

# AGENDA



# CITY OF HOPEWELL

Hopewell, Virginia 23860

## AGENDA

(804) 541-2408  
www.hopewellva.gov  
info@hopewellva.gov  
cityclerk@hopewellva.gov

## CITY COUNCIL

John B. Partin, Jr., Mayor, Ward #3  
Jasmine E. Gore, Vice Mayor, Ward #4  
Rita Joyner, Councilor, Ward #1  
Michael B. Harris, Councilor, Ward #2  
Janice B. Denton, Councilor, Ward #5  
Brenda S. Pelham, Councilor, Ward #6  
Dominic R. Holloway, Sr., Councilor, Ward #7

Dr. Concetta Manker, City Manager  
Beverly Burton, Interim City Attorney  
Brittani Williams, City Clerk  
Sade' Allen Deputy City Clerk

September 24, 2024

REGULAR MEETING

Closed Meeting- 6:00 PM  
Work Session- 7:00pm  
Regular Meeting- 7:30pm

6:00 p.m. Call to order, roll call, and welcome to visitors

### CLOSED MEETING

SUGGESTED MOTION: Move to go into closed meeting pursuant to VA Code § 2.2-3711(A)(30) "Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body," and Va. Code Section § 2.2-3711 (A)(1) to discuss and consider personnel matters, including board and commission appointments; the assignment and performance of specific appointee and employees of City Council, and to the extent such discussion will be aided thereby.

### ROLL CALL

### RECONVENE OPEN MEETING

**CERTIFICATION PURSUANT TO VIRGINIA CODE § 2.2-3712 (D):** Were only public business matters (1) lawfully exempted from open-meeting requirements and (2) identified in the closed-meeting motion discussed in closed meeting?

### WORK SESSION

**WS-1 – Conditional Use Permit to construct parcel #014-1585 to a single-family dwelling on a non-conforming lot**– Chris Ward, Planning Commission Director

### REGULAR MEETING

7:30 p.m. Call to order, roll call, and welcome to visitors

Prayer by Pastor Collier, followed by the Pledge of Allegiance to the Flag of the United States of America led by Councilor Pelham.

**SUGGESTED MOTION: To amend/adopt Regular Meeting Agenda Roll Call**

**CONSENT AGENDA**

*All matters listed under the Consent Agenda are considered routine by Council and will be approved or received by one motion in the form listed. Items may be removed from the Consent Agenda for discussion under the regular agenda at the request of any Councilor.*

- C-1 **Minutes:** September 10
- C-2 **Pending List:** December 14, 2023
- C-3 **Information for Council Review:**
- C-4 **Personnel Change Report & Financial Report:**
- C-5 **Public Hearing Announcements:**
- C-6 **Routine Approval of Work Sessions:**
- C-7 **Ordinances on Second & Final Reading:**
- C-8 **Routine Grant Approval:**

**SUGGESTED MOTION: To amend/adopt consent agenda**

**INFORMATION/PRESENTATIONS**

1. **Made in Hopewell** – Charles Bennett, Economic Development Director
2. **Storm Water utility fees study** – Michael Campbell, Public Works Director

**COMMUNICATIONS FROM CITIZENS**

*CITY CLERK: A Communication from Citizens period, limited in total time to 30 minutes, is part of the Order of Business at each regular Council meeting. All persons addressing Council shall approach the microphone, give name and, **if** they reside in Hopewell, their ward number, and limit comments to three minutes. No one is permitted to speak on any item scheduled for consideration on regular agenda of the meeting. All remarks shall be addressed to the Council as a body, any questions must be asked through the presiding officer. Any person who makes personal, impertinent, abusive, or slanderous statements, or incites disorderly conduct in Council Chambers, may be barred by the mayor from further audience before Council and removed, subject to appeal to a majority of Council (See Rules 405 and 406)*

**PUBLIC HEARING**

*CITY CLERK: All persons addressing Council shall step to the microphone, give name and **if** they reside in Hopewell, their ward number, and limit comments to three minutes. No one may address council more than once per meeting, unless granted permission by the presiding officer. Speakers address council as a body, not individual councilors. Questions are asked of councilors and staff through the presiding officer. Any person who makes personal, impertinent, abusive, or slanderous statements, or incites disorderly conduct in the council chamber may be reprimanded by the presiding officer, and removed from the meeting upon a majority vote of councilors present, excluding any councilor who is the subject of the motion. (See Rules 405 and 406)*

**PH -1 – Zoning amendment request to add group homes as allowable use in B1 district** – Chris Ward, Planning and Development Director

**REGULAR BUSINESS**

**R-1 – Adoption of finance policies** – Stacy Jordan, Finance Director (CFO)

**R-2 – School Division Supplemental Appropriation** – Stacy Jordan, Finance Director (CFO)

**Reports of City Manager:**

**Reports of City Attorney:**

**Reports of City Clerk:**

**Councilors Pending Request:**

**Presentations from Boards and Commission**

**Other Council Communications**

**BOARD/COMMISSION VACANCIES**

Board of Building Code and Fire Prevention Code Appeals – 4 Vacancies

Keep Hopewell Beautiful – 2 Vacancies

Recreation and Parks – 2 Vacancies

Library Board – 1 Vacancies

Department of Social Services – 4 Vacancies

District 19 – 2 Vacancies

Dock Commission – 2 Vacancies

Board of Zoning Appeals – 2 Vacancies

Bright Point Community College Local Board – 1 Vacancy

**Adjournment**

CLOSED  
MEETING

RECONVENE OPEN MEETING

# WORK SESSION

WS-1



# CONDITIONAL USE PERMIT REQUEST

Single-Family Dwelling on a Non-Conforming Lot

Parcel #014-1585 - Suffolk St.

CITY COUNCIL WORK SESSION

September 24, 2024

## CUP REQUEST: SFD on Non-Conforming [Parcel #014-1585](#)

- APPLICANT: Ibrahim & Tanya Giwa
- WARD: 5
- CURRENT ZONING: R-2 Residential Medium Density
- REQUEST: Construct SFD
- PUBLIC NOTICE: Ads in Progress-Index, letters to adjacent property owners, sign placed at property

# CUP REQUEST: SFD on Non-Conforming Parcel #014-1585



## CUP REQUEST: SFD on Non-Conforming [Parcel #014-1585](#)

Minimum lot size in R-2 is 75 feet wide and 7,500sf.

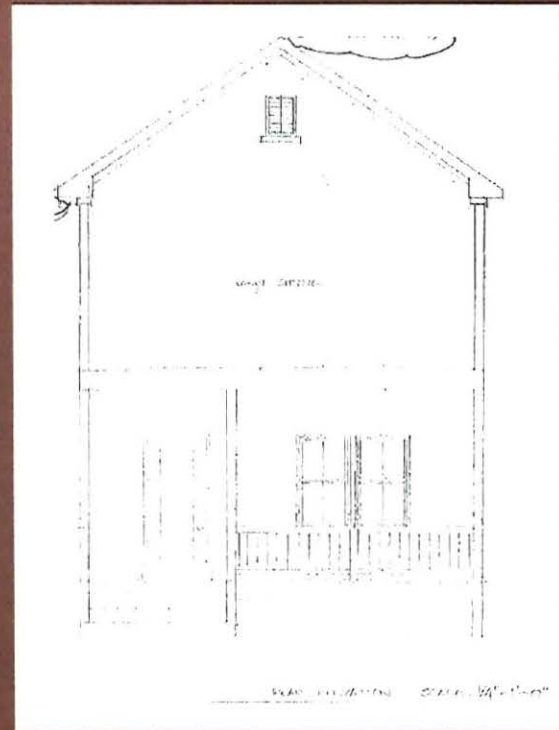
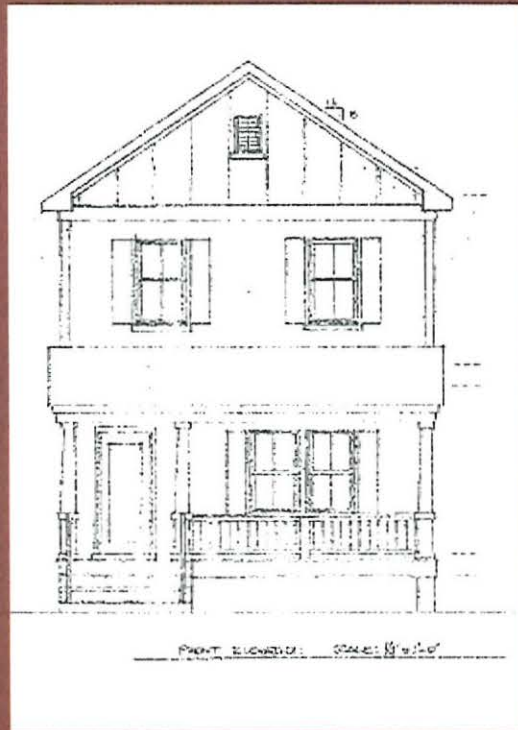
Suffolk St.– Parcel #014-1585 is ~70 feet wide and 7,281sf.

**Non-Conformity** – Width and total lot size

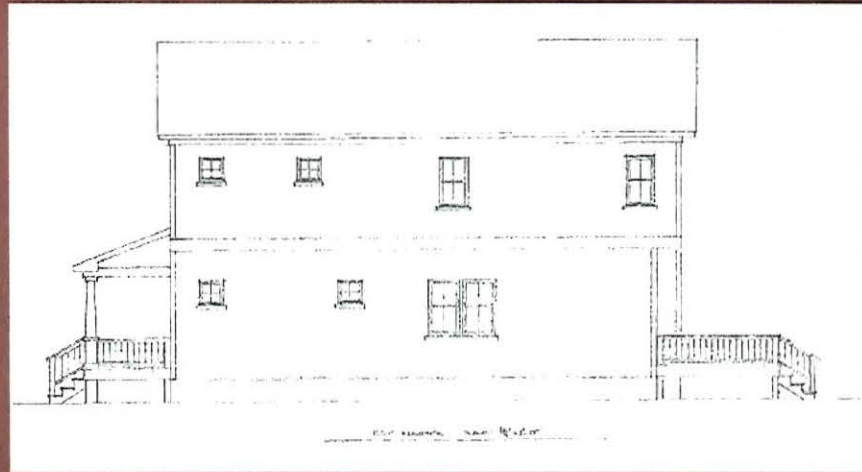
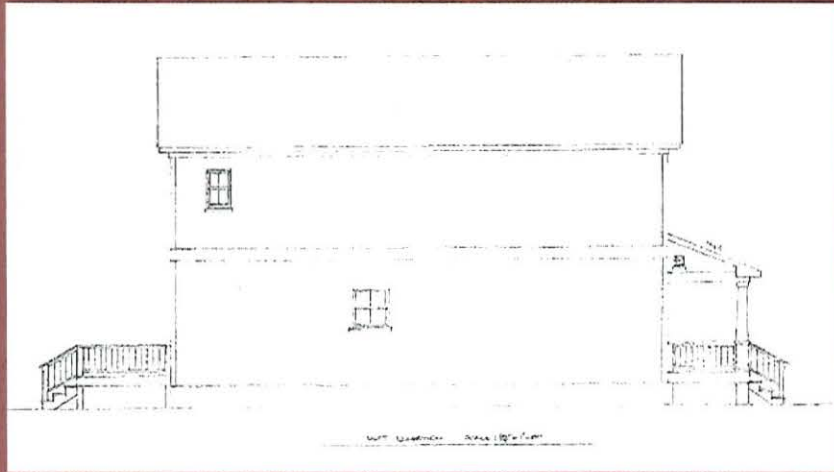


# CUP REQUEST: SFD on Non-Conforming Parcel #014-1585

- 2-Story SF Dwelling
- 3 Bedroom; 2.5 Bath
- 1,665sf



# CUP REQUEST: SFD on Non-Conforming Parcel #014-1585



# Staff Analysis

7 CUP Approval Criteria	✓
Comprehensive Plan	✓



- Proposed dwelling is significantly larger than the average single-family dwelling in the neighborhood.
- Average size of dwellings in the surrounding area is 1,187 sf.
- Proposed dwelling is 1,665sf.
- Proposed dwelling easily meets required setbacks.

## Staff Recommendation

Staff recommends approval of the CUP with the following conditions:

1. The new single-family dwelling will have 12-inch minimum eaves along all roof edges.
2. The lot will have a minimum coverage of 20% tree canopy at full maturity.
3. A driveway of asphalt or concrete will be installed in accordance with the City's driveway policy.
4. The new single-family dwelling will have brick or stone foundation on all four sides.
5. The new single-family dwelling will have foundation plantings along the front foundation.
6. The new single-family dwelling will be in substantial conformance with the set of house plans presented to the Planning Commission on 10/5/2024, with any modifications as conditioned at final approval.



# Planning Commission Recommendation

5-0

PH -Sept. 5

PC recommends approval of the CUP with the following conditions:

1. The new single-family dwelling will have 12-inch minimum eaves along all roof edges.
2. The lot will have a minimum coverage of 20% tree canopy at full maturity.
3. A driveway of asphalt or concrete will be installed in accordance with the City's driveway policy.
4. The new single-family dwelling will have brick or stone foundation on all four sides.
5. The new single-family dwelling will have foundation plantings along the front foundation.
6. The new single-family dwelling will be in substantial conformance with the set of house plans presented to the Planning Commission on 10/5/2024, with any modifications as conditioned at final approval.

CUP REQUEST: SFD on Non-Conforming [Parcel #014-1585](#)

Questions?



The City  
of  
Hopewell, Virginia

300 N. Main Street • Department of Development • (804) 541-2220 • Fax: (804) 541-2318

City of Hopewell, VA  
Permits / Inspect... - 202408751CUP - 2024  
026258-0004 debra mc 08/05/2024 02:01PM  
47381 - IBRAHIM & TANYA GIWA  
CONDITIONAL USE PERMIT - REVIEW  
Payment Amount: 300.00  
Transaction Amount: 300.00  
IPDevOffit:

CONDITIONAL USE PERMIT APPLICATION

APPLICATION FEE: \$300



APPLICATION # 20240875

APPLICANT: Ibrahim Giwa + Tanya Giwa  
ADDRESS: 84 Country Manor Dr.  
Fredericksburg VA 22406  
PHONE #: 540 369-3564 FAX #: 540 737-4003  
EMAIL ADDRESS: giwa realestate@gmail.com

INTEREST IN PROPERTY: \_\_\_\_\_ OWNER OR \_\_\_\_\_ AGENT  
IF CONTRACT PURCHASER, PROVIDE A COPY OF THE CONTRACT OR A LETTER  
OF THE PROPERTY OWNER'S CONSENT TO MAKE APPLICATION.

OWNER: Ibrahim + Tanya Giwa are in a contract  
ADDRESS: to purchase the land from Gerny + Sherry  
Leech  
PHONE #: \_\_\_\_\_ FAX #: \_\_\_\_\_

PROPERTY ADDRESS / LOCATION:  
Suffolk Street  
PARCEL #: 014-1585 ACREAGE: 7318 ZONING: R2  
sqft.

\*\*\* IF REQUIRED BY ARTICLE 16 OF THE ZONING ORDINANCE, \*\*\*  
A SITE PLAN MUST ACCOMPANY THIS APPLICATION

ATTACH A SCALED DRAWING OR PLAT OF THE PROPERTY SHOWING:

- 1. FLOOR PLANS OF THE PROPOSED BUILDINGS. ✓
- 2. THE PROPOSED DEVELOPMENT WITH FRONT, SIDE, AND REAR ELEVATIONS. ✓

THIS REQUEST FOR A CONDITIONAL USE PERMIT IS FILED UNDER SECTION Article 4 OF THE ZONING ORDINANCE.

PRESENT USE OF PROPERTY:  
Please see attached

THE CONDITIONAL USE PERMIT WILL ALLOW:  
Please see attached

PLEASE DEMONSTRATE THAT THE PROPOSAL AS SUBMITTED OR MODIFIED WILL NOT AFFECT ADVERSELY THE HEALTH, SAFETY, OR WELFARE OF PERSONS RESIDING OR WORKING IN THE NEIGHBORHOOD OF THE PROPOSED USE.  
Please see attached

PLEASE DEMONSTRATE THAT THE PROPOSAL WILL NOT BE DETRIMENTAL TO PUBLIC WELFARE OR INJURIOUS TO THE PROPERTY OR IMPROVEMENTS IN THE NEIGHBORHOOD.  
Please see attached

PLEASE DEMONSTRATE HOW THE PROPOSAL AS SUBMITTED OR MODIFIED WILL CONFORM TO THE COMPREHENSIVE PLAN AND THE PURPOSES AND THE EXPRESSED INTENT OF THE ZONING ORDINANCE.  
Please see attached

AS OWNER OF THIS PROPERTY OR THE AUTHORIZED AGENT THEREFOR, I HEREBY CERTIFY THAT THIS APPLICATION AND ALL ACCOMPANYING DOCUMENTS ARE COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

Ibrahim Gwa  
APPLICANT SIGNATURE

7/24/2024  
DATE

IBRAHIM GWA & Tanya Gwa  
APPLICANT PRINTED NAME

OFFICE USE ONLY

DATE RECEIVED 8-2-24 DATE OF ACTION \_\_\_\_\_

\_\_\_\_\_  
APPROVED \_\_\_\_\_ DENIED

\_\_\_\_\_  
APPROVED WITH THE FOLLOWING CONDITIONS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Question #1**

Currently, the lot is vacant.

**Question #2**

We would like to request approval to change the non-conforming lot to a buildable lot.

**Question #3**

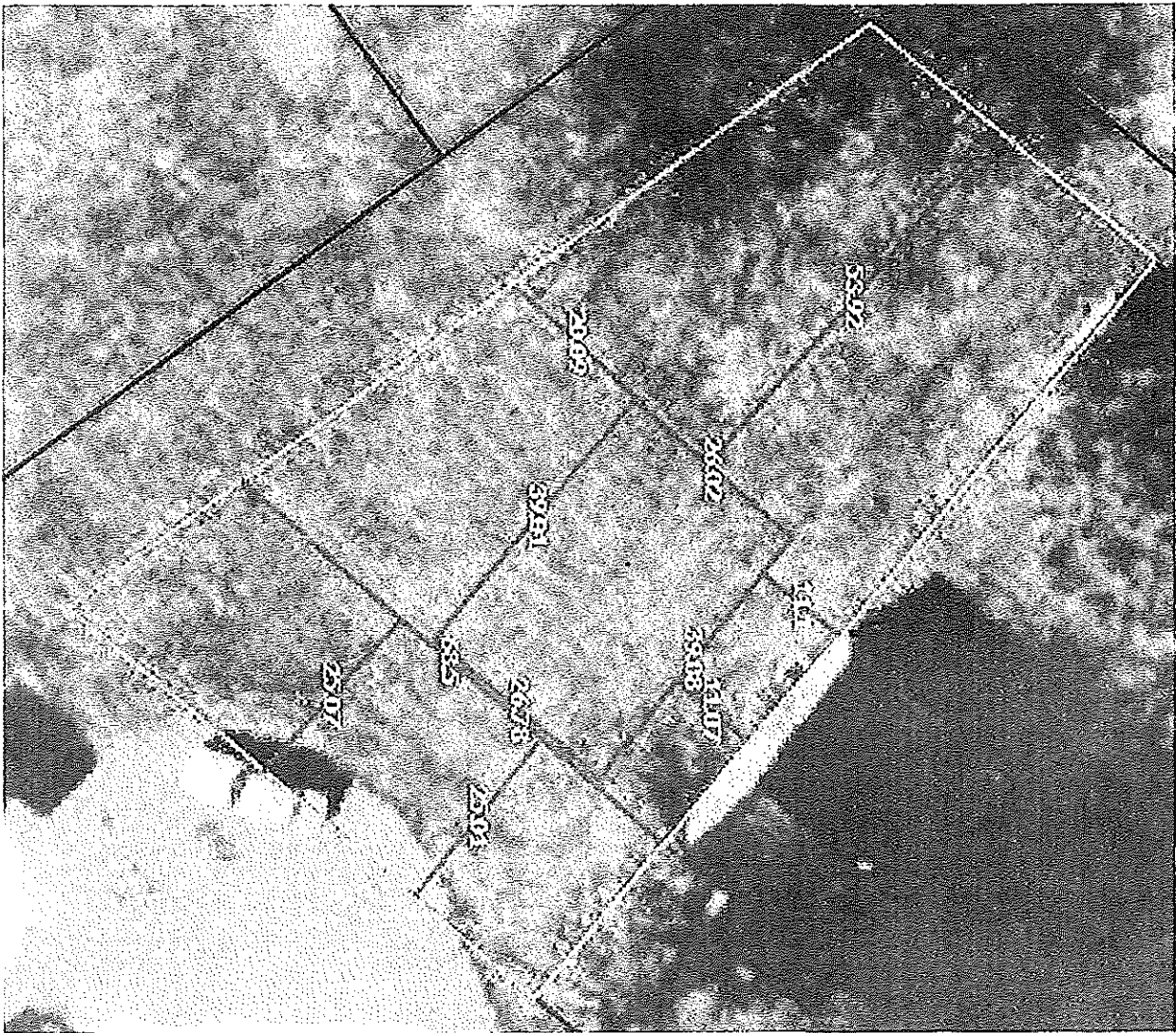
Our proposal will not adversely affect any person residing in or working in the neighborhood. The caliber of the new home would attract quality residents and add diversity to the city and neighborhood's demographics as planned in Hopewell's Comprehensive Plan. Our plan is consistent with Chapter 11 Goal #2 which states "Housing & Neighborhoods: Develop more focused initiatives to create highly regarded, livable, safe, healthy and attractive neighborhoods and housing stock for all residents that will enhance our societal, spiritual, and economic values."

**Question #4**

The proposal will not be detrimental. Hopewell's Comprehensive Plan notes in Chapter 11 "on a regional basis, Hopewell has a poor reputation for housing quality and, in general, being an attractive place to reside." Our proposal will attract new high-value buyers; increase nearby home values; and improve the perception and the desirability of the neighborhood. The proposed changes are consistent with Hopewell's Comprehensive Plan to "concentrate on revitalization, increasing demand for new housing and older homes, as well as institute policies that encourage infill, redevelopment, and reinvestment in housing" noted in Chapter IX Page 4.

**Question #5**

We would like to build a home that is comparable, if not greater, to the other homes in the area.





City of Hopewell, VA  
Dept. of Code Enforcement  
300 N. Main Street  
Hopewell, VA 23860  
804-541-2220  
Welcome

08/05/2024 02:01PM debra m.  
026258-0004 000229183  
Payment Effective Date 08/05/2024

**PERMITS / INSPECTIONS**

IBRAHIM & TANYA GIWA  
CONDITIONAL USE PERMIT  
- REVIEW

2024 Item: 20240875|CUP \$300.00  
Payment Id: 362551

-----  
\$300.00

**Subtotal** \$300.00

TP CC Fee \$9.75

**Total** \$309.75

TP DEVELOPMENT OFFLINE \$309.75

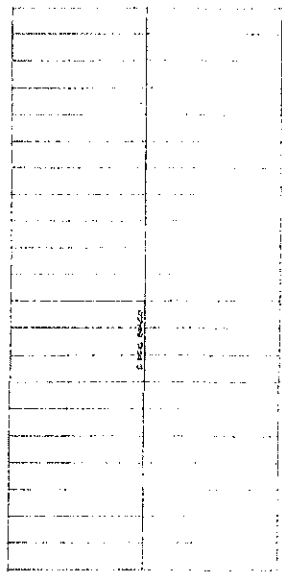
-----  
**Change due** \$0.00

Paid by: IBRAHIM & TANYA GIWA

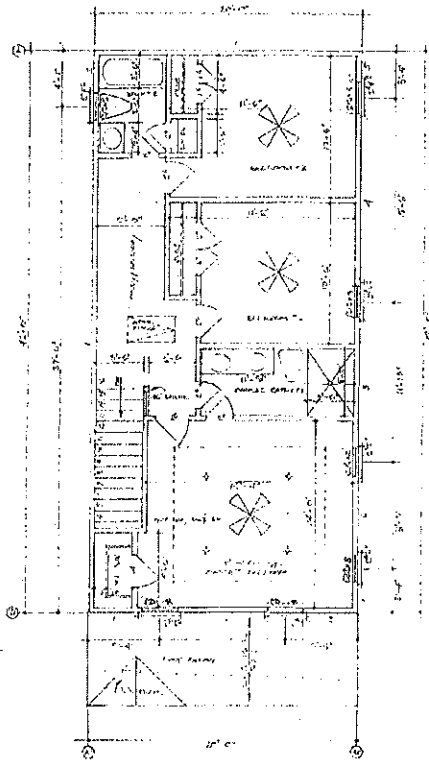


Thank you for your payment.

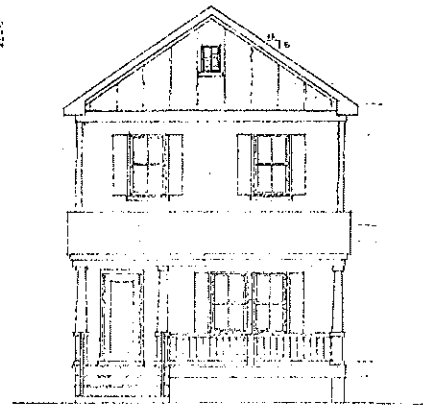
City of Hopewell, VA COPY  
DUPLICATE RECEIPT



DO NOT BUILD ANYTHING FROM THE "STREET" SIDE OF THIS LOT. KEEP ALL CURBS AND DRIVEWAYS.



FLOOR PLAN SCALE 1/8" = 1'-0"  
REV. 02/20/00



FRONT ELEVATION SCALE 1/4" = 1'-0"

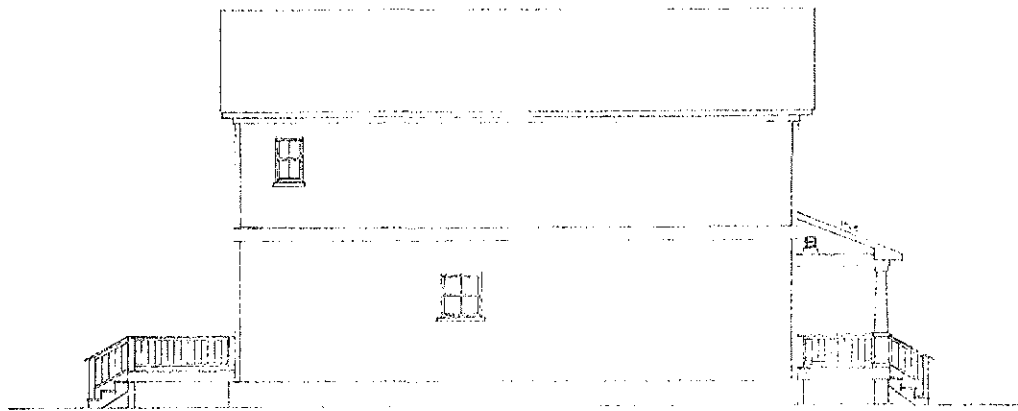
ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE INTERNATIONAL RESIDENTIAL CODE BOOK, AND THE LATEST EDITIONS OF THE INTERNATIONAL MECHANICAL, ELECTRICAL AND PLUMBING CODE BOOKS.

ALL WORK SHALL BE SUBJECT TO INSPECTION AND APPROVAL BY THE LOCAL BUILDING DEPARTMENT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND INSURANCE COVERAGE.

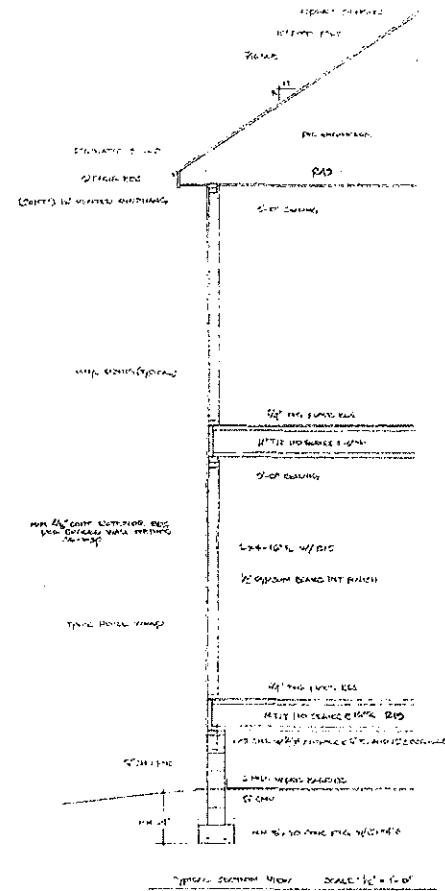
THIS SET OF PLANS IS THE PROPERTY OF THE ARCHITECT. IT IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. IT IS NOT TO BE REPRODUCED, COPIED, REPRODUCED, OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THE ARCHITECT.

- 1. PARKING
- 2. INSURANCE
- 3. DISCRETS





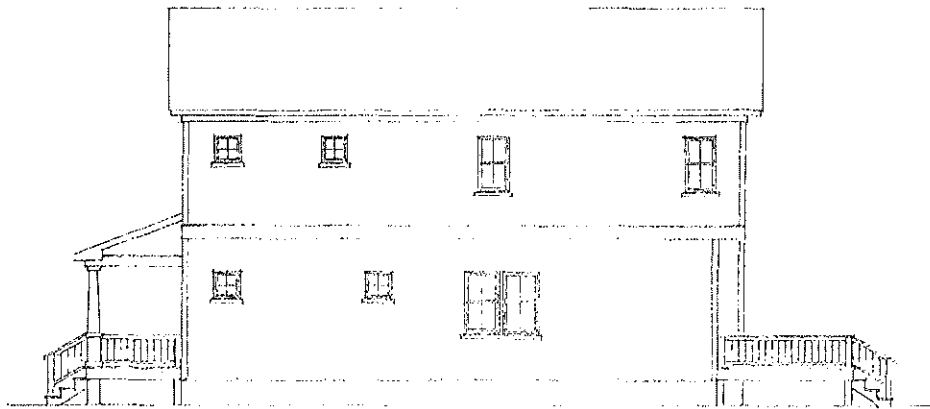
WEST ELEVATION SCALE 1/8" = 1'-0"



TYPICAL SECTION VIEW SCALE 1/8" = 1'-0"

THIS DRAWING IS THE PROPERTY OF THE ARCHITECT AND IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. IT IS NOT TO BE REPRODUCED, COPIED, OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THE ARCHITECT.

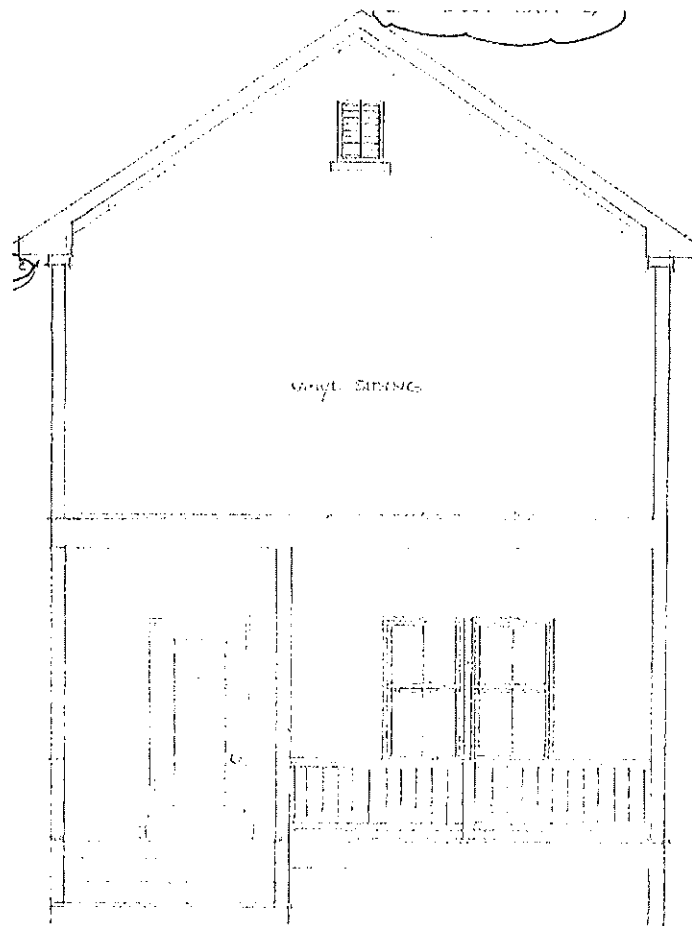
DATE: 10/15/2010  
 DRAWN BY: J. [Name]  
 CHECKED BY: [Name]  
 PROJECT: [Name]  
 SHEET: [Name]



1000 1000 1000 1000

THESE PLANS ARE THE PROPERTY OF THE ARCHITECT AND ARE NOT TO BE REPRODUCED OR COPIED IN ANY MANNER WITHOUT HIS WRITTEN CONSENT. ANY REPRODUCTION OR COPIING OF THESE PLANS WITHOUT HIS WRITTEN CONSENT IS STRICTLY PROHIBITED AND WILL BE PROSECUTED TO THE FULL EXTENT OF THE LAW.

ARCHITECT  
 PARKER  
 OF  
 UNIQUE  
 DESIGNS  
 12345  
 67890



GAYL. BRING.

REAR ELEVATION SCALE 1/4" = 1'-0"



**REQUEST FOR CONDITIONAL USE PERMIT  
TO CONSTRUCT A SINGLE-FAMILY DWELLING ON NON-  
CONFORMING PARCEL #014-1585 IN THE R-2  
DISTRICT, LOCATED ON SUFFOLK ST.**



CITY COUNCIL

**STAFF REPORT**

*Staff from the Hopewell Department of Development has drafted this report to assist City leadership with making informed decisions regarding land use cases in Hopewell.*

**I. EXECUTIVE SUMMARY**

The applicant, Ibrahim and Tanya Giwa, agents for the owner, requests a Conditional Use Permit to construct a single-family dwelling on non-conforming Parcel #014-1585 in the R-2 District located on Suffolk St. Staff recommends approval with conditions.

**II. TENTATIVE SCHEDULE OF MEETINGS**

BODY	DATE	TYPE	RESULT
Planning Commission	September 5, 2024	Public Hearing	Pending
City Council	TBD	1 <sup>st</sup> Reading	No Action
City Council	TBD	2 <sup>nd</sup> Reading / PH	Pending

**III. IDENTIFICATION AND LOCATIONAL INFORMATION**

Applicant	Ibrahim & Tanya Giwa
Owner	Leech Gerry Jr. or Sherry
Existing Zoning	R-2 Residential Medium Density
Requested Zoning	N/A
Acreage	~0.167 acres / ~7,281 sf
Legal Description	LOT 11 BLK 88 & VACATED WAGNER AVE SUBDIVISION: BATTLEGROUND ANNEX
Election Ward	5
Future Land Use	Urban Residential
Strategic Plan Goal	Housing
Approval Method	City Council Resolution
Can Conditions be Set?	Yes
Map Location	Parcel #014-1585

#### IV. PUBLIC NOTIFICATION

PUBLIC HEARING	NOTIFICATION TYPE	DATE	DATE
Planning Commission	Progress-Index Ad	8/22/2024	8/29/2024
	Letter to Adj. Properties	8/23/2024	
City Council	Progress-Index Ad	TBD	TBD
	Letter to Adj. Properties	TBD	TBD

#### V. ROLE OF PLANNING COMMISSION AND CITY COUNCIL

Excerpted and paraphrased from *Handbook for Virginia Mayors & Council Members*

Within each zoning district some uses are permitted as a matter of right and others are only conditionally permitted. The theory behind the conditional use approach is that the particular use has a certain level of negative externality which, if properly managed, could allow the use to be established in the district. Absent proper management, conversely, the use is most likely unacceptable. The Conditional Use Permit process affords a case-by-case review. It is up to the local governing body to establish the conditions under which the Conditional Use Permit is to be approved; applicants/property owners are not required to agree to the conditions imposed for them to be valid and binding on the property. The question being considered is whether the proposed use in the proposed location can be conditioned in such a way as to prevent negative externalities from being imposed on adjacent and nearby properties. Possible negative externalities can comprise a long list that are often spelled out in the ordinance – smoke, dust, noise, trash, light, traffic, incompatible activity levels or hours of operation, likelihood of trespass on adjoining properties, stormwater/drainage runoff, inadequate public infrastructure, and many more.

Conditional Use Permits in Hopewell run with the land and not the owner.

#### VI. APPLICABLE CODE SECTIONS

1. [Article XVII, Non-Conforming Uses, Section F, Non-Conforming Lots of Record](#)
2. [Article IV, Residential, Medium-Density District \(R-2\)](#)

#### VII. SUBJECT PROPERTY

The subject property, Parcel #014-1585, is a non-conforming lot at the end of Suffolk Street. The property is trapezoidal in shape with the street frontage of approximately 75 feet across and a depth of approximately 120 feet for a total square footage of ~7,281sf. The R-2 District sets the minimum lot width at 75 feet and the minimum lot size for a single-family dwelling

use at 7,500 square feet. The total square footage is less than the required minimum, making it non-conforming to the R-2 District.

#### **VIII. APPLICANT POSITION**

The applicant proposes to construct a new, 2-story, 3-bedroom, 2.5 bath, 1,665 square foot house with vinyl siding that will meet district setbacks. The applicant proposes to construct a high-quality home that will increase diversity in the neighborhood and increase nearby home values.

#### **IX. STAFF ANALYSIS**

When considering a conditional use permit, one must consider the seven conditions outlined in Article XXI of the Zoning Ordinance. Conditions may be mandated to ensure the character of the neighborhood and zoning district in which the use is locating will not be adversely affected. Such conditions may address architectural style, materials, landscaping, enhanced storm water management, or any other required condition that mitigates any potential negative impact with the goal of maintaining or enhancing the surrounding neighborhood.

The surrounding properties are typical 1-story homes with mostly vinyl siding and an average size of 1,193sf. The proposed house will be larger than the average home on this block and the proposed exterior material (vinyl) will be consistent with the other houses in the neighborhood.

The proposed new single-family dwelling will meet all district setbacks, as required by the ordinance.

#### **X. RELATIONSHIP TO THE COMPREHENSIVE PLAN**

##### **AGE OF HOUSING**

Hopewell has seen lower levels of new development in recent decades when compared to other cities in the region and state, with a drastic slowdown beginning in the 1980s. For this reason, the city now has an aging stock of housing units, with nearly 80% of all units built in the 1970s or earlier (Hopewell Comprehensive Plan 2018, pg. 202).

##### **THE FUTURE LAND USE PLAN**

Stable areas are fully built-out and are not viewed as available strategic opportunity areas for future growth. This leaves infill development and redevelopment employing Traditional Neighborhood Design (TND) and Urban Development Area (UDA) principles as the land use form upon which City leaders must focus. It is important to

distinguish between the two. Infill attempts to “seed” (or catalyze) a progressive movement to gradually upgrade the value and attractiveness of a given neighborhood or commercial area. Redevelopment focuses on larger properties or groups of properties that are substantially deteriorated or vacant, with potential economic value for the entire community.

Infill development and redevelopment projects can have substantial benefits for Hopewell. This will not occur without City guidance and planning initiatives. Communities that have pursued active infill and redevelopment programs have realized a strengthening of their real estate market by renewing housing stock and readapting sub-standard neighborhoods and sub-par commercial areas. (Hopewell Comprehensive Plan 2018, pg. 117).

#### **XI. STAFF RECOMMENDATION**

A survey of the properties on this block reveals a homogenous collection of 1-story homes ranging in size from 998sf to 1,476sf with mostly vinyl siding. Only two lots on this block meet the R-2 minimum width of 75 feet, one being the lot in question. The proposed house exceeds the average size of the existing homes and will add a new home on a long-vacant lot.

From Article XXI-Amendments, of the Hopewell Zoning Ordinance:

“As may be specified within each zoning district, uses permitted subject to conditional use review criteria shall be permitted only after review by the Planning Commission and approval by the City Council only if the applicant demonstrates that:

4. The proposed conditional use conforms to the character of the neighborhood within the same zoning district in which it is located. The proposal as submitted or modified shall have no more adverse effects on health, safety or comfort of persons living or working in or driving through the neighborhood, and shall be no more injurious to property or improvements in the neighborhood, than would any other use generally permitted in the same district. In making such a determination, consideration shall be given to location, type, size, and height of buildings or structures, type and extent of landscaping and screening on the site, and whether the proposed use is consistent with any theme, action, policy or map of the Comprehensive Plan.”

For these reasons, Staff supports the approval of this application with the following conditions:

1. The new single-family dwelling will have 12-inch minimum eaves along all roof edges.

2. The lot will have a minimum coverage of 20% tree canopy at full maturity.
3. A driveway of asphalt or concrete will be installed in accordance with the City's driveway policy.
4. The new single-family dwelling will have brick or stone foundation on all four sides.
5. The new single-family dwelling will have foundation plantings along the front foundation.
6. The new single-family dwelling will be in substantial conformance with the set of house plans presented to the Planning Commission on 10/5/2024, with any modifications as conditioned at final approval.

## **XII. PLANNING COMMISSION RECOMMENDATION**

The Hopewell Planning Commission voted 5-0 after the public hearing held on September 5, 2024 to recommend approval of the Conditional Use Permit with the conditions proposed by staff.



APPENDIX A - MAPS

CITY LOCATIONAL MAP – Yellow Circle indicates general area



PROPERTY LOCATION – Blue box indicates Parcel #014-1585



APPENDIX B – SURROUNDING AREA DATA

SURROUNDING PROPERTIES - PARCEL #014-1585									
Suffolk St.									
	ADDRESS	STORIES	HOUSE SQ FT	WIDTH	DEPTH	LOT SQ FT	MATERIAL	YR BUILT	TYPE
1	2600 SUFFOLK	1	1013	63	120	7,560	VINYL	1957	SF
2	2601 SUFFOLK	1	1356	62	120	7,440	VINYL	1955	SF
3	2602 SUFFOLK	1	1013	63	120	7,560	ASBSTS	1957	SF
4	2603 SUFFOLK	1	1195	63	120	7,560	ALUM	1955	SF
5	2604 SUFFOLK	1	1146	63	120	7,560	VINYL	1963	SF
6	2605 SUFFOLK	1	998	63	120	7,560	VINYL	1956	SF
7	2606 SUFFOLK	1	1154	88	120	10560	VINYL	1963	SF
8	2607 SUFFOLK	1	1336	63	120	7,560	VINYL	1957	SF
9	2700 SUFFOLK	1	1476	55	120	8,297	VINYL	1962	SF
	AVERAGE	1	1,187	65	120	7,961	VINYL		
	#014-1585	2	1,665	75	120	7,281	VINYL		SF

BLUE = Proposed house

# REGULAR MEETING

CONSENT  
AGENDA

C-1

**MINUTES OF THE SEPTEMBER 10, 2024 CITY COUNCIL REGULAR MEETING**

A REGULAR meeting of the Hopewell City Council was held on Tuesday September 10, 2024 at 6:00 p.m.

**PRESENT:** John B. Partin, Mayor  
Jasmine Gore, Vice Mayor (late, 6:12)  
Rita Joyner, Councilor  
Michael Harris, Councilor  
Janice Denton, Councilor (Absent)  
Brenda Pelham, Councilor  
Dominic Holloway, Councilor (Virtual until 6:08)

Councilor Pelham makes a motion to allow Councilor Holloway to participate in the meeting remotely, Councilor Joyner seconds the motion. No discussion.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Absent
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Abstain
Councilor Joyner -	Yes

**Motion Passes 4-0**

Councilor Joyner makes a motion to go into closed session pursuant to Va. Code Section § 2.2-3711 (A)(I) to discuss and consider personnel matters, including board and commission appointments; the assignment and performance of specific appointee and employees of City Council, and to the extent such discussion will be aided thereby, Councilor Holloway seconds the motion.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes

Vice Mayor Gore -	Absent
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 5-0**

Councilor Holloway makes a motion to come out of closed session, Councilor Joyner seconds the motion.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Absent
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 5-0**

**Reconvene Open Meeting**

CERTIFICATION PURSUANT TO VIRGINIA CODE § 2.2-3712 (D): Were only public business matters (1) lawfully exempted from open-meeting requirements and (2) identified in the closed-meeting motion discussed in closed meeting.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Absent
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 5-0**

Councilor Holloway makes a motion to appoint Cassandra Vanderkeeft to the BZA, Barbara Patton to the EDA, Bryan Hurdle, Niki Gilley, Bill Champer, and Latonya Doctor to the DSS board, and Deborah Marks and Elliot Eliades to the Bright Point Community College board, Councilor Pelham seconds the motion.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Yes
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 6-0**

**WS-1 – Conditional Use Permit Application from JRM Contractor LLC to construct a single-family dwelling on a non-conforming lot, Parcel # 092-665 - Chris Ward, Director of Development**

Director Chris explains what this zoning amendment is referencing and he is not asking for any action tonight. He lets council know the property is located in ward 2, he then goes over the map he provided to council. He goes over the current dimensions of the property and the reason for the upcoming request of the CUP. Staff recommends approval with the following conditions, that the single family dwelling have a roof overhang of 12 inches minimum, the single family dwelling will include four inch wide trim around all windows on the front of the house, the lot will have a minimum of tree canopy coverage of 20 percent at full maturity, the driveway will be installed of asphalt or concrete, it will have brick foundation and foundation plantings, and the final house design will be in substantial conformance with the design as presented. The planning commission agreed with staff's recommendation and voted 5 to 0. He opens the floor for any questions.

Councilor Pelham asks who goes out to certify that all special parameters are met, Director Ward states himself of the CEO.



**WS-2 – Request for change in developmental fees – Chris Ward, Director of Planning and Development**

Director Ward quickly goes through the revised developmental fees that they have come up with. He mentions he is only asking for changes to the planning applications. He shows in the region they are they lowest priced in planning applications. With state law and requirements for ads and public hearings the fees alone for ads exceed the cost of the application. He shows a cost grid showing the difference and the changes. With the recommendation he came up with it would be \$550 for the first submission, second submittal would have no change, if there are additional comments and additional submittals it would be \$250 on top of the base fee for each resubmittal. Ultimately the department is proposing to keep the residential building permit and commercial building permit fees the same and to change the planning application fees to cover the costs and reflect the region. Those would be \$1500 for rezoning, %550 for a variance special exception or special use, 650 for conditional use and \$1000 for the zoning ordinance amendment.

Councilor Holloway asks is there anyway possible that they could differentiate between what most businesses do to differentiate between the commercial charges and residential charges. Director Ward answers Councilor Holloway and says he will look further into it and get back with him.

**PRESENT:**

John B. Partin, Mayor  
Jasmine Gore, Vice Mayor  
Rita Joyner, Councilor  
Michael Harris, Councilor  
Janice Denton, Councilor (Absent)  
Brenda Pelham, Councilor  
Dominic Holloway, Councilor

Prayer is concluded by Pastor Hart and pledge of allegiance by Councilor Joyner.

Councilor Joyner makes a motion to amend the agenda to include an R2 for the legal firm search.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Yes
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 6-0**

Councilor Pelahm makes a motion to approve the consent agenda, Mayor Partin seconds the motion.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Yes
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 6-0**

**UNFINISHED BUSINESS**

**UB -1 – CLG Contract – Chris Ward, Director of Planning and Development**

Director Ward begins his presentation by letting council know that the city attorney has reviewed his documents and had no issues with it. He opens the floor for any questions or concerns.

Council congratulate Director Ward and says this has been a long time coming.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Yes

Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 6-0**

**UB - 2 - Staffing Request- Tabitha Martinez, The Department of Parks and Recreations**

Tabitha Martinez, The Department of Parks and Recreations Director to request consolidation of part time positions and allocate the funding, that is already in the current budget, for a full-time position. She shared they are severely under staffed and wants to make sure there are enough operational hours for the community. She mentioned the new position could bring better services to Hopewell as well as resume normal operating hours.

Vice Mayor Gore asks how does consolidating impact operations. The answer was they already have a full-time aquatics Specialist position available making the requested full-time position the third position available. She would like to have 4 full-time positions available and only rely on part-time positions for a few hours because the full-time positions will overlap. She asks for some clarity on the pool team that uses the pool in regard to their presence in the pool and the city's commitment. Vice Mayor Gore then asks what the impact has been on the operations so council can help make a decision about going forward with the relationship. Tabitha Martinez shared the pool team does impact her operation hours and availability for the community.

Councilor Holloway asks what were the new hours for the operation of the pool. It was shared the operation hours were 7:00 am to 11:00 am or 12:00 pm. Councilor Holloway responded with asking how was that allowed due to that being school hours. Martinez stated they were the morning hours and they reopen at 4:00 pm. She speaks about their partnership with Swim RVA and they provide life guards for the second grade Learn to Swim program and when they are short staffed and cannot provide two life guards, they have a backup guard so they can operate the

pool. He asks how does having the swim team change the operational hours. The answer is they practice in the morning from about 4:45 am to 6:45 am, as well as some Saturdays, so that's hours of prep time outside of operational hours that has to be given up to the citizens in order to accommodate the outside request. He then asks if they are paying additional fees to accommodate over time or anything of that nature. The answer is their Miranda of operation understanding is \$11.00 per lane per hour and offered to do a cost analysis. She stated they are working under the understanding of a proposed Miranda of operation understanding but there is not currently a signed Miranda of operation understanding. Holloway shared they need to work on a new Miranda of operation understanding to make sure its not pushed back on the citizens.

Councilor Pelham begins with sharing when there is a Miranda of operation understanding it is a decision that needs to come by way of the city manager or the city council. Martinez responds with she understands and Dr. Manker is aware and involved in the conversations about the Miranda of operation understanding. She asks will Martinez try to reach out and get a Miranda of operation understanding. Dr. Manker answered they are currently working on one at this time. Pelham expressed concerns of the citizens paying taxes for the swim team's private use.

Vice Mayor Gore asks for clarity correcting agreements that were in place before Martinez became director and wants to expedite the process under the new administration so it will stop impacting operations. She reiterated to do a new cost analysis to really show the impact to operations.

Councilor Pelham asks does the budget include benefits for the position. It was answered yes, Ms. Veronda Carol double checked the numbers and the correct number is in the packet.

**ROLL CALL**

Councilor Holloway- Yes

Councilor Joyner- Yes

Councilor Harris-	Yes
Mayor Partin-	Yes
Vice Mayor Gore-	Yes
Councilor Denton-	Absent
Councilor Pelham-	Yes

**Motion Passes 6 -0**

**UB -3 – Commonwealth Attorney Position Requests – Richard Newman, Commonwealth Attorney**

Mr. Newman begins his presentation explaining to council he has been using a grant to keep his current cold case attorney, and that grant will be over at the end of the year. He mentions she has been working on 7 or 8 cases and making progress on the cases she currently is working on. He speaks to one of those cases specifically that it comes up early next year and he is concerned without her grant she will not be able to complete that case as well as others she is working on. He is asking to grant her a full time slot effective January 1, 2025. Councilor Pelham asks is she currently working on 8 cases, Mr. Newman mentions she has 8 and more he needs to give her but nervous to do so if she won't be here. Councilor Pelham asks how many attorneys does he currently have, he says he has 5, this current attorney by grant makes 5 and a half because she is not a full-time attorney with his department. She then asks is it just cold case files she is working on, the answer is yes for any cases that are currently closed and still unsolved. Councilor Holloway asks is Mr. Newman is she a special attorney for cold cases or is the manpower the issue? Mr. Newman says his intent is to only work cold case and murder cases, but his biggest concern is if she leaves the attorney that takes over will have to start from the beginning with their own research. Councilor Holloway asks if the attorneys share work loads why would the attorney that takes over have to start from the beginning? Mr. Newman mentions that she is been working these cases solely on her own, a new attorney would need to do their own research aside from what the current attorney has done. Councilor Holloway asks the city manager for clarity because he believes this is a one-time funding that is available at this moment. Dr. Manker confirms this is one time funding, but there is enough funding to approve this request and in the upcoming budget, budget that position into the FY26 budget.

Councilor Holloway makes a motion to approve the position for funding for the second half of the fiscal year 25 and then make it into the actual budget, Councilor Joyner seconds the motion.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Yes
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 6-0**

**R-1 – Legislative Agenda 2025 – Dr. Manker, City Manager**

Dr. Manker begins her presentation going over the spreadsheet she provided to council. She mentions there are approximately 22 requests, the first seven are in detail by line item. She gave Virginia code where legislative requests have been approved and actually made into law. She mentions last meeting everyone (council) agreed to the items that were currently in the agenda, so tonight there are 4 items on the table for discussion and she is asking council to provide the legislative committee with some direction as to whether to include those items into the agenda or not. Mayor Partin mentions he think all of them are worth exploring and he is fine having all 4 added to the legislative agenda.

Vice Mayor Gore makes a motion to adopt the draft legislative agenda for submission to the general assembly representatives for further discussion and evaluation, Councilor Joyner seconds the motion. Mayor Partin asks does that include the four new items and all the appropriation requests, Vice Mayor Gore says yes.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Yes
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes

Councilor Joyner -

Yes

**Motion Passes 6-0**

**R-2 – Legal Firm Search – Dr. Manker**

Dr. Manker is asking council to consider authorizing the city to move forward with a legal attorney search with a talent agency. Those funds will come from the 2024 carryover funds from budget year 2024. Vice Mayor Gore mentions historically after council agrees to terms and how they advertise, mayor and or vice mayor needs to negotiate the contract for the person whose been selected and that comes back to council. She thinks that they need to make sure its clear who are going to be points of contact with them initially as they are onboarded to figure out what the expectation of council is.

Vice Mayor Gore makes a motion to approve the senior manager to solicit the support of outside firm for the recruitment of the state attorney with the expectation the mayor, vice mayor, or their designees service primary points of contact for the recruitment, Councilor Joyner seconds the motion.

**ROLL CALL**

Councilor Harris-	Yes
Mayor Partin -	Yes
Vice Mayor Gore -	Yes
Councilor Denton -	Absent
Councilor Pelham -	Yes
Councilor Holloway -	Yes
Councilor Joyner -	Yes

**Motion Passes 6-0**

**City Manager Report:**

Dr. Manker formally submitted the strategic plan to council and let council know she emailed the plan out on Friday in the manager’s weekly review. She lets council know it is not just the three priorities that council discussed earlier in the year. She mentions staff spent a lot of time going through and updating every area of the strategic plan and it was completed a little past the due date which was July 1 but it was done by July 19<sup>th</sup>.

No further discussion.

Vice Mayor Gore makes a motion to adjourn.

**ADJOURNMENT**

Respectfully Submitted,

---

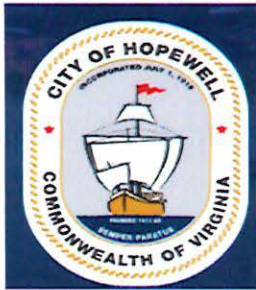
**Johnny Partin, Mayor**

---

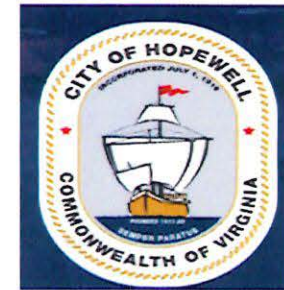
**Brittani Williams, City Clerk**



C-2



CITY OF HOPEWELL  
COUNCILOR PENDING LIST



<u>REQUEST</u>	<u>REQUESTOR</u>	<u>DATE</u>	<u>NOTES</u>
Delinquent Funds	Jasmine Gore	12/14/2023	City Manager
Housing Commission	Jasmine Gore	12/14/2023	CCR - Hold
Poet Lareate	Brenda Pelham & Jasmine Gore	12/14/2023	CCR (Defer to Pelham)
Beacon Theater LLC	Jasmine Gore	12/14/2023	City Manager
Crisis Support	Jasmine Gore	12/14/2023	City Manager
City Human Resource Policy	Brenda Pelham	12/14/2023	<b>HOLD</b>
Business License Policy	Jasmine Gore	12/14/2023	<b>HOLD</b>
City Credit Card Policy	Brenda Pelham	12/14/2023	CCR
RFP For Financial Services	Councilor Joyner	12/14/2023	<b>HOLD</b>
Meeting with School Board	Vice Mayor Gore	6/11/2024	Pending

# INFORMATION/PRESENTATION



Friday October 4<sup>th</sup> 2024 1:00pm to 5:30pm

**Made in Hopewell** is a celebration of all things manufacturing, both big and small, in the Hopewell-Prince George area. Our goal is to generate awareness, pride, and new connections around our community's advanced technical knowledge and locally made products and to uplift Hopewell and the region as leaders in this field.

Organized by the **Hopewell Downtown Partnership** with support from **Virginia Main Street** and the **VA Department of Small Business & Supplier Diversity**, this event is part of our overall strategy to continue revitalizing the Downtown Historic District and improving quality of life in the region.

### Schedule of Events:

#### **Made in Hopewell: Conference Panels & Presentations at American Legion Post 146- 1:00pm-3:30pm**

Dive into a series of presentations covering key topics in manufacturing and current industry trends.

Welcome by the Hopewell Downtown Partnership and Conference Presentations:  
1:30 PM – 3:30 PM

- Introduction to Industry
- Economic Impact of Manufacturing in Central Virginia
- Education & Workforce Development
- Manufacturing, Artificial Intelligence (AI), and Sustainability

#### **Made in Hopewell Reception: Small-Batch Trade Show at the Beacon Theatre- 4:30pm to 5:30pm**

Join us for the "Made in Hopewell" reception and Small-Batch Trade Show at the Historic Beacon Theatre (401 N Main St)

Enjoy a reception and trade show all rolled into one. Featuring local entrepreneurs and their products, the trade show provides an excellent opportunity for networking and celebrating the achievements of our community's small-batch manufacturers and creators.

Network with economic development and banking professionals, meet local business owners, learn about production processes, and explore potential collaborations. Attendees are encouraged to vote for their favorite entrepreneurs and products. Winners will receive a "Crowd's Choice" Small Business Grant.



# CITY OF HOPEWELL CITY COUNCIL ACTION FORM

**Strategic Operating Plan Vision Theme:**

- Civic Engagement
- Culture & Recreation
- Economic Development
- Education
- Housing
- Safe & Healthy Environment
- None (Does not apply)

**Order of Business:**

- Consent Agenda
- Public Hearing
- Presentation-Boards/Commissions
- Unfinished Business
- Citizen/Councilor Request
- Regular Business
- Reports of Council Committees

**Action:**

- Approve and File
- Take Appropriate Action
- Receive & File (no motion required)
- Approve Ordinance 1<sup>st</sup> Reading
- Approve Ordinance 2<sup>nd</sup> Reading
- Set a Public Hearing
- Approve on Emergency Measure

**COUNCIL AGENDA ITEM TITLE:** Stormwater Utility Fee Study Presentation

**ISSUE:** Since the inception of the City’s Stormwater Program, the Department has been operating on an Enterprise Fund that strictly generates revenue from a Utility Fee made up of residential, commercial, and industrial tenants at a base rate of \$4 per ERU (2,100 Sq Ft.). The majority of the revenue from the Utility Fee is sourced from residential and commercial tenants, as industrial tenants are able to claim a 90% fee credit reduction due to their own VPDES permitting. Additionally, the base rate of \$4 has remained stagnant since originally being voted on. Due to these factors, the Stormwater Program has largely faltered with developing & implementing a stormwater CIP, meeting regulatory compliance goals & requirements, increasing maintenance & emergency response capacity, and going after state & federal grant opportunities, which largely rely on matching requirements to receiving funding. Primarily, the Program has been operating with minimal maintenance capacity, with a large number of emergency maintenance repairs being contracted out due to insufficient equipment. Additionally, the implementation of any CIP Project has been heavily reliant on sourcing funds from the General Fund due to insufficient revenue generated from the Utility Fee to either outright pay for design & construction costs or use matching funds for state & federal grant opportunities.

**RECOMMENDATION:** N/A**TIMING:** N/A

**BACKGROUND:** The City of Hopewell Stormwater & Engineering Program has been working with CDMSmith to conduct an analysis of the current state of the Program and Utility Fee. The City of Hopewell implemented the Stormwater Program and Utility Fee in 2015 at a base rate of \$4. Since its initial implementation, the utility fee rate has remained stagnant despite growing needs of the program, which include, but are not limited to, inflation, climate change

**SUMMARY:**

- | Y                        | N                        |                                   | Y                        | N                        |  |
|--------------------------|--------------------------|-----------------------------------|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Councilor Rita Joyner, Ward #1    | <input type="checkbox"/> | <input type="checkbox"/> | Councilor Janice Denton, Ward #5         |
| <input type="checkbox"/> | <input type="checkbox"/> | Councilor Michael Harris, Ward #2 | <input type="checkbox"/> | <input type="checkbox"/> | Councilor Brenda Pelham, Ward #6         |
| <input type="checkbox"/> | <input type="checkbox"/> | Mayor John B. Partin, Ward #3     | <input type="checkbox"/> | <input type="checkbox"/> | Councilor Dominic Holloway, Sr., Ward #7 |
| <input type="checkbox"/> | <input type="checkbox"/> | Vice Mayor Jasmine Gore, Ward #4  |                          |                          |  |

resiliency, aging infrastructure, and regulatory compliance. CDMSmith has overviewed the history of our Program and has provided any recommendations they deem fit to better equipment our Stormwater Program. Attached with this Form are the Utility Fee Study and presentation.

**ENCLOSED DOCUMENTS:** Utility Fee Study Presentation, Utility Fee Study Memorandum

**STAFF:** Michael Campbell, Marshall Hartless, Joshua Sementelli, David Mason (CDMSmith)

**FOR IN MEETING USE ONLY**

**MOTION:** \_\_\_\_\_

**Roll Call**

---

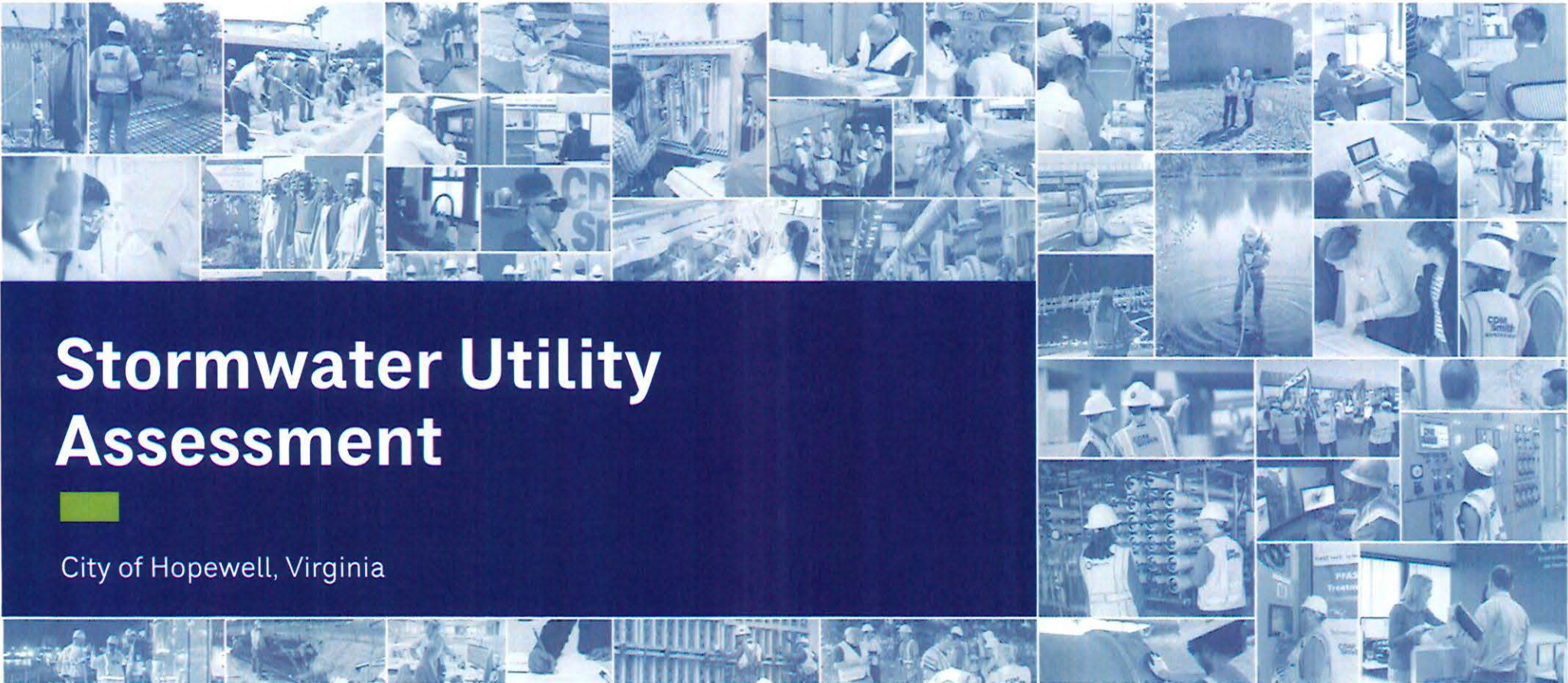
**SUMMARY:**

**Y N**

- Councilor Rita Joyner, Ward #1
- Councilor Michael Harris, Ward #2
- Mayor John B. Partin, Ward #3
- Vice Mayor Jasmine Gore, Ward #4

**Y N**

- Councilor Janice Denton, Ward #5
- Councilor Brenda Pelham, Ward #6
- Councilor Dominic Holloway, Sr., Ward #7



# Stormwater Utility Assessment



City of Hopewell, Virginia

David Mason, PE,  
PMP

August 27, 2024





## Background and Purpose

- *The City Council finds that an adequate, sustainable source of revenue for stormwater management activities is .... (June 2015)*
- Initial fee of \$4 per month per Equivalent Residential Unit (ERU) has been unchanged since inception in 2015 (original recommendation was \$8/month/ERU)
- Revenue has not kept pace with growing infrastructure needs; collections and fee credits offered have further reduced revenue
- Project Purpose – Evaluate SWU needs; review rate structure; identify SWU trends; recommend improvements to meet needs



## Existing Stormwater Utility Review

- Flat fee of \$4 per equivalent residential unit (i.e. dwelling unit)
- Non-residential properties billed \$4 per month for every 2,100 sq ft of impervious area
- 90% credit offered for large industrial properties (approximately \$400K in reduced revenue annually)
- Projected average annual revenue of \$905,000
- Collection rate has been less than industry standard

Stormwater Budget		FY25
Program Management/Administration	\$	340,000
Regulatory Compliance	\$	15,000
Operations and Maintenance	\$	525,000
Capital Improvements	\$	25,000
<b>Average Annual Budget @ \$4 rate</b>	<b>\$</b>	<b>905,000</b>

## Significant Capital Projects Drive the Need for Additional Revenue

- Known capital needs in next 5 years

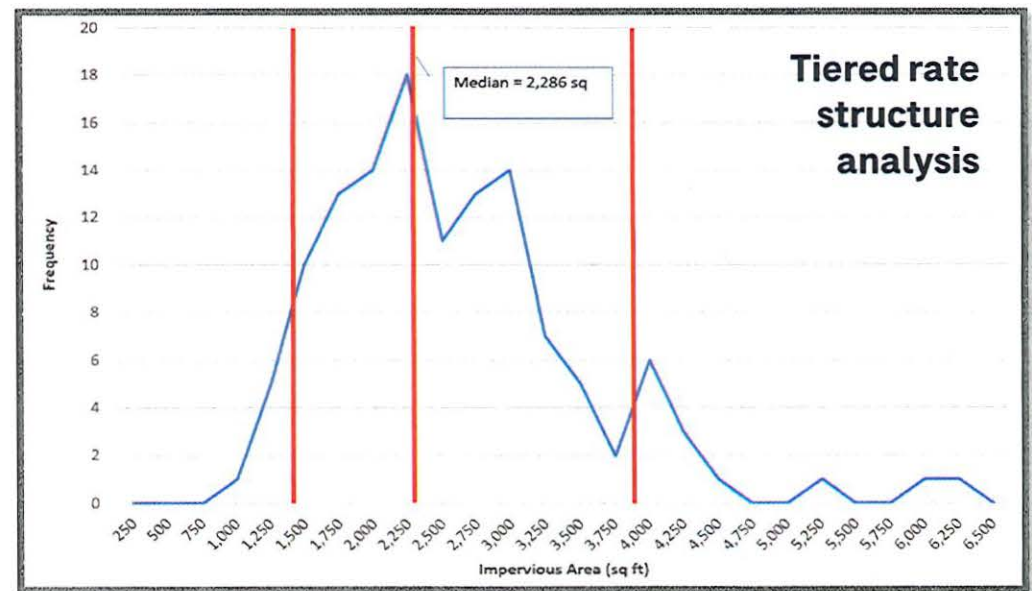
Capital Projects	FY25	FY26	FY27	FY28	FY29	Totals
Richmond St. & Petersburg St. Improvements	-	\$ 1,894,000	\$ 1,800,000	\$ 1,693,000	\$ 1,693,000	\$ 7,080,000
Wagner Ave. & Hooker St. Improvements	\$ 226,000	-	\$ 1,306,000	\$ 1,306,000	-	\$ 2,838,000
Hank's Pond/Dam at Peterson Mill	\$ 123,000	-	-	-	-	\$ 123,000
Heretick Ave Drainage Improvement	\$ 704,000	\$ 643,000	-	-	-	\$ 1,347,000
Chesapeake Bay Nutrient Offset Payments	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000	-	\$ 1,500,000
<b>Totals</b>	<b>\$ 1,428,000</b>	<b>\$ 2,912,000</b>	<b>\$ 3,481,000</b>	<b>\$ 3,374,000</b>	<b>\$ 1,693,000</b>	<b>\$ 12,888,000</b>

- Annual funding deficit (above operating costs) ranges from \$1.3M to \$3.3M
- About 30 additional drainage issue locations exist without funding identified

# Rate Structure Review

## Reviewed three rate structure alternatives

- Equivalent Residential Unit (ERU) - 27,525 billing units
  - Existing rate structure; all residential dwelling units pay the same rate regardless of size
- Single Family Unit (SFU) - 25,148 billing units
  - Single family homes receive base rate; other residential dwelling units receive a smaller fee (duplexs, apartments, etc)
- SFU w/ Tiers - 25,423 billing units
  - Single family homes subdivided into three tiers by size; other residential dwelling units receive a smaller fee (duplexs, apartments, etc)



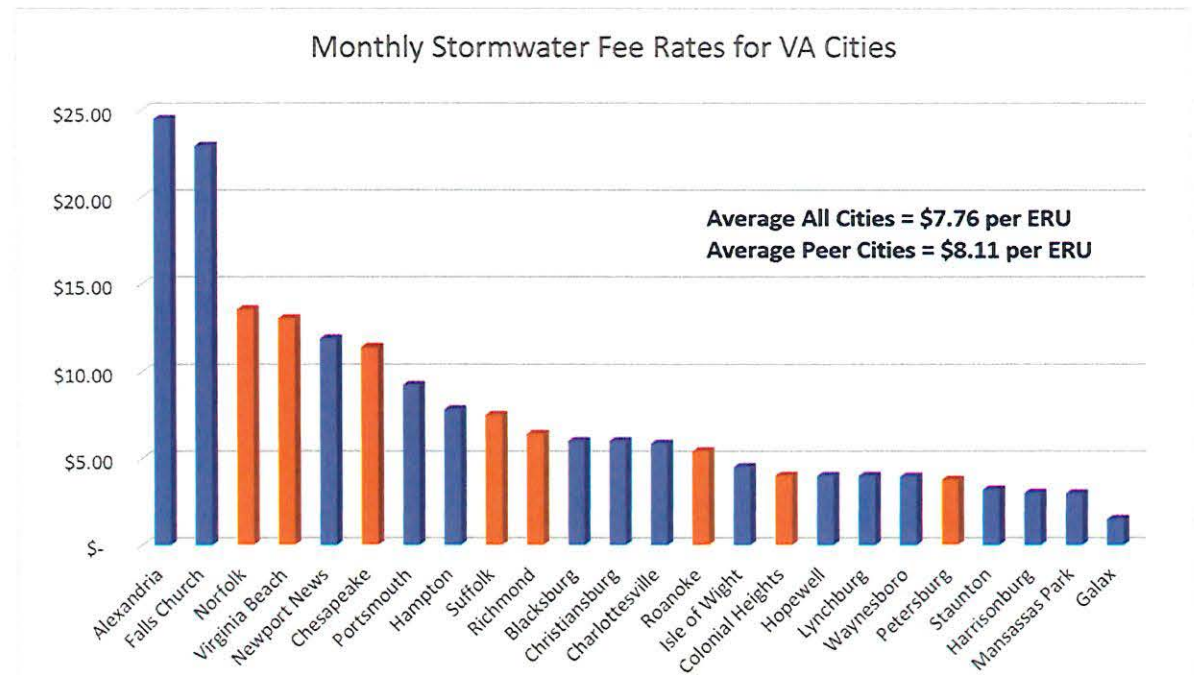
# Analysis of Revenue Generation Capacity

Monthly Rate	Revenue by Rate Structure Options <sup>1</sup>			Revenue by Rate Structure w 90% Credit		
	ERU <sup>2</sup>	SFU <sup>3</sup>	SFU w/Tier <sup>4</sup>	ERU	SFU	SFU w/Tier
\$ 4.00	\$ 1,282,000	\$ 1,171,000	\$ 1,184,000	\$ 905,000	\$ 792,000	\$ 805,000
\$ 4.50	\$ 1,442,000	\$ 1,317,000	\$ 1,332,000	\$ 1,015,000	\$ 891,000	\$ 905,000
\$ 5.00	\$ 1,602,000	\$ 1,464,000	\$ 1,480,000	\$ 1,128,000	\$ 990,000	\$ 1,006,000
\$ 5.50	\$ 1,762,000	\$ 1,610,000	\$ 1,628,000	\$ 1,241,000	\$ 1,089,000	\$ 1,106,000
\$ 6.00	\$ 1,922,000	\$ 1,756,000	\$ 1,776,000	\$ 1,354,000	\$ 1,188,000	\$ 1,207,000
\$ 6.50	\$ 2,083,000	\$ 1,903,000	\$ 1,924,000	\$ 1,467,000	\$ 1,287,000	\$ 1,307,000
\$ 7.00	\$ 2,243,000	\$ 2,049,000	\$ 2,071,000	\$ 1,579,000	\$ 1,386,000	\$ 1,408,000
\$ 7.50	\$ 2,403,000	\$ 2,195,000	\$ 2,219,000	\$ 1,692,000	\$ 1,485,000	\$ 1,509,000
\$ 8.00	\$ 2,563,000	\$ 2,342,000	\$ 2,367,000	\$ 1,805,000	\$ 1,584,000	\$ 1,609,000
\$ 8.50	\$ 2,723,000	\$ 2,488,000	\$ 2,515,000	\$ 1,918,000	\$ 1,682,000	\$ 1,710,000
\$ 9.00	\$ 2,884,000	\$ 2,635,000	\$ 2,663,000	\$ 2,031,000	\$ 1,781,000	\$ 1,810,000

Note 1 - assumes 97% collection rate and no credits

## Stormwater Utility Trends in VA and Nationally

- Performed peer city review in VA (8 localities)
- Reviewed regional and national SWU surveys
- Average percent fee reduction offered to non-residential customers is 24% (per SESWA survey)
- Peer cities typically offer 20% to industrial VPDES permit holders



## Stormwater User Fee Credit Considerations

- § 15.2-2114. - A locality adopting such a system shall provide for full or partial waivers of charges to any person who installs, operates, and maintains a stormwater management facility that **achieves a permanent reduction in stormwater flow or pollutant loadings** or other such other facility, system, or practice whereby stormwater **runoff produced by the property is retained and treated on site**

Monthly Rate per ERU	ERU-Based Revenue w Various Industrial Credits			
	No Credit	20% IND	50% IND	90% IND
\$ 4.00	\$ 1,282,000	\$ 1,197,000	\$ 1,071,000	\$ 905,000
\$ 4.50	\$ 1,442,000	\$ 1,347,000	\$ 1,205,000	\$ 1,015,000
\$ 5.00	\$ 1,602,000	\$ 1,497,000	\$ 1,339,000	\$ 1,128,000
\$ 5.50	\$ 1,762,000	\$ 1,646,000	\$ 1,473,000	\$ 1,241,000
\$ 6.00	\$ 1,922,000	\$ 1,796,000	\$ 1,606,000	\$ 1,354,000
\$ 6.50	\$ 2,083,000	\$ 1,946,000	\$ 1,740,000	\$ 1,467,000
\$ 7.00	\$ 2,243,000	\$ 2,095,000	\$ 1,874,000	\$ 1,579,000
\$ 7.50	\$ 2,403,000	\$ 2,245,000	\$ 2,008,000	\$ 1,692,000
\$ 8.00	\$ 2,563,000	\$ 2,395,000	\$ 2,142,000	\$ 1,805,000

\* assumes 97% collection rate and no credits

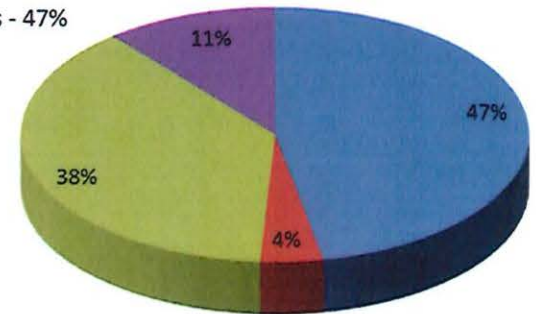
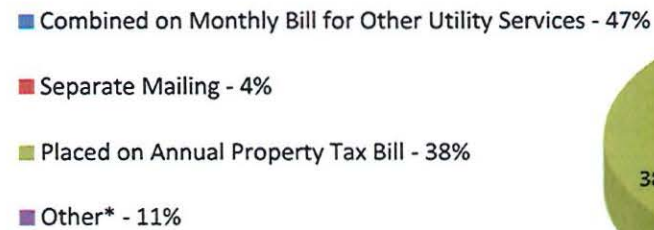
## Revenue Forecast for Example Fee & Credit Combination

- Higher rate significantly improves the City's ability to fund known capital project needs
- Funding gap still exists

Stormwater Budget	FY25	FY26	FY27	FY28	FY29
Program Management	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000
Regulatory Compliance	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Operations and Maintenance	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000
Capital Improvements	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Average Annual Budget @ \$4 rate	\$ 905,000	\$ 905,000	\$ 905,000	\$ 905,000	\$ 905,000
Average Annual Budget @ \$8 rate w/ 20% credit	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000
Total Annual Budget with Capital Needs	\$ 2,333,000	\$ 3,817,000	\$ 4,386,000	\$ 4,279,000	\$ 2,723,000
Annual Budget Deficit @ \$8 rate w/ 20% credit	\$ 67,000	\$ (1,417,000)	\$ (1,986,000)	\$ (1,879,000)	\$ (323,000)

## Billing and Collections

- City performs billing via the local utility bill (trash, sewer, stormwater)
- Collection rate has been inadequate (nearly 8,000 accounts past due with \$1.6M in lost revenue) per Data Integrators November 2023 memo
- Many utilities add the fee to the Property Tax Bill



Source: 2023 Southeast Stormwater Association Utility Survey





## Study Findings and Recommendations

- The stormwater fee should be raised to the originally requested \$8 per month per ERU to generate additional funding to support identified capital needs and regulatory requirements
- The City should develop a fee credit program that's more consistent with peer cities and general industry standards.
- The fee credit program should include compliance language to maintain the credit
- While a tiered rate structure may provide more equity to lower-income residential property owners/tenants, the City has insufficient staffing needs to monitor and implement a program like such.
- The City should consider migrating the stormwater fee to the bi-annual property tax bill directing the fee to the property owner rather than the tenant, thus alleviating some financial pressure off lower-income residents & renters.



**listen. think. deliver.**

City of Hopewell - Stormwater Utility Assessment



**CDM  
Smith**



## Memorandum

**To:** Josh Sementelli  
Interim Stormwater Program Manager

**From:** David Mason, PE

**Date:** August 15, 2024

**Subject:** Stormwater Utility Assessment (FINAL)

### Introduction

In June of 2015, the Hopewell City Council approved a Stormwater Utility Fee ordinance to be added to Chapter 14 of the Code of the City of Hopewell: Chapter 14 Article III. Stormwater Utility. The fee went into effect July 1, 2015. The initial billing rate was \$4 per Equivalent Residential Unit (ERU) per month (or, \$48 per ERU per year). The stated purpose of the fee according to statements by City officials in The Progress Index (January 28, 2015) was to fund “a significant amount of infrastructure upgrades, system restoration and staffing increases to bring the city into compliance with the new government-required standards.” As the program has matured over the past 9 years with the initial rate remaining stagnant, program needs have been identified that warrant additional funding.

In January of 2024, CDM Smith participated in a call with City staff to discuss the need to assess the City’s existing stormwater utility funding program. The City wished to perform an updated statistical analysis to validate the existing rate structure. Additionally, the City wished to explore alternative rate structures and to understand the revenue generation capacity of each rate structure option. Finally, the City wished to evaluate the stormwater utility trends of other utilities in the State. This technical memorandum summarizes the results of our analysis.

### Stormwater Rate and Revenue Needs

The stormwater utility fee as established today is forecasted to generate an annual revenue of approximately \$900K. However, annual fiscal revenues have been approximately \$800K per year due to poor collections rates (discussed later in this document). Also, total revenues would be higher but for a 90% credit granted to large industrial property owners that hold a VPDES Industrial Stormwater Permit. It is estimated that this 90% credit results in a \$400K loss in annual revenue. The following is a summary of the current, average annual budget subdivided into typical cost categories.

Stormwater Budget	FY25
Program Management	\$ 340,000
Regulatory Compliance	\$ 15,000
Operations and Maintenance	\$ 525,000
Capital Improvements	\$ 25,000
<b>Average Annual Budget @ \$4 rate</b>	<b>\$ 905,000</b>

The original fee request from City staff's report to City Council in January of 2015 was \$8 per ERU per month. The \$8 fee was recommended to fund anticipated capital improvement needs. However, the \$8 per ERU proposal was rejected and the \$4 fee was established. Current stormwater revenues are only sufficient to fund minimum VPDES MS4 permit compliance, a base level of system maintenance to address emergency needs and customer complaints and a minimal level of staffing to manage the program. The replacement cost of necessary equipment to maintain the system is not currently included in the annual budget.

With the reduced revenues, funding for capital needs has been inadequate since fee inception. For example, the current Winston Churchill Emergency Repair Project is estimated to cost approximately \$1,200,000, which would be more than 100% of the current stormwater annual revenue. Current City staff have identified annual, stormwater capital project needs ranging from \$1.3M to \$3.3M for each of the next 5 years, totaling over \$12M in total project spending. This includes the regulatory requirement to purchase approximately 90 lbs of nitrogen credits to satisfy Chesapeake Bay TMDL requirements by Year 2028. The City also lacks adequate existing funds to pursue available grants for capital improvements, which frequently require a local government matching contribution.

Capital Projects	FY25	FY26	FY27	FY28	FY29	Totals
Richmond St. & Petersburg St. Improvements	-	\$ 1,894,000	\$ 1,800,000	\$ 1,693,000	\$ 1,693,000	\$ 7,080,000
Wagner Ave. & Hooker St. Improvements	\$ 226,000	-	\$ 1,306,000	\$ 1,306,000	-	\$ 2,838,000
Hank's Pond/Dam at Peterson Mill	\$ 123,000	-	-	-	-	\$ 123,000
Heretick Ave Drainage Improvement	\$ 704,000	\$ 643,000	-	-	-	\$ 1,347,000
Chesapeake Bay Nutrient Offset Payments	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000	-	\$ 1,500,000
<b>Totals</b>	<b>\$ 1,428,000</b>	<b>\$ 2,912,000</b>	<b>\$ 3,481,000</b>	<b>\$ 3,374,000</b>	<b>\$ 1,693,000</b>	<b>\$ 12,388,000</b>

In addition to the known needs identified above, staff have identified nearly 30 additional drainage/flooding issues in the City the will require further study and investigation to determine the solution and estimated cost. These locations are listed below:

Additional Capital Drainage Project Needs	
Grace St. - Replace SW Aprons	N. 6th Ave. Improvemets
Weston Circle - Repair East Culvert	Davis St. & 6th Ave. to 8th Ave.
Route 10 Outfall #2 - Erosion Issues	Libby Ave. Triple Culvert Replacement
Route 10 Outfall #3 - Erosion Issues	Dendron St., Sycamore St., Dinwiddie St.
Wagner Ave - Pipe Joint Issues	Hill Ave. & Hooker St. Improvements
3307 Hampton Ave. Culvert	Cattail Creek Improvements at NS RR
E. Randolph Rd. Drainage Improvements	Virginia St. & Edgewood Blvd.
Burnside St. & Riverview Ave.	Sherwood Dr.
2916 Western St.	Cattail Creel Mt. Carmel Church
W. Broadway & N. 2nd Ave.	Maple St.
Winston Churchill near Plant St.	New York Ave.
Brooklawn	Garland Ave.
3500 W. Broadway	Carolina Ave.
300 - 400 Mansion Dr.	Delaware Ave.

## Stormwater Rate Structure Review

Per the City’s website, the ERU was determined based on a measurement of the average impervious area on a single-family residential property, which was 2,100 square feet of impervious area. Based on CDM Smith’s experience, this number appears low for “single-family” properties and we suspected that this is actually a measure of all residential property types. This was confirmed based on our analysis, which follows:

CDM Smith performed a statistical sampling of impervious areas for the residential properties within the Hopewell, which included over 130 single-family residential properties and 18 multi-family residential properties totaling approximately 700 dwelling units. CDM Smith also reviewed the City’s 2021 Impervious Area GIS layer to estimate the amount of impervious area associated with non-residential properties. Table 2 presents a summary of the land use analysis performed.

**Table 2 - Land Use Analysis to Determine ERU Rate Structure**

Parcel Type	Number of Parcels	Dwelling Units (d.u.)	Est'd Impervious Area (ft <sup>2</sup> )		ERU Factor	ERU Distribution	
			Total	Avg/d.u.		Count	%
Residential SFH	8,710	8,710	19,911,060	2286.0	1.0	8,710.0	31.6%
Residential Duplex	766	383	455,770	1190.0	1.0	383.0	1.4%
Residential Condominium	1	63	60,669	963.0	1.0	63.0	0.2%
Residential Apartments	494	995	851,720	856.0	1.0	995.0	3.6%
Residential Townhomes	0	157	249,159	1587.0	1.0	157.0	0.6%
<b>Residential Subtotal</b>	<b>9,971</b>	<b>10,308</b>	<b>21,528,378</b>	<b>ERU Base</b>	<b>2088.5</b>	<b>10,308.0</b>	<b>37.4%</b>
Nonresidential estimate**	1,051	n/a	35,959,887	n/a	n/a	17,217.9	62.6%
<b>Non-Residential Subtotals</b>	<b>1,051</b>		<b>35,959,887</b>			<b>17,217.9</b>	<b>62.6%</b>
<b>Total</b>	<b>11,022</b>		<b>57,488,265</b>		<b>ERU Total</b>	<b>27,525.9</b>	<b>100.0%</b>

\*Dwelling units count based on City Data

\*\* Estimate based on 2021 Impervious Area file

The average impervious area of all residential property types measured was approximately 2,088 square feet (labeled as “ERU Base” in the table above). This measurement closely matched the 2,100 square feet of impervious area per ERU that the City uses today. In addition, CDM Smith also determine the average impervious area per dwelling unit (d.u.) for various types of multi-family properties, which are shown in the “Avg/d.u.” column above. As shown, the impervious area associated with other residential property types are smaller on average than the typical single-family home. This can form the basis for considering other rate structure options which will be defined below.

The impervious area associated with non-residential property types is approximately 36M square feet. This estimate included the total associated with all of the industrial properties that are currently offered a discounted rate. The impervious area associated with these industrial properties is approximately 19M square feet.

The total estimated ERUs for the City based on this analysis is 27,526 ERUs. Using a \$4 per month per ERU rate and assuming a standard collection rate of 97%, the stormwater utility has the potential to generate \$1.28M per year (assuming no credits for the industrial properties). As noted, the current credits offered reduce this revenue potential by approximately \$400K annually. Using the \$8 per month per ERU rate requested during the original development of the fee, the stormwater utility would generate approximately \$2.56M per year.

## Alternative Rate Structures

### Single Family Unit Rate Structure

In recent years, as available GIS data has made it possible to further evaluate discrete differences in impervious area by land use types, many stormwater utilities have developed a more equitable rate structure whereby different types of residential properties are charged a rate that more closely matched their burden on the system. As noted above, the multi-family properties in Hopewell have a smaller amount of impervious area as compared to a typical single-family home. For Hopewell, based on the data sampled in this study, the median single-family home has 2,286 square feet of impervious area, which is defined as the Single Family Unit (SFU). Table 3 summarizes the data associated with this analysis.

**Table 3 – Land Use Analysis to Determine SFU Rate Structure**

Parcel Type	Number of Parcels	Dwelling Units (d.u.)	Est'd Impervious Area (ft <sup>2</sup> )		SFU Factor	SFU Distribution	
			Total	Avg/d.u.		Count	%
Residential SFH	8,710	8,710	19,911,060	2286.0	1.0	8,710.0	34.6%
Residential Duplex	766	383	455,770	1190.0	0.5	199.4	0.8%
Residential Condominium	1	63	60,669	963.0	0.4	26.5	0.1%
Residential Apartments	494	995	851,720	856.0	0.4	372.6	1.5%
Residential Townhomes	0	157	249,159	1587.0	0.7	109.0	0.4%
<b>Residential Subtotal</b>	<b>9,971</b>	<b>10,308</b>	<b>21,528,378</b>	<b>SFU Base</b>	<b>2286.0</b>	<b>9,417.5</b>	<b>37.4%</b>
Nonresidential estimate**	1,051	n/a	35,959,887	n/a	n/a	15,730.5	62.6%
<b>Non-Residential Subtotals</b>	<b>1,051</b>		<b>35,959,887</b>			<b>15,730.5</b>	<b>62.6%</b>
<b>Total</b>	<b>11,022</b>		<b>57,488,265</b>		<b>SFU Total</b>	<b>25,148.0</b>	<b>100.0%</b>

\*Dwelling units count based on City Data

\*\* Estimate based on 2021 Impervious Area file

The column in Table 3 with the heading Avg/d.u. shows the measured difference in the average impervious area associated with each dwelling unit type. The SFU Factor column calculates the comparison of the avg/d.u. for each residential category to the SFU average. As shown, the average impervious area for each duplex unit is 0.5 SFUs, the average for apartment and condo unit is 0.4 SFUs and the average for townhomes is 0.7 SFUs. Using this rate structure and assuming the same \$4 per month per billing unit charged today, a single-family home would still receive a monthly bill of \$4 per month, but an owner/tenant of an apartment would receive a bill of \$1.60 per month (\$4 x 0.4 SFUs) to represent the smaller contribution of runoff to the system associated with that dwelling unit. This rate structure is considered to be more equitable, but it does require a higher level of administration to define such properties and charge them differently.

Using this method, since the base billing unit of 2,286 is higher than the 2,100 used today, this results in a slightly lower number of total billing units, estimated to be 25,148 billing units. Using a \$4 per month per SFU rate and assuming a typical collection rate of 97%, the stormwater utility has the potential to generate \$1.17M per year (assuming no credits for the industrial properties). Using the \$8 per month per ERU rate requested during the original development of the fee, the stormwater utility would generate approximately \$2.34M per year.

### Tiered Single Family Unit Rate Structure

At third rate structure to consider is the application of tiers to the single-family residential properties to further add equity to the rate structure. For this option, a statistical analysis is performed on the single-family property sample to determine a large tier of homes and a small tier of homes. The larger tier would pay a higher fee than the average home and a smaller tier would be lower, representing their proportional contribution of runoff. Typically, this tier cutoff is set at the 90% percentile of the dataset and the 10<sup>th</sup> percentile of the dataset. Table 4 on the following page summarizes the land use analysis performed and Figure 1 shows the distribution of sampled single-family property data. Based on this analysis, single-family properties below 1,429 square feet of impervious area would be assigned to the small tier (representing the smallest 10% of properties). Single-family properties above 3,865 square feet of impervious area would be assigned to the large tier (representing the largest 10% of properties). All other single-family properties would be in the medium tier (the middle 80% of properties).

**Table 4 - Land Use Analysis to Determine Tiered SFU Rate Structure**

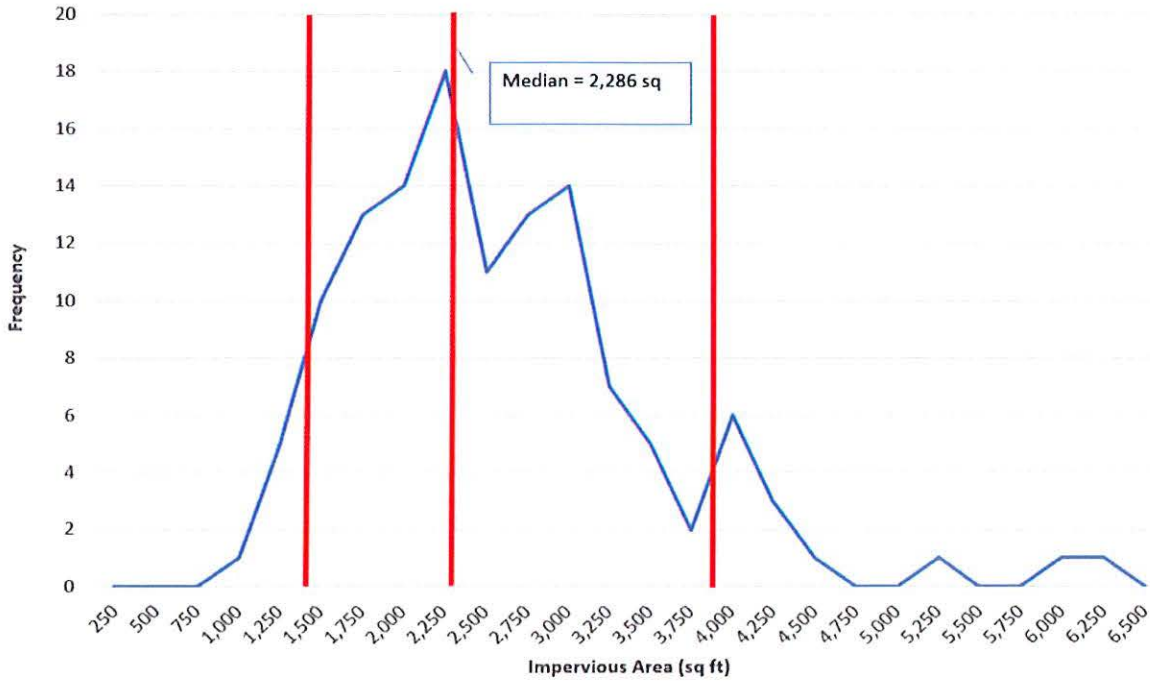
Parcel Type	Number of Parcels	Dwelling Units (d.u.)	Est'd Impervious Area (ft <sup>2</sup> )		SFU Factor	SFU Distribution	
			Total	Avg/d.u.		Count	%
Residential SFH (Small)	871	871	1,244,659	1429.0	0.6	544.5	2.1%
Residential SFH (Medium)	6,968	6,968	15,928,848	2286.0	1.0	6,968.0	27.4%
Residential SFH (Large)	871	871	3,366,415	3865.0	1.7	1,472.6	5.8%
Residential Duplex	766	383	455,770	1190.0	0.5	199.4	0.8%
Residential Condominium	1	63	60,669	963.0	0.4	26.5	0.1%
Residential Apartments	494	995	851,720	856.0	0.4	372.6	1.5%
Residential Townhomes	0	157	249,159	1587.0	0.7	109.0	0.4%
<b>Residential Subtotal</b>	<b>9,971</b>	<b>10,308</b>	<b>22,157,240</b>	<b>SFU Base</b>	<b>2286.0</b>	<b>9,692.6</b>	<b>38.1%</b>
Nonresidential estimate**	1,051	n/a	35,959,887	n/a	n/a	15,730.5	61.9%
<b>Non-Residential Subtotals</b>	<b>1,051</b>		<b>35,959,887</b>			<b>15,730.5</b>	<b>61.9%</b>
<b>Total</b>	<b>11,022</b>		<b>58,117,127</b>		<b>SFU Total</b>	<b>25,423.1</b>	<b>100.0%</b>

\*Dwelling units count based on City Data

\*\* Estimate based on 2021 Impervious Area file

The SFU Factor in Table 4 would be applied to the fee to determine the monthly rate. Assuming the \$4 rate as an example, the small tier properties would pay \$2.40 per month, the medium property would pay \$4 per month, and the large tier properties would pay \$6.80 per month. Adding a tiered rate structure has a small effect on the total billing units. Based on this analysis, the total billing units would be 25,423 SFUs. Using a \$4 per month per SFU rate and assuming a typical collection rate of 97%, the stormwater utility has the potential to generate \$1.18M per year (assuming not credits for the industrial properties). Using the \$8 per month per ERU rate requested during the original development of the fee, the stormwater utility would generate approximately \$2.37M per year.

Figure 1 – Distribution of Single-Family Impervious Area Sample Data



### Revenue Analysis

Table 4 summarizes the revenue capacity of each of the rate structure options presented in the previous section for a series of base billing rates. Options are presented both with and without the current 90% fee credit for large industrial properties. This calculation assumes a 97% collection rate for fees. As per the ordinance, government properties remain exempt for this analysis.

Table 5 – Revenue Capacity of Rate Structure Options

Monthly Rate	Revenue by Rate Structure Options <sup>1</sup>			Revenue by Rate Structure w 90% Credit		
	ERU <sup>2</sup>	SFU <sup>3</sup>	SFU w/Tier <sup>4</sup>	ERU	SFU	SFU w/Tier
\$ 4.00	\$ 1,282,000	\$ 1,171,000	\$ 1,184,000	\$ 902,000	\$ 792,000	\$ 805,000
\$ 4.50	\$ 1,442,000	\$ 1,317,000	\$ 1,332,000	\$ 1,015,000	\$ 891,000	\$ 905,000
\$ 5.00	\$ 1,602,000	\$ 1,464,000	\$ 1,480,000	\$ 1,128,000	\$ 990,000	\$ 1,006,000
\$ 5.50	\$ 1,762,000	\$ 1,610,000	\$ 1,628,000	\$ 1,241,000	\$ 1,089,000	\$ 1,106,000
\$ 6.00	\$ 1,922,000	\$ 1,756,000	\$ 1,776,000	\$ 1,354,000	\$ 1,188,000	\$ 1,207,000
\$ 6.50	\$ 2,083,000	\$ 1,903,000	\$ 1,924,000	\$ 1,467,000	\$ 1,287,000	\$ 1,307,000
\$ 7.00	\$ 2,243,000	\$ 2,049,000	\$ 2,071,000	\$ 1,579,000	\$ 1,386,000	\$ 1,408,000
\$ 7.50	\$ 2,403,000	\$ 2,195,000	\$ 2,219,000	\$ 1,692,000	\$ 1,485,000	\$ 1,509,000
\$ 8.00	\$ 2,563,000	\$ 2,342,000	\$ 2,367,000	\$ 1,805,000	\$ 1,584,000	\$ 1,609,000
\$ 8.50	\$ 2,723,000	\$ 2,488,000	\$ 2,515,000	\$ 1,918,000	\$ 1,682,000	\$ 1,710,000
\$ 9.00	\$ 2,884,000	\$ 2,635,000	\$ 2,663,000	\$ 2,031,000	\$ 1,781,000	\$ 1,810,000

Note 1 - assumes 97% collection rate and no credits

Note 2 - references the data in Table 2

Note 3 - references the data in Table 3

Note 4 - references the data in Table 4



As noted, the credit amount offered to certain large industrial VPDES permit holders has a significant impact on the amount of revenue that the fee generates. An additional analysis was performed to demonstrate the impact on revenues if other credit rates were to be considered. The following tables presents a revenue comparison using the existing ERU method with various credit rates for the large industrial properties. The highlighted rows represent the current \$4 per ERU rate and the originally proposed \$8 per ERU rate.

Monthly Rate per ERU	ERU-Based Revenue w Various Industrial Credits			
	No Credit	20% IND	50% IND	90% IND
\$ 4.00	\$ 1,282,000	\$ 1,197,000	\$ 1,071,000	\$ 902,000
\$ 4.50	\$ 1,442,000	\$ 1,347,000	\$ 1,205,000	\$ 1,015,000
\$ 5.00	\$ 1,602,000	\$ 1,497,000	\$ 1,339,000	\$ 1,128,000
\$ 5.50	\$ 1,762,000	\$ 1,646,000	\$ 1,473,000	\$ 1,241,000
\$ 6.00	\$ 1,922,000	\$ 1,796,000	\$ 1,606,000	\$ 1,354,000
\$ 6.50	\$ 2,083,000	\$ 1,946,000	\$ 1,740,000	\$ 1,467,000
\$ 7.00	\$ 2,243,000	\$ 2,095,000	\$ 1,874,000	\$ 1,579,000
\$ 7.50	\$ 2,403,000	\$ 2,245,000	\$ 2,008,000	\$ 1,692,000
\$ 8.00	\$ 2,563,000	\$ 2,395,000	\$ 2,142,000	\$ 1,805,000

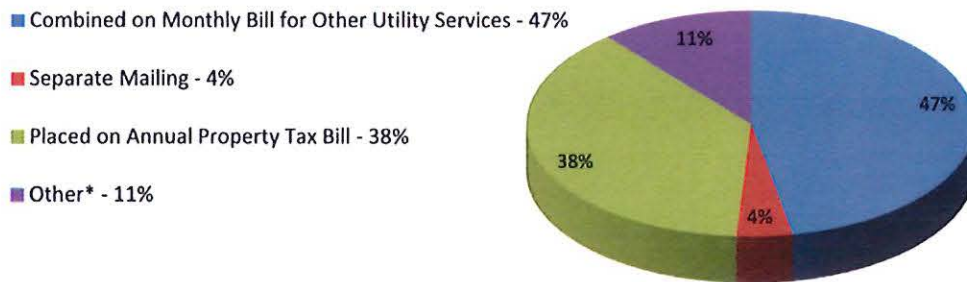
\* assumes 97% collection rate and no credits

## Billing and Collections

The revenue analysis above includes an assume that 97% of annual fees are collected from customers. This estimate is standard for typical stormwater utilities that bill customers using an existing utility billing platform, which is how the City of Hopewell currently performs its billing. The City uses Data Integrators for billing services. Based on a November 2023 memo from Data Integrators provided to City staff, the City is experiencing significant challenges with collections. Per the November memo, Data Integrators notes that nearly 8,000 accounts were past due totaling over \$1.6M in lost revenue (this includes fees for trash, sewer and stormwater services combined). Because these customers receive water service from American Water, leveraging the threat of disconnects to pay unpaid bills is insufficient to prompt payment.

Due to these types of challenges, many utilities across the country attach stormwater fees to tax bills to improve collections. Tax bills historically achieve a high rate of collections. Isle of Wight in Virginia is one locality that uses the tax bill for fee collection with great success. Also, billing via the tax bills allows the utility to collect from the property owner rather than the renter. In terms of stormwater service, this distinction has the advantage of targeting the property owner that has the most control over the amount of impervious area (and thus the runoff) on the property, whereas the tenant has limited to no control over how the property deals with stormwater runoff.

The Southeastern Stormwater Association (SESWA) performs a bi-annual survey of stormwater utilities, which includes 115 respondents. According to their 2023 survey, over 70 percent of stormwater utilities in the southeast bill fees to the owner of the property rather than the tenant. Below shows a distribution of how the customers are billed. Nearly 40% of stormwater utilities use the Property Tax Bill as the mechanism to charge their stormwater utility fees.



Source: 2023 SESWA Stormwater Utility Survey

Due to the issues currently being experienced by the City, the City should consider an alternate billing approach such as the tax bill.

### Peer City Rate Survey

As per the scope of services, the City wished to survey a series of peer City/Counties in the Richmond area to compare stormwater fees and rate structure trends. The following local governments were surveyed for this study:

- Virginia Beach
- Richmond
- Petersburg
- Colonial Heights
- Norfolk
- Chesapeake
- Suffolk
- Roanoke

### SW Utility Rates and Basis

The local governments surveyed have a variety of different rate structures. The majority follow a traditional structure based on the ERU or SFU methods described above. However, Richmond is an outlier in that they assign all residential properties to a series of 5 tiers. Also, whereas as most utilities surveyed calculate the non-residential fees by dividing the total impervious area by the base ERU/SFU, Richmond's fee structure is normalized to charge a fee per 1,000 square feet (equivalent to \$3.60 per 1,000 sq ft). Below is a table of base rates.

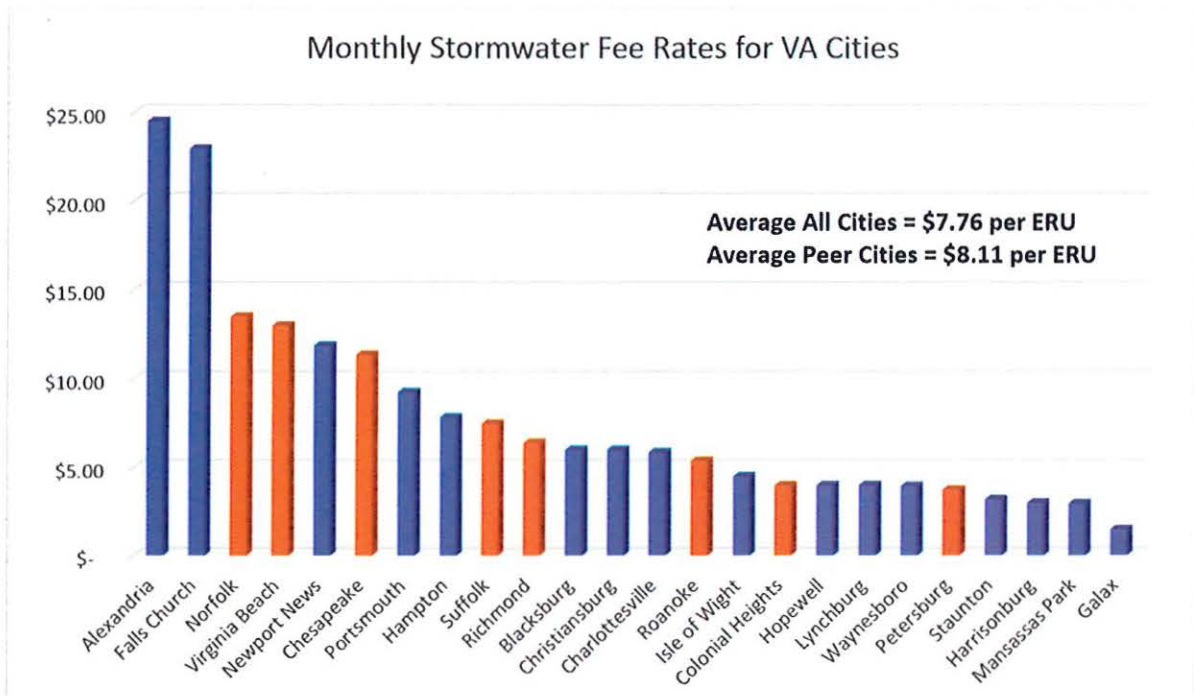
	Virginia Beach	Richmond	Petersburg	Colonial Heights	Norfolk	Chesapeake	Suffolk	Roanoke
Base Residential Rate	\$ 13.00	Tiered*	\$ 3.75	\$ 4.00	\$ 13.50	\$ 11.35	\$ 7.50	\$ 5.40

\*the largest percentage of properties are in the middle tiers ranging from \$5.36 to \$8.71 per month

The following table summarizes the fee basis for residential properties. Virginia Beach, Colonial Heights, Suffolk, Richmond and Roanoke apply a single-family home basis (SFU). Petersburg, Norfolk and Chesapeake apply the ERU basis.

	Virginia Beach	Richmond	Petersburg	Colonial Heights	Norfolk	Chesapeake	Suffolk	Roanoke
Base Unit (sq ft)	2,269	Tiered*	2,116	2,656	2,000	2,112	3,039	3,200

Western Kentucky performs an annual survey of over 2,000 stormwater utilities across the country, including approximately 40 cities and counties in Virginia. The following figure summarizes the monthly stormwater fee rates charged by cities in Virginia, which average \$7.76 per month per ERU. The peer cities from this analysis are highlighted in orange for emphasis.



**Fee Credits**

All local governments surveyed offered some form of a credit program for customers, although the credits offered varied widely. A summary of the fee credits for the 8 local governments surveyed is in Table 6. Three of the 8 local governments do not offer credits for residential customers while all 8 local governments surveyed offer credits to non-residential customers (including industrial). Only three of the 8 have a distinct credit for VPDES Industrial Stormwater Permit holders. Colonial Heights and Petersburg offer a 20% credit for industrial permit holders that demonstrate compliance with their permit. In both of these cases, these permit holders can earn additional credit up to a 50% max if they install additional treatment BMPs. Richmond offers a up to a 50% credit for VPDES Industrial permit holders, although permit holders that do not discharge to their City system can earn more. The maximum credit offered by any of the utilities surveyed is 60% for Norfolk. The City’s stormwater credit manual notes that the cap is set at 60% since 40% of all impervious area in the City is publicly owned. Therefore, all properties benefit from the City’s management of public land and thus no property should be able to reduce their fee by more than 60%.

While the fee caps for other localities surveyed for this study were not explicitly justified in their stormwater fee credit manuals, it is CDM Smith’s experience that few utilities offer a credit as significant as the 90% credit offered by Hopewell to its large industrial customers. According to the 2023 SESWA Stormwater Utility Survey, the average percent fee reduction offered to non-residential customers is 24%.

**Table 6 – Stormwater Fee Credit Policy Summary**

Local Government	Residential	Non-Residential	Industrial
Virginia Beach	None	50% Max for BMP Implementation based on Treated Area	50% Max for BMP Implementation based on Treated Area
Richmond	50% Max for BMP Implementation	50% Max for BMP Implementation based on Treated Area	50% Max for VPDES; 100% if non-discharge to system
Roanoke	50% Max for BMP Implementation	50% Max for BMP Implementation based on Treated Area	50% Max for BMP Implementation based on Treated Area
Suffolk	None	40% Max for Quantity and Quality Treatment (20% each)	40% Max for Quantity and Quality Treatment (20% each)
Norfolk	60% Max for BMP Implementation	60% Max for BMP Implementation based on Treatment Efficiency	60% Max for BMP Implementation based on Treatment Efficiency
Colonial Heights	50% Max for BMP Implementation	50% Max for BMPs that Reduce Total Runoff Volume	20% for VPDES; Up to 50% Max for Additional BMPs
Petersburg	50% Max for BMP Implementation	50% Max for BMPs that Reduce Total Runoff Volume	20% for VPDES; Up to 50% Max for Additional BMPs
Chesapeake	None	Up to 50% Max; Quantity and Quality Treatment (20% each) + additional for Public BMPs	Up to 50% Max; Quantity and Quality Treatment (20% each) + additional for Public BMPs

The fee credit should be commensurate with the potential benefit provided back to the City’s system. A fee credit program cap acknowledges that an individual customer benefits from the overall management of the system, including administration, planning, complaint response, regulatory compliance and maintenance, regardless of what BMPs a customer may install on site. Therefore, this portion of the total Stormwater Program spending should not be offset by a credit and can be used to see the fee cap. A fee credit cap of 50% would be more typical, with a credit of 20% for holding an active, compliant VPDES permit and the opportunity for additional credit if approved stormwater BMPs are installed on site to reduce the volume of flow discharging to the system.

Lastly, it should be noted that the majority of fee credit programs include some form of maintenance or compliance agreement to maintain the credit. For example, for a customer that installs a stormwater

BMP, the customer must agree to maintain the BMP and pass periodic inspections by the local government. If the BMP is not maintained, the credit can be revoked. Similarly, VPDES permit holders should be required to remain in compliance with their state issued permit. If the customer is not in compliance with their permit, then the credit may be revoked.

### Land Development Fee Comparison

The final task in the scope of work for this project was to perform a comparison of land development fees charged by Hopewell versus the other 8 local governments identified above. Table 7 summarizes the results of the comparison, primarily focused on fees similar in nature as that charge by Hopewell. Most local governments had a standard application or base fee plus a fee per acre of disturbed area. Some local governments had additional fees for resubmittal and inspections.

**Table 7 – Stormwater Fee Credit Policy Summary**

Local Government	Base Fee	Per Acre Fee	Other Fees
Hopewell	\$250 site plan/review fee	\$10 per disturbed acre	\$25 issuance/inspection fee
Roanoke	\$100 E&S fee	\$50 per disturbed acre	\$150 inspection fee for single family
Suffolk	\$630 site plan/review fee	\$63 per disturbed acre	\$157 per resubmittal fee \$42 per lot engineering review fee \$31.50 per lot plat fee
Virginia Beach	\$100 E&S fee	n/a	1.5% x Construction Cost (Insp Fee)
Norfolk	\$180 permit fee (single fam) \$630 permit fee (non-res)	n/a	n/a
Colonial Heights	\$500 site plan/review fee	n/a	n/a
Petersburg	\$250 site plan/review fee	\$50 per disturbed acre	n/a
Richmond	\$300 site plan/review fee	\$100 per disturbed acre	Per acre fee capped at \$1,000
Chesapeake	\$100 site plan/review fee (single fam) \$25 per 1,000 sq ft (non-res)	n/a	Max fee of \$500 for non-res

Generally, the base fee and per acre fee charged by Hopewell was lower than the peer cities in the survey. Base fees ranged from \$100 to \$630 per plan. Fees charged per acre of disturbed area ranged from \$10 to \$100, although some of the per acre charges were capped (such as Richmond, who caps its per acre fee at \$1,000. Hopewell could raise additional revenue for the stormwater program by raising these development fees to be more in line with peer cities, although this additional revenue will continue to be small in comparison to the stormwater utility revenue potential

### Study Findings

The following bullets summarize CDM Smith’s findings regarding the Stormwater Utility Assessment:

- The 2021 impervious area GIS layers provided accurately represent the impervious area on the ground based on an assessment of the aerial photos available.
- The City has multiple GIS layers showing “land use” on properties. There are inconsistencies between the land use designations which could lead to inaccurate application of fees.
- The City’s current rate structure follows standard procedures and the statistical analysis demonstrated that the current ERU is valid.
- Other rate structure options exist that will provide more equity to customers yet will not significantly impact the overall revenue generation of the fee. The trade off for a change in rate structure may be additional administrative burden to track different fee category types.

- The original fee proposal from 2015 of \$8 per month per ERU included consideration for capital program funding and system maintenance improvements. The approval of a \$4 fee per month per ERU has proved to be insufficient to fund the necessary maintenance and capital needs to sustain the program.
- Significant capital project needs totaling over \$12M over the next 5 years have been identified for funding if available.
- The 90% credit offered to the large industrial properties in the City significantly impacts the City’s revenue generation capacity by approximately \$400K annually. This credit is not representative of the benefit provided to the City’s system by the property owners.
- To recover the revenue lost due to the 90% credit on industrial properties, the City would need to charge an additional \$1.90 per ERU per month to all other stormwater utility customers who effectively subsidize the large industries with the current fee credit offered.
- Most of the peer cities surveyed cap fee credits around 50% while offering approximately 20% specifically for VPDES Industrial Stormwater Permit holders.
- Current fee collection rates are not consistent with industry standards and are impacting the City’s ability to adequate fund program needs.

### Program Recommendations

The following bullets summarize CDM Smith’s recommendations for consideration by Hopewell:

- The stormwater fee should be raised to the originally requested \$8 per month per ERU to generate additional funding to support identified capital needs and regulatory requirements. The \$8 per month per ERU fee is consistent with the average base fee charged across the State. The revenue generated by a \$8 per month per ERU fee would significantly improve the City’s ability to fund identified capital needs although a funding gap will still exist.

Stormwater Budget	FY25	FY26	FY27	FY28	FY29
Program Management	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000	\$ 340,000
Regulatory Compliance	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Operations and Maintenance	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000
Capital Improvements	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Average Annual Budget @ \$4 rate	\$ 905,000	\$ 905,000	\$ 905,000	\$ 905,000	\$ 905,000
Average Annual Budget @ \$8 rate w/ 20% credit	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000	\$ 2,400,000
Total Annual Budget with Capital Needs	\$ 2,333,000	\$ 3,817,000	\$ 4,386,000	\$ 4,279,000	\$ 2,723,000
Annual Budget Deficit @ \$8 rate w/ 20% credit	\$ 67,000	\$ (1,417,000)	\$ (1,986,000)	\$ (1,879,000)	\$ (323,000)

- The City should develop a fee credit program that’s more consistent with peer cities and general industry standards. The 90% fee credit offered to large industrial permit holders does not equate to the benefit provided back to the City’s system. A credit on the order of 20% specifically for VPDES permit holders with the ability to reach a maximum of 50% through additional BMP implementation is more consistent with industry standard and peer cities in Virginia.

- The fee credit program should include compliance language to maintain the credit and the opportunity for the City to remove the credit if the property owner does not maintain site BMPs.
- A tiered rate structure may provide more equity to property owners/tenants with smaller properties than those with larger, whereby smaller properties pay less than larger properties; however, insufficient staffing capacity disallows this approach from being feasible due to the inability to monitor and implement the program.
- The City should review the approximately 1,000 non-residential properties to confirm the accurate assignment of rate categories and resolve any discrepancies in the GIS and/or parcel assessment information.
- If the rate of collections can't be resolved with the current utility billing platform and provider, the City should consider migrating the stormwater fee to the bi-annual property tax bill. Property tax billing typically provides the highest rate of collections and is directed to the property owner rather than the tenant. Applying the stormwater fee to the property tax will alleviate some financial burdens to those who are currently assessed a fee, but do not own a home.

# COMMUNICATIONS FROM CITIZENS



# PUBLIC HEARING

PH-1



# CITY OF HOPEWELL CITY COUNCIL ACTION FORM

**Strategic Operating Plan Vision Theme:**

- Civic Engagement
- Culture & Recreation
- Economic Development
- Education
- Housing
- Safe & Healthy Environment
- None (Does not apply)

**Order of Business:**

- Consent Agenda
- Public Hearing
- Presentation-Boards/Commissions
- Unfinished Business
- Citizen/Councilor Request
- Regular Business
- Reports of Council Committees

**Action:**

- Approve and File
- Take Appropriate Action
- Receive & File (no motion required)
- Approve Ordinance 1<sup>st</sup> Reading
- Approve Ordinance 2<sup>nd</sup> Reading
- Set a Public Hearing
- Approve on Emergency Measure

**COUNCIL AGENDA ITEM TITLE: Public Hearing to add ‘Group Homes and Assisted Living Facilities’ as an allowable use in the B-1 Downtown Central Business District**

**ISSUE:** The B-1 District does not currently permit ‘Group Homes and Assisted Living Facilities’ as an allowable use.

**RECOMMENDATION:** The City Administration recommends denial of the request to add ‘Group Homes and Assisted Living Facilities’ to the B-1 District.

**TIMING:** City Council action is requested on September 24, 2024

**BACKGROUND:** This CUP application was first presented to City Council at a work session on August 27, 2024.

**ENCLOSED DOCUMENTS:** Zoning Amendment Application, Staff Report, Presentation

**STAFF:** Christopher Ward, Director of Development

**FOR IN MEETING USE ONLY**

**MOTION:** \_\_\_\_\_

**SUMMARY:**

- |                          |                          |                                   |                          |  |
|--------------------------|--------------------------|-----------------------------------|--------------------------|--|
| <b>Y</b>                 | <b>N</b>                 |                                   | <b>Y</b>                 | <b>N</b>                                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Councilor Rita Joyner, Ward #1    | <input type="checkbox"/> | <input type="checkbox"/>                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Councilor Michael Harris, Ward #2 | <input type="checkbox"/> | <input type="checkbox"/>                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Mayor John B. Partin, Ward #3     | <input type="checkbox"/> | <input type="checkbox"/>                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Vice Mayor Jasmine Gore, Ward #4  | <input type="checkbox"/> | <input type="checkbox"/>                 |
|                          |                          |                                   | <input type="checkbox"/> | <input type="checkbox"/>                 |
|                          |                          |                                   |                          | Councilor Janice Denton, Ward #5         |
|                          |                          |                                   |                          | Councilor Brenda Pelham, Ward #6         |
|                          |                          |                                   |                          | Councilor Dominic Holloway, Sr., Ward #7 |

# Roll Call

---

**SUMMARY:**

Y N

- Councilor Rita Joyner, Ward #1
- Councilor Michael Harris, Ward #2
- Mayor John B. Partin, Ward #3
- Vice Mayor Jasmine Gore, Ward #4

Y N

- Councilor Janice Denton, Ward #5
- Councilor Brenda Pelham, Ward #6
- Councilor Dominic Holloway, Sr., Ward #7



**REQUEST TO AMEND ARTICLE IX-A – DOWNTOWN  
CENTRAL BUSINESS DISTRICT (B-1) TO ADD  
'GROUP HOME AND ASSISTED LIVING FACILITY' AS  
AN ALLOWABLE BY-RIGHT USE**



CITY COUNCIL

**STAFF REPORT**

*Staff from the Hopewell Department of Development has drafted this report to assist City leadership with making informed decisions regarding land use cases in Hopewell.*

**I. EXECUTIVE SUMMARY**

The applicant, Kevin Randesi of 300 Real Estate Holdings, LLC requests a Zoning Ordinance Amendment to add 'Group Home and Assisted Living Facility' to Article IX-A, Section A – Use Regulations as an allowable by-right use in the district. Staff and Planning Commission recommend denial of this request.

**II. TENTATIVE SCHEDULE OF MEETINGS**

BODY	DATE	TYPE	RESULT
Planning Commission	July 11, 2024	Public Hearing	Pending
City Council	August 27, 2024	Work Session	No Action
City Council	Sept. 24, 2024	1st Reading / PH	Pending

**III. ORDINANCE IDENTIFICATION**

Applicable Zoning Ordinance	Article IX-A Downtown Central Business District (B-1)
Amended Section	A. Use Regulations
Approval Method	City Council Ordinance
Can Conditions be Set?	No

**IV. PUBLIC NOTIFICATION**

<b>PUBLIC HEARING</b>	<b>NOTIFICATION TYPE</b>	<b>DATE</b>	<b>DATE</b>
Planning Commission	Progress-Index Ad	6/28/2024	7/5/2024
	Letter to Adj. Properties	6/28/2024	
City Council	Progress-Index Ad	TBD	TBD
	Letter to Adj. Properties	TBD	TBD

**V. ROLE OF PLANNING COMMISSION AND CITY COUNCIL**

Excerpted and paraphrased from *Handbook for Virginia Mayors & Council Members*

The Code of Virginia prescribes public notice and hearing requirements for all zoning actions. For a new zoning ordinance or any amendment thereto, the planning commission and the governing body must each hold public hearings before acting on any proposal. Each public hearing must be preceded by notice published in newspapers as well as mailed to all adjacent property owners and, in the case of a text change, to all property owners who would be directly affected.

**VI. APPLICABLE CODE SECTIONS**

1. [Article IX-A, Downtown Central Business District, Section A-Use Regulations](#)
2. [Article XXI, Amendments](#)

**VII. EXISTING ORDINANCE**

Under Section A of Article IX-A of the Hopewell Zoning Ordinance, ‘Group Home and Assisted Living Facility’ are not listed as an allowable, by right use in the Downtown Central Business District and is, therefore, not permitted. Adding an allowable use to a district results in that use being allowed everywhere within the district.

**VIII. APPLICANT POSITION**

The applicant did not reference the Hopewell Comprehensive Plan or any other official city plan to support the argument of adding group homes to the B-1 District. The applicant did include a supplemental letter that argues excessive regulations, unwillingness of local officials to work with property owners on stringent rules/regulations, and excessive taxes as reasons for supporting the addition on group homes to the B-1 District. Please refer to the supplemental letter for a complete explanation of the applicant’s position.

**IX. STAFF ANALYSIS**

Group homes and assisted living facilities are important housing options in the Hopewell housing community and provide a much-needed resource for citizens with mental illness, intellectual disability, or developmental disability. The Code of Virginia ([§15.2-2291](#)) states the following:

Zoning ordinances for all purposes shall consider a residential facility in which no more than eight individuals with mental illness, intellectual disability, or developmental disabilities reside, with one or more resident or nonresident staff persons, as residential occupancy by a single-family. For purposes of this subsection, mental illness and development disability shall not include current illegal use of or addiction to a controlled substance defined in §54.1-3401. No conditions more restrictive than those imposed on residences occupied by persons related by blood, marriage, or adoption shall be imposed on such facility.

In other words, group homes and assisted living facilities of no more than eight persons must be permitted in those districts where ‘Single-Family Dwelling’ is permitted. The requirement of additional approval such as a Conditional Use Permit is not permitted under state law. In Hopewell, the single-family dwelling use is permitted in every residential district (R-1, R-1A, R-2, R-3, R-4, RO-1, RO-4), thereby allowing the group home and assisted living facility use by right in those districts. As illustrated in the table below, group homes and assisted living facilities under the state definition are permitted by right in over half the area of the city.

LAND USE IN HOPEWELL		
DISTRICT	ACREAGE	PERCENTAGE
Residential	2,728.91	52.43%
Commercial/Industrial	1,595.27	30.65%
Public/Institutional	880.74	16.92%
<b>TOTAL</b>	<b>5,204.92</b>	<b>100.00%</b>

State Code does not mandate the allowance of group homes and assisted living facilities in districts other than residential. The City of Hopewell’s zoning ordinance is in compliance with state code and federal fair housing guidance with regard to group homes/assisted living facilities.

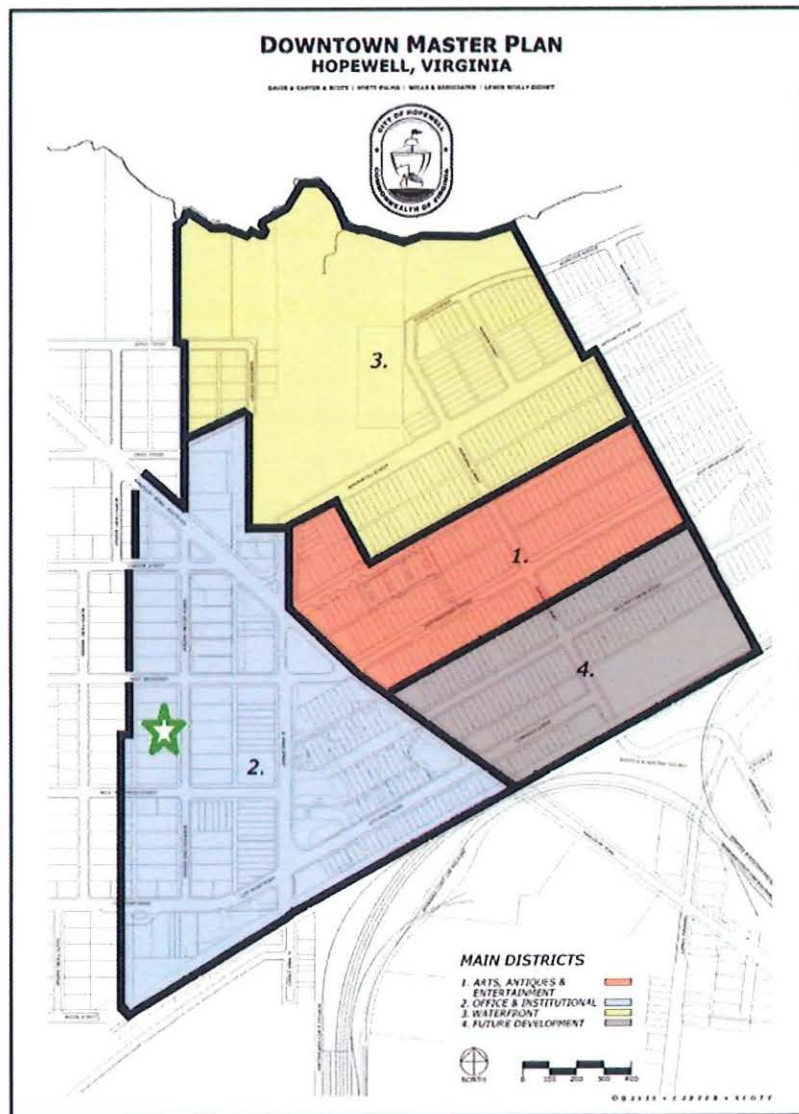
The Downtown Central Business District (B-1) is a commercial zoning district that allows for high-density housing, not single-family dwelling use. The district is zoned in a manner that promotes a compatible mix of retail, commercial, office, service and high-density residential living. In this context, a group home or assisted living facility is synonymous with a single-family dwelling which is a use that does not align with the density of the B-1 district. The Director of Economic Development and Tourism does

not support this zoning amendment request because he believes that the group home/assisted living facility is better suited closer to Tri-Cities hospital.

**X. RELATIONSHIP TO THE HOPEWELL DOWNTOWN VISION & COMPREHENSIVE PLAN**

During the development of the Downtown Hopewell Vision plan in 2001-2002, it was noted at that time that residential density in the B-1 was less than envisioned in the plan and efforts should be made to increase density. Adding group homes and assisted living facilities (i.e. single-family dwellings) as an allowable use to the B-1 District is in conflict with this plan.

The applicant has requested the zoning amendment in relation to property he owns at 206 N. 2<sup>nd</sup> Avenue. The Hopewell Downtown Vision plan addresses this particular area of the downtown in the following manner: "Area 2 (Office and Institutional





District) – Office and institutional development should remain the dominant land use within the area... This is not seen as an area with a residential component and a clear demarcation line between residential areas to the west needs to be established either on the alley between 2<sup>nd</sup> and 3<sup>rd</sup> or along 3<sup>rd</sup>.” (Downtown Hopewell Vision, pg. 23)

GREEN STAR indicates 206 n. 2<sup>nd</sup> Avenue; MAP from Hopewell Downtown Vision (2003)

The Hopewell Comprehensive Plan identifies the downtown area (B-1 District) as Priority Planning Area I. This section of the plan reiterates many of the strategies and goals of the Hopewell Downtown Vision plan while recommending the undertaking of a small area plan that incorporates “(1) substantially increased density for both residential and commercial development. (pg. 129)

#### XI. STAFF RECOMMENDATION

Staff recommends **denial** of the request to add ‘Group Home and Assisted Living Facility’ to the B-1 Downtown Central Business District for the following reasons:

1. The Hopewell Downtown Vision and the Comprehensive Plan do not support reducing density to single-family dwelling, group home, or assisted living facility use.
2. Group homes and assisted living facilities are already permitted by right in all residential zoning districts in the city comprising over half the land area.
3. Group homes are meant to facilitate the integration of persons with disabilities into the larger society and that is achieved through a predominately residential setting.
4. Group homes are synonymous with single-family dwellings and single-family dwellings are not in alignment with the density requirements of the B-1 district.

#### XII. PLANNING COMMISSION RECOMMENDATION

The Hopewell Planning Commission voted 5-0 at the July 11, 2024 public hearing to recommend **denial** of the request to amend Article IX-A, Section A of the Hopewell Zoning Ordinance to add ‘Group Home and Assisted Living Facility’ as an allowable by right use.

Permits / Inspect... - 20240679120A - 2024  
025637-0001 Kimberly... 06/03/2024 11:26AM  
ZONING ORDINANCE AMENDMENT - REVIEW  
Payment Amount: 300.00  
Transaction Amount: 300.00  
CHECK: 1066



The City  
of  
Hopewell, Virginia

Application # 20240679  
Permit #: \_\_\_\_\_

300 N. Main Street • Department of Development • (804) 541-2220 • Fax: (804) 541-2318

### ZONING ORDINANCE AMENDMENT/USES NOT PROVIDED FOR APPLICATION

Application fee: \$300

The Hopewell Planning Commission meets the 1<sup>st</sup> Thursday of each month. The deadline for submittal of a Hopewell Zoning Ordinance Amendment application is shown in the attached Planning Commission calendar. This amendment application, the fee, any supporting documentation and any other information deemed pertinent or necessary by the Zoning Administrator for the Planning Commission to make their decision are required to be submitted jointly. If any of these items are not included, it is considered an incomplete application and will not be accepted.

Parcel # 0110330

I (we) the undersigned do hereby respectfully petition and make application to the Hopewell City Council to amend the City of Hopewell Zoning Ordinance text as hereinafter requested, and in support of this application, the following facts are shown.

APPLICANT: KEVIN RANNEY - 300 REAL ESTATE HOLDINGS, LLC

ADDRESS: 206 N 2ND AVENUE  
HOPEWELL VA 23860

PHONE #: 804.683.4042 FAX #: 804.477.8702

EMAIL: 804REALESTATE@GMAIL.COM

\*\*\*\*\*

1) I (WE) WISH TO PROPOSE THAT THE FOLLOWING SECTION(S) OF THE HOPEWELL ZONING ORDINANCE BE AMENDED.

B1 - ALLOW USE OF GROUP HOMES AND ASSISTED LIVING  
FACILITY BY RIGHTS.

2) I (WE) WISH TO PROPOSE THAT THE TEXT BE REVISED TO ACCOMPLISH THE FOLLOWING PURPOSES (S) AND/OR TO READ AS FOLLOWS: (ATTACH ADDITIONAL SHEETS IF NECESSARY)

SEE ATTACHED

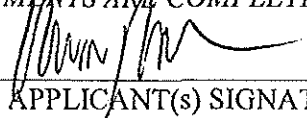
3) PLEASE DEMONSTRATE HOW THE AMENDMENT WILL BE IN HARMONY WITH THE PURPOSE OF THE SPECIFIC DISTRICT IT WHICH IT WILL BE ADDED.

SEE ATTACHED

4) PLEASE GIVE THE REASON FOR FILING THE PROPOSED ZONING ORDINANCE AMENDMENT.

SEE ATTACHED

AS OWNER OF PROPERTY IN THE CITY OF HOPEWELL OR THE AUTHORIZED AGENT THERFOR, I HEREBY CERTIFY THAT THIS APPLICATION AND ALL ACCOMPANYING DOCUMENTS ARE COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.



APPLICANT(S) SIGNATURE

6/3/2024

DATE

KEVIN PANSESI - SOLE MANAGING MEMBER OF 300 REAL ESTATE HOLDINGS, LLC  
APPLICANT(S) PRINTED NAME

OFFICIAL USE ONLY

DATE RECEIVED: 6-3-24

DATE OF FINAL ACTION: \_\_\_\_\_

ACTION TAKEN:

\_\_\_\_ APPROVED      \_\_\_\_\_ DENIED

\_\_\_\_ APPROVED WITH THE FOLLOWING CONDITIONS:

# 300 Real Estate Holdings, LLC

11 Rodman Road  
Richmond, VA 23224

To: Planning Commission  
City of Hopewell  
300 N Main Street  
Hopewell, VA 23860

Date: June 3<sup>rd</sup>, 2024

RE: Zoning Amendment Request – B-1 Zoning | 206 N 2<sup>nd</sup> Avenue Hopewell, VA 23860

Dear Planning Commission:

Attached – please find requested Zoning Ordinance amendment for the B-1 Zoning District in the City of Hopewell.

The B-1 Zoning Ordinance has been a large hindrance to local businesses in the area. With excessive amounts of regulations on the exterior of all exteriors of buildings in the area, unwillingness of local government officials to work with local property owners regarding any of the stringent rules/regulations, and the excessive taxes charged to local businesses, many businesses have found that operating their business outside of the City of Hopewell is a much more feasible option.

With regards to excessive regulations regarding the exterior of buildings in the B-1 zoning district, it's visibly evident that many business owners, instead of making cosmetically appealing repairs that would add value to the downtown business district properties – continue to keep their properties in the same condition from many generations ago. This is evidenced by the Commonwealth of Virginia awarding a \$500,000 grant for a property owned on 307 E Broadway Street in Hopewell as noted in the following article: ([\\$500K to go to mixed-use development in Hopewell | WRIC ABC 8News](#))

In regard to the unwillingness of local government officials to work with local property owners regarding any of the stringent rules/regulations – I have felt this personally. When attempting to replace an outdated 1980's free-standing sign with another personally constructed free-standing sign, I was harassed by local government officials and served with a letter that the sign had to be taken down. Today, a pole from the old sign stands – simply because of absurd regulations regarding signage in this district. In addition, I also attempted to purchase 301 N 2<sup>nd</sup> Avenue earlier this year – but ended up having to back out of the contract during inspection period due to the excessive number of regulations and unwillingness of local officials to work with us. Today – the building is vacant and is yet another blighted property in Hopewell.

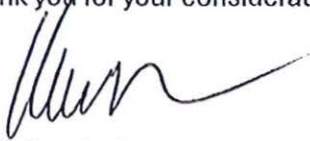
Elaborating on the items noted above, in regard to excessive taxation:

- Take for example the business licensing tax for businesses in the City of Hopewell. The current rate of \$.58 per \$100 of assessed value is 290% higher than neighboring Chesterfield County – which charges its

- Group housing would be in line with a feasible business for the building located at 206 N 2<sup>nd</sup> Avenue. This building is a former house that was built in 1916 and has many characteristics of a single-family home. It is also ADA compliant.
- The property at 206 N 2<sup>nd</sup> Avenue has been extensively renovated in 2023 with a new ADA bathroom, kitchen, bathroom, etc. and would be fantastic for group housing and/or assisted living. It would allow those who need group housing and/or assisted living safe, clean, decent, and affordable housing – which is lacking in the area.
- Close proximity to John Hopkins Memorial Hospital – which would assist with any medical issues that arise from group housing/assisted living facilities.

I would be happy to discuss further if you wish. My direct # is 804-683-4042 and email is [804realestate@gmail.com](mailto:804realestate@gmail.com).

Thank you for your consideration,



Kevin Randesi  
Owner  
300 Real Estate Holdings, LLC

Enclosure

A. - Use regulations.

Structures to be erected and land to be used shall be only for the following uses:

1. Accounting services.
2. Advertising and public relations agencies.
3. Antiques.
4. Apartments on the first floor of mixed-use buildings with a conditional use permit.
5. Apartments on second and subsequent floors of commercial and office buildings/uses provided that each unit contain a minimum of nine hundred (900) gross square feet.
6. Apartments on second and subsequent floors of commercial and office buildings/uses containing average square footage below nine hundred (900) gross square feet, with a conditional use permit.
7. Appliance stores.
8. Architectural and engineering services.
9. Art galleries, framing and supplies.
10. Bakeries.
11. Barber and beauty shops.
12. Bed and breakfast establishments.
13. Bookstores, except adult bookstores.
14. Camera and photo supply stores.
15. Casual and formal apparel stores.
16. Child care services.
17. Churches.
18. Coffee shops.
19. Commercial banks and financial institutions, not to include check cashing establishments.
20. Computer sales and service.
21. Convenience store.
22. Craftbeer/tap room.
23. Credit unions.
24. Dance studios.
25. Delicatessen.
26. Dry cleaners.
27. Florist.

28. Gift, stationary, and card shops.
29. Grocery store.
30. Home decorating center and interior design services.
31. Home health care services.
32. Hotels.
33. Individual and family consulting services.
34. Insurance agencies.
35. Jewelry stores.
36. Law offices.
37. Marinas, public or private.
38. Medical and dental offices.
39. Microbrewery, with conditional use permit.
40. Microbrewery/restaurant.
41. Micro-cidery, with conditional use permit.
42. Micro-distillery, with conditional use permit.
43. Micro-winery, with conditional use permit.
44. Motion pictures theaters, excluding drive-in theaters.
45. Multifamily dwellings, with conditional use permit.
46. Municipal and government agencies and offices.
47. Municipal and private utilities.
48. Museums.
49. Music stores.
50. Offices, including business, professional and administrative.
51. Off-street parking is not required in this district.
52. Parking decks and garages, public.
53. Performing arts center.
54. Pet shops.
55. Pharmacy.
56. Philanthropic and charitable institutions.
57. Photographic studios.
58. Post office.
59. Print shops.

60. Public libraries.
61. Public open spaces and uses owned and operated by a governmental agency.
62. Reserved.
63. Real estate agencies.
64. Recreation and fitness centers.
65. Research, development and laboratory facilities related to medical, biotechnology, life sciences and other product applications.
66. Reserved.
67. Restaurants, consumer.
68. Schools, public or private with a conditional use permit.
69. Security brokers and dealers.
70. Sporting goods.
71. Tailor shops.
72. Tanning salons.
73. Tax preparation services.
74. Title abstract and insurance offices.
75. Townhouses, with conditional use permit, with conditional use permit.
76. Toys, games, and crafts.
77. Upholstery shops.
78. Video rental stores, not to include adult video establishments.

( Amend. of 2023 )



## Haley's Honey Meadery

...



👋👋 Dear friends and loyal customers, we are facing some tough challenges here at Haley's Honey Meadery. Our bills are outweighing our sales, and it's putting a strain on our business. Despite our passion and hard work, we find ourselves struggling mentally and financially.

Mike and Tonya, the owners, still work full-time jobs while dedicating long hours to the meadery. With the current economy, we're dealing with higher bills, increased payroll, and rising costs across the board. It's becoming increasingly difficult to sustain our business alone.

What started as a humble hobby has grown beyond our capacity. We need your help now more than ever. We're very close to giving up, but we believe in the power of community and support.

You can make a difference by simply visiting us at one of the festivals we attend, such as the Renaissance Faire, Fort Clifton, Williamsburg Farmers Market, or our Hopewell and Fredericksburg locations. Your presence and purchases go a long way in keeping our dream alive.

Alternatively, you can support us by sharing our website, [www.haleyshoneymeadery.com](http://www.haleyshoneymeadery.com), or spreading the word on social media. Every little bit helps in raising awareness about our beloved mead and honey.

Together, we can overcome these challenges and ensure that Haley's Honey Meadery continues to thrive. We appreciate your unwavering support and thank you for being a part of our journey. 🙌👉❤️

Love, Tonya and Mike Haley

#HaleysHoneyMeadery #SupportLocalBusiness #SmallBusinessLove



   42

**QuickFacts**

**Chesterfield County, Virginia; Hopewell city, Virginia**

QuickFacts provides statistics for all states and counties. Also for cities and towns with a *population of 5,000 or more*.

All Topics	Chesterfield County, Virginia	Hopewell city, Virginia
Population estimates, July 1, 2023, (V2023)	△ 383,876	△ 22,752
<b>PEOPLE</b>		
<b>Population</b>		
Population estimates, July 1, 2023, (V2023)	△ 383,876	△ 22,752
Population estimates base, April 1, 2020, (V2023)	△ 364,061	△ 23,031
Population, percent change - April 1, 2020 (estimates base) to July 1, 2023, (V2023)	△ 5.4%	△ -1.2%
Population, Census, April 1, 2020	364,548	23,033
Population, Census, April 1, 2010	316,236	22,591
<b>Age and Sex</b>		
Persons under 5 years, percent	△ 5.7%	△ 7.2%
Persons under 18 years, percent	△ 23.3%	△ 25.6%
Persons 65 years and over, percent	△ 16.3%	△ 14.7%
Female persons, percent	△ 51.6%	△ 53.0%
<b>Race and Hispanic Origin</b>		
White alone, percent	△ 66.7%	△ 46.0%
Black or African American alone, percent (a)	△ 25.6%	△ 43.3%
American Indian and Alaska Native alone, percent (a)	△ 0.6%	△ 0.0%
Asian alone, percent (a)	△ 3.9%	△ 1.0%
Native Hawaiian and Other Pacific Islander alone, percent (a)	△ 0.1%	△ 0.0%
Two or More Races, percent	△ 3.1%	△ 7.4%
Hispanic or Latino, percent (b)	△ 10.7%	△ 8.9%
White alone, not Hispanic or Latino, percent	△ 58.1%	△ 42.5%
<b>Population Characteristics</b>		
Veterans, 2018-2022	25,892	1,811
Foreign born persons, percent, 2018-2022	8.9%	3.3%
<b>Housing</b>		
Housing Units, July 1, 2023, (V2023)	148,930	X
Owner-occupied housing unit rate, 2018-2022	77.4%	53.6%
Median value of owner-occupied housing units, 2018-2022	\$306,500	\$151,600
Median selected monthly owner costs -with a mortgage, 2018-2022	\$1,807	\$1,163
Median selected monthly owner costs -without a mortgage, 2018-2022	\$563	\$435
Median gross rent, 2018-2022	\$1,460	\$1,033
Building Permits, 2023	3,194	X
<b>Families &amp; Living Arrangements</b>		
Households, 2018-2022	134,144	9,348
Persons per household, 2018-2022	2.70	2.44
Living in same house 1 year ago, percent of persons age 1 year+, 2018-2022	87.7%	82.6%
Language other than English spoken at home, percent of persons age 5 years+, 2018-2022	13.1%	5.6%
<b>Computer and Internet Use</b>		
Households with a computer, percent, 2018-2022	96.7%	92.1%
Households with a broadband Internet subscription, percent, 2018-2022	92.7%	85.8%
<b>Education</b>		
High school graduate or higher, percent of persons age 25 years+, 2018-2022	92.6%	86.9%
Bachelor's degree or higher, percent of persons age 25 years+, 2018-2022	42.3%	11.1%
<b>Health</b>		
With a disability, under age 65 years, percent, 2018-2022	9.4%	11.7%
Persons without health insurance, under age 65 years, percent	△ 7.6%	△ 7.7%

**Economy**

In civilian labor force, total, percent of population age 16 years+, 2018-2022	67.3%	59.3%
In civilian labor force, female, percent of population age 16 years+, 2018-2022	62.5%	55.6%
Total accommodation and food services sales, 2017 (\$1,000) (c)	682,852	37,455
Total health care and social assistance receipts/revenue, 2017 (\$1,000) (c)	1,751,886	146,654
Total transportation and warehousing receipts/revenue, 2017 (\$1,000) (c)	757,516	2,167
Total retail sales, 2017 (\$1,000) (c)	6,746,095	162,670
Total retail sales per capita, 2017 (c)	\$19,639	\$7,219

**Transportation**

Mean travel time to work (minutes), workers age 16 years+, 2018-2022	26.4	25.2
--	------	------

**Income & Poverty**

Median household income (in 2022 dollars), 2018-2022	\$95,757	\$50,661
Per capita income in past 12 months (in 2022 dollars), 2018-2022	\$45,041	\$25,664
Persons in poverty, percent	△ 6.9%	△ 21.3%

**BUSINESSES****Businesses**

Total employer establishments, 2021	7,838	X
Total employment, 2021	118,586	X
Total annual payroll, 2021 (\$1,000)	5,929,000	X
Total employment, percent change, 2020-2021	-1.9%	X
Total nonemployer establishments, 2021	30,282	X
All employer firms, Reference year 2017	6,200	284
Men-owned employer firms, Reference year 2017	3,646	136
Women-owned employer firms, Reference year 2017	1,226	34
Minority-owned employer firms, Reference year 2017	906	S
Nonminority-owned employer firms, Reference year 2017	4,539	176
Veteran-owned employer firms, Reference year 2017	537	S
Nonveteran-owned employer firms, Reference year 2017	4,858	180

**GEOGRAPHY****Geography**

Population per square mile, 2020	860.8	2,224.6
Population per square mile, 2010	747.1	2,197.9
Land area in square miles, 2020	423.51	10.35
Land area in square miles, 2010	423.30	10.28
FIPS Code	51041	5138424



City of Hopewell, VA  
Dept. of Code Enforcement  
300 N. Main Street  
Hopewell, VA 23860  
804-541-2220  
Welcome

06/03/2024 11:26AM Kimberly  
025637-0001 000224974  
Payment Effective Date 06/03/2024

PERMITS / INSPECTIONS

ZONING ORDINANCE

AMENDMENT - REVIEW

2024 Item: 20240679|ZOA \$300.00

Payment Id: 355847

\$300.00

Subtotal \$300.00

Total \$300.00

CHECK \$300.00

Check Number 1066

Change due \$0.00



Thank you for your payment.

CUSTOMER COPY

**ZONING AMENDMENT REQUEST**  
to add 'Group Homes & Assisted Living  
Facility' to B-1 District

CITY COUNCIL PUBLIC HEARING

September 24, 2024

## ZOA REQUEST: Adding Group Home to B-1

- **APPLICANT:** 300 Real Estate Holdings LLC, Kevin Randesi
- **WARDS:** 1 & 2
- **CURRENT ZONING:** B-1 does not allow 'Group Home & Assisted Living Facility'
- **REQUEST:** Add 'Group Home & Assisted Living Facility' to the Downtown Central Business District-B-1
- **PUBLIC NOTICE:** Ads in Progress-Index and letters to property owners

## ZOA REQUEST: Adding Group Home to B-1

Adding a use to zoning district allows that use throughout the entire district.

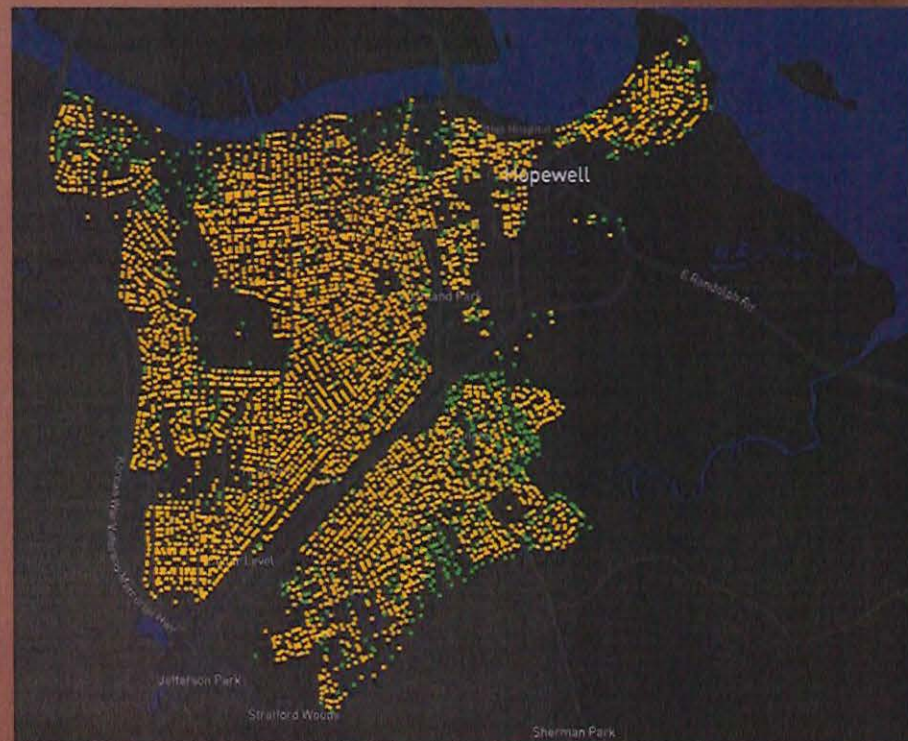




# ZOA REQUEST: Adding Group Home to B-1

Code of Virginia (§15.2-2291) mandates that group homes are to be permitted wherever single-family dwellings are permitted and without any extra permissions than SFDs require.

City of Hopewell is in full compliance with state code and federal fair housing guidance.



## Staff Analysis

- The Hopewell Downtown Vision and the Comprehensive Plan do not support reducing density to the level of single-family dwellings.
- Group homes and assisted living facilities are already permitted by right in all residential zoning districts in the city comprising over half the land area.
- Group homes are meant to facilitate the integration of persons with disabilities into the larger society and that is achieved through a predominately residential setting.
- Group homes are synonymous with single-family dwellings and SFDs are not in alignment with the density requirements of the B-1 District.

## Staff Recommendation

Staff recommends denial of the request to add 'Group Homes and Assisted Living Facilities' to Section A of Article IX-A: B-1 Downtown Central Business District as an allowable use.

## Public Comment

One local property owner expressed his opposition to the request at the July 11, 2024 public hearing held by the Planning Commission.

No other public comment was received.

# Planning Commission Recommendation

At the July 11, 2024 Public Hearing, Planning Commission recommended denial of the request to add 'Group Homes and Assisted Living Facilities' to Section A of Article IX-A: B-1 Downtown Central Business District as an allowable use.

Questions?

Applicant: Kevin Randesi, 300 Real Estate Holdings, LLC

REGULAR BUSINESS

R-1





*City of*

**HOPEWELL**

VIRGINIA

## CITY OF HOPEWELL, VA

FINANCIAL POLICY GUIDELINES

Amended \_\_\_\_\_

## Contents

1. FINANCIAL POLICY OBJECTIVES .....	1
2. BUDGET DEVELOPMENT POLICIES .....	2
3. FINANCE COMMITTEE .....	5
4. CAPITAL IMPROVEMENT POLICIES .....	5
5. DEBT POLICIES .....	6
6. RESERVE POLICIES .....	7
7. EXPENDITURE POLICIES .....	10
8. HOPEWELL REGIONAL WATER .....	12
9. SEWER UTILITY .....	13
10. STORM WATER .....	13
11. SOLID WASTE .....	14
12. INVESTMENT POLICIES .....	14
13. FINANCIAL POLICY UPDATES .....	18

## 1. FINANCIAL POLICY OBJECTIVES

This financial policy is a statement of the guidelines and goals that will influence and guide the management practice of City of Hopewell, Virginia. Financial Policy Guidelines that are adopted, adhered to, and regularly reviewed are recognized as the cornerstone of sound financial management. Effective financial policy guidelines:

- Contribute significantly to the City's ability to insulate itself from fiscal crisis
- Enhance short-term and long-term financial credit of the City by helping to achieve the highest credit and bond ratings possible
- Promote long-term financial stability by establishing clear and consistent guidelines
- Direct attention to the total financial picture of the City rather than single-issues
- Promote the view of linking long-term financial planning with day-to-day operations
- Provide the City Council and the citizens with a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines
- Ensure that the organization has sufficient resources to perform mandated responsibilities

While adherence to this policy is expected, the City understands that changes in the capital markets, City programs, or other unforeseen circumstances may from time to time produce situations that are not covered by this policy and will require modifications or exceptions to achieve the policy goals. In these cases, the City's management may act, provided specific authorization from the City Council is obtained. These Financial Policy Guidelines shall be reviewed at least every two years by the Finance Committee, who shall in turn report their findings to the City Manager and City Council.

## 2. BUDGET DEVELOPMENT POLICIES

### Principles

- The budget development process will be a collaborative process to include residents, businesses, City Council, and staff
- The City will strive to maintain diversified and stable revenue streams to protect the government from fluctuations in any single revenue source and provide stability to ongoing services
- The City will avoid dedicating general revenue to a specific project or program because of the constraint this may place on flexibility in resource allocation except in instances where programs are expected to be self-sufficient or where revenue is dedicated to a program for statutory or policy reasons.
- The budget sets the annual appropriations levels, as set out in the annual budget ordinance. No expenditures can exceed the established appropriation limits. If a budget will exceed such limit, the Council must approve any increases
- The budget process will be coordinated in a way that major policy issues are identified for City Council several months prior to consideration of budget approval. This will allow adequate time for appropriate decisions and analysis of financial impacts.

### Policies

- City Council shall adopt an annual balanced budget in accordance with all legal requirements
- All operating budget appropriations shall lapse at the end of the fiscal year to the extent that they are not expended, encumbered, or restricted to specific purposes such as capital projects, reserves, grants, and donations.
- All outstanding encumbrances, both operating and capital, at the end of the fiscal year shall be re-appropriated to the following fiscal year to the same department and account for which they are encumbered in the previous year. Such re-appropriation shall be presented to Council by its second meeting in July each year before being added to the new fiscal year budget.
- Appropriations for capital projects will not lapse at the end of the fiscal year but shall remain appropriations until the completion of the projects or until City Council, by appropriate ordinance or resolution, changes or eliminates the appropriation. Prior to re-appropriation, the Council must be advised of the available funding to continue these projects and the impact re-appropriation may have on total fund balances. Appropriations that span two fiscal years, must be re-appropriated before being added to a third budget.
- The City Manager may approve necessary accounting transfers between capital funds to enable the capital projects to be accounted for in the correct manner. Upon completion of a capital project, staff is authorized to

City of Hopewell, VA

close out the projects and transfer to the funding source any remaining balances. The City Manager may approve construction change orders to contracts up to an increase of \$25,000 and approve all change orders for reductions to contracts.

- The budget shall be adopted by the favorable vote of a majority of members of City Council.
- The Vision and priorities established by City Council as well as the Strategic Plan will serve as the framework for the budget proposed by the City Manager.
- Current revenues will fund current expenditures. One-time or other special revenues will not be used to finance continuing City operations but instead will be used for funding special projects or other one-time expenses.
- The City Manager may make all necessary fund and expense adjustments for the following items of non-budgetary revenue that may occur during the fiscal year:
  - Insurance recoveries received for damage to City vehicles or other property for which City funds have been expended to make repairs.
  - Refunds or reimbursements made to the City for which the City has expended funds directly related to that refund or reimbursement.
  - Any revenue source not to exceed \$25,000.
- The City Manager may utilize revenues and increase expenditures for funds received by the City from asset forfeitures for operating expenditures directly related to drug enforcement. All such funds received from asset forfeiture in a fiscal year shall not lapse but be carried forward into the next fiscal year.
- The City Manager is authorized to approve transfers within operating funds as long as total net spending is not exceeded and all transfer activity is to be reported to City Council on a monthly basis. Upon approval of City Council, the City Manager is authorized to transfer between funds should fiscal conditions or circumstances prescribe that the transfer is required. The transfer amount must not result in a deficit balance in the fund that the transfer is being made from.
- The City will pursue an aggressive policy seeking the collection of delinquent real estate, utility, licenses, permits and other taxes and fees due to the City via the utilization of third-party collection agencies.
- The City will prepare and annually update a long range (5 year) financial forecast model utilizing trend indicators and projections of annual operating revenue, expenditures, capital improvements with related debt service and operating costs, and fund balance levels.
- Expenditure and revenue projections will be developed monthly and reviewed with Departmental Directors, the City Manager, and City Council. The City Manager, through the Finance Department, will exercise appropriate fiscal management as necessary to live within the limits of the adopted budget.

- The City Manager must annually prepare and present a Proposed Budget for City Council review no later than April 1<sup>st</sup>. The Proposed Budget shall serve as a financial plan for the upcoming fiscal year and shall contain the following information.
  1. A budget message that outlines the proposed revenue and expenditures for the upcoming fiscal year together with an explanation of any major changes from the previous fiscal year. The budget message should also include any proposals for major changes in financial policy.
  2. Charts indicating the major revenues and expenditures in each major fund (General, Utilities, Grants, CDBG, Streets, Stormwater, Social Services, etc.) as well as changes in fund balance for all funds.
  3. Summaries of proposed expenditures for all funds proposed to be expended in a fiscal year.
  4. A schedule of estimated requirements for the principal and interest of each bond issue.
  5. A three-year history of revenues and expenditures to include the prior year actual, current year adopted, revised, and proposed budgets for each major fund.
- The City Council shall hold a public hearing on the budget submitted by the City Manager for interested citizens to be given an opportunity to be heard on issues related to the proposed budget, including the Capital Improvement Plan.
- Following the public hearing on the Proposed Budget, City Council may make adjustments. The City Council can only make recommended changes that keep the budget in balance and that are adopted with at least four members of City Council's prior approval.
  - In instances where City Council increases the total proposed expenditures, it shall also identify a source of funding at least equal to the proposed expenditures.

### 3. FINANCE COMMITTEE

- The City will established a Finance Committee that will meet monthly to review the financial affairs of the City generally. The Finance Committee will be composed of:
  - Appointed City Council Members
  - City Manager
  - Chief Financial Officer
  - Commissioner of the Revenue
  - Treasurer
  
- Its specific duties shall include, but not be limited to:
  - Monthly tracking of revenues and expenditures versus Budget and Prior Year (i.e. year-over-year trends).
  - Review of the City's reconciled cash balances/position for all accounts and funds based on the most recent month end close (understanding that the report should not be more than 2 months old).
  - Compliance with the Financial Policy Guidelines.
  - Consideration and recommendations concerning candidates for financial management positions.
  - Report on the City's approach to the strategic investment plan to include, but not be limited to:
    - Investment strategy;
    - Amounts invested and return;
    - Amounts anticipated/projected to be available for investment;
    - Current and historic portfolio returns; and
    - Any other information that may benefit the City in its overall investment approach

### 4. CAPITAL IMPROVEMENT POLICIES

During the budget process each year. the City will develop a five-year Capital Improvement Plan which will serve as the basis for planning and prioritizing the City's capital improvement needs based on affordability and compliance with Debt and Reserve Policies. The Capital Improvement Plan will only include projects with identified and known realistic funding sources. The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.

1. The City will consider all capital improvements in accordance with an adopted Capital Improvement Plan.
2. The City, in consultation with the City of Hopewell Public School System, will develop a five-year Capital Improvement Plan that includes funding sources and uses and review and update the plan annually.
3. The City will enact an Annual Capital Budget based on the five-year Capital

Improvement Plan. The first year of the Capital Improvement Plan will be used as the basis for the Annual Capital Budget.

4. The subsequent four years of the Capital Improvement Plan will be used for planning purposes.
5. The City will coordinate development of the Annual Capital Budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
6. The City will maintain all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.
7. The City will project its equipment replacement and maintenance needs in conjunction with the five- year Capital Improvement Plan and will develop a maintenance and replacement schedule to be followed.
8. The City will attempt to determine the least costly and most flexible financing method for all new projects.
9. Upon reaching the Minimum Initial Target of the Unassigned Fund Balance, the City shall budget \$500,000 toward the Fund Balance Replenishment and \$500,000 to fund Pay-Go Capital Projects.

## 5. DEBT POLICIES

The City will take on, manage and repay debt according to the following debt policies:

1. The City will confine long-term borrowing to capital improvement or projects that cannot be financed from current revenues except where approved justification is provided.
2. When the City finances capital improvements or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project. Target debt ratios will be annually calculated and included in the review of financial trends.
3. Direct Net Debt as a percentage of the Assessed Value of All Taxable Property shall not exceed 5.0%<sup>1</sup>. Direct Net Debt is defined as any and all debt that is tax-supported. This ratio will be measured annually.
4. The ratio of Direct Net Debt Service expenditures as a percent of Total Governmental Fund Expenditures should not exceed 10%. Direct Net Debt Service is defined as any and all debt service that is tax- supported. Utility Fund debt service that is self-supporting shall be excluded. Total Governmental Fund Expenditures includes the Budgeted General Fund Expenditures and School Operating Fund Expenditures less the City's Transfer to Schools (as reflected in the Budget Document). This ratio will be measured annually.

---

<sup>1</sup> The State legal limit is 10% of assessed value.



City of Hopewell, VA

5. Payout of aggregate outstanding tax-supported Direct Net Debt principal shall be no less than 50% repaid in 10 years.
6. The City recognizes the importance of underlying and overlapping debt in analyzing financial condition. The City will regularly analyze total indebtedness including underlying and overlapping debt.
7. Where feasible, the City will explore the usage of special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.
8. The City will retire tax anticipation debt and revenue anticipation debt, if any, annually.

## 6. RESERVE POLICIES

The City believes that sound financial management principles always require that sufficient funds be retained by the City to provide a stable financial base. To retain this stable financial base, the City needs to maintain fund balance reserves sufficient to fund all cash flows of the City, to provide financial reserves for unanticipated or emergency expenditures and/or revenue shortfalls, and to provide funds for all existing encumbrances. The purpose of this policy is to specify the composition of the City's financial reserves, set minimum levels for certain reserve balances, and to identify certain requirements for replenishing any fund balance reserves utilized.

1. Fund Balance Categories: For documentation of the City's fund balance position, communication with interested parties and general understanding, a clear and consistent system of classification of the components of the City's fund balances is necessary. The City's reporting and communication relating to fund balance reserves will utilize the classifications outlined in generally accepted accounting principles (GAAP). GAAP dictates the following hierarchical fund balance classification structure based primarily on the extent to which the City is restricted in its use of resources.
  - a. **Non-spendable Fund Balance:** These are fund balance amounts that are not in a readily spendable form, such as inventories or prepayments, or trust or endowment funds where the balance must remain intact.
  - b. **Restricted Fund Balance:** These are amounts that have constraints placed on their use for a specific purpose by external sources such as creditors, or legal or constitutional provisions.
  - c. **Committed Fund Balances:** These amounts are designated for a specific purpose or constraints have been placed on the resources by City Council. Amounts within this category require City Council action to commit or to release the funds from their commitment.
  - d. **Assigned Fund Balances:** These are amounts set aside with the

intent that they be used for specific purposes. The expression of intent can be by City Council and requires City Council action to remove the constraint on the resources

- e. **Unassigned Fund Balances:** These are amounts not included in the previously defined categories. The City General Fund is the only fund that should report a positive Unassigned Fund Balance. Amounts in this classification represent balances available for appropriation at the discretion of City Council. However, City Council recognizes that the Unassigned Fund Balance needs to be sufficient and comprised of liquid cash and investments to meet the City's cyclical cash flow requirements and allow the City to avoid the need for short term tax anticipation borrowing. The Unassigned Fund Balance should also allow for a margin of safety against unforeseen expenditures or sudden loss of revenues that could include, but not be limited to, natural disasters, severe economic downturns, and loss of industry—and associated taxes— in the City.

Unassigned Fund Balance shall not be used for annual recurring expenditures, except for unforeseen emergency circumstances. The City shall have a Minimum Unassigned Fund Balance of 20% of Budgeted General Fund Expenditures.

Example Calculation: Based on the City's FY 2025 Budgeted General Fund Expenditure of \$54,592,000<sup>2</sup>, 20% translates to a minimum unassigned fund balance of \$10,900,000. To the extent that the City has any remaining operating surplus after all expenditures (including the Annual Budgeted Amount) have been satisfied, the City shall apply at a minimum 75% of such remaining operating surplus to further accelerate the build- up of the Unassigned Fund Balance.

City Council recognizes that if amounts above the minimum policy level exist, City Council could contemplate strategically utilizing these amounts, if appropriate. However, City Council also recognizes that maintaining an Unassigned Fund Balance above the minimum policy levels may be beneficial to the overall wellbeing of the City. Should any amounts above the minimum policy level exist, they should only be appropriated for non-recurring expenditures as they represent prior year surpluses that may or may not materialize in subsequent fiscal years. Amounts above the minimum policy level could be used for the following purposes (listed in order of priority):

- i. Increase Restricted Fund Balances as needed.
- ii. Fund an additional reserve for use during an emergency or

---

<sup>2</sup> Excludes the City's School operating contribution.

during periods of economic uncertainty or budget adversity. Such additional reserves shall be determined by City Council.

- iii. Allocating such amounts toward equity funding of the Capital Improvement Plan or transfer to the Capital Improvement Fund.

2. Budget Stabilization Fund

The City shall separately establish a Budget Stabilization Fund, which shall be considered a part of the City's Committed Fund Balance. The Budget Stabilization Fund shall be used for unforeseen, emergency expenditures or unplanned, unforeseen declines in revenues. The Budget Stabilization Fund shall be initially established in an amount equal to 5% of General Fund Budgeted Revenues. Expenditures.

- i. Example Calculation: Based on the City's FY 2025 Budgeted General Fund Expenditure of \$54,592,000, **5% translates to a balance of \$2,700,000.**

3. Debt Service/Capital Reserve Fund,

The City shall separately establish a Debt Service/Capital Reserve Fund, which shall be considered a part of the City's Committed Fund Balance. The Debt Service/Capital Reserve Fund shall be utilized as needed in the City's multi-year capital plan. The required balance of the Debt Service/Capital Reserve Fund will be determined based upon the City's most current multi-year capital plan. Initially as of the end of fiscal year 2023, the City will establish a **minimum balance of \$3,000,000** to be applied to debt service payments in future years, thus mitigating the impact of new projects on the City's budget.

4. **Prioritization of Fund Balances:** As indicated, the fund balance classifications outlined above are based on the level of restriction. In the event expenditures qualify for disbursement from more than one fund balance category, it shall be the policy of City of Hopewell that the least constrained or limited fund balance available will be used first. Assigned fund balance will be used last.
5. **Accounting for Encumbrances:** Amounts set aside for encumbered purchase orders may be either restricted, committed or assigned fund balance depending upon the resources to be used to fund the purchases. Amounts set aside for encumbrances may not be classified as unassigned since the creation of an encumbrance signifies a specific purpose for the use of the funds.
6. **Annual Review:** During the annual budget process, the City will review the estimated Fund Balance levels in relation to the proposed budget under

consideration for adoption. Any addition to the Fund Balances, if necessary, to maintain compliance with policy levels and/or replenish any amounts used shall be incorporated into the proposed budget under consideration for adoption. In addition, the City shall also review the Fund Balance policy levels and increase such levels as may be necessary in order to further the goals of this policy.

7. **Replenishment of the Unassigned Fund Balance/Budget Stabilization**

**Fund:** Upon the use of any Unassigned Fund Balance or Budget Stabilization Fund, which causes such fund balance to fall below either the Policy Goal and/or Minimum levels, City Council must approve and adopt a plan to restore amounts used within 24 months. If restoration of the amount used cannot be accomplished within such period without severe hardship to the City, then the City Council will establish a different time period. If both of these funds have been used, priority of replenishment shall first be to the Unassigned Fund Balance, then the Budget Stabilization Fund.

8. **Replenishment of the Debt Service/Capital Reserve Fund:** Given that this fund is intended to be used as needed in the City's multi-year capital plan, the City shall evaluate on an annual basis the amounts used/projected to be used in such plan and provide for replenishment as may be necessary. The amount of this fund shall be evaluated on an annual basis and shall be amended as needed in order to effect the implementation of the City's multi-year capital plan.

7. **EXPENDITURE POLICIES**

The City intends to manage cash in a fashion that limits borrowing to meet daily operational needs. The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. Exceptions to this must be approved by Council.

The City will utilize a balanced approach to capital project funding, using a combination of debt financing, draws on unassigned fund balance, and pay-as-you-go current year appropriations based on the combination that is best for the City's financial condition. Debt will be repaid within a period not to exceed the expected useful life of the project. It is the City's intention to develop and update, at least annually, a Capital Improvement Funding Plan that identifies all funding sources for existing and proposed debt service and pay-go capital expenditures.

As part of this Plan, the City will strive to provide a current year revenue appropriation for debt service that is consistent from year-to-year whereby excess

City of Hopewell, VA

funding resulting from declines in debt service payments will be carried forward to be applied to future debt service payments and/or other capital expenditures. This budgeting approach will help to create future debt and capital affordability and will provide budgeting consistency for debt and capital purposes. Target debt ratios will be annually calculated and included in the review of financial trends.

In the event that the City anticipates exceeding the debt policy requirements stated herein, staff may request an exception from City Council stating the reason and length of time. City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. The City will seek to maintain its current bond ratings and comply with continuing disclosure of financial and pertinent credit information relevant to outstanding debt issues.

### **Expenditure Accountability**

The Budget Director shall maintain ongoing contact with department managers and Constitutional Officers throughout the budget implementation and execution process. Department managers and Constitutional Officers have the ability to review their expenditures at any time within the City's on-line financial system. Monthly financial reports shall be prepared for City Council to monitor budgeted and actual expenditures and revenues.

The City shall appropriate as part of its annual budget, or any amendments thereto, amounts for salaries, expenses and other allowances for its Constitutional Officers that are not less than those established for such offices by the State Compensation Board.

### **Appropriation Amendments and Transfers**

Appropriation amendments to the operating budget shall be brought before City Council for approval throughout the fiscal year. Per the Code of Virginia, any additional appropriation which exceeds 1% of the total expenditures shown in the currently adopted budget must be accomplished by publishing a notice of a meeting and a public hearing once in a general circulation newspaper at least seven days prior to the meeting date.

The notice shall state the Council's intent to amend the budget and include a brief synopsis of the proposed budget amendment. The amendment may be adopted at the meeting after the public hearing.

All appropriations lapse on June 30 of each fiscal year for all budgets.

## 8. HOPEWELL REGIONAL WATER

The City of Hopewell Regional Water Fund (HRW) is a regional wastewater facility primarily serving City residents and the four major industries in the City of Hopewell – West Rock, AdvanSix, Ashland, and Virginia American Water Company. Operation and maintenance of HRW is funded jointly by all five partners and is governed by a 1995 Agreement and subsequent amendments, the latest begin 2017. The following are financial policies that shall govern HRW.

**Budgeting.** The City will create annual operating and capital budgets for the ongoing operation of the HRW facilities. The **operating budget** will include the cost of general operations and ongoing maintenance of the facility. Funding the operating costs will be shared by the partners in accordance with the latest agreement outlining the rate-setting process. Bills will be sent monthly by the City for recovery of operational expense. The annual budget will be reviewed and approved by the HRW Commission prior to being presented to the City Council for adoption. The draft budget must be approved by the Commission by March 15<sup>th</sup> each year.

**Capital budgets** will be reviewed by the Commission's Technical Advisory Committee (TAC) and presented to the Commission for approval prior to being presented to City Council. The capital budget will also be completed by March 15<sup>th</sup> each year. The capital budget shall include a 5-year expenditure plan necessary for the maintenance and upkeep of the facility. The annual capital budget will include projects that expected to be funded in the fiscal year. Payment of the capital projects by HRW partners will be based on amounts actually paid by the City for capital projects. HRW partners will be billed for capital project work in the month after it is billed to the City. This allows the City to keep monthly operating rates low and only charge partners for capital project work actually completed.

**Annual True-Ups.** At the end of each fiscal year, the City will calculate the actual cost of HRW operations and compare with the amounts charged to each partner during the year. The difference in these amounts is termed the "true-up" and may be positive (a payment due) or negative (a payment owed). These amounts are due to/from once the City's annual financial report is completed. The allocation of final expenses to the partners will be based on most current agreement detailing expense allocations. The final true-up procedure will be codified in an agreement between all HRW parties.

**Use of Miscellaneous Revenue.** The HRW charges fees for: waste hauled to the HRW for treatment, permits to haul such waste, recycling of scrap metal, etc. These are classified loosely as "miscellaneous revenues." Because the partners fund 100% of the facility operations and capital needs, these revenues are used to reduce the cost to partners. Miscellaneous revenues will used to off-set costs in the following order:

City of Hopewell, VA

1. Capital expenses
2. Operating cost overruns in a given year to reduce any true-up payments from HRW partners

If Miscellaneous Revenues remain at the end of a fiscal year, they will be reserved for future-year capital projects or operating cost overruns.

**Facility Maintenance Program.** The HRW will maintain a 5-year preventative maintenance and replacement program as a part of its 5-year Capital Improvement Program (CIP). The purpose of this plan is to limit any down time in facility operations. This will also provide a roadmap for ongoing investments needed in the facility.

## 9. SEWER UTILITY

The City's Sewer utility is an enterprise fund. As such, it is expected to fund 100 percent of expenses from user-generated rate revenues and other non-General Fund monies. To ensure this, the following policies are established by the City:

**User Rates.** Sewer rates shall be set to recover the full cost of providing sewer services in the City. To accomplish this, the City will update the sewer rate study every three years. All rates should include an annual escalation between rate studies based on the City's share of the HRW operating costs.

Rates should include the full cost of operating the sewer system, including: sewage treatment in the City's regional water facility, City allocation of overhead costs to the Sewer utility, funding of annual maintenance needs, Sewer-related debt service, City cost-allocation plan costs, and set-aside of pay-go funding for long-term capital investment in the sewer collection system.

**Sewer Reserves.** The Sewer Fund should maintain unassigned reserves of at least 16.7 percent for rate stabilization and emergency capital needs. Use of assigned reserves shall be reported to the City Council and an update of the amount of reserves will be provided in the annual budget and in the three-year rate study.

**Collection System Maintenance Plan.** The City shall develop a Sewer collection system maintenance plan to ensure proper functioning of the system to avoid sewer spills or other health and safety issues. This plan shall be reviewed annually and updated at least every three years in conjunction with the rate study.

## 10. STORM WATER

The City charges real property for impacts related to storm water run-off from parcels. This is based on estimated permeable area for parcels. Storm water fees are then used to pay for improvements in the storm water system to channel and treat storm water to reduce negative impacts on local rivers, streams, and drinking

City of Hopewell, VA  
water.

Commercial and multi-family properties are charged the single-family property rate based on a ratio of one equivalent dwelling unit (EDU) per a set square footage of land area. Industrial users are provided with a discount on this rate if they provide active mitigation to run-off from the industrial property. Fee reductions of this sort shall be disclosed in the annual budget document and reviewed at least every five years to ensure ongoing compliance with run-off mitigation measures.

## 11. SOLID WASTE

It is the City's policy to set rates at a level that will pay all costs for the Solid Waste function from user charges. This includes: 1) the City's contract with the solid waste vendor, 2) Public Works costs to manage this contract, 3) City cost-allocation plan costs, and 4) any capital replacement costs.

Rates should be reviewed annually with the proposed budget and adjusted as needed in the new fiscal year. It is the Council's intent that no General Fund subsidy will be provided to fund Solid Waste services.

## 12. INVESTMENT POLICIES

An investment policy is designed to serve as a guideline from which all City deposits and investments will be managed. In recognition of its fiduciary role in the management of all public funds entrusted to its care, it shall be the policy of the City that all investable balances be invested with the same care, skill, prudence and diligence that a person would exercise when undertaking an enterprise of like character and aims under circumstances prevailing at that time.

Unless otherwise specifically referenced, all investment actions, controls and reporting shall be the responsibility of the Treasurer's Office with the exceptions to the policy to be properly documented, approved in writing by the Treasurer and communicated to the City officials. Any modification to this policy shall require the approval of the Treasurer and City Council. It is recognized that the Treasurer is an elected official whose responsibilities are delineated by the Code of Virginia and that this policy is meant to illustrate strong fiscal management of a City and not to circumvent the powers of the constitutional officer. This policy is based on guidelines established in the State Code, and is used regarding compliance on investments.

### 1. Investment Objectives

The primary investment objectives for all assets and/or asset groups shall be:

- a. Safety – Safety of principal is the foremost objective of the investment of City funds. Investments in all asset groups shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.
- b. Liquidity – Each investment/investment portfolio will remain sufficiently liquid to enable it to meet all operational requirements,



which might be reasonably anticipated.

- c. Return on Investment – Each investment/investment portfolio shall be managed to maximize the return on investments within the context and parameters set forth by objectives (a) and (b) above.

## 2. Standards of Care

- a. Standard of Prudence – Investments shall be made with judgment and care, under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering first the safety and liquidity of capital and next the probable income to be derived.
- b. Ethics and Conflicts of Interest – City employees and investment officials involved in the investment process shall refrain from personal business that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material financial interest in financial institutions with which they conduct business, and they shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio. Employees shall refrain from undertaking personal investment transactions with the same broker or account representative with whom business is conducted on behalf of the City.

## 3. Safekeeping/Delivery of Investments

In accordance with the Section 2.2-4515 of the Code of Virginia: All investment securities purchased by the City shall be held in third-party safekeeping at a qualified public depository that may not otherwise be a counterparty to the investment transaction. (A qualified public depository is defined under Virginia law as a national banking association, federal savings and loan association or federal savings bank located in Virginia and any bank, trust company or savings institution organized under Virginia law that receives or holds public deposits which are secured pursuant to Section 2.2-4400 of the Code of Virginia (the “Virginia Security for Public Deposits Act”).

All securities in the City’s portfolio shall be held in the name of the City and will be free and clear of any lien. All investment transactions will be conducted on a delivery-vs-payment basis. The depository shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity, and other pertinent information. On a monthly basis, the depository will also provide reports that list all securities held for the City, the book value and the market value as of month end.

Appropriate City officials and representatives of the depository responsible for or in any manner involved with the safekeeping and custody process of the City shall be bonded in such a fashion as to protect the City from losses from malfeasance and misfeasance. Securities purchased for the City shall be held by the Treasurer or the City's designated custodial agent. Securities held by a custodial agent shall be recorded in name of the City on the custodian's records. If a custodial agent is used, a written agreement defining the responsibilities of the agent and the custodial agent shall not be a counterpart to purchase of securities held by the custodial agent. This shall not apply to investments with a maturity of less than thirty-one calendar days.

Collateral for savings and time deposits shall be pledged according to the provisions of the Virginia Security for Public Deposits Act and the requirements of the state Treasury Board regulations.

#### 4. Authorized Investments

Unless otherwise stated in this section the City may not invest in any security not specifically authorized by this policy. To the extent permitted by law, the City may invest in the following types of securities:

- a. **United States Treasury Obligations** – Bonds, notes and bills issued by the United States Treasury or certificates representing ownership of treasury bond principal or coupons.
- b. **Agency Securities** (FHLB, FNMA, FFCB, FHLMC) – Fixed rate obligations issued and guaranteed as to principal and interest by the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Farm Credit Bank or Federal Home Loan Mortgage Corporation.
- c. **Prime Commercial Paper** – Commercial Paper maturing within 270 days of the date of purchase with at least two of the following ratings: P-1 or higher by Moody's, A-1 or higher by Standard & Poor's, F-1 or higher by Fitch, provided that the issuing corporation (or guarantor) has a net worth of at least \$50 million, average net income of \$3 million for the past 5 years and a long-term debt rating of A or better by at least two of the following National Credit Rating Agencies: Moody's, Standard & Poor's or Fitch.
- d. **Certificates of Deposit** – Certificates of Deposit (CD) maturing within one year and issued by domestic banks rated P-1 or higher by Moody's AND A-1 or higher by Standard & Poor's. For CD's maturing from 1 to 5 years the bank must be rated Aa or higher by Moody's AND AA or higher by Standard & Poor's. Funds must be secured in the manner required by the Virginia Security for Public Deposits Act.
- e. **Banker's Acceptances** – Banker's Acceptances maturing within 180

days rated P-1 or higher by Moody's AND A-1 or higher by Standard & Poor's, provided that the issuer is a major domestic bank or the domestic office of an international bank rated Aa or higher by Moody's AND AA or higher by Standard & Poor's.

- f. **Commonwealth of Virginia and Virginia Local Government Obligations** – General Obligation bonds maturing within 5 years from date of purchase and rated AA or higher by at least two of the following National Credit Rating Agencies: Moody's, Standard & Poor's or Fitch.
- g. **Repurchase Agreements** – Repurchase Agreements collateralized by securities listed in items (a) and (b) above. The collateral on overnight, one day, or longer-term repurchase agreements is required to be at least 102% of the value of the repurchase agreement. Structured notes are not permitted collateral. Collateral must be marked to market weekly with option to liquidate if deficiency is not corrected. The counterparty must be rated A or higher by Moody's AND Standard & Poor's and insured by FDIC, or is a Broker-Dealer subject to SIPC protection.
- h. **Open-End Investment Funds (Mutual Funds)** – Open-end investment funds (mutual funds) which trade on a constant net asset value and are registered under the Securities Act of the Commonwealth of Virginia or the Federal Investment Co. Act of 1940 and which invest solely in instruments otherwise permitted under items (a) through (g) above.
- i. **Virginia Local Government Investment Pool** – The pooled fund known as the Virginia Local Government Investment Pool ("LGIP") as provided for in Section 2.2-4600 of the Code of Virginia.
- j. **Virginia State Non-Arbitrage Program**

#### 5. **Investment Approach/Maturity Restrictions**

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements based on a monthly (at a minimum) cash flow analysis of its revenue and expenditures. Such analysis shall be used to develop a strategic investment plan to meet the City's Investment Objectives. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances.

Reserve funds and other funds with longer-terms investment horizons may be invested in securities exceeding five (5) years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body.

City of Hopewell, VA

6. **Investment of Bond Proceeds**

Proceeds of debt issuances shall be invested with the Virginia State Non-Arbitrage Program (SNAP) or other investment options that may provide higher interest earnings, while safeguarding the principal of the amount invested. Such other investment options/strategies shall be explored with the consultation of the City's Financial Advisor and Bond Counsel if it is deemed to be in the best interest of the City and is permitted by the Public Finance Act of the Virginia State Code. In any event, unexpended funds shall be held in a segregated account to facilitate the tracking of expenditures and investment earnings.

13. **FINANCIAL POLICY UPDATES**

The Council will review and update policies annually in January of each year. The annual review will include an analysis on adherence to the policies in each policy area.

DRAFT

R-2

**Approval of Supplemental Appropriation**

**FY25 #1**

**24-08-G21**

**RESOLVED**, upon the recommendation of the Superintendent of Schools, that a supplemental appropriation to the Operating Fund, in the amount of \$212,680 for federal and state grants be and is hereby approved for FY24. The grants and amounts are as follows:

School Security Officer Grant: \$40,650  
School Safety and Security Grant: \$172,030

**Approval of 2024-2025 School Crisis Plan**

**24-08-G22**

**RESOLVED**, upon the recommendation of the Superintendent of Schools, that the School Crisis, Emergency, Management and Medical Emergency Response Plan, is hereby approved for the 2024-2025 school year.

**Approval of Donations**

**24-08-G23**

**RESOLVED**, upon the recommendation of the Superintendent of the Schools, that the Hopewell School Board accepts, with appreciation, the following donations:

- **Dr. Jay McClain** donated a **Black & Decker portable air conditioner/heater to the Division valued at \$200.00.**
- **A monetary donation in the amount of \$150.00 from Homebase Credit Union donated to the Back to School Bash.**
- **A monetary donation in the amount of \$1,000.00 from Albert Lee Mills, VFW Post 10387, donated to Carter G. Woodson for student and staff needs.**
- **A monetary donation in the amount of \$5,000.00 from the Hopewell Moose Lodge for the Back to School Bash.**

ADOPTED BY THE CITY COUNCIL OF THE CITY OF HOPEWELL ON \_\_\_\_\_

Witness this signature and seal.

\_\_\_\_\_  
Johnny Partin, Mayor  
City of Hopewell

FY25 Proposed School Budget

	Original		Adjusted
	Budget	Changes	Budget
<b>School Operating Fund - 014</b>			
Estimated Revenues			
State Sources	44,555,178	130,986	44,686,164
Federal Sources	6,843,588	81,694	6,925,282
Other Revenues	4,609,831	-	4,609,831
Transfer from General Fund	13,710,000	-	13,710,000
<b>Total Revenues</b>	<b>69,718,597</b>	<b>212,680</b>	<b>69,931,277</b>
Appropriations			
Non-Categorical	69,718,597	212,680	69,931,277
<b>Total School Operating Fund</b>	<b>69,718,597</b>	<b>212,680</b>	<b>69,931,277</b>
<b>School Textbook Fund - 056</b>			
Estimated Revenues			
State Sources	1,499,244	-	1,499,244
<b>Total Revenues</b>	<b>1,499,244</b>	<b>-</b>	<b>1,499,244</b>
Appropriations			
Textbook Purchases	1,499,244	-	1,499,244
<b>Total School Textbook Fund</b>	<b>1,499,244</b>	<b>-</b>	<b>1,499,244</b>
<b>School Cafeteria Fund - 057</b>			
Estimated Revenues			
States Sources	41,165	-	41,165
Federal Sources	2,800,000	-	2,800,000
Other Sources	639,423	-	639,423
<b>Total Revenues</b>	<b>3,480,588</b>	<b>-</b>	<b>3,480,588</b>
Appropriations			
Operating Expenses	3,480,588	-	3,480,588
<b>Total School Cafeteria Fund</b>	<b>3,480,588</b>	<b>-</b>	<b>3,480,588</b>
<b>School Building/Bus Replacement Fund - 063</b>			
Estimated Revenues			
Other Sources	47,180	-	47,180
<b>Total Revenues</b>	<b>47,180</b>	<b>-</b>	<b>47,180</b>
Appropriations			
Appropriations	47,180	-	47,180
<b>Total School Building/Bus Repl Fund</b>	<b>47,180</b>	<b>-</b>	<b>47,180</b>
<b>Total Budget Request</b>	<b>74,745,609</b>	<b>212,680</b>	<b>74,958,289</b>

## Hopewell City School Board FY25 Budget

Fund	Board Resolution Number Approved by City:	Original Budget Approved 6/20/2024 24-06-G2	Supplemental Appropriation FY25 #1 Approved 8/8/2024 24-08-G21	Supplemental Appropriation FY24 #2 Approved	Supplemental Appropriation FY24 #3 Approved	Adjustment to Correct Budget to Match City Approved	Total of Supplemental Appropriations That Need City Approval	FY25 REVISED SCHOOL BOARD BUDGET
14	Operating Fund	\$69,718,597	\$212,680	\$0	\$0	\$0	\$212,680	\$69,931,277
63	Building/Bus Replacement Fund	\$47,180	\$0	\$0	\$0	\$0	\$0	\$47,180
56	Textbook Fund	\$1,499,244	\$0	\$0	\$0	\$0	\$0	\$1,499,244
57	School Food Fund	\$3,480,588	\$0	\$0	\$0	\$0	\$0	\$3,480,588
<b>Total Budget</b>		<b>\$74,745,609</b>	<b>\$212,680</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$212,680</b>	<b>\$74,958,289</b>

SSO Grant & School  
Safety and Security  
Grant





**General Resolutions for June 20, 2024**

**Warrants**  
**Review of Bills**  
**May**  
**24-06-G1**

**RESOLVED**, upon the recommendation of the Superintendent of Schools, that bills in the amount of **\$1,102,635.56 (Operating Fund) & \$127,866.03 (Cafeteria Fund)** for the month of April have been presented and reviewed by the Hopewell City School Board.

**Approval of Amended FY25 Budget**  
**24-06-G2**

**RESOLVED**, upon the recommendation of the Superintendent of Schools, that the FY25 Hopewell City Public Schools Budget be and is hereby amended as indicated below:

<b><i>Bus/Building Replacement</i></b>	<b><i>\$ 47,180</i></b>
<b><i>School Operating Fund</i></b>	<b><i>\$69,718,597</i></b>
<b><i>Textbook Fund</i></b>	<b><i>\$ 1,499,244</i></b>
<b><i>Food Service Fund</i></b>	<b><i>\$ 3,480,588</i></b>
<b><i>Total</i></b>	<b><i>\$74,745,609</i></b>

FY25 Approved School Budget

	Original Budget	Amendment	Amended Budget
<b>School Operating Fund - 014</b>			
Estimated Revenues			
State Sources	44,493,475	51,703	44,545,178
Federal Sources	6,843,588	-	6,843,588
Other Revenues	4,592,797	27,034	4,619,831
Transfer from General Fund	13,580,000	130,000	13,710,000
<b>Total Revenues</b>	<b>69,509,860</b>	<b>208,737</b>	<b>69,718,597</b>
Appropriations			
Non-Categorical	69,509,860	208,737	69,718,597
<b>Total School Operating Fund</b>	<b>69,509,860</b>	<b>208,737</b>	<b>69,718,597</b>
<b>School Textbook Fund - 056</b>			
Estimated Revenues			
State Sources	465,365	-	465,365
Beginning Balance	1,085,988	(52,109)	1,033,879
<b>Total Revenues</b>	<b>1,551,353</b>	<b>(52,109)</b>	<b>1,499,244</b>
Appropriations			
Textbook Purchases	1,551,353	(52,109)	1,499,244
<b>Total School Textbook Fund</b>	<b>1,551,353</b>	<b>(52,109)</b>	<b>1,499,244</b>
<b>School Cafeteria Fund - 057</b>			
Estimated Revenues			
States Sources	41,165	-	41,165
Federal Sources	2,800,000	-	2,800,000
Other Sources	875,255	(235,832)	639,423
<b>Total Revenues</b>	<b>3,716,420</b>	<b>(235,832)</b>	<b>3,480,588</b>
Appropriations			
Operating Expenses	3,716,420	(235,832)	3,480,588
<b>Total School Cafeteria Fund</b>	<b>3,716,420</b>	<b>(235,832)</b>	<b>3,480,588</b>
<b>School Building/Bus Replacement Fund - 063</b>			
Estimated Revenues			
Other Sources	47,180	-	47,180
<b>Total Revenues</b>	<b>47,180</b>	<b>-</b>	<b>47,180</b>
Appropriations			
Appropriations	47,180	-	47,180
<b>Total School Building/Bus Repl Fund</b>	<b>47,180</b>	<b>-</b>	<b>47,180</b>
<b>Total Budget Request</b>	<b>74,824,813</b>	<b>(79,204)</b>	<b>74,745,609</b>

ADJOURNMENT