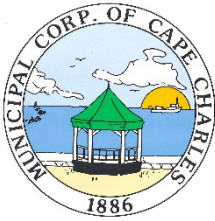




TOWN COUNCIL
Regular Meeting
June 15, 2023
Cape Charles Civic Center
6:30 PM

1. Call to Order
 - A. Roll Call
 - B. Establish quorum
2. Moment of Silence and Pledge of Allegiance
3. Recognition of Visitors / Presentations / Recognitions
 - A. None
4. Public Comments (3 minutes per speaker)
5. *Consent Agenda
 - A. Approval of Agenda Format
 - B. [Approval of Minutes](#)
 - C. [Approval of April 30, 2023 Financial Report](#)
6. Unfinished Business:
 - *A. None
7. New Business:
 - *A. [FY 2024 Proposed Budget & Appropriation](#)
 - *B. [Tourism Zone Credit Payments](#)
 - *C. [Code 42-3 – Adoption of State Law](#)
8. Town Manager Comments
9. Mayor & Council Comments (5 minutes per speaker)
10. Announcements
 - June 19, 2023 – Town offices closed in observance of Juneteenth (State Holiday)
 - July 4, 2023 – Town offices closed in observance of Independence Day
 - July 4, 2023 – July 4th Parade, Street Fair, Basketball Tournament, and Fireworks
 - July 20, 2023 – Town Council Public Hearing & Regular Meeting
11. Adjournment



DRAFT
TOWN COUNCIL
Public Hearing & Regular Meeting
Cape Charles Civic Center
May 18, 2023
6:30 PM

At approximately 6:30 p.m. Mayor Adam Charney, having established a quorum, called to order the Public Hearing & Regular Meeting of the Cape Charles Town Council. In addition to Mayor Charney, in attendance were Councilmen Buchholz, Butta, Follmer and Grossman, and Councilwoman Holloway. Vice Mayor Bennett was under the weather so he participated via teleconference from home. Also, in attendance were Town Manager John Hozey, Planner/Zoning Administrator Katie Nunez, Police Chief Jim Pruitt, Assistant to the Town Manager Julie Pruitt, Officer Andrew Spencer, and Town Clerk Libby Hume. There were approximately 40 members of the public physically in attendance, and 23 viewers on Facebook.

A moment of silence was observed followed by the recitation of the Pledge of Allegiance.

PUBLIC HEARING COMMENTS: (3 MINUTES PER SPEAKER)

- A.i. A Conditional Use Permit (CUP) application from Liquor Distillation Society LLC at 1 Fig Street (Tax Map # 83A3-1-534) in the Commercial-2 Zoning District for three single-family dwelling units located on the second floor above commercial space pursuant to Cape Charles Zoning Ordinance (CCZO) Section 3.7 (C).

There were no comments to be heard nor any comments received in writing prior to the meeting.

- A.ii. A Conditional Use Permit (CUP) application from Cape Charles Marine Services LLC at 6 Mason Avenue (Tax Map # 83A3-A-5) in the Harbor Zoning District to operate a paid parking lot on 72,000 square feet (approximately 22.3% of the total lot size of 322,498 square feet), pursuant to CCZO Section 3-9 (E)(7)(f); said request is seeking a one-time seasonal approval until September 5, 2023 with relief from the landscaping requirements contained in CCZO Section 4.5 (J).

There were no comments to be heard nor any comments received in writing prior to the meeting.

- B. Zoning Map Correction: Tax Map #83A3-11-1, a 2.52 acre parcel south of the harbor, owned by Cape Charles Harbor Holding Company LLC, was shown on the map in December 2022 as zoned Industrial-2 (M-2) and it should have been shown as Harbor. This hearing is to restore the correct zoning for this parcel to Harbor Zoning on the official Cape Charles Zoning Map.

There were no comments to be heard nor any comments received in writing prior to the meeting.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to close the public hearing. The motion was approved by unanimous vote.

The public hearing was closed at 6:31 p.m.

RECOGNITION OF VISITORS / PRESENTATIONS/RECOGNITIONS:

- A. Vacation Homeowners of Cape Charles Presentation – Good Neighbor Program:

Ms. Jordan Dail from the Vacation Homeowners of Cape Charles organization gave a presentation announcing their Good Neighbor Program and provided a brief tour of their website. (Please see attached.)

B. National Public Works Week Proclamation:

Mayor Charney read Proclamation 20230518A for National Public Works Week.

Motion made by Councilman Grossman, seconded by Councilman Butta, to adopt Proclamation 20230518A designating the week of May 21-27, 2023 as National Public Works Week. The motion was approved by unanimous vote.

PUBLIC COMMENTS: (3 MINUTES PER SPEAKER)

Comments were heard from Melinda Blanchard, Herb Thom, Jeff Gray, Clara Cooper, Walter Bronson, and Dalton Compos, all residents or property owners in Cape Charles, expressing their support of the Lemon Tree Gallery's Friday night parties on Strawberry Street and asked the Town to permit them to continue holding their events.

Richard Burger, Chairman of the Cape Charles Memorial Library Board

Mr. Burger addressed the Council regarding the proposed library board bylaws related to the change to the town residency requirement. (Please see attached.)

Mary Ann Roehm, Lemon Tree Gallery

Ms. Roehm addressed the Council providing comments from the perspective of Lemon Tree. (Please see attached.)

Town Clerk Libby Hume read emails submitted by Ellen Moore, Roxane Ward, Ami Butta, Jan Umphrey, Virginia Gomer, Cristina Carollo, Liliana Bricken, Mary Lovett, Connie Adams, Sean and Crystal Hart, and Jacqueline Smith. (Please see attached.)

There were no other comments to be heard nor any additional comments received in writing prior to the meeting.

Town Manager John Hozey stated that he would appreciate the addition of the USDA Rural Development Grant/Loan Resolution to the agenda, adding that he sent the information to all via email earlier this afternoon. He apologized for this last-minute change, but staff received this information yesterday and there was a sense of urgency that he would explain later if the Council were to add this item to the agenda as New Business item 8F.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to add the USDA Rural Development Grant/Loan Resolution to the agenda as New Business item 8F. The motion was approved by unanimous vote.

CONSENT AGENDA

A. Approval of Agenda Format

B. Approval of Minutes:

i. March 30, 2023 Town Council Executive Session

ii. April 20, 2023 Town Council Public Hearing & Regular Meeting

iii. May 4, 2023 Town Council Work Session

C. Approval of March 31, 2023 Financial Report

Motion made by Councilwoman Holloway, seconded by Councilman Grossman, to approve the consent agenda as amended. The motion was approved by unanimous vote.

UNFINISHED BUSINESS:

There was no unfinished business for review.

NEW BUSINESS:

A. *Virginia DHCD Industrial Revitalization Fund Grant for Rosenwald School Rehabilitation:*

Town Manager John Hozey stated that this item was the same as last year for the Cape Charles Rosenwald School Restoration Initiative's (CCRSRI) Virginia Department of Housing and Community Development (DHCD) Industrial Revitalization Funds (IRF) grant application submittal. CCRSRI was not approved for a grant last year, but staff was strongly supportive of the project and application submittal again this year.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to adopt Resolution 20230518 Authorizing Application Submittal for Industrial Revitalization Funding for the Rehabilitation of the Rosenwald School. The motion was approved by unanimous vote. Roll call vote: Bennett, yes; Buchholz, yes; Butta, yes; Follmer, yes; Grossman, yes; Holloway, yes.

B. *Establishing a Housing Rehabilitation Zone:*

John Hozey stated that the Town was actively working with the developer related to their workforce housing project on Cassatt Parkway. During discussions with the Virginia Housing Development Authority (VHDA), the developer was made aware of a program that could offer partial grant assistance along with debt financing, but to qualify, the project must be located within a designated Housing Revitalization Zone as authorized by the Code of Virginia which must be established by the governing body in which the project was located. The proposal would limit the zone to only the parcel under consideration for the workforce housing project and application submission for this program was due by the end of this month. With the increase in project cost estimates since this project was first conceived, the developer felt that partial grant assistance was essential to putting together a financially feasible project.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to adopt Ordinance 20230518A Establishing a Housing Rehabilitation Zone for Residual Parcel #90-19-A as presented. The motion was approved by unanimous vote. Roll call vote: Bennett, yes; Buchholz, yes; Butta, yes; Follmer, yes; Grossman, yes; Holloway, yes.

C. *Conditional Use Permits:*

i. *1 Fig Street – 3 Dwelling Units Above Commercial Space:*

ii. Planner/Zoning Administrator Katie Nunez stated that a CUP application was received from Liquor Distillation Society LLC, the owners of 1 Fig Street, for three single-family dwelling units above first floor commercial space. Staff had been working with the applicants for over a year as this project progressed through the Historic District Review Board. The property owners successfully acquired the lot behind the building along Mason Avenue and the lot line between the two parcels was vacated to become one parcel comprising of 11,200 square feet. With this land acquisition, the applicant was seeking to construct a 30.1' x 55.3' two-story addition, totaling 3,300 square feet, on the west rear side of the existing commercial building. Their plans were for a total of four residential units on the second floor with each unit to contain individual bathrooms and sized from 150 square feet to 198 square feet. The Town had previously approved a CUP on January 19, 2017 for one dwelling unit on the second floor above first floor commercial use in the Commercial-2 Zoning District. The applicants were now seeking a CUP for the additional three residential units, based upon both the existing building and addition. The applicant would provide four parking spaces on the lot to be associated with the four residential units, which would be used as housing for local employees. On January 5, 2017, the Town had approved a variance to this property providing full relief of the off-street parking requirements associated with a restaurant commercial use on the first floor. This

approval was affixed to the property and was granted to the current owners of the property since the commercial use was the same as when the Board of Zoning Appeals heard the matter and issued the variance. The Planning Commission held their public hearing on May 2, 2023 and recommended Town Council approval of a CUP for three single-family dwelling units above first floor commercial space based upon the site plan and application submitted, with the condition that the minimum lease term of no less than 30 days be assigned to the three residents units at 1 Fig Street.

Mayor Charney invited the applicant, Ms. Penelope Kinsey, to the podium. Ms. Kinsey stated that her goal was to provide housing for her staff.

Vice Mayor Bennett stated that in reviewing the plans, it did not appear that there were any cooking areas in the units. Ms. Kinsey confirmed the absence of cooking areas.

Motion made by Councilman Grossman, seconded by Councilman Buchholz to approve Conditional Use Permit 2023-001 for three single-family dwelling units above first floor Commercial Space based upon the site plan and application submitted and with the condition that the minimum lease term of no less than 30 days be assigned to the three residential units at 1 Fig Street. The motion was approved by unanimous vote.

ii. *6 Mason Avenue – Paid Parking Lot Operation:*

Katie Nunez stated that Cape Charles Marine Services LLC was seeking to obtain a CUP at 6 Mason Avenue in the Harbor Zoning District to operate a paid parking lot on 72,000 square feet, approximately 22.3% of the total lot size of 322,498 square feet. The request was seeking a one-time seasonal approval until September 5, 2023 with relief from the landscaping requirements contained in CCZO Section 4.5 (J). This request was to allow the opportunity to try this venture for one season to see if it was viable, especially since the Town provided free parking on Mason Avenue and elsewhere, and there might not be a market for paid parking on a private lot. She did not want to see permanent changes made to the property if this was not going to be a long-term project. The Planning Commission held their public hearing on May 2, 2023 and recommended Town Council approval of a CUP at Mason Avenue on a one-time seasonal basis until September 5, 2023 with the following conditions: i) A waiver from the landscape requirements in CCZO Section 4.5 (J) and other paved surface requirements during this seasonal one-time permit timeframe; ii) Sufficient trash receptacles be provided by the property owner and emptied on a regular basis at the expense of the property owner; iii) The entrance and exit to/from the parking lot would be from the center entrance on Mason Avenue directly across from Harbor Avenue only; iv) Approved and permitted signage indicating the hours of operation of 8:00 a.m. to Dusk and Daily Parking Only, No Overnight Parking, and Towing of Cars would be at the Owner's Expense; v) For July 4th, the hours could be expanded until after the fireworks display. All issues raised at the Planning Commission meeting had been addressed.

Motion made by Councilman Grossman, seconded by Councilwoman Holloway, to approve Conditional Use Permit 2023-002 at 6 Mason Avenue on a one-time seasonal basis until September 5, 2023 as recommended by the Planning Commission to include the following conditions: i) A waiver from the landscape requirements in CCZO Section 4.5 (J) and other paved surface requirements during this seasonal one-time permit timeframe; ii) Sufficient trash receptacles be provided by the property owner and emptied on a regular basis at the expense of the property owner; iii) The entrance and exit to/from the parking lot would be from the center entrance on Mason Avenue directly across from Harbor Avenue only; iv) Approved and permitted signage indicating the hours of operation of 8:00 a.m. to Dusk and Daily Parking Only, No Overnight Parking, and Towing of Cars would be at the Owner's Expense; and v)

Allowing for the extended hours on July 4th. The motion was approved by unanimous vote.

D. *Zoning Map Correction:*

Katie Nunez stated that the Town Council adopted the Zoning Map on December 15, 2022 as an appendix document to the Comprehensive Plan. It was brought to staff's attention by the property owner of Tax Map Parcel #83A3-11-1 that the Zoning Map incorrectly depicted this parcel in Industrial-2 Zoning rather than Harbor Zoning. After extensive research was performed, it was confirmed that this parcel should be zoned Harbor not Industrial-2. The required public hearing was advertised and held earlier this evening; and staff recommended Town Council approval to amend the map to correct the zoning designation for Tax Map Parcel #83A3-11-1 from Industrial-2 (M-2) to Harbor zoning, and to also update the Zoning Map contained in Appendix A of the Cape Charles Comprehensive Plan.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to amend the Zoning Map to correct the zoning designation for Tax Map #83A3-11-1 from Industrial-2 (M-2) to Harbor Zoning and to also update the Zoning Map contained in Appendix A of the Comprehensive Plan for the Town adopted on December 15, 2022. The motion was approved by unanimous vote. Roll call vote: Bennett, yes; Buchholz, yes; Butta, yes; Follmer, yes; Grossman, yes; Holloway, yes.

E. *Cape Charles Memoria Library Board Bylaws:*

John Hozey stated that Library Board Chairman Rich Burger spoke earlier this evening addressing the updated bylaws submitted for Council approval. Staff brought forward one change regarding residency. Several years ago, when one of the members of the Library Board moved out of town, and since the library served citizens from Northampton County and the county provided some annual funding for library operations, Council approved the allowance of one member of the board to be a citizen of Northampton County. It was the position of staff to remain consistent with all other boards and commissions that required board representation by Town residents. While he agreed with Chairman Burger that the library was used by residents from the county as well as Town residents, it was the Town's residents who paid the majority of the library's budget.

There was some discussion between Council and Chairman Burger, and a consensus was reached to allow two of the six appointed positions to be filled by residents of the County versus the Town.

Motion made by Councilwoman Holloway, seconded by Councilman Grossman, to amend Section 2.1 of the proposed Cape Charles Memorial Library Board Bylaws regarding Board membership to state that four of the members be residents of the Town of Cape Charles and two of the members be residents of Northampton County. The motion was approved by unanimous vote.

Motion made by Councilwoman Holloway, seconded by Councilman Grossman, to approve the Cape Charles Memorial Library Board Bylaws as amended. The motion was approved by unanimous vote.

F. *USDA Rural Development Grant/Loan:*

John Hozey stated that Town Council approved the projects requested to be funded by the U.S. Department of Agriculture Rural Development (USDA RD) when the FY 2023 budget resolution was passed. However, due to the USDA RD standard processes, approval for these budgeted items was just received this week. USDA RD required Council to adopt a resolution to accept the grant of \$26,000 and loan of \$48,800 and the accompanying obligations and requirements. The approved equipment included i) purchase and outfitting of a police vehicle; ii) a utility vehicle; iii) a heavy duty 60" cutter; iv) a box blade; and v) a 72' finish mower. Since this involved FY

2023 purchases, waiting until the June meeting would not provide adequate time to purchase the requested equipment before the fiscal year end.

Motion made by Councilman Grossman, seconded by Councilman Buchholz, to adopt Loan Resolution #20230518B to accept the USDA Rural Development Grant and Loan for the purpose of purchasing the equipment as approved in the FY 2023 budget. The motion was approved by unanimous vote. Roll call vote: Bennett, yes; Buchholz, yes; Butta, yes; Follmer, yes; Grossman, yes; Holloway, yes.

TOWN MANAGER COMMENTS

John Hozey commented as follows:

- i) John Hozey stated that he did not mean any disrespect to this evening's attendees, but it was his job to enforce the rules. Generally speaking, members of the public had the opportunity to speak during the public comment period and the Town Council had the opportunity to speak later during the meeting. This meeting was not a town hall meeting or session for back-and-forth discussion. He clarified the Lemon Tree issue by stating that approving an event application was not a Council matter but was approved at staff level. The Use of Facility/Event Application and process were recently updated. Council reviewed both and did not object to the new rules. It was not incumbent on the Town to solve all problems. For Festive Fridays, Cape Charles Main Street (CCMS) put together a committee to try to solve the problems. After the items had been ironed out by the committee, CCMS came to the Town to request approval. All organizations and individuals were held to that standard. It was up to the applicant to do the work and put it all together in the application. When Lemon Tree first came to the Town, it was supported. The first few years, the event went well, and no complaints were received. Sometimes success was its own worst enemy. The event grew in popularity and was held more frequently due to its success. It was his feeling that the neighbors were not against the event, but the frequency of it. When word of this year's plans got out, residents and businesses spoke out with their concerns of the noise, parking issues, and the inaccessibility of their homes or businesses. The event was supported by those who did not live here or own a business. It was a big impact for residents and businesses in the Town. When the complaints started coming in, he spoke to the applicant asking them to talk to their neighbors to work things out and he felt that a compromise could be reached. Lemon Tree felt that no compromise could be reached and withdrew their application. Although the Town generally supported this event, we could not ignore the effect on businesses and residents. He strongly encouraged all parties to sit down and talk about it, especially representatives from the homeowners' associations from both condominiums and CCMS who represented the businesses. He was open to having further discussion with attendees after this evening's meeting was over. He welcomed the public to call or email him as well.

Councilwoman Holloway stated that she felt this was a great situation for everyone to come to the table to work things out. CCMS Executive Director Karen Zamorski was willing to act as the intermediary. It was important to note that a lot of good comments were received tonight. She had heard from people from surrounding houses, whose voices were not heard this evening, but who had expressed their concern with the volume of the music every Friday night. Maybe the applicant could consider lessening the frequency so everyone could enjoy the event. She added that she lived adjacent to Central Park and heard all of the concerts during the summer. The Citizens for Central Park (CCP) followed all the Town's guidelines for the concerts. The Cape Charles Christian School distributed tickets to the Crabby Blues Festival to all surrounding residents. There were ways to make it work for everyone.

Councilman Follmer stated that John Hozey spent a lot of time working with organizers to address issues as they came up. Everyone needed to work together. He was somewhat disheartened when walking by Lemon Tree recently and someone from inside, not a Lemon Tree staff person, yelled an expletive at him. He lived and owned a store on the block where

these parties were held. He had spoken to some people who thought the concerts were great and others who felt the parties needed to be adjusted. He encouraged everyone to make their voices heard. He was hearing three main issues, and none were insurmountable. It did not have to be all or nothing. The ABC issues were significant due to insufficient enforcement. He had people coming into his stores with alcohol. If someone owned a restaurant and people went into their establishments with alcohol, that would be a concern. This kind of action caused increased scrutiny by ABC for all establishments in Town and could be helped by having more volunteers. The Town Council approved a new Use of Facility application that discouraged street closures unless it was critical to the event. Council would have an issue with staff if street closures were approved for every Friday night. Another issue heard was the volume of the music, which was hardly an insurmountable issue. Why not try to address lessons learned from past experience? There was not an issue in 2021, but in 2022, the frequency of the outdoor parties increased which revealed some issues. Every year after the Festive Fridays, CCMS met to recap the event and review lessons learned and the issues were addressed in the following year's event. CCP did the same thing each year. He recommended that Lemon Tree do something similar.

Councilman Butta stated that the new policy was to try to avoid street closures. Closing a particular street every Friday during the summer was a concern. How would the Town justify closing one street for an applicant but not another street for another applicant? Strawberry Street Plaza was created specifically for this type of event and was the logical place for it and would avoid any street closures,

John Hozey added that in his opinion, Lemon Tree met the burden regarding the reason the parties could not be held in Strawberry Street Plaza. The Plaza was not designed for night events as there were no lights. They would not be able to use their existing ABC license in the Plaza, where they were permitted to use their ABC license as an extension to their building. He liked that the Lemon Tree parties brought attention to the businesses on Strawberry Street. Although the new policy discouraged street closures generally, he felt it was reasonable in this case. The issue was the frequency which was expressed by the comments. This issue needed to be addressed to reach a compromise acceptable to all.

Councilwoman Holloway added that during Festive Fridays, CCMS had volunteers at both ends of the streets at all times. If someone needed ADA assistance, the volunteers were there to help. Many of the residents of the buildings were elderly with no access to their homes during Friday nights. The parties were a great thing to pull the businesses and community together, but everyone needed to be respectful of each other.

- ii) The bids for the Monroe Avenue property came in and the winning bid was for \$300K. The Town advertised a minimum bid of \$250K. The item would be presented to Council for official action at the June meeting.
- iii) Now that the work on the budget was over, he was able to move to the item of next highest priority – short term rentals. He was putting together a committee comprised of himself, Katie Nunez, Councilman Grossman to represent Town Council and Planning Commission as he was also the housing expert, a representative from the Vacation Homeowners group, a representative from the Historic District Civic League, and a representative from the Bay Creek rental committee.
- iv) He asked Council to put their feelers out for candidates willing to serve on the Historic District Review Board. We were losing one member and potentially a second. He would like to fill the position(s) and name alternates. He asked for Council's assistance and have any interested individuals contact Libby Hume.

- v) Information was received for the restroom project. He had hoped to have the project out for bids by now, but staff was still working through final details, and received input from CCMS related to textures and colors. The plans would be submitted to DEQ by May 19th. DEQ had 45 days to review the plans which would put their response back around July 3rd. He was hopeful to have the item ready for Council review at their July meeting with the goal to go out for bid in August. He would like to have the restrooms completed and operational by the end of the year in time for Festive Fridays, which began the end of November.
- vi) Treasurer Deborah Pocock announced her plans to retire and we were beginning to actively recruit for the position. He would form a hiring committee and asked Council's preference to have two Council members on the hiring committee or whether Council wanted him to screen the applicants and schedule executive sessions for all Council members to review.

Councilman Buchholz noted that when hiring for the town manager position, there were two Council members on the search committee along with other staff and members of the community. The committee screened the applications and narrowed the field to three or four, which were then presented to the entire Council who held the final interview.

Councilmen Follmer and Grossman volunteered to serve on the committee.

- vii) The grant resolution was approved earlier this evening for the Rosenwald School Initiative. They were getting ready to obtain permits to begin some of the work. They asked if the Town would be willing to waive some of the fees. The Town already waived the planning & zoning fees, but the building permits fees and utility tap fees would be considerable. It would require an enormous amount of work for staff regardless of whether the building permit fees, estimated to be about \$15K, were waived or not. Tap fees were typically required at the time of permit issuance, but there was flexibility to charge the fees at the time of certificate of occupancy issuance. By that time, Virginia American Water would be running the systems and their fees would be significantly less.

Councilwoman Holloway recalled where Council approved a 50% discount in fees for the Cape Charles Brewing Company, adding that she was willing to waive the building permit fees for the Rosenwald School.

There were no objections from Council regarding waiving the building permit fees.

MAYOR AND COUNCIL COMMENTS

Councilman Grossman stated that he was on the Virginia Housing Commission's subcommittee for short term rentals. The subcommittee was expected to reach a consensus during the summer on the bill that excluded realtors from ordinances. In the fall, a recommendation was expected to be presented to the committee. He would keep everyone informed of the progress.

Councilwoman Holloway commented as follows: i) The LoveRun was a huge success with significant community involvement. This year a 10K was added. There were about 250 participants this year, which was 10% higher than expected. She was sorry that Tara Ashworth was unable to attend this evening, but wanted to thank her, Julie Crouse and Patsy Harris for doing such a great job organizing the event; ii) She was happy to see the Vacation Homeowners here tonight presenting their Good Neighbor Program.

Vice Mayor Bennett, and Councilmen Buchholz, Butta and Follmer had not further comments.

Mayor Charney read the announcements.

Motion made by Councilman Buchholz, seconded by Councilwoman Holloway, to adjourn the Town Council Public Hearing & Regular Meeting. The motion was approved by unanimous vote.

The Public Hearing & Regular Meeting adjourned at 8:29 p.m.

Mayor Charney

Town Clerk

DRAFT

**May 18, 2023 Town Council Public Hearing & Regular Meeting
Comments and Information Provided in Writing**

Vacation Homeowners of Cape Charles Presentation by Jordan Dail



1

A presentation slide with a dark blue header bar at the top. The title "The Good Neighbor Program" is written in white, sans-serif font within this bar. Below the header, on a white background, are two paragraphs of text. A small green rectangular tab is visible in the top right corner of the slide.

The Good Neighbor Program

The Vacation Homeowners of Cape Charles are dedicated to investing in the betterment of the Cape Charles Community, striving to be good homeowners, good hosts, good neighbors while adding value to all stakeholders.

The program was created with this statement in mind as try to increase communication between homeowners, renters, and the town.

2

How It Works

- ▶ Vacation homeowners volunteer to participate in the program. Homeowners will fill out a form online on the vrhocc's website to join.
- ▶ Pay a \$25 fee.
- ▶ Homeowners will receive the Good Neighbor Magnet and the Golf Cart Magnet.
- ▶ Homeowners will receive information on the particular town ordinances and rules to communicate to renters in the welcome letter, welcome binder, and on rental listing pages.
- ▶ A sample letter is provided that can be sent to neighbors to improve communication throughout the rental season

3



Website Tour

- ▶ www.vrhocc.org

4

Good Neighbor Magnet

The Good Neighbor Program

WELCOME TO CAPE CHARLES! WE STRIVE TO BE GOOD NEIGHBORS AND WE HOPE THAT YOU WILL HELP US IN THIS EFFORT. HERE ARE SOME WAYS YOU CAN BE A GOOD NEIGHBOR DURING YOUR STAY:

- Trash cans are located _____. Trash pickup is on Tuesdays. Please put all trash in the cans before pick up. Trash not inside the trash can will not be picked up. Help keep Cape Charles litter free by picking up your trash at the beach, park, and in our yard.
- Street parking is limited to the spaces directly in front of our house. If you have more cars than will fit directly in front of the house, you can also park here: _____
- Keep noise to a minimum, especially in the evening and night hours.
- After 10 pm all outdoor lighting should be turned off, except for porch lights.
- Please obey all town golf cart driving regulations and refer to the information provided by the homeowner, golf cart renter, or Golf Cart magnet for more information.

THANK YOU!

5



Golf Cart Magnet

GOLF CART 101:

ETIQUETTE:
PARK AND DRIVE YOUR CART WHERE YOU WOULD DRIVE YOUR CAR. NOT SIDEWALKS, THE BEACH, THE PARK, ETC.

COMMON SENSE: DO NOT EXCEED MAXIMUM NUMBER OF OCCUPANTS. TAKE YOUR KEY WHEN PARKING.

BUCKLE UP.
USE CAUTION. ALWAYS DRIVE SAFE.

ALL DRIVERS MUST HAVE STATE ISSUED DRIVERS LICENSES.

ALL VEHICLE LAWS APPLY- INCLUDING ALCOHOL LAWS- NO ONE WANTS TO COMMIT A FELONY ON A GOLF CART.

6

Information for Renters

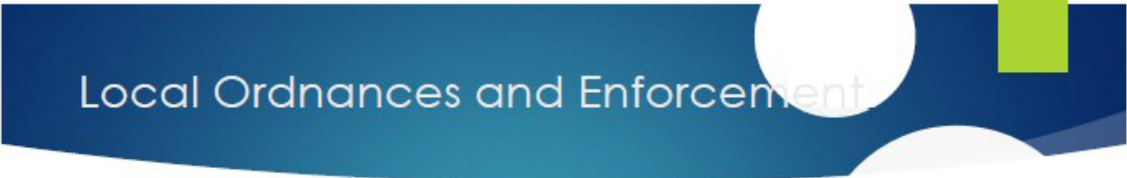
- ▶ Trash pick up and general information
- ▶ Car and boat parking directions
- ▶ Outdoor lighting guidelines
- ▶ Noise consideration after 10 pm
- ▶ Golf cart rules and regulations

7

Sample Letter for Neighbors

- ▶ A sample neighbor letter is provided to help facilitate communication with neighbors.
- ▶ Alternately you could talk to your neighbors in person

8



Local Ordinances and Enforcement

- ▶ The Town and local police enforces local law enforce laws and ordinances.
- ▶ We encourage violations be reported to the town through their website and to the town police

9

Richard Burger, Chairman of the Cape Charles Memorial Library Board

Good evening Mayor Charney and members of the Council. Thank you for the opportunity to speak this evening. I am Richard Burger, Chairperson of the Cape Charles Memorial Library Board of Trustees. The issue at hand is the revised by-laws for the Library Board, which you will consider tonight as New Business item E, particularly Section 2.1, regarding Trustees residency. The change that we have suggested, found in the last line of this section, is that all Board members should be residents of Northampton County, not specifically Cape Charles alone. This change was agreed to after a significant discussion at our March meeting. Our decision was based on a number of factors.

It should be noted that while all other Town Board address issues only within the geographic confines of Cape Charles, and therefore require town residency, our Library serves a regional population with patrons from Nassawadox, Machipongo, Eastville, Cheriton and other Shore communities. In fact, anyone with an Eastern Shore Public Library System card may check out materials from our library. The impact of this facility stretches far beyond our town borders. We serve the Shore.

Looking at the patrons of the library statistically, based on data from the Eastern Shore Public Library system, in one-line registration where patrons have provided their addresses, there are slightly more than 1,300 library cards listing Cape Charles addresses, but over 1,700 patrons listing Cape Charles Memorial Library as their primary branch. Northampton County has issued just over 3,000 Library cards, but again, over half of those patrons list Cape Charles Memorial Library as their primary branch. At least 400 people outside of our town confines see our Library as their library of choice. Over half of all library cards in the County see our Library as their library of choice. We feel that these people should be represented on our Board.

Apparently, at some time in the past, a special dispensation was made by the Town Council that one member of the Board who had moved out of town could remain as a member of the Board of Trustees. In order to form a Library Board representing the full scope and diversity of our patron population we feel that more than one member of our Library Board can be selected from the population of Northampton County as a whole, and not be limited to just the population of residents of Cape Charles.

Please consider these factors as you decide whether or not to approve our revised by-laws. Thanks to other members of the Board who are here to support our revised by-laws. Thank you, members of the Council, for your time and consideration.

Mary Ann Roehm, Lemon Tree Gallery

I wanted to say a few words from the perspective of The Lemon Tree. The Gallery and Arts Enter have always focused on providing arts and entertainment to the community. Fridays at Lemon Tree has been a staple on Friday evenings for several years and provides a family friendly fun event that residents and tourists can enjoy. "Free live Entertainment with a cash bar."

A year into COVID in April 2021, we had our first outside party in the front of the theatre and it was wildly popular. After another week, we coordinated with the town and moved the party around the corner to Strawberry St. so that we could provide more safety for visitors. In 2021, we had an outside party every Friday from Spring thru the Fall or until the weather changed. IN 2022, we had many fewer parties as ABC restricted the number of outside parties to 12.

Last year we created Strawberry Jam, a collaboration of all the businesses on Strawberry Street. The intention was to help enhance the visibility of the businesses and provide extra support for each other while also cooperating on the Friday night events.

We expected to continue last year's model with the street closed from Mason to Randolph rather than just the southern end of Strawberry.

A meeting was scheduled with Mr. Hozey to iron out any remaining details on the Facility Use application. At that meeting two weeks ago we were told that there had been numerous complaints about the parties. Mr. Hozey asked us to gather endorsements from Main Street, and the Homeowners associations in the Wilson Building and the Patrick Hand building across the Street and if we did, we would have the Town's support.

We were hurt and offended that we had been asked to defend ourselves against a very few loud complaints and didn't have a clear endorsement from the Town. We chose not to engage in a public debate, did not solicit endorsements and instead decided to retreat and continue with the events inside and withdrew our application. We are not interested in wasting time on confrontation and decided that if there was no harmony, there was no point.

Since then, the reaction to abandoning the street parties has been very vocal. It is encouraging that both residents and tourists are supportive of what we are providing to the downtown during the summer and have shown their appreciation.

It has caused us to re-think and become motivated to re-submit our Town Use Facility application for Fridays between June 2nd and September 18. Rain will force the events indoors.

We hope that we will have help for the Town to make these events a part of the summer fabric in Cape Charles.

Ellen Moore, owner Gallery at 238 Mason

Subject: Friday Nights

I own Ellen Moore Gallery at 238 Mason. I understand that Lemon Tree Friday nights on Strawberry Street are being considered as a weekly and/or regular event. I am voicing my objection to this for several reasons. I have been a merchant on Mason Avenue for over ten years and seen many changes in that period of time, some good and some negative. Strawberry is a main street to Mason Avenue and also serves as parking and access for many residents. Taking away their ability to access their homes along with the noise the event generates is unacceptable. Additionally, the use of alcohol outside the designated area has always been an issue. It is well known that people carry "go" cups full of alcohol and visit the surrounding businesses while consuming their drinks. It is not uncommon for a business to be inundated with a group of rowdy customers.

A single business should not be allowed to close down one block once a week -- it just does not begin to make sense to inconvenience people and allow disruptive behavior..

Sincerely,
Ellen Moore

Roxanne Ward, owner Buoy 56

Subject: Lemon Tree/Strawberry St. Close Off

It has come to my attention that Lemon Tree is applying or has applied to close off Strawberry Street on Friday evenings during the summer. The impact this event has on other merchants stands to be heard. Last year, during these Friday evening events, our end of Mason Avenue (200AB&C) was empty with the exception of a few stragglers walking by with open containers of alcoholic beverages; we ended up closing early on those Friday evenings.

While I am writing on behalf of Buoy 56 only, I feel sure other merchants have had similar situations. I can't help but think of the other merchants on Strawberry St., how does this affect them? Can their customers get to them easily with the road blocked off?

I know many folks enjoy this event and I am not anti-Lemon Tree Street Parties, by any means, but I do think there should be a limit on how many of these events happen in a season. Please take into consideration the impact this event has on other merchants, the residents in surrounding condos, and how it might affect our police officers, who can not be everywhere at the same time.

Thank you for your time.

Respectfully submitted,

Roxane Ward, Owner
Buoy 56
209B Mason Ave.
Cape Charles, VA 23310

Ami Butta, President of the Wilson's Building Condominium Association

Subject: Friday Night Closure of Strawberry Street

Dear Mr. Hozey,

I am writing as the President of the Wilson's Building Condominium Association to voice an objection to the closure of Strawberry Street on Friday nights. Our residents are predominately in their 70's, 80's and 90's and the expectation for them to move cars every week is unfair. If, for some reason, they are not able to move their car, they receive a nasty, recriminating note, and risk damage to their vehicle from careless patrons. Should they arrive home after 5 PM, they are required to walk several blocks which is at best, inconvenient and at worst, unsafe. The noise from the bands is directly outside our windows and we are not able to watch TV or have a normal voice level conversation. We have been left with the remnants of the party to clean up ourselves the next day.

It is difficult to understand why this has been allowed to occur when Strawberry Plaza, built for just this purpose, is a few feet from Lemon Tree.

Thank you for your time and attention,

Ami Butta, President, Wilson's Building COA

Jan Umphrey, resident at 300 Mason Avenue
Subject: Friday night summer concerts at Lemon Tree

Dear Mr. Hozey,

I live at 300 Mason Avenue, unit 1A, and I've heard that Lemon Tree Gallery has applied to hold their weekly street parties every Friday evening this summer as they did last year. I am opposed to Lemon Tree Gallery holding a weekly event that closes a street and generates loud music and noise indiscriminately for business neighbors and residential neighbors.

Although I live on the back side of our building, the music is still much too loud, and it is unbearable for my neighbors who actually face the event—who have no choice but to "attend" if they are in their homes on Friday night. I love all our local stores, and I understand from several owners that the event actually hurt their businesses. In addition, the increased strain on parking from closing that block drives more people to illegally park in our private lot to the disadvantage of residents.

The event is fun for many, I'm sure, but a weekly event does not make a good neighbor. If it continues at all, perhaps a monthly event would be more tolerable. Lemon Tree Gallery can also host events inside as they did before. I think *neighborly* and *consideration* are the key words to consider as this application is deliberated.

Best,

Jan Umphrey

This is my personal opinion and does not represent the board of 300 Mason Avenue.

Virginia Gomer, resident on Randolph Avenue
Subject: Lemon Tree Concerts

I would like to voice my agreement for continuing the free Friday outdoor concerts at Lemon Tree. To me, it is a plus to the town to have the entertainment. While there may be traffic or parking concerns, the concerts do not last long, and it is not a hardship to avoid the area during the limited time the concert and preparations are being conducted. I can't speak for the residents in the Wilson Building but I have known tenants who whole heartedly enjoyed the concerts so I would be curious to know the percentage of those residents who oppose the concerts and those would be the voice to consider when deciding the fate of the concerts.

Let's continue to be a small town at heart and not let our town bureaucracy get in the way of a positive, family event.

The Lemon Tree/Arts Enter has done a tremendous good for the town and the town office, in turn, should do what they can to be of service to the activities they sponsor.

Virginia Gomer

Cristina Carollo, owner Ambrogia Caffé & Enoteca

I am the owner of Ambrogia Caffé & Enoteca located at 321 Mason Ave, and I am writing to oppose the request submitted by Lemon Tree Gallery to close Strawberry Street every Friday night this summer.

Last year these events created multiple problems for my business. First of all, the music was extremely loud and prevented my customers from enjoying a conversation while dining at the restaurant outdoor tables, which are the most popular in the summer. Second, at these events alcoholic beverages were sold in clear plastic cups with no lids. Despite barriers, customers wandered on Mason Ave with such cups and walked into my restaurant with them (there is a sign on the restaurant front door about no outside food and alcohol being allowed). My business complies with ABC laws and regulations to maintain an active liquor license and such behavior could jeopardize such compliance. Third, my customers had problems finding a place to park close to the restaurant, due to the congestion caused by the music events.

Granting such a request would be unjust. I believe it is unfair for the town to favor one business over another in this manner, particularly on one of the busiest nights of the week during the summer.

I appreciate the opportunity to submit my comments and your consideration of this matter.

Regards,
~Cristina

Liliana Bricken, property owner
Subject: Outdoor music @Lemontree

Dear Mr.Hozey,
My husband and I visited Cape Charles two years ago, and knew right away we wanted to move there when my son graduates from school. It's a quaint little town with a good community feel. One of the first Main Street activities we encountered was the Friday afternoon live music concert next to The Lemontree gallery. It was great, and it was just one of many activities that influenced our decision to purchase property in Cape Charles, and even invested in renovating a building on Main Street.
I recently heard that the concerts are cancelled, and I am very dissapointed. Won't you please reconsider, and allow the concerts to go on again.
The most important factor in establishing a thriving community is people. And, the street music concert brings Cape Charles residents, and visitors together in a positive, fun enviroment.
I am hopeful that you will reconsider, and bring the fun back to Main Street
Thank you,
Liliana Bricken

Mary Lovett, resident
Subject: Fridays at Lemon Tree

*Good Morning,
As a full time resident of Cape Charles since 2012 we have seen a lot of changes, good and bad for the town. Lemon Trees Friday night events on Strawberry Street have been so popular and a great family event. I am in support of Lemon Tree continuing this great community event for the upcoming season.*

Thank you,

Mary Lovett

Connie Adams, resident
Subject: Music at the Lemon Tree Gallery

I am writing to urge you not to ban live music at the Lemon Tree. Music brings a community together.

I moved to Cape Charles this past September. I knew very few people outside of my sister and brother-in-law. Then they left on a 5 week trip in mid-November. I felt quite alone, although the few people I had met were nice.

In early December I took myself over to the Lemon Tree for one of their Friday night music evenings. I was greeted warmly and saw people I knew as well as met many other friendly people. I enjoyed a glass of wine and even danced. The music brought us all together in a way that would have never happened otherwise. I will be forever grateful to the Lemon Tree for providing this lovely oasis in the dark of winter.

Please do not allow a few complaints to rob the community of this wonderful venue.

Thank you,

Connie Adams

Sean and Crystal Hart, owners of Salt & Sand and Just Peachy Convenience
Subject: Lemontree Gallery Live Music Outside

To Whom It May Concern,

I am writing in support of the outside music organized Lemontree Gallery.

Sean and Crystal Hart
Owners of Salt & Sand and Just Peachy Convenience

Jacqueline Smith, resident

To: Members of Town Council

This is to say thank you to both Clelia Sheppard and MaryAnn Roehm for all they do for our community.

Thank you for the beautiful art in Lemon Tree Gallery, from paintings to objects of art in all forms; for showcasing the local talent we are fortunate to have in our area; for the theater productions; for all the musicians that you invite to entertain us. As a former event coordinator, I appreciate all the time and hard work these events require. You are both so gracious and generous and always present wonderful art, programs, and entertainment for the community to enjoy.

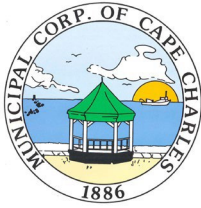
As summer approaches, we look forward to the Friday evening performances on Strawberry Street. The performances of local musicians have become a summertime favorite for local residents and visitors alike after a day of shopping and dining in our shops and restaurants.

I know I speak on behalf of many in the community when I say that you are so appreciated. Also, a big thank you to all Lemon Tree Gallery staff and volunteers who help to make all this possible.

Sincerely,

Jacqueline Smith

DK



DRAFT
TOWN COUNCIL
Public Hearing & Special Meeting
Cape Charles Civic Center
June 1, 2023
6:30 p.m.

At 6:30 p.m., Mayor Adam Charney, having established a quorum, called to order the Public Hearing & Special Meeting of the Town Council. In addition to Mayor Charney, present were Councilmen Butta, Follmer and Grossman, and Councilwoman Holloway. Vice Mayor Bennett and Councilman Buchholz were not in attendance. Also, in attendance were Town Manager John Hozey, Treasurer Deborah Pocock, Town Clerk Libby Hume, Public Utilities Maintenance Worker Gerald Elliott, Public Works Manager John Lockwood, Wastewater Plant Manager Patrick Christman, Planner/Zoning Administrator Katie Nunez, Assistant Treasurer Adrian Oei, Utility Clerk Kathy Fraas, Wastewater Plant Operator Cody Toadvine. There were 10 members of the public physically in attendance, and 5 viewers on Facebook.

A moment of silence was observed which was followed by the recitation of the Pledge of Allegiance.

Mayor Charney read the public hearing notice.

PUBLIC HEARING PUBLIC COMMENTS:

There were no comments to be heard from the members of the public in attendance, nor any comments provided in writing prior to the meeting.

Motion made by Councilman Grossman, seconded by Councilman Butta, to close the public hearing. The motion was approved by unanimous vote.

The public hearing closed at 6:32 p.m.

SPECIAL MEETING ORDER OF BUSINESS:

A. Recognition of Gerald Elliott for 40 Years of Service:

Mayor Charney read Proclamation 20230601 Honoring Gerald Elliott for 40 Years of Service to the Town of Cape Charles and Its Residents. (Please see attached.) Mayor Charney thanked Gerald Elliott for his service, adding that you did not often see anyone with this length of service anymore.

Motion made by Councilman Grossman, seconded by Councilwoman Holloway, to approve Proclamation 20230601 Honoring Gerald Elliott. The motion was approved by unanimous vote.

Mayor Charney thanked everyone for attending this evening. The proclamation was presented to Gerald Elliott along with a poster signed by the staff and a card brought in by a citizen. Everyone was invited to enjoy the cake.

Treasurer Deborah Pocock presented Gerald Elliott with a card and gifts from the staff.

Motion made by Councilman Grossman, seconded by Councilwoman Holloway, to adjourn the Town Council Public Hearing & Special Meeting. The motion was approved by unanimous vote.

The meeting was adjourned at 6:36 p.m.

Mayor Charney

Town Clerk

June 1, 2023 Town Council Public Hearing & Special Meeting Information Provided in Writing

FY 2024 Proposed Budget Public Hearing Notice

NOTICE OF PUBLIC HEARING MUNICIPAL CORPORATION OF CAPE CHARLES FISCAL YEAR 2024 PROPOSED BUDGET



Following are the estimated receipts and expenditures of the Municipal Corporation of Cape Charles for the Fiscal Year 2024. The Town Council will hold a Public Hearing on **June 1, 2023 at 6:30 p.m. at the Cape Charles Civic Center, 500 Tazewell Avenue**, to receive verbal and written comments on all proposed disbursements, as well as all tax and utility rate changes. Written comments can be submitted prior to the hearing via email to clerk@capecharles.org or hand delivered to Town Hall. Verbal comments can be provided during the public hearing. The proposed Fiscal Year 2024 budget and all tax and rate changes will be discussed and brought to a vote at the regular council meeting on June 15, 2023. For additional detail and explanation please visit the Town website at www.capecharles.org, under Agendas and Minutes / Town Council.

GENERAL FUND		PUBLIC UTILITIES FUND	
Revenue	\$5,719,836.98	Revenue	\$4,555,115.41
Expense	\$5,719,836.98	Expense	\$4,555,115.41
GENERAL CAPITAL FUND		HARBOR	
Revenue	\$2,446,213.13	Revenue	\$1,687,427.36
Expense	\$2,446,213.13	Expense	\$1,687,427.36
GENERAL DEBT SERVICE FUND		SANITATION FUND	
Revenue	\$255,222.72	Revenue	\$314,265.00
Expense	\$255,222.72	Expense	\$314,265.00
GENERAL SPECIAL ACTIVITIES FUND		TOTAL TOWN BUDGET	
Revenue	\$296,350.00		\$15,274,430.60
Expense	\$296,350.00		

Following are the proposed tax rates and user fees which are part of the fiscal plan: Rates that have changed are in bold print.

Vehicle Tax:	Vehicle License Tax: \$31.00 per vehicle subject to Virginia State Registration. (Trailers \$18.00) and Golf Cart Decal is \$31.00.
Real Estate Tax:	\$.2159 per \$100 of assessed value
Personal Property Tax:	\$1.00 per \$100 of assessed value
Boat Tax:	\$0.01 per \$100 of assessed value
Transient Occupancy Tax:	4.0% plus flat fee of: \$1 per night per room (Hotels/B&Bs) or \$4 per night (Residential Units)
Water Rates:	No change
Sewer Rates:	No change
Trash Collection Fee:	\$20.80 per month (increase of \$30.24 per year)

There are proposed changes to the Building, Planning and Zoning fee schedule, which may be viewed at the Town website under Proposed Budget Details.

Adam Churney, Mayor

PROCLAMATION 20230601

HONORING GERALD ELLIOTT FOR 40 YEARS OF SERVICE TO THE TOWN OF CAPE CHARLES AND ITS RESIDENTS

WHEREAS, Gerald Elliott began serving the residents of the Town of Cape Charles as a full-time member of the Public Works crew on June 1, 1983; and

WHEREAS, Gerald has served the Town in various positions in both the Public Works and Public Utilities departments; and

WHEREAS, Gerald is the longest tenured member of the Town of Cape Charles staff; and

WHEREAS, Gerald was also elected and served on the Cape Charles Town Council from July 1, 2002 through June 30, 2010; and

WHEREAS, Gerald has always been counted upon to respond when needed; and

WHEREAS, during Gerald's 40 years of exemplary public service, he has demonstrated the highest standards and values; and

WHEREAS, Gerald's dedication and devotion to the Town of Cape Charles and our residents are shining examples of service to others; and

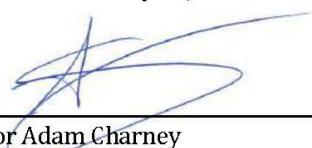
WHEREAS, the Town and its residents have benefitted greatly because of his dedication and hard work, his participation in the community, and assistance to others; and

WHEREAS, the Town of Cape Charles believes and finds that it is in the best interest of the Town and its residents to recognize, honor, and thank Gerald Elliott for his 40 years of service.

NOW, THEREFORE, BE IT PROCLAIMED, that the Cape Charles Town Council along with our staff and residents express great appreciation, admiration and gratitude for Gerald Elliott for his 40 years of dedication to the community, and thank him for his tireless service; and

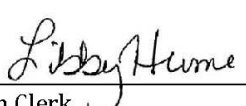
BE IT FURTHER PROCLAIMED, that in recognition of his 40 years of service, June 1, 2023, shall be "Gerald Elliott Day" in the Town of Cape Charles.

Adopted by the Town Council of Cape Charles on this 1st day of June 2023.



Mayor Adam Charney

ATTEST:



Town Clerk

April 2023 Treasurer's Report

Page 1 – Cash Position

- The balance in the facility fees reserved account at the end of April was \$2,968,238.
- Total interest earned in April in all accounts and funds was over \$15,000.

Page 2 – Revenue vs. Expenditures

- The remaining ARPA funding from the initial grant was transferred to the capital projects fund from the special activities fund.

Page 3 – Capital Projects

- Progress payments were made for the new municipal and visitor center planning, Keck well engineering, and the trail project.

Page 4 – Tax Collection Rate

- Real property tax collection is at 101% of budget and 98% of what was billed.

Page 5 – Tax Revenue Trends

- Sales and use tax decreased 4% from April 2022.
- Transient occupancy tax revenue is 56% greater than last year.
- Meals tax has increased by 17%.
- Business license fees are 35.8% higher than last year at this time.
- Planning and Building fees show a 17% increase over year-to-date April 2022.

MUNICIPAL CORPORATION OF CAPE CHARLES
TREASURER'S REPORT
April 30, 2023

<u>Cash on Hand</u>	<u>3/31/2023</u>	<u>4/30/2023</u>	<u>Increase/ (Decrease)</u>
Atlantic Union Bank Checking Account	\$572,742	\$559,237	-\$13,505
Atlantic Union Bank Money Market Account	\$477,097	\$497,304	\$20,208
LGIP Account 1 - Unrestricted	\$107,275	\$107,711	\$436
LGIP Account 2 - Unrestricted	\$310,942	\$312,328	\$1,386
Virginia Investment Pool Liquidity Unassigned	\$2,235,696	\$2,244,901	\$9,205
Virginia Investment Pool 1-3 Year Unassigned	\$1,013,550	\$1,015,876	\$2,326
Total Cash On Hand	\$4,717,301	\$4,737,357	\$20,056

<u>Restricted and Reserved Cash Balances</u>	<u>3/31/2023</u>	<u>4/30/2023</u>	<u>Increase/ (Decrease)</u>
Atlantic Union Bank Checking Account - Police Funds	\$431	\$431	\$0
LGIP Account 2 - Restricted for USDA loan covenant	\$30,033	\$30,033	\$0
Atlantic Union checking Acct Library CD converted to cash	\$11,131	\$11,131	\$0
Atlantic Union Bank Checking Acct - E-Summons Revenue Rsrvd	\$10,250	\$10,745	\$494
US Bank - Reserved per VRA Interest Free Loan Requirements	\$261,268	\$262,189	\$921
Wells Fargo 2010 Debt Service pass through account #300	\$3,025	\$3,037	\$11
Wells Fargo 2010 Debt Service pass through account #308	\$1,081	\$1,086	\$4
Atlantic Union Money Market # ARPA CRF #5847	\$885,884	\$886,248	\$364
Virginia Investment Pool Liquidity Acct#1 Facility Fees Rsrvd (Utilities)	\$2,934,875	\$2,968,238	\$33,363
Virginia Investment Pool Liquidity Acct#2, Surety Bond Escrow Rsrvd	\$5,055	\$5,076	\$21
Total Cash Held in Reserve	\$4,143,034	\$4,178,212	\$35,179
Total Cash - All Accounts	\$8,860,335	\$8,915,569	\$55,235

DEBT SERVICE

Net Debt as of Current Reporting Month End
(Excludes USDA vehicle and equipment loans)

\$5,325,148

MUNICIPAL CORPORATION OF CAPE CHARLES

TREASURER'S REPORT

April 30, 2023

REVENUE VS. EXPENDITURES

<u>FUND</u>	<u>CURRENT MONTH</u>	<u>PRIOR YEAR-TO-DATE</u>	<u>CURRENT YEAR-TO-DATE</u>	<u>INCREASE/ (DECREASE) YTD</u>	<u>ANNUAL BUDGET</u>	<u>% REALIZED/ EXPENDED FY23</u>
GENERAL Fund						
REVENUE	\$317,956	\$3,558,192	\$4,084,916	\$526,724	\$4,545,819	89.86%
EXPENDITURES	\$266,401	\$2,516,445	\$3,145,789	\$629,344	\$4,545,819	69.20%
NET	\$51,555	\$1,041,747	\$939,128	(\$102,619)	\$0	
GENERAL Capital Fund						
REVENUE	\$707,855	\$52,408	\$1,141,361	\$1,088,953	\$2,213,543	51.56%
EXPENDITURES	\$26,609	\$64,554	\$422,162	\$357,608	\$2,213,543	19.07%
NET	\$681,247	(\$12,146)	\$719,198	\$731,344	\$0	
GENERAL Debt Service Fund						
REVENUE	\$0	\$222,069	\$222,440	\$371	\$249,571	89.13%
EXPENDITURES	\$0	\$222,069	\$222,440	\$371	\$249,571	89.13%
NET	\$0	\$0	\$0	\$0	\$0	
GENERAL Special Activities Fund						
REVENUE	\$0	\$455,145	\$576,439	\$121,294	\$950,727	60.63%
EXPENDITURES	\$704,823	\$458,259	\$766,450	\$308,191	\$950,727	80.62%
NET	(\$704,823)	(\$3,114)	(\$190,011)	(\$186,897)	\$0	

MUNICIPAL CORPORATION OF CAPE CHARLES

TREASURER'S REPORT

April 30, 2023

REVENUE VS. EXPENDITURES

<u>FUND</u>	<u>CURRENT MONTH</u>	<u>PRIOR YEAR-TO-DATE</u>	<u>CURRENT YEAR-TO-DATE</u>	<u>INCREASE/ (DECREASE) YTD</u>	<u>ANNUAL BUDGET</u>	<u>% REALIZED/ EXPENDED FY23</u>
PUBLIC UTILITIES Fund						
REVENUE - Operating	\$171,525	\$1,588,917	\$1,710,375	\$121,459	\$2,709,736	63.12%
EXPENDITURES - Operating	\$106,846	\$459,599	\$1,117,093	\$657,494	\$1,692,817	65.99%
NET	\$64,679	\$1,129,317	\$593,282	(\$536,035)	\$1,016,919	
REVENUE - CAPITAL GRANTS, LOANS	\$0	\$0	\$0	\$0	\$0	
REVENUE - FACILITY FEES	\$31,800	\$511,493	\$431,314	-\$80,179	\$466,400	92.48%
EXPENDED - FACIL FEES, CAPITAL PROJECTS,DEBT SVC	\$35,611	\$995,061	\$852,246	-\$142,815	\$1,016,919	83.81%
TOWN CONTRIB. & PENDING GRANTS	(\$3,811)	(\$483,567)	(\$420,932)	\$62,636	(\$1,016,919)	
HARBOR Fund						
REVENUE - Operating	\$58,997	\$631,115	\$683,649	\$52,534	\$1,042,545	65.57%
EXPENDITURES - Operating	\$52,117	\$540,819	\$603,747	\$62,927	\$992,438	60.83%
NET	\$6,879	\$90,295	\$79,902	(\$10,394)	\$50,107	
REVENUE - GRANTS & LOANS	\$0	\$30,754	\$0	-\$30,754	\$41,893	0.00%
TRANSFERRED FM GEN FUND FOR DEBT SERVICE	\$0	\$102,954	\$103,499	\$546	\$104,950	98.62%
EXPENDED - Capital Projects, Debt Svc	\$0	\$143,054	\$196,341	\$53,287	\$196,950	99.69%
TOWN CONTRIB. & PENDING GRANTS	\$0	(\$9,346)	(\$92,841)	(\$83,495)	(\$50,107)	
SANITATION Fund						
REVENUE	\$23,500	\$183,959	\$234,944	\$50,985	\$457,258	51.38%
EXPENDITURES	\$223	\$176,120	\$387,202	\$211,082	\$457,258	84.68%
NET	\$23,276	\$7,838	(\$152,258)	(\$160,097)	\$0	

FY 2023 Capital Improvement Project Tracking Report

As of:
4/30/2023

	<u>FY23 Status or Start Date</u>	<u>Percent of Completion</u>	<u>FY23 Budgeted</u>	<u>QTR 1 Expended</u>	<u>QTR 2 Expended</u>	<u>QTR 3 Expended</u>	<u>QTR 4 Expended</u>	<u>FY23 YTD Expended</u>	<u>(Over)/Under Budget</u>
<u>General Capital Fund</u>									
Multi-Use Trails, Phase 3 Construction	<u>Pending</u>	2%	\$ 929,922	\$ 12,070	\$ -	\$ 813	\$ 1,684	\$ 14,567	\$ 915,356
Municipal Space Replacement Planning (ARPA)	<u>In process</u>	56%	\$ 550,000	\$ -	\$ 101,211	\$ 182,008	\$ 24,925	\$ 308,143	\$ 241,857
Library Upgrade & Condo-ization	<u>In process</u>	0%	\$ 34,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,000
Mason Avenue Parking Lot Improvement	<u>Pending</u>	0%	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Mason Avenue Restroom Design	<u>In process</u>	0%	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,000
South Beach Restroom Renovation	<u>Pending</u>	0%	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Gator for Public Works Staff	<u>Pending</u>	0%	\$ 26,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,500
Grounds Maintenance Equipment for PW	<u>Completed</u>	73%	\$ 33,270	\$ 24,228	\$ -	\$ -	\$ -	\$ 24,228	\$ 9,042
Central Park Game Area for Adults (CCP)	<u>Completed</u>	40%	\$ 29,000	\$ -	\$ 11,614	\$ -	\$ -	\$ 11,614	\$ 17,386
Storage Facility (3 x conexes + roofing)	<u>In process</u>	193%	\$ 20,000	\$ -	\$ -	\$ 38,610	\$ -	\$ 38,610	\$ (18,610)
Capital Project Contingency		0%	\$ 75,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,040
Public Trash Can Replacements, late FY22 project	<u>Completed</u>	100%	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -
subtotal	\$ -		\$ 1,892,732	\$ 61,298	\$ 112,825	\$ 221,431	\$ 26,609	\$ 422,162	\$ 1,470,570
<u>Utility Fund - Water</u>									
Keck Well Connection (Engineering)	<u>In Process</u>	76%	\$ 60,000	\$ 2,286	\$ 32,010	\$ 7,622	\$ 3,811	\$ 45,729	\$ 14,271
<u>Utility Fund - Wastewater</u>									
Deposit on Membrane Replacement (contingency)	<u>Completed (deposit)</u>	100%	\$ 26,192	\$ 26,192	\$ -	\$ -	\$ -	\$ 26,192.00	\$ -
Sewer Pod Controller Upgrades Phase 2 of 5	<u>Pending</u>	0%	\$ 14,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,500
subtotal	\$ -		\$ 100,692	\$ 28,478	\$ 32,010	\$ 7,622	\$ 3,811	\$ 71,921	\$ 28,771
<u>Harbor Fund</u>									
Fuel System-Relocate Emergency Stop Switches	<u>Pending</u>	0%	\$ 10,500	\$ -	\$ -	\$ 10,500	\$ -	\$ -	\$ 10,500
Fuel Management System Replacement	<u>Completed</u>	109%	\$ 42,000	\$ -	\$ -	\$ 45,864	\$ -	\$ 45,864	\$ (3,864)
Inner Harbor King Pile & Waler Replacement Design	<u>In process</u>	91%	\$ 40,000	\$ -	\$ -	\$ 36,478	\$ -	\$ 36,478	\$ 3,523
Inshore Breakwater repair planning	<u>In process (contingency)</u>	#DIV/0!	\$ -	\$ -	\$ -	\$ 36,478	\$ -	\$ 36,478	\$ (36,478)
subtotal	\$ -		\$ 92,500	\$ -	\$ -	\$ 129,319	\$ -	\$ 118,819	\$ (26,319)
TOTAL	\$ -		\$ 2,085,924	\$ 89,777	\$ 144,835	\$ 358,371	\$ 30,419	\$ 612,902	\$ 1,473,022

*ITEMS WITH CURRENT MONTH ACTIVITY ARE IN BOLD PRINT

MUNICIPAL CORPORATION OF CAPE CHARLES

April 30, 2023

YTD 2022 Real Estate Tax Collections

Total Taxable Land Value	302,643,900	
Total Improvement Value	447,005,000	
Exemptions	(9,455,398)	
Additional Assessments (SCC Utility)	4,074,010	
Total Real Estate Value (taxable)	744,267,512	
 Total Budgeted	 1,559,242	
Total Tax Billed	1,606,830	
Total Adjustments	(157)	
Total Collected YTD (percent of billed)	<u>1,579,641</u>	98%
Amount Due per Accounts Receivable	27,032	

YTD 2022 Personal Property Tax, Machinery and Tools Tax & 2021 License Tax Collections

Total Personal Property Value	23,243,305	
2022 Reduction Due to Proration	(879,146)	
Personal Property Billable Valuation	22,364,159	
2022 PPTRA Valuation Reduction	(9,568,117)	
 2022 Supplemental Assessments	 -	
2022 Supplemental PPTRA & Exonerations	-	
Personal Property Value, billed	-	
Total Value for 2022 & 2022 Supplemental	22,364,159	
 Total Budgeted	 140,000	
Total Tax Billed less PPTRA	204,003	
2022 Supplemental Tax Billing	-	
Total Adjustments & Additional Exonerations	7,447	
Total Collected YTD (percent of billed)	<u>168,138</u>	80%
Amount Due per Accounts Receivable	28,418	

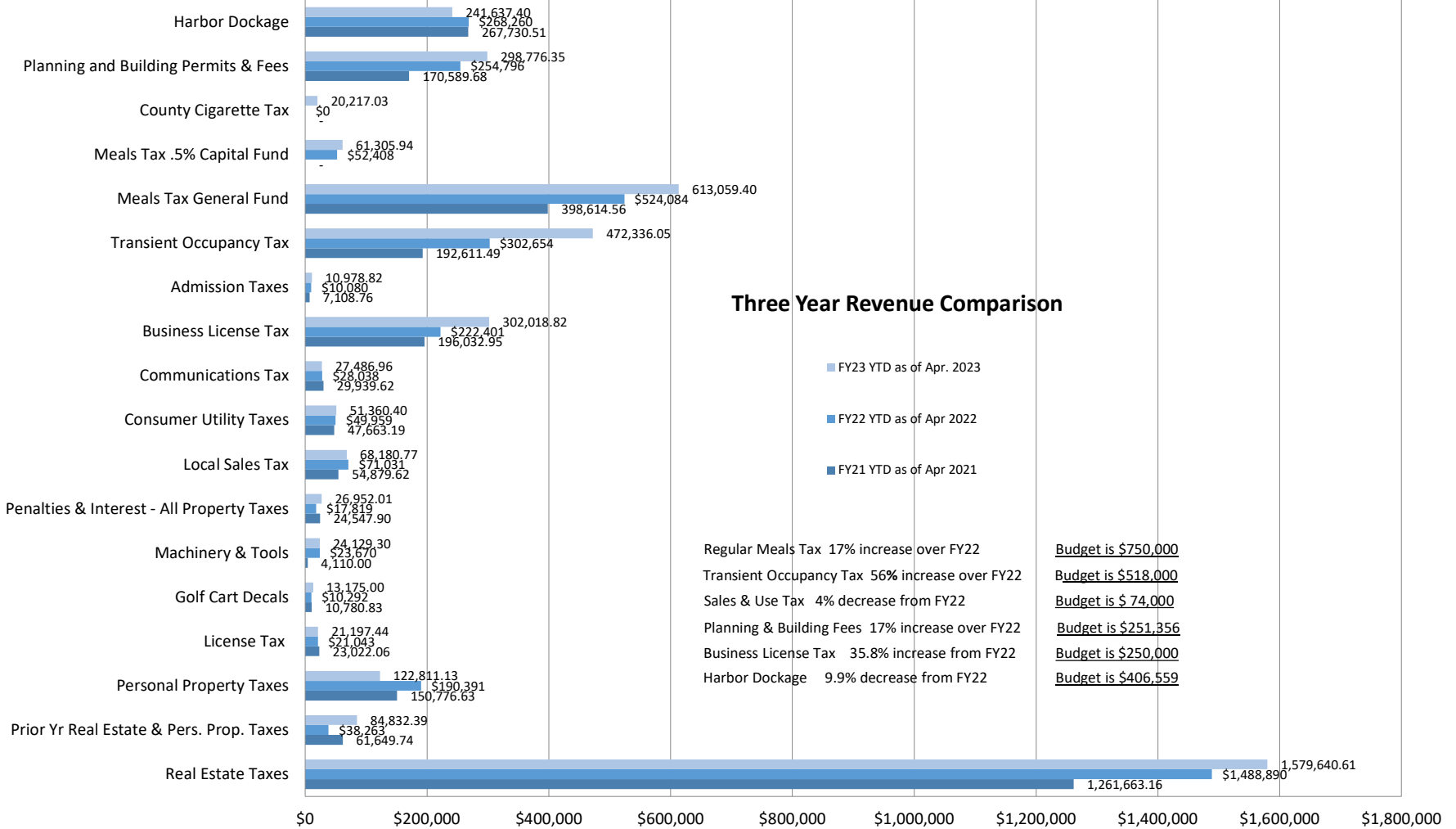
YTD Prior Year Real Estate Tax, Personal Property Tax, Interest and Penalty Collections

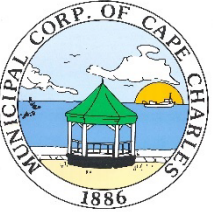
Total Budgeted	76,462	
Total Collected (percent of budget)	<u>111,784</u>	146%
Amount Due Per Budget	(35,322)	

Three Year Revenue Comparison

■ FY23 YTD as of Apr. 2023
 ■ FY22 YTD as of Apr 2022
 ■ FY21 YTD as of Apr 2021

Regular Meals Tax 17% increase over FY22 Budget is \$750,000
 Transient Occupancy Tax 56% increase over FY22 Budget is \$518,000
 Sales & Use Tax 4% decrease from FY22 Budget is \$ 74,000
 Planning & Building Fees 17% increase over FY22 Budget is \$251,356
 Business License Tax 35.8% increase from FY22 Budget is \$250,000
 Harbor Dockage 9.9% decrease from FY22 Budget is \$406,559



 TOWN OF CAPE CHARLES	AGENDA TITLE: Fiscal Year 2024 Proposed Budget & Appropriation		AGENDA DATE: June 15, 2023
	SUBJECT/PROPOSAL/REQUEST: Approve the Proposed FY 2024 Budget & Appropriate Funds		ITEM NUMBER: 7A
	ATTACHMENTS: Ordinance 20230615A – Approving the Budget for Fiscal Year 2024 and Making Appropriations for the Fiscal Year, Revenue & Expense Summary by Fund Report, Summary of Capital Projects by Fund Report, Building/Zoning fee schedule		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT (s): John Hozey	REVIEWED BY: John Hozey, Town Manager	

BACKGROUND:

To improve transparency and accountability in the budget, two years ago the Town increased the number of accounting Funds from four to seven: the General Fund, the Harbor Fund, Sanitation Fund, Special Activities Fund, the Capital Projects Fund, the Debt Service Fund, and the Utility Fund. The Harbor, Sanitation, and Utility Funds are Enterprise Funds and should be self-sustaining through fees for services and other charges. All other Funds are supported by real estate taxes, other taxes, or other revenues.

DISCUSSION:

Pursuant to Section 15.2-2503 of the Code of Virginia, the town manager and staff held meetings to prepare the budget for Fiscal Year (FY) 2024. At the May 04, 2023 Town Council budget work session, it was determined that projected revenues were appropriate to meet current and strategic requirements, and therefore this budget does not propose any change to tax rates which will remain as follows:

- Real Estate Tax: \$.2159 per \$100
- Personal Property Tax: \$1.00 per \$100

An updated scheduled of building/zoning fees (see attached) are included in this budget authorization. Additionally, contract support for trash collection has increased over last year, requiring the following increase to the Sanitation Fund:

- Trash collection increase of \$2.42 per month for a total of \$20.80 per month

All other proposed rates/fees (to include utility fees) remain unchanged from FY23.

The attached ordinance includes the summary of estimated revenues and expenditures by Fund for the proposed budget. The Public Hearing on the proposed FY 2024 budget was held on June 1, 2023, pursuant to Section 15.2-2506 of the Code of Virginia.

RECOMMENDATION:

Staff recommends adoption of Ordinance 20230615A – Approving the Budget for Fiscal Year 2024 and Making Appropriation for the Fiscal Year by roll call vote.

ORDINANCE 20230615A

APPROVING THE BUDGET FOR FISCAL YEAR (FY) 2023/2024 AND BUILDING, PLANNING AND ZONING FEE SCHEDULE, AND MAKING APPROPRIATIONS FOR THE FISCAL YEAR

WHEREAS, the Council of the Town of Cape Charles has prepared a budget for FY 2023/2024 pursuant to Section 15.2-2503 of the Code of Virginia; and

WHEREAS, the budget has been advertised and a public hearing was held on June 1, 2023 pursuant to Section 15.2-2506 of the Code of Virginia; and

THEREFORE, BE IT ORDAINED, by the Town Council of Cape Charles, this 15th day of June 2023 that the budget for FY 2023/2024 be approved as follows:

GENERAL FUND		PUBLIC UTILITIES FUND	
Revenue	\$5,719,836.98	Revenue	\$4,555,115.41
Expense	\$5,719,836.98	Expense	\$4,555,115.41
GENERAL CAPITAL FUND		HARBOR	
Revenue	\$2,446,213.13	Revenue	\$1,687,427.36
Expense	\$2,446,213.13	Expense	\$1,687,427.36
GENERAL DEBT SERVICE FUND		SANITATION FUND	
Revenue	\$255,222.72	Revenue	\$314,265.00
Expense	\$255,222.72	Expense	\$314,265.00
GENERAL SPECIAL ACTIVITIES FUND		TOTAL TOWN BUDGET	\$15,274,430.60
Revenue	\$296,350.00		
Expense	\$296,350.00		

The following tax rates and user fees are established:

- Vehicle Tax: \$31.00 per vehicle subject to Virginia State Registration (Trailers \$18.00) and Golf Cart Decal is \$31.00.
- Real Estate Tax: \$.2159 per \$100 of assessed value
- Personal Property Tax: \$1.00 per \$100; Boat Tax \$0.01 per \$100
- Transient Occupancy Tax: 4.0% plus flat fee of: \$1 per night per room (Hotels/B&Bs) or \$4 per night (Residential Units)
- Meals Tax: 5.5% Monthly
- Admissions Tax: 3% Quarterly
- Short Term Rental Tax: 1% Quarterly
- Water Rate –Residential 0-2,000 gal.: \$33.46 minimum; 2,001 to 5,000 gal.: \$2.63 per 1,000; 5,001 to 10,000 gal: \$3.75 per 1,000; 10,001 to 15,000 gal: \$5.00 per 1,000; over 15,000 gal: \$5.00 per 1,000; Commercial 0-2,000 gal: \$33.46 minimum; 2,001-10,000 gal: \$2.50 per 1,000; 10,001-15,000 gal: \$3.75 per 1,000; over 15,000 gal: \$5.00 per 1,000
- Wastewater Rate –Residential 0-2,000 gal.: \$63.12 minimum; 2,001 to 5,000 gal.: \$4.11 per 1,000; 5,001 to 10,000 gal: \$5.85 per 1,000; 10,001 to 15,000 gal: \$7.80 per 1,000; over 15,000 gal: \$11.70

per 1,000; Commercial 0-2000 gal: \$63.12 minimum: 2,001-10,000 gal: \$3.90 per 1,000; 10,001-15,000 gal: \$5.85 per 1,000; over 15,000 gal: \$7.80 per 1,000

- Trash Collection Fee: \$20.80 per month pe receptacle (increase of \$2.52); and

BE IT FURTHER ORDAINED, that pursuant to Section 15.2-2506 of the Code of Virginia, funds are appropriated from all sources of revenue for expenditures during the period July 1, 2023 through June 30, 2024 as follows:

General Fund:	\$5,719,836.98
General Capital Fund:.....	\$2,446,213.13
General Debt Service Fund:.....	\$255,222.72
General Special Activities Fund:	\$296,350.00
Public Utilities Fund:	\$4,555,115.41
Harbor Fund:.....	\$1,687,427.36
Sanitation Fund:.....	\$314,265.00

and that the Town Manager is authorized to transfer funding pursuant to the Cape Charles Budget Management Policy established by the Cape Charles Town Council by adoption of Ordinance 20230615A.

Adopted by the Town Council of Cape Charles on June 15, 2023.

By: _____
Mayor Adam Charney

ATTEST:

Town Clerk

TOWN OF CAPE CHARLES 2024 BUDGET PREP SUMMARY		
Fund	Dept	FY2024 Proposed Budget
100-General Fund		
Revenue	TOTAL REVENUE	\$5,719,836.98
Expenditures		
	4110-Legislative	\$53,233.44
	4112-Clerk	\$124,015.31
	4121-Town Manger	\$2,654,302.30
	4124-Treasurer/Finance	\$480,419.07
	4310-Police	\$909,712.59
	4340-Building & Code Enfrcmnt	\$166,764.04
	4430-Public Works	\$775,270.58
	4730-Library	\$188,576.34
	4811-Planning/Zoning	\$367,543.31
	TOTAL EXPENDITURES	\$5,719,836.98
	REVENUE LESS EXPENDITURES	\$0.00
110-Capital Projects Fund		
Revenue	TOTAL REVENUE	\$2,446,213.13
	TOTAL EXPENDITURES	\$2,446,213.13
	REVENUE LESS EXPENDITURES	\$0.00
120-Debt Service Fund		
Revenue	TOTAL REVENUE	\$255,222.72
Expenditures		
	TOTAL EXPENDITURES	\$255,222.72
	REVENUE LESS EXPENDITURES	\$0.00
130-Special Activities Fund		
Revenue	TOTAL REVENUE	\$296,350.00
Expenditures		
	TOTAL EXPENDITURES	\$296,350.00
	REVENUE LESS EXPENDITURES	\$0.00
501-Utility Fund		
Revenue	TOTAL REVENUE	\$4,555,115.41
Expenditures		
	4500-Administration	\$330,648.09
	4501-Water	\$2,021,403.98
	4502-Sewer	\$2,142,021.34
	4503-Utility Billing	\$61,041.99
	TOTAL EXPENDITURES	\$4,555,115.41
	REVENUE LESS EXPENDITURES	\$0.00
510-Harbor Fund		
Revenue	TOTAL REVENUE	\$1,687,427.36
Expenditures		
	TOTAL EXPENDITURES	\$1,687,427.36
	REVENUE LESS EXPENDITURES	\$0.00
520-Sanitation Fund		
Revenue	TOTAL REVENUE	\$314,265.00
Expenditures		
	TOTAL EXPENDITURES	\$314,265.00
	REVENUE LESS EXPENDITURES	\$0.00

MUNICIPAL CORPORATION OF CAPE CHARLES
FY 2024 Summary of Capital Projects

CAPITAL PROJECTS	BUDGET Requested	GRANT PROCEEDS or DONATION	USDA RD FINANCE 35%Grant/65% loan	as of 5/9/2023	
				REAPPRO- PRIATION FROM FUND BALANCE	TOWN Other Budget Revenue
<u>GENERAL FUND OPERATING FUND</u>					
POLICE					
FY 2024 Police Vehicle, including outfitting new	42,000	14,700	27,300	0	0
FY 2024 Police Vehicle, including outfitting new	42,000	14,700	27,300	0	0
TOTAL GENERAL FUND OPERATIONS	84,000	29,400	54,600	0	0
<u>GENERAL FUND CAPITAL FUND</u>					
PUBLIC WORKS					
Multi-Use Trails, Phase 3 Construction	929,922	703,483	0	226,439	0
Municipal Space Design (ARPA)	210,000	0	0	170,000	40,000
Library Upgrade & Condo-ization-use proceeds from sale	310,000	0	0	0	310,000
Visitor Center/Restroom	455,000	330,000	0	125,000	0
Storage Facility Roofing	20,000	0	0	0	20,000
Capital Project Contingency	50,000	0	0	41,141	8,859
TOTAL GENERAL CAPITAL FUND	1,974,922	1,033,483	0	562,580	378,859
<u>UTILITY FUND</u>					
WATERWORKS					
Keck Well Connection (Construction)	1,150,000	0	0	0	1,150,000
WASTEWATER					
WWTP Membrane Replacement	465,000	0	0	0	465,000
Sewer Pod Controller Upgrades Phase 1 of 5	14,500	0	0	0	14,500
TOTAL UTILITY FUND	1,629,500	0	0	0	1,629,500
<u>HARBOR FUND</u>					
Inner Harbor Fixed Dock Repair	13,000	0	0	13,000	0
Inner Harbor King Pile & Waler Replacement Design	306,000	153,000	0	0	153,000
Inshore Breakwater Repair/Upgrade	180,000	0	0	0	180,000
TOTAL HARBOR FUND	499,000	153,000	0	13,000	333,000
TOTAL BUDGETED CAPITAL EXPENDITURES	<u>4,103,422</u>	<u>1,186,483</u>	<u>0</u>	<u>575,580</u>	<u>2,341,359</u>

TOWN OF CAPE CHARLES - Building, Planning & Zoning Fee Schedule
EFFECTIVE JULY 1, 2022

Any changes in Fee Schedule are shown in red - if nothing shown, then seeking to retain the existing fee strcture.

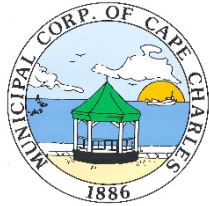
	Type of Permit or Review	Charge or Fee	PROPOSED Charge or Fee	Notes
BUILDING	1. Residential: (repair, alteration, demolition, construction)			
	a. Single inspections w/ no permit required	\$35		
	b. Less than \$2,500	\$50		
	c. \$2,500 - \$10,000	\$50 + 0. 5% project cost over \$2500		
	d. \$10,000 +	\$125 + 0.5% project cost over \$10,000		
	e. Demolition	\$50		
	2. Commercial: (repair, alteration, demolition, construction)			
	a. Single inspections w/ no permit required	\$35		
	b. Less than \$2,500	\$75		
	c. \$2,500 - \$10,000	\$75 + 1% of project cost over \$2,500		
	d. \$10,000 +	\$175 + 1% of project cost over \$10,000		
	e. Demolition	\$100		
	Notes:			
	1. Add 2% to all permit fees for state surcharge.			
	2. Permits include inspections and a follow up inspection for a failure. Subsequent inspections for the same item are at \$40 each.			
	3. Add 10% to Base Fee for Fire Department (before tax and not to be taxed).			
	3. New Construction: Per BOCA/ICC permit fee tables based on building square footage and at 100%			
	Certificates of Occupancy			
	1. Permanent Certicant of Occupancy	Included in cost of permit		
	2. Certificate of Occupancy when no permit is issued	\$100		
	3. Temporary Certificate of Occupancy	\$400 (per issuance) Max. of 2 issuances	\$800	Contractors are abusing this with the current nominal fee. Hope an increase will be more of a deterrent.

	Type of Permit or Review	Charge or Fee	PROPOSED Charge or Fee	Notes
	4. Rental Certificate of Occupancy	\$100 (includes inspection)	\$150	Additional staff time required. Extra \$\$ would help offset the cost of the requested additional Part-time Person.
	Notes:			
	1. Inspection fee for 3rd inspection of the same item	\$40		
	2. Inspections scheduled outside normal business hours	\$75		
	3. Fee for starting work without a permit	\$300		
	4. Underground Fuel Tank Removal	\$100 per tank		

	Type of Permit or Review	Charge or Fee	PROPOSED Charge or Fee	Notes
ZONING	5. Zoning Clearance			
	a. As part of a building permit or a Certificate of Appropriateness application	\$0		
	b. All other approved by administrative review	\$150		
	c. Trees/Landscaping			
	1.) Tree Removal Permit	\$10/tree	\$20/tree	increased fee to cover staff review time
	2.) Landscaping Plan for full lot	\$100	\$0	Landscaping Plan fee removed
	2.) PENALTY - Tree removal without a permit	\$300	\$300/tree	added per tree for clarification
	d. Variance Application to Board of Zoning Appeals	\$500**		
	e. Signage			
	1) All affixed and free-standing signage greater than ten (10) sq. ft	\$50	\$100	increased fee
	No permit required for smaller signage or residential signage			
HISTORIC DISTRICT REVIEW BOARD	6. Historic District Review Board Application Fee			
	a. New Construction - Residential	\$500		
	b. New Construction: Commercial or Commerical/Residential Mixed Use	\$750	\$1,000	increased fee more staff review required
	c. Renovation			
	1) Minor Work authorized by CCZO Section 8.17, residential and/or commercial - Administrative Review and Approval only	\$150	\$50	We are looking to create two fee categories for the Minor Work review done by the Zoning Administrator - fences & sheds and then everything else that is spelled out in the ordinance, reflective of staff time for these items.
	2) Minor Work: Fences & Accessory Structures (not visible from any street & under 256 sq. ft) - Administrative Review and Approval Only		\$200	
	3) Substantial alterations - Residential	\$500		
	4) Substantial alterations - Commercial	\$750	\$1,000	increased fee to cover staff review time
	5) Demolition of structure	\$400		
	d. Extension of approved Certificate of Appropriateness	\$50		
	e. Modification to an approved and active Certificate of Appropriateness (CoA)	\$250	\$200	decreased fee
	f. Working without an approved and active Certificate of Appropriateness (CoA) or After the Fact Permit Fee		\$1,000	NEW - to discourage all from doing work without getting approvals.

	Type of Permit or Review	Charge or Fee	PROPOSED Charge or Fee	Notes
APPEALS	7. APPEALS			
	a. Appeals Application to Board of Zoning Appeals	\$500*	\$500**	correction - asterisk needed to be added
	b. Certificate of Appropriateness Appeals to Town Council	\$500**		
	c. Appeals Application to Building Code Board of Appeals	\$250**		
HARBOR AREA REVIEW BOARD	8. Harbor Area Review Board Certificate of Appropriateness			
	a. Development Certificate	\$750/ application base fee + \$100 per acre**		
	b. Extension of approval	\$100		
	c. Modification to an approved and active Certificate of Appropriateness (CoA)	\$250		
ENVIRONMENTAL PERMITS	9. Environmental Permits			
	a. Wetlands Permit	\$500	\$500**	correction - asterisks needed to be added
	b. Structures in & across dunes	\$200		
	c. CBPA Encroachment or Exemption	\$200		
	d. CBPA Administrative Waiver for Maintenance Work of Vegetation in the RPA	\$50		
	e. Erosion & Sediment Control Permit	\$500 + \$10/acre not to exceed \$1000		
	f. Erosion & Sediment Agreement in lieu of plan	\$150		
	g. Erosion & Sediment Inspection fees	\$40/hr with 1 hour minimum		
	h. Erosion & Sediment Control Plan Review Fee	\$350		
	i. Working without an approved and active Permit or After the Fact Permit Fee		\$1,000	NEW - to discourage all from doing work without getting approvals
SITE PLAN	10. Final Plan Review Fees			
	a. Residential	\$150/site		
	b. Commercial	\$250/site #^		
	c. Misc	\$150/site #^		

	Type of Permit or Review	Charge or Fee	PROPOSED Charge or Fee	Notes
PLANNING	11. Planning Applications			
	a. Regular Rezoning	\$1,000	\$0	fee removed
	1) Non-PUD	\$500 + \$50/acre**		
	2) PUD	\$1,000 + \$50/acre**		
	a) Amendment to Comprehensive Plan; Concept Approvals	\$550/application		
	b. Conditional Rezoning	\$1,000 + \$50/acre**		
	c. Zoning Text Amendment Petition Application - for consideration only by Town Council and/or Planning Commission	\$200/application		added wording
	d. Conditional Use Permit	\$600		
SUBDIVISION	12. Subdivision through recordation			
	1) Concept or sketch plan review	\$100 + \$10/parcel		
	2) Preliminary plat review			
	a) 3 lots or less	\$250 + \$50/lot #^	\$500	increased base fee deleted per lot fee due to staff time required
	b) 4 lots or more	\$500 + \$100/lot #^	\$500 + \$250/lot #^	increased per lot fee
	3) Final plat review			
	a) 3 lots or less	\$125	\$200	increased fee due to staff time required
	b) 4 lots or more	\$250	\$400	increased fee due to staff time required
	4) Subdivision modification	\$75		
	5) Administrative Plat/Lot line adjustment	\$200		
	6) Easement Plat	\$200		
	7) Vacation of Plat	\$250		
	All recordation of plats are the responsibility of the applicant			
OTHER	13. Deferral at the request of Applicant, if public hearing has been set (BZA, Planning Commission, HDRB, HARB, Town Council)	\$200		
LEGEND with GENERAL NOTES				
*	Advertising Costs, Actual			
**	Advertising Costs, Actual + Adjacent Property Owner Notification Mailing Costs, Actual			
#	3rd Party Review Costs - Water and Sewer Connections and Layout, including any re-reviews			
^	3rd Party Review Costs - Erosion & Sediment Control, including any re-reviews			



**TOWN OF
CAPE CHARLES**

AGENDA TITLE: Tourism Zone Credit Payments

AGENDA DATE
June 15, 2023

SUBJECT/PROPOSAL/REQUEST: Approval of Tourism
Zone Credit Payments Due

ITEM NUMBER:
7B

ATTACHMENTS: A) Applicant and Proposed Award Listing;
B) TOCC Code Chapter 24 Tourism Zone

FOR COUNCIL:
Action (X)
Information ()

STAFF CONTACT (s):
Adrian Oei, Deborah Pocock

REVIEWED BY:
John Hozey, Town Manager

BACKGROUND:

Back in 2016, Ordinance number 20161117 established the entire area of the town as a Tourism Zone for the purpose of attracting new tourism-related business and investment to town. To this end, the ordinance provides tax credits, in the form of tax and permit rebates, to certain tourism-related businesses that make new investments in town. The credits last for a five-year period following initial qualification. The ordinance requires an administrator to be appointed by the town manager.

ITEM SPECIFICS:

There is currently a backlog of credits owed to businesses under this ordinance. Payments were last issued in 2018. Attachment A has a schedule of payments that would bring the credits up to date. The total amount of payments due is \$9,223.10. Of this amount, the BPOL credit total is \$5,392.99, building permit credit is \$0, real property tax credit is \$3,150.12, and business property tax credit is \$680.

Ten businesses have applied for the credit to date. Each business must meet certain criteria including compliance with the town code, timely payment of all town and county taxes and fees, and maintenance of a minimum number of employees. A business that fails to maintain all eligibility requirements is disqualified from the program and forfeits the economic stimulus credits in the current and all future years. Two businesses have been disqualified due to late tax payments; another was disqualified after ceasing to operate as a bed and breakfast to become a vacation rental.

By default, the finance department has become responsible for administering the credit. However, the finance department does not currently maintain all of the records necessary to administer the credit. Some of the data can be compiled from existing files, pulled from financial management software, or requested from other departments. Other information must be collected from the Northampton County Treasurer's office. Still more information must be collected from the business owners themselves and cannot be independently verified. The ordinance further requires Council approval before credits are awarded. Because the amount of the credits varies from year to year, Council must act to authorize each payment.

While the initial intent of this program was well meaning, staff now questions its relevancy today. Today is not the Cape Charles of 2016, and the meager amount of credit being offered under this program cannot be making any significant impact to ongoing investment in town. When also considering the amount of staff work required to administer this program, staff believes it is time for this program to be repealed (grandfathering in those businesses already in the program).

RECOMMENDATION:

Staff recommends that Town Council approve the tourism zone payments as listed on Attachment A for credits due through 2022; and to direct staff to bring back an ordinance for consideration at the July regular council meeting to repeal this program.

Attachment A

Tourism Zone Credits Earned and unpaid through 2022

<u>Business Name</u>	<u>Award Recommendation</u>
Ambrogia Restaurant	\$871.24
CC Trading dba The Boardwalk	\$757.80
CC Trading dba Like a Sailor	\$295.56
Voiajer LLC	\$641.27
Chuckletown	\$1,268.13
The Northampton Hotel	\$4,264.42
Alyssa House	\$1,124.70
TOTAL	\$9,223.10

Chapter 24 TOURISM ZONE

Sec. 24-1. Purpose.

The town council finds that the creation of a local tourism zone, with incentives for growth, as authorized by Code of Virginia, § 58.1-3851, as amended, will foster the town's development, maintenance and expansion of businesses engaged in the tourism industry, all of which would benefit the citizens of the town.

(Ord. No. 20161117 , 11-17-16)

Sec. 24-2. Administration.

This chapter shall be administered by the town manager or his or her designee (the "administrator"). The administrator shall be responsible for determining if a business qualifies as a qualified tourism business, and shall determine and publish the procedures for obtaining the benefits created by this chapter.

The application procedure is as follows:

- (1) The business will submit a completed application with all required documentation. The application will list applicant/contact information and provide the required project information described below. The application will also contain a certification from the applicant that the business is in compliance with all town ordinances and has no outstanding debts to the town or delinquent taxes to the town or Northampton County. The application must be signed by the owner (if an unincorporated business), a duly authorized officer (if a corporation) or manager (if a limited liability company), or the general partner (if a partnership). Each person signing shall certify that he or she is fully authorized to sign the application on behalf of the business.
- (2) Project information requires a business plan or narrative which includes the following:
 - a. General description of the business's history, including its formation, the products and/or services it has provided, and any other significant activities.
 - b. Description of the operation and/or financial relationships with any parent or subsidiary, and describe any changes in ownership that may occur as a result of this project.
 - c. Detailed description of the actions the business will take that will qualify it for the credit.
 - d. Revenue projections for the five-year term of the credit/incentives.
 - e. Estimate of the amount of building and other town fees required to complete the capital investment plan.
 - f. Estimate of the increased assessed value of real property.
 - g. Estimate of the increased assessed value of business personal property or machinery and tools.
 - h. If facility and connection fees will be assessed as a result of the project, list the cost of those fees.
 - i. Number of full and part time jobs created.

(Ord. No. 20161117 , 11-17-16)

Sec. 24-3. Boundary area.

The entire area of the town is designated a tourism zone pursuant to Code of Virginia § 58.1-3851, as amended.

(Ord. No. 20161117 , 11-17-16)

Sec. 24-4. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Economic stimulus credits means the incentive credits payable to a qualified tourism business as provided in section 24-6 of this chapter.

Existing business means a corporation, partnership, limited liability company, or sole proprietorship authorized to conduct business in the Commonwealth of Virginia, located in and actively engaged in the conduct of trade or business in the town prior to the adoption of this chapter.

Full time job means a full-time employee as defined according to the federal definition found in 26 US Code Subtitle D Chapter 43 Section 4980H, with reasonable allowances for holidays and vacations.

New business means a corporation, partnership, limited liability company or sole proprietorship authorized to conduct business in the Commonwealth of Virginia not previously located in the town that begins actively conducting business after the adoption of this chapter.

Part time job means an employee working a minimum of 14 hours weekly and fewer than the number of hours required to meet the definition of full time job defined in this section.

Qualified tourism business means a new or existing business that has met the applicable qualifications set forth in section 24-5 of this chapter and that is engaged in provisioning services, concierge and accommodation services, conference center services, galleries, recreational facilities/services, entertainment, food services, day spas, specialty food stores, gift stores, special events/services, fishing, tourism-related communications, transportation, or any other similar activity deemed appropriate for a tourism zone as defined in another jurisdiction of the commonwealth and approved by that jurisdiction, and found as such by the administrator.

(Ord. No. 20161117 , 11-17-16)

Sec. 24-5. Qualifications.

To be eligible for economic stimulus credits a qualified tourism business must:

- (1) Create and maintain a minimum of one new full time or two new part time jobs.
- (2) Make a new verified capital investment of no less than \$2,000.00 in a building, building improvements, and/or in depreciable assets. A capital investment does not include the cost to purchase real property.
- (3) Hold a current town business license and be current in all tax and utility bill obligations to the town, and all tax obligations to Northampton County.
- (4) Be in compliance with all town ordinances.

(Ord. No. 20161117 , 11-17-16)

Sec. 24-6. Economic stimulus credits and enforcement.

- (a) A qualified tourism business shall be eligible to receive the following economic stimulus credits:
 - (1) A credit equal to 25 percent of the new or increased capital improvement tax paid to the town with a verified capital investment of not less than \$2,000.00 to a maximum of \$1,000,000.00 capital investment.
 - (2) A credit equal to 50 percent of the amount of the net increase in real estate tax paid to the town.
 - (3) A credit equal to 50 percent of the amount of BPOL tax paid to the town.
 - (4) For a qualified tourism business that maintains at least 85 hours weekly of full time and part time staff employment, a credit of up to 50 percent of the facility and connection fees paid to the town.
 - (5) A credit of up to 50 percent of the building permit fees paid to the town for the approved project.
- (b) The economic stimulus credits shall be awarded according to a flat credit structure for taxes described in subparts (a)(1) through (a)(3) above and a tiered structure for fees described in subparts (a)(4) and (a)(5). The amount of economic development stimulus credits awarded for fees shall be determined by the administrator based on a qualified tourism business's application alignment with section 24-5(1) through (4) and all or some of the following criteria: preserves or enhances retail sales tax base; fills a vacant storefront; eliminates blight; prevents demolition by neglect; and increases payroll by at least 44 hours of full time and part time staff employment per week.

The administrator shall make an award recommendation to the town council for final approval. Following the decision of the town council, the administrator will send a letter to the applicant business stating the following:

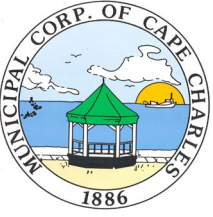
 - (1) Whether the business qualifies for economic stimulus credits.
 - (2) If the business qualifies, the potential amount of the credit(s) and the period(s) over which the credit(s) will be awarded.
 - (3) The required actions for the business to remain qualified to receive the credit(s).
- (c) No taxes, fees, or other charges shall be deemed waived by this chapter. All such taxes, fees, and charges shall be paid by the qualified business in full as and when due. Economic stimulus credits described in subparts (a)(1) through (a)(3) above that are awarded to a qualified tourism business shall be paid annually, in arrears, for each year that the qualified business meets all eligibility criteria up to a maximum of five years. If a qualified business fails to meet all eligibility criteria in any given year, the economic stimulus credits for that year and all future years shall be forfeited. Economic stimulus credits described in subparts (a)(4) and (a)(5) above that are awarded to a qualified business shall be paid upon verification by the administrator of the completion of construction of the improvements to which the applicable facility and connection fees and/or building permit fees relate.
- (d) As a condition to receiving an economic stimulus credit, a qualified business agrees to provide such information and allow such inspections as the town deems reasonably necessary to verify the eligibility criteria and to ensure the qualified business's ongoing compliance therewith.
- (e) Notwithstanding anything to the contrary in this chapter:
 - (1) An otherwise qualified tourism business shall lose its eligibility for economic stimulus credits, and shall repay any previously awarded economic stimulus credits, upon any of the following:
 - a. A violation by such business or, to the extent related to the operation of the business, by any of its principals or officers, of any statute, regulation, or order of the United States or the Commonwealth of Virginia or any department or agency thereof; or

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- b. A violation of any town ordinance that continues beyond the applicable cure period or, if none, a period of ten days.
 - (2) All economic stimulus credits are subject to the appropriation requirements of the Commonwealth of Virginia and the town.
 - (f) If a qualified tourism business leaves the town to conduct business in another location within three years after the expiration of all incentive periods, it will be required to repay the town the total amount of economic stimulus credits received.
- (Ord. No. 20161117 , 11-17-16)

Sec. 24-7. Non-waiver.

Unless expressly stated herein, this chapter shall not be construed to waive the requirement of any ordinances, regulations, and policies that require permits and approvals for land use, construction, and business operation. Additionally, unless stated otherwise herein, nothing in this chapter shall be construed as waiving the right of the town to enforce its ordinances, regulations, or policies or to collect taxes, fees, fines, penalties, or interest imposed by law or by ordinance.

(Ord. No. 20161117 , 11-17-16)

 TOWN OF CAPE CHARLES	AGENDA TITLE: Town Code 42.3 – Adoption of State Law		AGENDA DATE: June 15, 2023
	SUBJECT/PROPOSAL/REQUEST: Adopt Ordinance 20230615B To Incorporate Amendments to the Code of Virginia §46.2; and to Title 16.1, Chapter 11, Article 9 (§16.1-278 Et Seq.); and Title 18.2, Chapter 7, Article 2 (§18.2-266 Et Seq.), If Any, For Incorporation into the Cape Charles Town Code Chapter 42-Motor Vehicles and Traffic		ITEM NUMBER: 7C
	ATTACHMENTS: Ordinance 20230615B		FOR COUNCIL: Action (X) Information ()
	STAFF CONTACT (s): Libby Hume, Town Clerk	REVIEWED BY: John Hozey, Town Manager	

BACKGROUND:

Each year a new ordinance must be passed accepting any and all amendments to the provisions and requirements set by the Code of Virginia in matters of regulation of motor vehicles and traffic in the Town of Cape Charles and any penalties for traffic violations.

DISCUSSION:

From time to time, the Code of Virginia is amended to either delete or add new safety tactics to protect those traveling on the highways, streets and roads. Changes to penalties and violations are also made. In order to have the authority to enforce these new laws, an amendment to the Town Code must be made that adopts any changes.

RECOMMENDATION:

Staff requests adoption of Ordinance 20230615B To Adopt Amendments to the Code of Virginia §46.2; and Title 16.1, Chapter 11, Article 9 (§16.1-278 Et Seq.); and Title 18.2, Chapter 7, Article 2 (§18.2-266 Et Seq.), if any, for Incorporation into the Cape Charles Town Code Chapter 42-Motor Vehicles and Traffic by roll call vote.

ORDINANCE NO: 20230615B

**AN ORDINANCE TO ADOPT
AMENDMENTS TO THE CODE OF VIRGINIA §46.2; AND
TITLE 16.1, CHAPTER 11, ARTICLE 9 (§16.1-278 ET SEQ.); AND TITLE 18.2,
CHAPTER 7, ARTICLE 2 (§ 18.2-266 ET SEQ.), IF ANY, FOR INCORPORATION
INTO THE CAPE CHARLES TOWN CODE
CHAPTER 42-MOTOR VEHICLES AND TRAFFIC**

WHEREAS, it is necessary to follow the guide set by the Code of Virginia to protect the safety and welfare of residents and guests of the Town of Cape Charles; and

WHEREAS, from time to time, the Code of Virginia is amended to protect those traveling the highways, streets and roads of the Commonwealth; and

WHEREAS, in order to have the authority to enforce these new laws, the Town Council of the Town of Cape Charles must adopt any and all amendments made by the Commonwealth of Virginia; now

THEREFORE, BE IT ORDAINED: That pursuant to the authority of the Code of Virginia, 1950, as amended, § 46.2-1313, all of the provisions and requirements of the laws of the Commonwealth contained in Code of Virginia, Title 46.2 and Code of Virginia, Article 9 (§ 16.1-278 et seq.) of Chapter 11 of Title 16.1, and of Article 2 (§ 18.2-266 et seq.) of Chapter 7 of Title 18.2 into ordinances as in force and effect on the date of the adoption of this Code, and as amended in the future, except those provisions and requirements the violation of which constitutes a felony, and except those provisions and requirements which, by their very nature, can have no application to or within the town, are hereby adopted and incorporated in this chapter by reference and made applicable within the Town. References to "highways of the state" contained in such provisions and requirements hereby adopted shall be deemed to refer to the streets, highways and other public ways within the Town. Such provisions and requirements are hereby adopted, *mutadis mutandis*, and made a part of this chapter as fully as though set forth at length herein. It shall be unlawful for any person within the Town to violate or fail, neglect or refuse to comply with any provision or requirement which is adopted by this section; provided, that in no event shall the penalty imposed for the violation of any provision or requirement hereby adopted exceed the penalty imposed for a similar offense under the Code of Virginia. This ordinance will take effect July 1, 2023.

Adopted by the Town Council of Cape Charles on June 15, 2023.

Mayor Adam Charney

ATTEST:

Town Clerk