confident that Asheton was the best project for this valuable piece of land. She expressed support for the project and looked forward to the end product.

Councilman Haskins concurred with comments made by Councilwoman McMillan regarding the impact of traffic and the cost of necessary improvements, and requested that the City Manager be very aware of studies and details as the City moved forward in capital investments, and to try to manage the City's investment.

Councilwoman McMillan reminded that the City had accepted \$600,000.00 in federal money approximately six years ago for the engineering designs for the improvements and realignment of Yorktown Road, before Asheton came on board, and inquired whether the City would be required to repay those federal funds, since the plan was not going to be used. City Manager Hildebrandt responded he was not familiar with the issue and would investigate the matter.

Mayor Frank reflected back some years ago when he felt the time might be right to look at Endview after the citizens were upset about a proposed shopping mall at the site, to see

3. Public Hearings Continued
 - (b) Change of Zoning CZ-06-223, Economic Development Authority of the City of Newport News Continued

what the business community might propose. City Council agreed to create an opportunity for the business community to come forward with response to a request for qualifications. He pointed to the fact that there was no one present other than those who were in support of, and part of the project, and indicated it spoke a great deal about the development company, and the Planning, Development, and City Manager's staff. This project was one of huge magnitude and took a great deal of staff time. Mayor Frank commended the development team for coming up with an outstanding project. He expressed his support for the project and stated he looked forward to an exciting project as the years unfolded.

Vote on Roll Call:

Ayes: Haskins, Scott, Whitaker, Bateman, Frank

Nays: McMillan

- (c) "Framework for the Future" Comprehensive Plan Amendment PLN-06-64

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 resolution amended the City's Comprehensive Plan known as "Framework for the Future" to change the identified land use designation of 1.34 acres located at 5015 and 5005 Huntington Avenue, 245 50th Street, and 250 51st Street from Community Facility to Community Commercial. The Planning Commission voted 9:0 to recommend to City Council the approval of this plan amendment, and the City Manager concurred with the recommendation.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

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

Vote on Roll Call:

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

Nays: None

3. Public Hearings Continued

(d) Change of Zoning CZ-06-215, Huntington Avenue Health Investors, L.L.C.

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 ASESMENT 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 ordinance changed the zoning of 1.23 acres at 5015 Huntington Avenue, 245-50th Street and 250 51st Street from R-3 Single Family Dwelling to C-1 Retail Commercial. The Planning Commission voted 9:0 to recommend to City Council the approval of this rezoning request, and the City Manager concurred with the recommendation.

(No Speakers)

Mr. Hunter Smith, Roanoke, Virginia, representing Huntington Avenue Health Investors, was available for questions.

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

Vote on Roll Call:

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

Nays: None

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

Mayor Frank inquired about the plans to tear down the existing facility at 5101 Huntington Avenue and to replace it with surface parking, with the idea that the surface parking would be an interim use and at some point a deck parking facility would be constructed. Mr. Smith concurred, indicating Huntington Avenue Health Investors felt the highest and best use would be a multi-story parking garage that would have first floor retail. He stated the project had been in the works for some time, but the difficulty was the large amount of up-front costs. Mr. Smith indicated the ultimate end-user would be the Shipyard. The building, a vacant hospital, had continued to dilapidate with continued issues of vandalism and trespassing. The project had been a collaborative effort between Huntington Avenue Health Investors, City staff and the Huntington Heights neighborhood, who desired to take the building down as soon as possible. Mayor Frank inquired about the sense of timing to move from a surface parking lot to a deck structure. Mr. Smith replied as soon as possible, although discussions had only been conceptual.

Councilman Haskins suggested Mr. Smith contact the Supervisor of Shipbuilding on behalf of Huntington Avenue Health Investors.

3. Public Hearings Continued

- (d) Change of Zoning CZ-06-215, Huntington Avenue Health Investors, L.L.C.
Continued

Vote on Roll Call:

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

Nays: None

- (e) Conditional Use Permit CU-06-196, David L. Feuer

Mayor Frank presented AN ORDINANCE GRANTING CONDITIONAL USE PERMIT NUMBER CU-06-196 FOR THE HEREINAFTER DESCRIBED PROPERTY FOR THE PURPOSE OF OPERATING A CHILD CARE CENTER ON PROPERTY ZONED O-1 OFFICE. He advised this ordinance granted a conditional use permit to operate a child care center on a 0.90 acre parcel zoned O-1 Office at 15322 Jefferson Avenue in the Denbigh North Shoppes Shopping Center. The Planning Commission voted 9:0 to recommend to City Council the approval of this conditional use permit application, and the City Manager concurred with the recommendation.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

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

Councilwoman Scott expressed concern about the Day Care being a non-conforming use since it was in a shopping center and that the City was setting a precedent. Ms. Sheila McAllister, Assistant Director, Department of Planning, responded that the Day Care Center would not be non-conforming. The Day Care Center would be a conforming use if the conditional use permit were approved. She explained the staff report had referred to the fact that the parking there was non-conforming. The additional parking in the back would improve the situation. Councilwoman Scott inquired whether school buses were permitted to go on this property to drop off children. Ms. McAllister responded no, school buses would not be allowed on the property.

Vote on Roll Call:

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

Nays: None

3. Public Hearings Continued
 - (f) Title 36 Plan – South Jefferson Park Redevelopment Plan

Mayor Frank presented A RESOLUTION OF THE COUNCIL OF THE CITY OF NEWPORT NEWS, VIRGINIA, APPROVING THE SOUTH JEFFERSON PARK REDEVELOPMENT PLAN FOR THE CITY OF NEWPORT NEWS. He advised this ordinance approved the South Jefferson Park Title 36 Redevelopment Plan for properties located within the 600 block(s) of 39th Street through 41st Street(s), bounded on the west by Jefferson Avenue and on the east by Madison Avenue. The Planning Commission voted 9:0 to recommend to City Council the approval of this Title 36 Plan, and the City Manager concurred with the recommendation.

Mr. David Harris, 631 46th Street, a resident of the area for 58 years, indicated the South Jefferson Park Redevelopment Plan was a good plan and he would like to see it come to fruition. He urged City Council to vote in favor of the plan.

Reverend Reginald C. Woodhouse, Pastor, First Baptist Church Jefferson Park, 615 42nd Street, urged City Council approve the plan, which would help refurbish and revitalize Jefferson Park and the Southeast Community. He advised of an information symposium on mortgages and money available for first-time home buyers once the plan was approved. He felt the plan would draw persons into the community and help raise property values, and would be of benefit to the Southeast Community, to Jefferson Park, and to the City of Newport News.

Mr. Wilbert Ashe, 4301 Madison Avenue, representing Planning District Task Force I, endorsed the project 100%. The Task Force had been trying to improve the area and to bring businesses in the area, and felt this project would help add to the improvements in the area, and bring persons in. He urged City Council's support of this project.

Mrs. Effie Ashe, 4301 Madison Avenue, a resident of Jefferson Park for over 54 years, expressed excitement about the South Jefferson Park Redevelopment Plan. It was her desire to see Jefferson Park redeveloped to become a place where others would want to live. She urged City Council to vote in favor of this project

Mr. W. L. Maxwell, 544 44th Street, expressed excitement for the South Jefferson Park Redevelopment Plan. He thanked City Council, the Newport News Redevelopment & Housing Authority, the Planning Department, and the Jefferson Park Civic League for not giving up on the project. He urged City Council approval of the South Jefferson Park Redevelopment Plan.

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

Vote on Roll Call:

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

Nays: None

3. Public Hearings Continued
 - (f) Title 36 Plan – South Jefferson Park Redevelopment Plan

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

Councilman Bateman expressed excitement about the South Jefferson Park Redevelopment project and what it would do for the community. Clearing up misconceptions that the City should not be involved with this project, he stated that Council was trying to add value to the City. This project was a very reasonable project because of what would happen in the long-term, i.e. quality housing stock, adding value to the Jefferson Park neighborhood, creating a vibrant neighborhood to which businesses would be attracted.

Councilman Haskins stated this plan came about under the leadership of Vice Mayor Allen. This project would improve the quality of living in the Jefferson Park community. It was one of the oldest community in the City and needed refurbishment to improve the quality of life in the area. Councilman Haskins commended Vice Mayor Allen for his tireless efforts in this endeavor.

Mayor Frank commended Councilman Whitaker, who also played a role and had been a visionary in this project, making Council aware of the opportunity. He concurred that this was a good project and needed to be done. Jefferson Park would be a viable and caring neighborhood and Council had the opportunity to give it a re-birth, a new life, which was exciting and would become a place to build families. Mayor Frank thanked Councilman Whitaker, the Planning staff and NNRHA for making a difference and expressed his support for the project.

Councilman Whitaker, a Jefferson Park resident for 45 years, acknowledged fellow residents of the neighborhood, and stated Jefferson Park would have a ripple-effect on the community. He expressed excitement and his support for the South Jefferson Park Redevelopment project. He vowed to continue to work and represent Jefferson Park.

Vote on Roll Call:

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

Nays: None

- (g) Authorization to Issue General Obligation General Improvement Bonds –Interim Capital Improvements Plan

Mayor Frank presented AN ORDINANCE AUTHORIZING THE ISSUANCE OF FORTY-SIX MILLION SEVEN HUNDRED TWENTY THOUSAND DOLLARS (\$46,720.00) PRINCIPAL AMOUNT OF CITY OF NEWPORT NEWS, VIRGINIA, GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF VARIOUS PUBLIC IMPROVEMENT PROJECTS OF AND FOR THE CITY, FIXING THE FORM, DENOMINATION AND CERTAIN OTHER DETAILS OF SUCH BONDS; PROVIDING FOR THE SALE OF SUCH

3. Public Hearings Continued
 - (g) Authorization to Issue General Obligation General Improvement Bonds –Interim Capital Improvements Plan Continued

BONDS AND DELEGATING TO THE CITY MANAGER CERTAIN POWERS WITH RESPECT THERETO; AUTHORIZING THE PREPARATION AND DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT RELATING TO THE BONDS; AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER A CONTINUING DISCLOSURE CERTIFICATE OR A CONTINUING DISCLOSURE AGREEMENT RELATING TO THE BONDS; AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION GENERAL IMPROVEMENT BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; SPECIFYING MORE PARTICULARLY THE PURPOSES TO WHICH THE PROCEEDS SHALL BE APPLIED; AND PROVIDING THAT THE AUTHORIZATION OF SUCH BONDS IS IN LIEU OF AND IN SUBSTITUTION FOR GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS AUTHORIZED BUT UNISSUED UNDER AND PURSUANT TO ORDINANCE NO. 6238-06. He advised this ordinance authorized the issuance of General Obligation General Improvement Bonds in an amount not to exceed \$46,720,000.00 to finance various capital projects contained in the City's interim Capital Improvements Plan. Approval of this revised bond authorization allowed City Council, prior to June 30, 2007, to appropriate an additional \$21,460,000.00 for capital projects that did not have allocations authorized in the City's bond authorization. This ordinance rescinded previous bond authorizations for authorized and unissued general obligation general improvement bonds in the amount of \$25,260,000.00. The ordinance authorized the issuance of bond anticipating notes if needed in advance of the actual issuance of the bonds. This new bond authorization would finance an interim Capital Improvements Plan for the first six to nine months of Fiscal Year 2007 until a new CIP was presented to City Council.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

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

Vote on Roll Call:

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

Nays: None

3. Public Hearings Continued

(h) Virginia Resources Authority Loan

1. Authorization to Issue General Obligation General Improvement Bonds

Mayor Frank presented AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED THREE MILLION FIVE HUNDRED TWENTY THOUSAND DOLLARS (\$3,520,000.00) PRINCIPAL AMOUNT OF GENERAL OBLIGATIONS OF THE CITY OF NEWPORT NEWS, VIRGINIA, IN THE FORM OF GENERAL OBLIGATION GENERAL IMPROVEMENT BONDS OF THE CITY OF NEWPORT NEWS, VIRGINIA, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COST OF CAPITAL IMPROVEMENT PROJECTS OF AND FOR THE CITY, INCLUDING, WITHOUT LIMITATION, SEWER REHABILITATION PROJECTS AND OTHER CAPITAL IMPROVEMENTS TO THE WASTEWATER TREATMENT AND SANITARY SEWER SYSTEM OWNED AND OPERATED BY SUCH CITY; APPROVING THE FORM OF SUCH BONDS AND DELEGATING TO THE CITY MANAGER AUTHORITY TO APPROVE CERTAIN DETAILS OF SUCH BONDS; APPOINTING THE CITY TREASURER AS REGISTRAR AND PAYING AGENT FOR SUCH BONDS; PROVIDING FOR THE ISSUANCE OF SUCH BONDS TO THE VIRGINIA RESOURCES AUTHORITY, AS ADMINISTRATOR OF THE VIRGINIA WATER FACILITIES REVOLVING FUND, TO EVIDENCE THE BORROWING TO BE MADE BY SUCH CITY FROM SUCH FUND PURSUANT TO A FINANCING AGREEMENT BY AND BETWEEN SUCH AUTHORITY AND SUCH CITY; AND AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF SUCH FINANCING AGREEMENT. He advised this ordinance authorized the issuance of General Obligation General Improvement Bonds in an amount not to exceed \$3,520,000.00 to finance the costs of wastewater treatment and sanitary sewer system capital projects. This bond authorization secured the City's next loan from the Virginia Resources Authority, and would fund scheduled wastewater treatment and sanitary sewer system projects contained in the City's Capital Improvements Plan.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

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

Vote on Roll Call:

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

Nays: None

3. Public Hearings Continued
 - (h) Virginia Resources Authority Loan
 2. Interest Rate Reductions on Virginia Resources Authority Loans

Mayor Frank presented AN ORDINANCE DELEGATING AUTHORITY TO THE CITY MANAGER TO EXECUTE AND DELIVER AMENDMENTS TO FINANCING AGREEMENTS BY AND BETWEEN THE CITY AND THE VIRIGNIA RESOURCES AUTHORITY AS ADMINISTRATOR OF THE VIRGINIA WATER FACILITIES REVOLVING FUND AND AUTHORIZING THE EXECUTION AND DELIVERY OF AMENDMENTS TO THE BONDS ISSUED UNDER SUCH FINANCING AGREEMENTS TO REDUCE THE SEMIANNUAL DEBT SERVICE PAYMENTS DUE AND PAYABLE UNDER SUCH FINANCING AGREEMENTS AND SUCH BONDS AND TO REDUCE THE RATE OF INTEREST PER ANNUM PAYABLE ON ANY BONDS ISSUED IN INTEREST-BEARING FORM. He advised this ordinance authorized the execution of amendments to previous loan documents between the City and the Virginia Resources Authority to effectuate interest rate reductions. The City had borrowed monies form the Virginia Water Facilities Revolving Fund, for the past thirteen years, at substantially reduced loan rates to pay the cost of capital improvements to the City's sewer system. These amendments pertained to the annual loans from 1993 through 1998. The amendments provided interest rate reductions which saved the City \$605,000.00 in debt service payments over the life of the loans.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

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

Vote on Roll Call:

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

Nays: None

- (i) Lease of City-Owned Property to Alltel Communications, Inc.

Mayor Frank presented A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST, ON BEHALF

3. Public Hearings Continued

(i) Lease of City-Owned Property to Alltel Communications, Inc. Continued

Mayor Frank presented 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 TOWER ATTACHMENT LEASE BY AND BETWEEN THE CITY OF NEWPORT NEWS, VIRGINIA, AND ALLTEL COMMUNICAITONS, INC. DATED THE 27TH DAY OF JUNE, 2006, FOR TOWER SPACE LOCATED AT OR NEAR 519 INDUSTRIAL PARK DRIVE, NEWPORT NEWS, VIRGINIA. He advised this resolution authorized the execution of a lease renewal of tower space on the City-owned Lee Hall Tower to Alltel Communications, Inc. This lease involved tower space and property on the ground adjacent to the tower on this City-owned tower located at 519 Industrial Park Drive. This was a renewal for an existing five-year lease between the City and Alltel that expired June 30, 2006. This renewal was for a five-year term with the first year rent of \$22,973.07, which was a 5% increase. The new lease rental payments were to increase annually by an amount equal to five percent. All other terms and conditions remained unchanged. The City's consultant determined that the payment schedule of this renewal was consistent with current market pricing for comparable installations.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

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

Vote on Roll Call:

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

Nays: None

4. Consent Agenda

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

(a) Minutes of Work Session of June 13, 2006

Vote on Roll Call:

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

Nays: None

4. Consent Agenda Continued

(b) Minutes of Special Meeting of June 13, 2006

Vote on Roll Call:

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

Nays: None

(c) Minutes of Regular Meeting of June 13, 2006

Vote on Roll Call:

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

Nays: None

(d) Office on Youth Development Name Change

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 2, ADMINISTRATION, ARTICLE XVI, CITY SUPPORT FOR YOUTH DEVELOPMENT. This ordinance changed the name of the Office on Youth Development to the Office on Children, Youth and Families. This action implemented a recommendation made in April 2006 to change the name of the office to a name that better communicated its mission. The new name better defined the full scope of the work on the office on behalf of children, youth and families.

Vote on Roll Call:

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

Nays: None

(e) Fiscal Year 2006 Virginia Wastewater Revolving Loan Fund Application

A RESOLUTION APPROVING THE SUBMISSION OF AN APPLICATION FOR STATE ASSISTANCE FROM THE VIRGINIA REVOLVING LOAN FUND. This resolution authorized the execution of an application by the City to secure a loan from the Virginia Wastewater Revolving Loan Fund (VRLF) for sewerage construction projects. The Virginia State Water Control Board pre-approved the City for a \$3.2 million loan, and the City needed to file its application to secure the loan. The VRLF provided low interest funding for construction of municipal sanitary sewer facilities, and the City had utilized these loans for many years. The Board would establish the final loan amount and the interest rate at the time of loan closing in the summer of 2006. A listing of the projects for which these loan funds were used is included in an attached memorandum from the City Manager.

Vote on Roll Call:

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

Nays: None

5. Construction of Public Works Annex Building

A. Appropriation of Funding

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 BONDS AUTHORIZED AND UNISSUED – PUBLIC BUILDINGS (\$4,429,000.00) TO PUBLIC WORKS ANNEX (\$4,429,000.00). This resolution appropriated \$4,429,000.00 from Fiscal Year 2006 Bonds Authorized and Unissued for construction of the Public Works Annex Building at the Oyster Point Operations Center. This replacement structure would be a one-story facility of approximately 16,400 square feet, and would be built on the site of the previous building. This building would house the Stormwater and Wastewater Divisions of Public Works, a Utility Call Center, Training areas, Shop and Maintenance areas, support staff, and a covered truck garage. It would also serve as a staging area for personnel and equipment for clean-up during and after emergency events.

(No Speakers)

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

Vote on Roll Call:

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

Nays: None

B. Award of Bid

Councilman Whitaker moved to award the bid for construction of the Public Works Annex Building to the low bidder, Ritchie Curbow Construction, Inc., in the amount of \$4,062,800.00; seconded by Councilman Bateman. The low bidder had performed other construction projects for the City in a satisfactory manner and was recommended for this project by the City's Department of Engineering.

(No Speakers)

Vote on Roll Call:

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

Nays: None

6. Appropriations

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

(a) Fire Equipment

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 BONDS

6. Appropriations Continued

(a) Fire Equipment Continued

AUTHORIZED AND UNISSUED – CAPITAL EQUIPMENT (\$1,599,860.00) TO FIRE EQUIPMENT (\$1,599,860.00). This resolution appropriated \$1,599,860.00 from Fiscal Year 2006 Bonds Authorized and Unissued to purchase three fire suppression vehicles. This purchase would replace three fire suppression vehicles that exceeded fifteen years of active service, yet were still in front line assignments. This purchase included one 100-foot aerial platform and two engines. The City had the opportunity to purchase these replacement units as a block by taking advantage, before July 2006, of manufacturer's demonstrator programs, along with multiple unit purchase discounts.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(b) Replacement of Emergency Generators – City Hall Building

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 AUTHORIZED AND UNISSUED – PUBLIC BUILDINGS (\$500,000.00) TO REPLACEMENT OF EMERGENCY GENERATORS AT THE CITY HALL BUILDING (\$500,000.00). This resolution appropriated \$500,000.00 from Fiscal Year 2006 Bonds Authorized and Unissued, to implement Phase 2 of the City Hall Building Emergency Generator Replacement Project. This total project involved electrical upgrades and the replacement of emergency generators. Phase 1 included the design work that was completed by the engineering firm of Matthew Thompson and Associates, as well as a portion of the associated upgrade work in the basement of City Hall. This final phase, Phase 2, involved the replacement of two existing water-cooled generators with one air-cooled generator that would be located outside of the building.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(c) Additional Funding Requirement – City Manager's Office

A RESOLUTION APPROPRIATING FUNDS FROM GENERAL FUND UNAPPROPRIATED FUND BALANCE (\$105,000.00) TO CITY MANAGER'S FY 2006 OPERATING BUDGET (\$105,000.00). This resolution appropriated \$105,000.00 from the General Fund Unappropriated Fund Balance to fund additional expenses for Fiscal Year 2006 in the City Manager's Office. This was a one-time addition to the funding for this cost center to co-

6. Appropriations Continued

(c) Additional Funding Requirement – City Manager’s Office Continued

ver anticipated year-end costs. This additional fund covered the cost of the leave payout for the former City Manager, and the additional costs associated with moving one Assistant Manager and one Executive Assistant fully back into the City Manager cost center from Waterworks.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(d) Additional 2005 Homeland Security Grant Funding

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL REVENUE – DEPARTMENT OF HOMELAND SECURITY – EMERGENCY MANAGEMENT (\$10,704.00); FEDERAL REVENUE – DEPARTMENT OF HOMELAND SECURITY – FIRE (\$10,704.00); FEDERAL REVENUE – DEPARTMENT OF HOMELAND SECURITY – POLICE (\$10,704.00); AND FEDERAL REVENUE – DEPARTMENT OF HOMELAND SECURITY – SHERIFF (\$10,703.00) TO 2005 DEPARTMENT OF HOMELAND SECURITY GRANT – EMERGENCY MANAGEMENT (\$10,704.00) 2005 DEPARTMENT OF HOMELAND SECURITY GRANT – FIRE (\$10,704.00); 2005 DEPARTMENT OF HOMELAND SECURITY GRANT – POLICE (\$10,704.00) AND 2005 DEPARTMENT OF HOMELAND SECURITY GRANT – SHERIFF (\$10,703.00). This resolution appropriated \$41,815.00 of additional Federal Homeland Security Grant Funding for use by the City’s Public Safety and Corrections Departments. This additional grant funding was from the Fiscal Year 2005 Homeland Security Grant program, and was used by the City to enhance coordination of regional efforts to prevent, respond to and recover from acts of terrorism and natural disasters. The City’s Department of Emergency Management used its share of the additional funding for computer software, and the public safety and corrections departments used their shares for mobile data completers and an X-ray machine. There was no local match requirement for this additional grant funding.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(e) Juvenile Accountability Incentive Block Grant

A RESOLUTION APPROPRIATING FUNDS FROM FEDERAL REVENUE (\$10,000.00) TO INFORMATION TECHNOLOGY EQUIPMENT (\$10,000.00). This resolution

6. Appropriations Continued

(e) Juvenile Accountability Incentive Block Grant Continued

appropriated \$10,000.00 of Special Award Federal Grant Revenue for the City's Department of Juvenile Services. This was a special one-time federal grant to the City from the Juvenile Accountability Incentive Block program. These grant monies were used to purchase computerized "smart boards" that allowed better tracking of committed juveniles in Secure Detention. No local funds match was needed for this grant.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(f) Police Department Construction Projects

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 POLICE DEPARTMENT (\$140,765.00), HILTON AMOCO STATION (\$8,393.00) AND WIRELESS E-911 REVENUE (\$148,000.00) TO POLICE HILTON COMMUNITY CENTER (\$27,148.00) AND POLICE DISPATCH CENTER (\$270,010.00). This resolution appropriated \$140,765.00 from the Fiscal Year 2006 Police Department Operating Budget; \$8,393.00 of Community Donations; and \$148,000.00 of unestimated wireless E-911 Revenue for two Police Department construction projects. The first construction project converted the garage portion of the Police Department Hilton Community Center into classrooms. The second project provided renovations to the Dispatch Center in the basement of City Hall to include secure restrooms, a small kitchen facility and an applicant-testing center. No other local funds were needed for these two projects.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(g) Emergency Generators – Public Emergency Shelters

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 BONDS AUTHORIZED AND UNISSUED – PUBLIC BUILDINGS (\$500,000.00) TO INSTALLATION OF EMERGENCY GENERATORS (\$500,000.00). This resolution appropriated \$500,000.00 from Fiscal Year 2006 Bonds Authorized and Unissued for the installation of emergency generators and automatic transfer switches for public emergency shelters at Warwick and Denbigh High Schools; and the installation of generator hook-ups and transfer switches at Newsome Park Elementary School and Dozier Middle School. These projects were included in the recommendations made by the City's consulting engineering firm in

6. Appropriations Continued

(g) Emergency Generators – Public Emergency Shelters Continued

a report compiled following a comprehensive study of needs for emergency power city-wide. The projects recommended in the report were being implemented in a systematic manner according to a priority system, and some would be considered for funding as part of the forthcoming capital budget planning process for Fiscal Year 07-08 and beyond.

(No Speakers)

Vote on Roll Call:

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

Nays: None

(h) Emergency Generators – Health Department

A RESOLUTION APPROPRIATING FUNDS FROM FY 2006 BOND FUND BALANCE (\$150,000.00) AND REVENUE FROM THE FEDERAL GOVERNMENT (\$50,000.00) TO PENINSULA HEALTH CENTER EMERGENCY GENERATOR (\$200,000.00). This resolution appropriated \$150,000.00 from Fiscal Year 2006 Bond Fund Balance, and \$50,000.00 of Federal Grant Revenue for the installation of an emergency generator at the Peninsula Health Center. This project involved the installation of an emergency generator and an automatic transfer switch using a combination of unspent balances from previous bond appropriations, and a federal grant. This proposed installation was on the top priority category of a report of recommendations that were compiled by the City's consulting engineer.

(No Speakers)

Vote on Roll Call:

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

Nays: None

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

Mr. Richard Samms, 325 Wendwood Drive, requested that Council review Ordinance 19 of the City Code, which dealt with garbage, litter, and other solid waste. Mr. Samms expressed concern about excessively high fees for leaving garbage containers on the street beyond pick-up day. He felt the penalties were excessive.

Mayor Frank thanked Mr. Samms for bringing the matter to Council's attention and requested the City Manager conduct a review and re-evaluation of the matter. Councilwoman McMillan inquired whether this would be a re-evaluation of the fee or the ordinance. She stressed that she did not want the ordinance re-evaluated.

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

Mr. Gregory Cherry, 617 27th Street, highlighted the ongoing economic developments in the historic Southeast Community, and some of the programs with the James A. Fields House.

Mr. Cherry commented favorably on community efforts to promote utilization of the Farmers Market, via a mentoring program and a community gardening program, in an effort to attract customers and vendors. He commented that the Farmers Market was one of the most attractive facilities, but lacked a few components, i.e. walk-in freezers, coolers, ice machines, and more storage. Mr. Cherry requested a concession be made to have a storage cooler, ice machines and additional storage. He felt this would attract vendors and would add value.

Mayor Frank concurred. He stated that lack of freezer and storage space was a deterrent to the full development and the utilization of the Farmers Market. He felt the City had never developed the program and support mechanisms necessary to have the Market perform like the facility should. He requested the City Manager review available opportunities, and what could be added to attract merchants and customers.

Councilman Whitaker concurred. Councilman Haskins concurred, but indicated the cost benefit needed to be determined.

Mayor Frank indicated this would take effort. He suggested the possibility of a private enterprise operating the Farmers Market.

City Manager Hildebrandt responded that he would review the situation and provide recommendations regarding the cost and the economics, and whether the City could franchise or lease out the operation to another entity willing to make the improvements.

8. New Business and Councilmember Comments

(a) City Manager Hildebrandt commented on the enforcement of the City's Solid Waste rules and regulations. He spoke with Mr. Reed Fowler, Director, Department of Public Works, and requested a review of the issues that were raised. City Manager Hildebrandt indicated the City needed to improve on public information and public education of the Solid Waste rules and regulations. City Manager Hildebrandt advised that the intent of the fees in the ordinance was to go after repeat violators of the ordinances.

Councilwoman McMillan inquired about the number of Solid Waste Inspectors. City Manager Hildebrandt replied the City only had two or three Solid Waste Inspectors, which limited the ability to perform inspections and enforce the policy.

Councilwoman McMillan reminded of the Partners in Neighborhoods Program, which was used as an educational tool years ago. She felt there was one large segment of the

8. New Business and Councilmember Comments Continued

population that had been educated about local property codes, but had not seen much change, and felt people would continue to abuse the ordinance unless there was immediate consequence.

(b) Councilwoman McMillan presented A RESOLUTION OF RECOGNITION FOR RICHARD RINALDO FOR OUTSTANDING ACHIEVEMENT. Mr. Rinaldo won five (5) gold medals in the State Senior Games and would represent the City of Newport News in the National Senior Games in 2007.

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

Vote on Roll Call:

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

Nays: None

Councilwoman McMillan commended youth volunteers from Olivet Christian Church for their service picking up trash, pulling weeds, and tidying the neighborhoods in the North District near the North Precinct and the Boys & Girls Club on Thorncliff Drive.

Councilwoman McMillan reported a dip in the portion of Ridgewood Drive at the front entrance to Mary Immaculate Hospital and asked that it be looked into before a serious accident occurred.

(c) Councilwoman Scott indicated she had also received complaints concerning the dip in the portion of Ridgewood Drive at the entrance to Mary Immaculate Hospital.

Councilwoman Scott thanked the citizens in the North District for their attendance at the June 26th Town Hall Meeting. She further thanked the City Manager, Randy Hildebrandt and Jack Williamson, Emergency Management Coordinator, for their participation at that meeting.

Councilwoman Scott thanked the citizens, City Manager, and City staff for their support during her first four-year term of office.

THERE BEING NO FURTHER BUSINESS,
ON MOTION, COUNCIL ADJOURNED AT 9:33 P.M.

Mabel V. Washington, CMC
City Clerk

Joe S. Frank
Mayor

A true copy, teste:

City Clerk