

**April 12, 2016  
Regular Meeting**

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL HELD APRIL 12, 2016**

A Regular Meeting of the City Council of the City of Hopewell, Virginia, was held Tuesday, April 12, 2016, at 6:00 p.m. in the City Council Chambers, Municipal Building, 300 North Main Street, Hopewell, Virginia.

PRESENT: Brenda S. Pelham, Mayor  
Christina J. Luman-Bailey, Vice Mayor  
Arlene Holloway, Councilor  
Anthony J. Zevgolis, Councilor  
Jasmine E. Gore, Councilor  
K. Wayne Walton, Councilor  
Jackie M. Shornak, Councilor

Mark A. Haley, City Manager  
Stefan M. Calos, City Attorney  
Ross A. Kearney III, City Clerk

**ROLL CALL**

Vice Mayor Luman-Bailey opened the meeting at 6:00 p.m. Roll call was taken as follows:

Mayor Pelham	-	absent (arrived @ 6:12 p.m.)
Vice Mayor Luman-Bailey	-	present
Councilor Holloway	-	present
Councilor Zevgolis	-	present
Councilor Gore	-	present
Councilor Walton	-	present
Councilor Shornak	-	present

**MOTION TO AMEND AGENDA**

A motion was made by Councilor Walton, and seconded by Councilor Gore to amend the April 12, 2016 agenda and add under Regular Business R-6 – Budget Resolution to Amend Fiscal Year 2015-16 Budget. Upon the roll call, the vote resulted:

Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 6-0 Amended Agenda Approved**

**AMENDED CLOSED MEETING**

A motion was made by Councilor Walton, and seconded by Councilor Shornak to amend the closed meeting and go into closed meeting for: (I) discussion of specific appointees of City Council (Board of Equalization, John Tyler Community College Board, Hopewell Redevelopment and Housing Authority,

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and City Clerk); (II) discussion or consideration of the acquisition of real property for a public purpose, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of city council; (III) discussion concerning a prospective business or the expansion of an existing business where no previous announcement has been made of the business' interest in locating or expanding its facilities in the community; (IV) consultation with legal counsel employed or retained by city council regarding specific legal matters requiring the provision of legal advice by such counsel, in accordance with Virginia Code § 2.2-3711 (a) (1) (3) (5) & (7), respectively. Upon the roll call, the vote resulted:

Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 6-0 Approved**

**RECONVENE - OPEN MEETING**

Council convened into Open Session. Councilors responded to the question: “Were the only matters discussed in the Closed Meeting public business matters lawfully exempted from open meeting requirements; and public business matters identified in the motion to convene into Closed Session?” Upon the roll call, the vote resulted:

Mayor Pelham	-	yes*
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

(\* Mayor Pelham having arrived after the roll call was taken to go into closed meeting, was aware of the amended closed meeting notice)

**Vote Result: 7-0 YES**

**REGULAR MEETING**

**ROLL CALL**

Mayor Pelham opened the regular meeting at 7:50 p.m. Roll call was taken as follows:

Mayor Pelham	-	present
Vice Mayor Luman-Bailey	-	present
Councilor Holloway	-	present
Councilor Zevgolis	-	present
Councilor Gore	-	present
Councilor Walton	-	present
Councilor Shornak	-	present

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**PRAYER AND PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA**

Prayer was led by Chaplain Danny Tucker, followed by the Pledge of Allegiance to the Flag of the United States of America.

**CONSENT AGENDA**

Motion was made by Councilor Walton, and seconded by Councilor Gore, to approve the Consent Agenda, Minutes: January 2015 through April 2015; Pending; Pending List: Updated List Provided; Information for Council Review – NEW TBR & TBR Advertisement; April 26, 2016 - Wear Ties for the James House Child Abuse Awareness & Prevention Month & Sexual Assault Awareness Month; Personnel Change Report/Financial Report – HR Report & Financial Report Provided; Public Hearing Announcement – April 26, 2016 – Public Hearing – Proposed Real Property Tax Increase; Work Session March 28th & April 4th, 2016 Budget Work Sessions; Ordinances on second and final reading: NONE; Routine Grant Approval – NONE; Proclamations/Resolutions/Presentation: Proclamation in Honor of Animal Care and Control Appreciation Week; Child Abuse Prevention Month – Ray Spicer. . Upon the roll call, the vote resulted:

Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolts	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 7-0 Consent Agenda Approved**

**Proclamation**

WHEREAS, the City of Hopewell and The National Animal Care & Control Association is proud to endorse our annual effort to celebrate and promote professionalism within the Animal Care and Control field on the national stage. As with other events designed to promote specific groups, professions, and other important causes, the City of Hopewell and the NACA is pleased to provide all the necessary encouragement for all localities who would like to show their appreciation to all their Animal Care and Control personnel; and

WHEREAS, the week of April 10th through April 16th, 2016 is designed to give recognition to the hard-working men and women of Animal Care and Control who risk their lives and devote huge amounts of personal time and resources, while they serve the public like other public safety and law enforcement agencies empowered with the same duties; and

WHEREAS, this is the week that these hard working and dedicated Animal Care and Control employees should be honored by having the whole community say, "Thank You", for helping when no one else could, or would even know how to; and

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WHEREAS, Animal Care and Control personnel risk life and limb by going out into the public to protect the welfare of helpless animals and pets that are rescued from injury, disease, abuse, and starvation; and

WHEREAS, Animal Care and Control personnel provide the essential community functions of enforcing Animal Control laws, protecting the public from diseases such as rabies, and educating the public on the proper care of the community's pets.

NOW, THEREFORE, BE IT RESOLVED that I, Brenda S. Pelham, Mayor of the City of Hopewell, Virginia, on behalf of the City Council and the citizens of our fair City, do hereby proclaim April 10th through April 16th, 2016, as:

**“Animal Care and Control Appreciation Week”**

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the City of Hopewell in the Commonwealth of Virginia this 12nd day of April, 2016.

*/s/ Brenda S. Pelham*  
Mayor, City of Hopewell

\* \* \* \*

**Proclamation**

WHEREAS, preventing child abuse and neglect is a common problem that depends on involvement among people throughout the community; and

WHEREAS, child maltreatment occurs when people find themselves in stressful situations, without community resources, and don't know how to cope; and

WHEREAS, the majority of child abuse cases stem from situations and conditions that are preventable in an engaged and supportive community; and

WHEREAS, all citizens should become involved in supporting families in raising their children in a safe, nurturing environment; and

WHEREAS, effective child abuse prevention programs succeed because of partnerships created among families, social service agencies, schools, faith communities, civic organizations, law enforcement agencies, and the business community.

NOW, THEREFORE, I, Brenda S. Pelham, Mayor of the City of Hopewell, Virginia, do hereby proclaim April as:

**“Child Abuse Prevention Month”**

And call upon all Hopewell Citizens, community agencies, faith groups, medical facilities and businesses to increase their participation in our efforts to support families, thereby preventing child abuse and neglect and strengthening the communities in which we live.

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IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the City of Hopewell in the Commonwealth of Virginia this 12th day of April, 2016.

/s/ Brenda S. Pelham  
Mayor, City of Hopewell

\* \* \* \*

**PUBLIC HEARINGS**

**PH-1 - Public Hearing - A request to amend the City Code, Chapter 34, Tax Abatement for Rehabilitation/Renovated or Replacement Structures, Section 34-180 (h) Procedures for qualifying; general provisions. The amendment, if approved, would allow rehabilitated or renovated property to utilize public grant funds and be eligible for tax abatement.**

This was the night advertised for a public hearing to consider a request to amend the City Code, Chapter 34, Tax Abatement for Rehabilitation/Renovated or Replacement Structures, Section 34-180 (h) Procedures for qualifying; general provisions. The amendment, if approved, would allow rehabilitated or renovated property to utilize public grant funds and be eligible for tax abatement.

Ms. Tevya Griffin, Director of Planning addressed Council. The City Administration recommends that City Council consider citizen comments and vote on the recommendation by City Administration to approve the amendment to strike Section 180(h) of Chapter 36. Ms. Griffin stated that the City has several strategies to spur economic reinvestment. The tax abatement program, the downtown façade improvement grant, and historic tax credits are three programs that have proved to be successful in drawing developers interested in our revitalization efforts, especially in downtown. It has come to Administration’s attention that the language in Chapter 34, Tax Abatement, Section 34-180 (h), impedes reinvestment. This section requires a developer to use either the tax abatement program or a public grant. It does not allow the use of both incentives.

The public hearing was opened at 8:00 p.m. There being no speakers, the public hearing was closed at 8:01 p.m.

A motion was made by Vice Mayor Luman-Bailey, and seconded by Councilor Gore, to amend and adopt on first reading City Code, Chapter 34, Tax Abatement for Rehabilitation/Renovated or Replacement Structures, Section 34-180 (h) Procedures for qualifying; general provisions. Upon the roll call the vote resulted:

Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 7-0 City Code, Chapter 34 Amended and Adopted**

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**ARTICLE XI. TAX ABATEMENT FOR REHABILITATED/RENOVATED OR REPLACEMENT STRUCTURES**

Sec. 34-176. Partial exemption from real estate taxation for certain rehabilitated/ renovated single-family residential structures.

(a) Exemption authorized. Partial exemption from real estate taxes is provided for qualifying single-family residential property rehabilitated/renovated in accordance with the criteria set out in Article X, Section 6, Paragraph (h) of the Constitution of Virginia and Section 58.1-3220 of the Code of Virginia of 1950, as amended, if eligible according to the terms of the Constitution, the Code of Virginia and the provisions of this article.

(b) When deemed rehabilitated/renovated. For the purposes of this section, single-family residential real estate shall be deemed to be substantially rehabilitated/renovated when such a structure on the real estate, which is no less than twenty-five (25) years old, has been so improved as to increase the base value of the structure by no less than twenty-five (25) percent, but without increasing the total square footage of such structure by more than fifty (50) percent.

(c) Amount of exemption. The amount of the partial exemption provided for in this section shall be equal to the resulting increase in assessed value per the rehabilitation, renovation of a single-family residential property.

(d) Length of exemption. Exemption from taxation of real property qualifying for the residential rehabilitation, renovation or replacement exemption shall run with the land and for the benefit of any owner of such property during each of the five (5) years of exemption. The owner of the property shall be entitled to receive an exemption of one hundred percent (100%) of the increase in the assessed value of the real property as a result of the rehabilitation or renovation, as determined by the real estate assessor, during the first year after completion. In subsequent years, the owner shall be entitled to receive partial exemption from taxation on a declining percentage factor as set out in the table below.

City-wide Residential

Year	Percent Value Exempt
1	100%
2	80%
3	60%
4	40%
5	20%

(e) When the construction of a new structure is achieved through demolition and replacement of an existing structure, this exemption shall not apply when any structure demolished is a registered Virginia landmark, is determined by the State to be eligible for historic designation or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district.

Sec. 34-177. Partial exemption from real estate taxation for certain rehabilitated/ renovated multi-family residential structures.

(a) Exemption authorized. Partial exemption from real estate taxes is provided for qualifying multi-family residential property rehabilitated/renovated in accordance with the criteria set out in Article X, Section 6, Paragraph (h) of the Constitution of Virginia and Section 58.1-3220 of the Code of Virginia of

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1950, as amended, if eligible according to the terms of the Constitution, the Code of Virginia and the provisions of this article.

(b) When deemed rehabilitated/renovated. For the purposes of this section, multi-family residential real estate shall be deemed substantially rehabilitated/renovated when such a structure on the real estate, which is no less than twenty-five (25) years old, has been improved as to increase the base value of the structure by no less than forty (40) percent, but without increasing the square footage of such structure of more than fifty (50) percent.

(c) Amount of exemption. The amount of the partial exemption provided for in this section shall be equal to the resulting increase in assessed value per the rehabilitation, renovation of a multi-family residential property.

(d) Prohibition against converting single-family residential structure to multi-family residential structure. No exemption may be used to convert a single-family residential structure to a multi-family residential structure.

(e) Length of exemption. Exemption from taxation of real property qualifying for the residential rehabilitation, renovation or replacement exemption shall run with the land and for the benefit of any owner of such property during each of the five (5) years of exemption. The owner of the property shall be entitled to receive an exemption of one hundred percent (100%) of the increase in the assessed value of the real property as a result of the rehabilitation or renovation, as determined by the real estate assessor, during the first year after completion. In subsequent years, the owner shall be entitled to receive partial exemption from taxation on a declining percentage factor as set out in the table below.

Multi-family

Year	Percent Value Exempt
1	100%
2	80%
3	60%
4	40%
5	20%

(f) When the construction of a new structure is achieved through demolition and replacement of an existing structure, this exemption shall not apply when any structure demolished is a registered Virginia landmark, is determined by the State to be eligible for historic designation or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district.

Sec. 34-177.1. Partial exemption from taxation for certain rehabilitated, renovated or replacement multi-family residential structures located in the Enterprise Zone.

(a) Exemption authorized. Partial exemption from real estate taxes is provided for qualifying residential property or the adaptive reuse of a property for residential use located in the Enterprise Zone which is rehabilitated, renovated or replaced in accordance with the criteria set out in Article X, Section 6, Paragraph (h) of the Constitution of Virginia and Section 58.1-3220 of the Code of Virginia of 1950, as amended, if eligible according to the terms of the Constitution, the Code of Virginia and the provisions of this article.

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(b) When deemed rehabilitated, renovated or replaced. For the purposes of this section, residential real estate in the Enterprise Zone shall be deemed substantially rehabilitated, renovated or replaced when such a structure on the real estate, which is no less than twenty-five (25) years old, has been so improved as to increase the base value of the structure by no less than fifty (50) percent, but without increasing the total square footage of such structure by more than fifty (50) percent. The replacement of a structure must increase the base value of the structure by no less than one hundred percent (100%) in order to be eligible for the exemption.

(c) Amount of exemption. The amount of partial exemption provided for in this section shall be equal to the increase in assessed value per the rehabilitation, renovation or replacement of a multi-family residential real estate structures within the Enterprise Zone.

(d) Length of exemption. Exemption from taxation of real property qualifying for the residential rehabilitation, renovation or replacement exemption shall run with the land and for the benefit of any owner of such property during each of the ten (10) years of exemption. The owner of the property shall be entitled to receive an exemption of one hundred percent (100%) of the increase in the assessed value of the real property as a result of the rehabilitation, renovation, or replacement, as determined by the real estate assessor, during the first year after completion. In subsequent years, the owner shall be entitled to receive partial exemption from taxation on a declining percentage factor as set out in the table below.

Multi-family in the Enterprise Zone

Year	Percent Value Exempt
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%

(e) When the construction of a new structure is achieved through demolition and replacement of an existing structure, this exemption shall not apply when any structure demolished is a registered Virginia landmark, is determined by the State to be eligible for historic designation or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district.

Sec. 34-178. Partial exemption from taxation for certain rehabilitated, renovated or replacement commercial/mixed use structures located in the Enterprise Zone or Revitalization Zone.

(a) Exemption authorized. Partial exemption from real estate taxes is provided for qualifying commercial/mixed use property located in the Enterprise/Revitalization Zone which is rehabilitated, renovated or replaced in accordance with the criteria set out in Article X, Section 6, Paragraph (h) of the Constitution of Virginia and Section 58.1-3221 of the Code of Virginia of 1950, as amended, if eligible according to the terms of the Constitution, the Code of Virginia and the provisions of this article.

(b) When deemed rehabilitated, renovated or replaced. For the purposes of this section, commercial/mixed use real estate in the Enterprise/Revitalization Zone shall be deemed substantially

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rehabilitated, renovated or replaced when such a structure on the real estate, which is no less than twenty-five (25) years old, has been so improved as to increase the base value of the structure by no less than fifty (50) percent, but without increasing the total square footage of such structure by more than fifty percent (50%). The replacement of a structure must increase the base value of the structure by no less than one hundred percent (100%) in order to be eligible for the exemption.

(c) Amount of exemption. The amount of partial exemption provided for in this section shall be equal to the resulting increase in assessed value per the renovation, rehabilitation or replacement of a commercial/mixed use structures within the Enterprise/Revitalization Zone.

(d) Length of exemption. Exemption from taxation of real property qualifying for the commercial or mixed use rehabilitation, renovation or replacement exemption shall run with the land and for the benefit of any owner of such property during each of the ten (10) years of exemption. The owner of the property shall be entitled to receive an exemption of one hundred percent (100%) of the increase in the assessed value of the real property as a result of the rehabilitation, renovation, or replacement, as determined by the real estate assessor, during the first year after completion. In subsequent years, the owner shall be entitled to receive partial exemption from taxation on a declining percentage factor as set out in the table below.

Commercial/Mixed Use in Enterprise/Revitalization Zone

Year	Percent Value Exempt
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%

(e) When the construction of a new structure is achieved through demolition and replacement of an existing structure, this exemption shall not apply when any structure demolished is a registered Virginia landmark, is determined by the State to be eligible for historic designation or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district.

Sec. 34-178.1. Partial exemption from taxation for certain rehabilitation or renovation of the façade of commercial/mixed use structures located in the Downtown Façade Enhancement Area.

(a) Exemption authorized. Partial exemption from real estate taxes is provided for qualifying commercial/mixed use property located in the Downtown Façade Enhancement Area, which is rehabilitated or renovated in accordance with the criteria set out in Article X, Section 6, Paragraph (h) of the Constitution of Virginia and Section 58.1-3221 of the Code of Virginia of 1950, as amended, if eligible according to the terms of the Constitution, the Code of Virginia and the provisions of this article.

(b) When deemed rehabilitated/renovated. For the purposes of this section, commercial/mixed use real estate in the Downtown Façade Enhancement Area shall be deemed substantially rehabilitated or renovated when such a structure on the real estate, which is no less than twenty-five (25) years old, and has been approved to participate in the City's Downtown Façade Improvement Program.

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(c) Amount of exemption. The amount of partial exemption provided for in this section shall be equal to the resulting increase in assessed value per the façade enhancement.

(d) Length of exemption. Exemption from taxation of real property qualifying for the commercial or mixed use rehabilitation or renovation exemption shall run with the land and for the benefit of any owner of such property during each of the ten (10) years of exemption. The owner of the property shall be entitled to receive an exemption of one hundred percent (100%) of the increase in the assessed value of the real property as a result of the rehabilitation or renovation of the building facade, as determined by the real estate assessor, during the first year after completion. In subsequent years, the owner shall be entitled to receive partial exemption from taxation on a declining percentage factor as set out in the table below.

**Downtown Façade Enhancement Area**

Year	Percent Value Exempt
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%

(e) When the construction of a new structure is achieved through demolition and replacement of an existing structure, this exemption shall not apply when any structure demolished is a registered Virginia landmark, is determined by the State to be eligible for historic designation or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district.

Sec. 34-179. Partial exemption from taxation for certain rehabilitated, renovated or replacement hotel or motel structures located in the Enterprise Zone.

(a) Exemption authorized. Partial exemption from real estate taxes is provided for qualifying hotel or motel property located within a designated enterprise zone which is rehabilitated, renovated or replaced in accordance with the criteria set out in Article X, Section 6, Paragraph (h) of the Constitution of Virginia and Section 58.1- 3221 of the Code of Virginia of 1950, as amended, if eligible according to the terms of the Constitution, the Code of Virginia and the provisions of this article.

(b) When deemed rehabilitated/renovated or replacement. For the purposes of this section, hotel or motel real estate located in a designated enterprise zone shall be deemed substantially rehabilitated, renovated or replaced when such structure on the real estate, which is no less than thirty-five (35) years old, has been so improved as to increase the base value of the real estate by no less than five million dollars (\$5,000,000.00).

(c) Amount of exemption. The amount of partial exemption provided for in this section shall be equal to the resulting increase in assessed value per the rehabilitation, renovation or replacement of hotel or motel structures within the enterprise zone.

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(d) Length of exemption. Exemption from taxation of real property qualifying for the hotel or motel rehabilitation, renovation or replacement exemption shall run with the land and for the benefit of any owner of such property during each of the five (5) years of exemption. The owner of the property shall be entitled to receive an exemption of one hundred percent (100%) of the increase in the assessed value of the real property as a result of the rehabilitation, renovation, or replacement, as determined by the real estate assessor, during the first year after completion. In subsequent years, the owner shall be entitled to receive partial exemption from taxation on a declining percentage factor as set out in the table below.

Hotel/Motel in Enterprise Zone

Year	Percent Value Exempt
1	100%
2	80%
3	60%
4	40%
5	20%

(e) When the construction of a new structure is achieved through demolition and replacement of an existing structure, this exemption shall not apply when any structure demolished is a registered Virginia landmark, is determined by the State to be eligible for historic designation or is determined by the Department of Historic Resources to contribute to the significance of a registered historic district.

Sec. 34-180. Procedures for qualifying; general provisions.

(a) Procedures. As a requisite for qualifying for partial tax exemption for the rehabilitation, renovation, or replacement of a structure, the owner of the real property upon which the structure is located shall simultaneously with making application for a building permit to construct, rehabilitate, or renovate such structure, file with the real estate assessor, an application to qualify such structure for partial exemption from taxation. Upon receipt of an application for tax exemption, the real estate assessor shall determine the then assessed value of the structure prior to commencement of new construction, rehabilitation or, renovation, which shall serve as the base value for determining whether the new construction or the rehabilitation/renovation increases the assessed value of such structure by the minimum amount as provided in this article. The application to qualify for tax exemption shall be effective until December 31 of the second calendar year following the year in which the application is submitted. If by such expiration date, the new construction, rehabilitation or renovation has not progressed to such a point that the assessed value of the real estate is at least said minimum percentage greater than the base value of such structure, the approved application becomes null and void and no exemption shall be allowed. A new application to qualify for tax exemption may be filed, accompanied by a payment of an additional fee and the establishment of a new base value. The initial application to qualify for the rehabilitated, renovated or replacement real estate structure tax exemption, and any subsequent application, must be accompanied by payment of a nonrefundable fee in the sum of one hundred twenty-five (\$125.00), which fee shall be applied to offset the cost of processing such application, making required assessments, and making inspections to determine the progress of the work. During the period between the receipt of the application and the time at which the assessor shall ascertain that the real estate has increased in value by at least the minimum percentage, the real estate assessor shall, prior to December 31, make annual inspections of the progress of the rehabilitation, renovation or replacement undertaken, and the owner of the property shall be subject to taxation upon the full value of the improvements to the property. An owner may, at any time prior to November 1 of any calendar year in which rehabilitation, renovation or replacement of a structure is complete, submit a written request to the assessor to inspect the structure to determine if it then qualifies for the rehabilitated, renovated, or replacement property exemption. When it

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is determined that at least the minimum percentage increase in assessed value (base value is exceeded by the applicable percentage or more) has occurred within the qualifying period, the tax exemption shall become effective beginning on January 1 of the next calendar year.

(b) Credit. The owner of property qualifying for partial exemption of real estate taxes because of rehabilitation, renovation or replacement of a structure shall be issued a bill annually in the amount of the actual taxes based on assessed value reduced by the rehabilitated, renovated or replacement exemption credit allowed. The exemption credit shall be the difference in taxes computed upon the base value, and the taxes that are computed on the initial value of the rehabilitated, renovated, or replacement structure once it qualifies for the exemption. An increase in assessment occurring after the first year of such rehabilitated, renovated or replacement structure shall not qualify for an increase in such exemption. No portion of any credit (partial exemption) shall be allowed in any year for any real estate when such portion of a credit would reduce the tax below what it would be for the base value of the real estate. No portion of any unused or unavailable credit may be used in any subsequent year.

(c) Exemption runs with land. Exemption from taxation of real property qualifying for the rehabilitation, renovation or replacement exemption shall run with the land and for the benefit of any owner of such property during each of the years of exemption as defined in the appropriate table.

(d) Improvements on vacant land. No improvements made upon vacant land defined in the Zoning Ordinance for single or multi-family purpose use shall be eligible for partial exemption from real estate taxation.

(e) New detached real estate shall not qualify for exemption.

(f) Methods of determining base value. In determining the base value of a structure and if the rehabilitation, renovation, or replacement results in the necessary minimum increase over such base value, the assessor shall employ usual and customary methods of assessing real estate.

(g) No property which is already subject to any tax abatement shall be eligible for further abatement under this article.

(h) No property rehabilitated or renovated utilizing any public grant funds shall be eligible for abatement under this article.

(i) Only property listed as a permissible use, as of the application date, in the zoning ordinance in the district it occupies shall be eligible for abatement under this article.

Sec. 34-181. Real property tax payment prerequisite to exemption.

In order to qualify for any partial exemption under this article, neither the real property which is the subject of the exemption application, nor the owner of said property, may be delinquent in any then due real property tax payments.

Sec. 34-182. Failure to pay nonexempt real estate taxes; penalty on exempt taxes; forfeiture of exemption.

Whenever the owner of real property which has qualified for partial exemption from real estate taxation under this article shall fail to timely pay the non-exempted amount of real estate taxes on the property of any tax year, the partial exemption from real property taxation shall be forfeited for the remainder of the

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exemption period and late penalty shall be added for that tax year of ten (10) percent of the real estate taxes which were claimed for exemption. However, if the failure to pay the real estate tax was not in any way the fault of the taxpayer, the treasurer may waive any penalty and interest and the assessor may reinstate any tax credit.

The partial exemption from real property taxation provided for in this article shall also be forfeited if a single-family residential structure afforded a partial exemption is used for, or converted into, a multi-family residential structure.

Sec. 34-183. Assessor; rehabilitated, renovated or replacement real estate; special coding in computer master file; application forms; rules and regulations.

(a) Nothing in this article shall be construed as to permit the assessor to list upon the land book any reduced value due to the exemption provided.

(b) When the tax exemption becomes effective, the property shall be so coded and identified by the assessor in the computer master file for the term of the exemption period. The bill previously referred to in the "credit" section of this article will be prepared based on this Code as will all other necessary administrative procedures, reports and analysis.

(c) The real estate assessor shall cause to be prepared and shall have for distribution in the real estate assessor's office, in the office of the building code official, and in the department of development, forms for use by property owners who propose to construct/rehabilitate/renovate or replace residential or qualifying commercial structures. Application forms shall be completed in duplicate and shall be delivered by the owner to the real estate assessor at the same time that the owner applies for a building permit to undertake such rehabilitation, renovation or replacement real estate improvement, at which time the base value of the real property will be determined.

(d) The real estate assessor may prescribe such rules and regulations as deemed requisite for processing applications for exemption for rehabilitated, renovated or replacement property and exempting same and a copy of any such rules and regulations shall be available in the office of the real estate assessor, the building code official, and the department of development, as well as in the office of the city clerk.

Sec. 34-184. Effective date for tax abatement program rehabilitated, renovated or replacement real estate.

This ordinance shall be effective January 31, 2010 and shall be applied to all qualifying applications for the tax year 2010 and all subsequent tax years. Any construction and/or renovation project which was begun in 2009 and which will be completed in 2010 will be eligible for this tax abatement program as if the project had been started under the program, so long as the real estate assessor is able to make an accurate determination of the assessed value of the structure prior to commencement of the new construction, rehabilitation or, renovation, which can serve as the base value pursuant to §34-180. Any person or entity desiring to include a project begun in 2009 must file the application described in §34-180.

**PH-2 - Public Hearing - Proposed Fiscal Year 2016/2017 City Budget**

This was the night advertised for the first of two public hearing regarding the proposed City of Hopewell Fiscal Year 2016/2017 City Budget. The public hearing was opened at 8:05 p.m. There being no speakers, the public hearing was closed at 8:06 p.m. The Mayor announced that on April 26, 2016 at 7:30 p.m. Council will hold its first of two public hearings regarding the proposed real property tax. Mark Haley,

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Hopewell City Manager and Charles Dane, Hopewell Assistant City Manager did a quick review of the proposed budget and stated that Chapter 18 would be further explained at the final budget public hearing.

Councilor Gore commented on the use of funds for City Council members to provide mailings to the citizens and said funding to be increased within the budget. Councilor Walton commented that they had already discussed teaming up with the Commissioner of Revenue for when she does her mailing to the citizens. Councilor Gore stated that she wanted to see the money used for mailings out to individual Wards to announce Ward meetings. Vice Mayor Luman-Bailey and Councilor Shornak commented that this could be somethings that the City Manager, City Attorney and City Clerk could work on together and create a policy. Councilor Gore stated that she was not in favor of the City Manager, City Attorney and City Clerk in creating a policy. Councilor Zevgolis commented that he was not in favor of this type of funding for Councilors and would like to see the City Manager, City Attorney and City Clerk research this type of request. Councilor Walton stated that he thought this request was a little self-serving and would be satisfied with only one mailing being sent out each year. Mayor Pelham asked the Jerry Whitaker, the Finance Director if the current budget had such funds allocated for Council to use, Mr. Whitaker replied yes. Mayor Pelham asked Mr. Whitaker why it was not listed as a line item in the budget. Mr. Whitaker replied that it was just placed in the Council budget after having been approved during last year's budget. Mayor Pelham requested that the \$3,500 be divided up among the seven Council members and that a line item be listed for each Council member however, she would not be using this money of which was echoed by Councilors Zevgolis, Holloway, and Walton.

**COMMUNICATIONS FROM CITIZENS**

**Mr. Johnny Partin** addressed Council and informed them of a Spring Trash Cleanup being hosted by himself and John Eliades. Mr. Partin invited the City Council and staff to join them this Saturday April 16<sup>th</sup> from 8:00 A.M. to 10:00 A.M. at the Bluffs near Weston Manor. Mayor Pelham and Councilor Shornak thanked Mr. Partin for his community service work he has been providing.

**REGULAR BUSINESS**

**R-1 – Regular Business – Healthcare Rates for Employees and Retirees Update**

Ms. Gail Vance, Human Resource Director reported to Council that the City's Strategy was to encourage employees to be "good consumers" of their health care needs which lowers the utilization of services. Ms. Vance reported that this year's renewal came in with a 5.7% decrease for the upcoming year (approximately 220K). Decrease will be used as an offset to retiree increase Rates will be flat this year for active employees. With regards to the retirees Pre-65, the City currently has approximately 22 pre-65 retirees on plan and the costs to the City \$16,123.00 per month (\$193,476.00 annually). Ms. Vance reported currently the City reimburses 34 Retirees Costs the City \$9,065.22 per month (\$108,782.64 annually) City reimbursements range from \$50.20 – 871.76 per month. The Advantage 65 – 65 and over retirees, currently the City has 14 Retirees on the plan. The plan Started in July 1, 2015 (Part of TLC – Active Group) Costs the City \$2,660.00 per month (\$31,920.00 annually). The AARP Medicare Supplement – 65 and Over Retirees currently the City has 99 Retirees on the plan (75 Retirees and 24 Spouses) Spouses were covered for pre 2004 retirees. Effective July 1, 2016 these retirees will transition to the Advantage 65 Plan (Part of TLC – Active Group) Costs the City \$17,651.96 per month (\$211,823.52 annually). The AARP Medicare RX – 65 and Over Retirees, currently the City has 96 Retirees on the plan (76 Retirees and 20 Spouses) Spouses were covered for pre 2004 retirees Costs the City \$5,761.40 per month (\$69,136.80 annually). Ms. Vance then reported that the cost for the City to provide Retiree coverage is approximately \$615,138.96 annually.

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**R-2 – Regular Business – Hopewell Downtown Partnership Presentation – Continued  
Funding Presentation**

Mr. Evan Kaufman, Executive Director of the Hopewell Downtown Partnership (HDP) reported that the partnership was close to \$2.5 million invested into downtown Hopewell through direct and indirect efforts of the HDP. Mr. Kaufman played a video that summarized the efforts of the DHP and requested from Council to continue to support the HDP in an effort to keep the momentum and progress of downtown revitalization currently underway. Mr. Brad Butterworth, Chairman of the DHP reiterated what Mr. Kaufman had presented and shared.

**R-3 – Regular Business – Approve Funding from the Youth Initiative Line Item to help Co-Sponsor the ImPower Youth Conference**

Councilor Gore addressed her fellow Councilors and requested them to using the funds from the Youth Initiative line item to Co-Sponsor the ImPower Youth Conference. These monies will be used for Supplies and Lunch for the Attendees. The ImPower Youth Conference is listed as a 100th Anniversary event.

A motion was made by Councilor Gore, and seconded by Vice Mayor Luman-Bailey to approve sponsorship for the Impower Youth Conference and to allocate \$5,000.00 from the youth initiative line item to help with purchasing supplies and lunch for the attendees. Upon the roll call, the vote resulted:

Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 7-0 Financial Sponsorship Approved**

**R-4 - Regular Business- Discuss and Recommend changing monument size restrictions in the Appomattox Cemetery, and establish financial penalties for companies that violate established size restrictions**

Mr. Edward Watson, Director of Public Works reported to Council that his department has received several emotional appeals to increase the size limitations on new markers being installed in the Appomattox Cemetery. The current Code requires the markers be limited to two thirds of the lot width. Staff has no issues with increasing the limitations to provide more space for larger and/or combined lots.

The maximum width increase would occur on a double plot space (8 feet max) with one combined marker. The limitation in this situation would be increased from 5 foot, 4 inches to 7 feet. There would be no change for the smallest scenario of a single 3 foot wide lot. That limitation will be 2 foot wide under both the old and new rules. Mr. Watson also recommended that the City Code pertaining to new marker widths in the Appomattox Cemetery be modified to limit the total lot width of the marker to the lot width minus 6 inches on each side of the marker. Also it is recommended that the City Manager be granted the authority to make exceptions to size limitations in unique situations. Council upon the recommendation of the City Attorney, granted the City Manager to make the necessary policy changes since the code did not need to be amended.

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Regular Meeting**

**R-5. - Regular Business - Budget Resolution to amend Fiscal Year 2015-16 Budget**

A motion was made by Vice Mayor Luman-Bailey, and seconded by Councilor Zevgolis to appropriate \$15,000.00 from the Fiscal Year 2015-16 Budget for Court-Appointed Attorney fees. Upon the roll call, the vote resulted:

Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 7-0 Budget Resolution Passed**

**BUDGET RESOLUTION AMENDMENT  
FISCAL YEAR 2015-2016**

WHEREAS, at the meeting of the City Council of the City of Hopewell held on April 12, 2016, a budget amendment was introduced to appropriate funds for the FY 2015-2016 budget to provide funds for Court appointed attorney fees.

WHEREAS a budget amendment to appropriate funds in the amount of \$15,000 for Court-appointed attorney fees from the Unassigned Fund Balance for the FY 2015-2016 budget, was introduced and,

WHEREAS, sufficient funds exist in the respective unassigned fund balance account,

BE IT, HEREBY, RESOLVED by the Council of the City of Hopewell that:

Sec. 1 The following designated funds and accounts shall be appropriated for funds for Court appointed attorney fees from the Unassigned Fund Balances.

General Fund-011:

Resources:

Fund Balance.....	\$15,000
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Appropriations:

District Court Operations .....	\$ 15,000
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**R.6 – Regular Business – Budget Resolution to Amend Fiscal Year 2015-16 Budget**

A motion was made by Councilor Zevgolis, and seconded by Councilor Walton to appropriate \$25,000 in additional funding for the purchase of a home for economic development purposes. Upon the roll call, the vote resulted:

Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes

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Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 7-0 Financial Appropriation Granted**

**BUDGET RESOLUTION AMENDMENT  
FISCAL YEAR 2015-2016**

WHEREAS, at the meeting of the City Council of the City of Hopewell held on April 12, 2016, a budget amendment was introduced to appropriate funds for the FY 2015-2016 budget to provide for funding to purchase a house for economic development purpose.

WHEREAS an budget amendment to appropriate funds in the amount of \$25,000 to the Capital Project Fund from the Unassigned Fund Balance for the FY 2015-2016 budget, was introduced and,

WHEREAS, sufficient funds exist in the respective unassigned fund balance account,

BE IT, HEREBY, RESOLVED by the Council of the City of Hopewell that:

Sec. 1 The following designated funds and accounts shall be appropriated for Economic Development from the Unassigned Fund Balance.

General Fund-011:

Resources:

Fund Balance.....	\$25,000
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Appropriations:

Transfer to Fund 071 .....	\$25,000
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Capital Projects Fund-071:

Resources:

Transfer from Fund 011 .....	\$25,000
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Appropriations:

Capital Expenditure .....	\$25,000
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**REPORTS OF THE CITY CLERK**

A motion was made by Councilor Zevgolis, and seconded by Councilor Gore to reappoint Billie Glass, Roland Peacock, Kyle Davis and Allen Powell to the Board of Equalization and to reappoint Linda Hyslop and Greg Cuffey to the John Tyler Community College Board. Upon the roll call, the vote resulted:

Mayor Pelham	-	yes
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Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 7-0 Appointments Approved**

**COUNCIL COMMUNICATIONS**

**Councilor Zevgolis** Reported of the 55<sup>th</sup> Anniversary of Gateway.

**Councilor Shornak**: Thanked all the Department Heads for all the hard work they had done with regards to the FY 16-17 City Budget.

**Vice Mayor Luman-Bailey**: Stated that she would have a report on “Go Green” at the April 26<sup>th</sup> meeting.

**Councilor Gore**: Wanted to publicly thank Council and Staff for all the support she received for the Youth Conference and thanked the Beacon Theatre for providing a meeting location.

**Mayor Pelham**: Wished a Happy Birthday to her granddaughters.

**Councilor Walton**: Wished a Happy Birthday to his son.

**ADJOURN**

At 9:35 p.m., motion was made by Councilor Zevgolis, and seconded by Councilor Gore. Upon the roll call, the vote resulted:

Mayor Pelham	-	yes
Councilor Shornak	-	yes
Vice Mayor Luman-Bailey	-	yes
Councilor Holloway	-	yes
Councilor Zevgolis	-	yes
Councilor Gore	-	yes
Councilor Walton	-	yes

**Vote Result: 7-0 Meeting Adjourned at 9:35 P.M.**

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Brenda S. Pelham, Mayor

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Ross A. Kearney III, City Clerk