



DRAFT
TOWN COUNCIL
Special Meeting

Cape Charles Civic Center, 500 Tazewell Avenue
April 30, 2026 – 6:00 PM

CALL TO ORDER

Vice Mayor Buchholz called the Special Meeting to order at 6:00 PM.

ROLL CALL

Councilmembers in attendance: Vice Mayor Buchholz, Councilmen Butta, Grossman and Newman, and Councilwomen Ashworth and Holloway. Mayor Charney was not in attendance. A quorum was established.

Staff members in attendance: Town Manager Rick Keuroglian, Project Manager Bob Panek, Planning Director Katie Nunez, Assistant to the Town Manager Pam Endlein, Business License Specialist Katie Lewis, and Town Clerk Libby Hume.

Also in attendance was Chris Carbaugh representing Coastal Vista Properties.

There were two (2) members of the public in attendance.

MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

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

Public Comments (on agenda items only)

There were no comments from the public to be heard.

ORDER OF BUSINESS

A. Presentation from Coastal Vista Properties & Discussion

Bob Panek outlined the Request for Proposal (RFP) process for workforce housing on Town-owned property, noting four proposals were received and evaluated by a committee comprised of himself, Rick Keuroglian, Katie Nunez, Councilman Grossman, Planning Commission Chair Bill Stramm, Jay Abella representing Cape Charles Main Street, and John Burdiss representing the Northampton County Economic Development Authority. Council heard briefs from the two finalists and selected Coastal Vista Properties as the finalist.

Chris Carbaugh presented a proposed workforce housing development of approximately 170 units utilizing a one-over-one stacked townhouse design with a combination of rental and ownership opportunities with two reserved parking spaces per unit. The project would include a minimum of 50% workforce housing units serving households earning 60–120% of Area Median Income (AMI), with the remaining units designated as market-rate housing to support overall project feasibility. There would be a commitment to maintain the workforce housing designation for a term of 20 years. The development would be constructed in three phases. Phase 1 would have approximately 60 units, Phase 2 would have 50 units and Phase 3 would have 60 units. Amenities such as a clubhouse, pool, playground, and open space of over 40% were planned. Mr. Carbaugh further stated that short-term rentals would be prohibited, and the developer would fund the sewer force main extension required for the project. Pursuant to the Town’s planned unit development (PUD) requirements, a commercial proponent was needed, so a separate area would incorporate boat and RV storage. He emphasized the limited housing availability in Northampton County, citing current market data showing minimal inventory in lower price ranges and reinforcing the need for workforce housing, adding that these units could

be offered in the approximate range of the \$200,000s to low \$300,000s, depending on market conditions.

Council discussion focused on the affordability structure (AMI calculations – HUD versus Census data), resale of workforce units restricted to qualified buyers during the 20-year affordability period, project phasing and timing, infrastructure requirements from VDOT and potential traffic impact studies, emergency access, and the balance of rental versus ownership units which would be determined based on market demand and would be outlined in the development agreement.

Rick Keuroglan outlined three primary requirements: i) Rezoning of the property from R-3 to PUD; ii) Holding a public hearing and adoption of an ordinance for the disposition of Town-owned property pursuant to Virginia Code § 15.2-1800; iii) Execution of a development agreement detailing all project terms, including phasing, affordability, rental/ownership mix, and infrastructure.

Council further discussed the importance of: i) Hosting a Town Hall meeting on May 14th at 5:00 p.m. to gather public input prior to the Special Meeting; ii) Conducting processes concurrently (public input, development agreement negotiation, and ordinance preparation) to avoid delays; iii) Structuring land conveyance as a phased transfer tied to development milestones; iv) Ensuring accountability measures in the development agreement; v) Exploring potential state and grant funding opportunities, particularly related to infrastructure.

Motion made by Councilman Grossman, seconded by Councilwoman Ashworth, to 1) proceed with scheduling a Town Hall meeting, 2) initiating development agreement negotiations, 3) preparing a land conveyance ordinance, and 4) beginning rezoning preparation, with steps 3 and 4 contingent upon successful negotiations. The motion was approved by unanimous vote.

B. *Consideration re Relocation of Structure to Town-Owned Property in the Harbor Boat Ramp Area*
This item was pulled due to lack of information.

C. *Ordinance to Adopt Zoning Text Amendment 2026-01 – Chesapeake Bay Preservation Act*
Katie Nunez presented the item, noting that it was a carryover from the April 16th Town Council Public Hearing & Regular Meeting, to formally adopt the ordinance.

Motion made by Councilman Grossman, seconded by Councilman Butta, to adopt Ordinance 20260430, amending Cape Charles Town Code Chapter 32 (Zoning Ordinance), Article VII (Chesapeake Bay Preservation Area Overlay District), and related updates to Appendix A (Definitions) and Appendix C (Site Plan Ordinance) to ensure compliance with state law regarding the Chesapeake Bay Preservation Act. The motion was approved by unanimous vote. Roll call vote: Ashworth, yes; Buchholz, yes; Butta, yes; Grossman, yes; Holloway, yes; Newman, yes.

TOWN MANAGER COMMENTS

Rick Keuroglan commented as follows: i) He thanked Council, staff, and participants for their work on the workforce housing initiative; ii) Regarding the matter that was pulled from the agenda, things were done differently in the past, and he wanted to ensure the everything was done according to the Code of Virginia. He asked if there was any interest among Council to hear Eyre Baldwin's proposal, adding that the property where he was wanting to relocate the structure to was in the Harbor beside the boat ramps. A past master plan for the harbor showed the harbor master's office to go in that location. There was discussion as follows: a) Councilman Grossman and Vice Mayor Buchholz stated that we had a full priority list and staff was currently working on the Railroad/Harbor Area Master Plan, and until that was completed, they were not interested in pursuing this proposal at this time. New ideas were welcomed but Council needed to look at the current priority list first; b) Councilman Newman stated that it was premature to make any commitments, but he was unsure of shutting the

door to this proposal because “we were too busy,” adding that we should be open to entertaining ideas and concepts at a later time. Councilman Newman added that he did not know anything about this proposal so could not make a decision at this time; c) Rick Keuroglan stated that Eyre Baldwin did not want to discuss his idea in the public. Typically, a proposal would be submitted, and a Town Council Executive Session would be scheduled to review the proposal. Since this was waterfront property, a super majority vote was required to lease or sell the property; d) Councilman Butta stated that Mr. Baldwin needed to submit a real proposal for Council consideration in executive session; e) Councilman Grossman added that after consideration of the proposal, the Town would have to issue an RFP for other proposals prior to approving Mr. Baldwin’s request. Rick Keuroglan would contact Mr. Baldwin; ii) Upcoming meetings: May 7 executive session at 5:00 p.m. followed by a budget work session at 7:30 p.m. May 14 Town Hall Meeting at 5:00 p.m. regarding workforce housing followed by a special meeting regarding the Beachfront Master Plan at 6:00 p.m.

MAYOR & COUNCIL COMMENTS

Councilman Newman asked for an update regarding whether the beach pavilion would be spruced up before the summer season. Rick Keuroglan stated that he had received a quote, but the funding was proposed in the FY 2027 budget, and we also needed to obtain other bids before moving forward.

Councilwoman Holloway commented as follows: i) She announced that HGTV was here filming in Bay Creek for another show which would air in about six to eight months. It was exciting news; ii) She gave kudos to Katie Nunez and her team on last weekend’s Railroad & Harbor Area Master Planning community engagement event and she hoped that a lot of good comments were received; iii) She congratulated Cape Charles Main Street and the Town for pulling off another great LoveRun. There were 550 runners, which was 150 more than last year.

Councilman Butta stated that although we had pouring rain on Friday afternoon, there were a lot of people in Strawberry Plaza for the Railroad & Harbor Area Master Planning community engagement event, and a lot of great feedback was obtained. He suggested everyone go to the Town’s website and look at the information about the master planning efforts. This would be one of the most important things that we did to shape the future of Cape Charles and we wanted everyone’s opinions.

ANNOUNCEMENTS

- May 7, 2026 – Town Council Executive Session, 5PM
- May 7, 2026 – Town Council Work Session, 7:30 PM
- May 14, 2026 – Town Council Town Hall Meeting, 5PM
- May 14, 2026 – Town Council Special Meeting, immediately following the Town Hall Meeting
- May 21, 2026 – Town Council Regular Meeting, 6PM

ADJOURNMENT

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

The meeting adjourned at 7:25 p.m.

Andy Buchholz, Vice Mayor

Libby Hume, Town Clerk



Bayside Village

Cape Charles Workforce Housing



Project Team: Chris Carbaugh & Jay Bergey

Team Background:

Chris Carbaugh: In 2000 founded the Atlantic Group & Associates, Inc. which provides land planning, landscape architecture, surveying and civil engineering services to clients throughout the Mid Atlantic region. This skill set also created an opportunity to partner with others to develop various residential, commercial and mixed-use projects in Maryland, Delaware, and more recently the Eastern Shore of Virginia.

Jay Bergey: In 2000 founded Bergey & Company, P.A. providing professional accounting, consulting and trustee services. During this time has also been responsible for the development of numerous residential multi-family projects on the Eastern Shore of Maryland. Mr. Bergey has served as the Treasurer and Chairman of the Finance Committee for Atlantic General Hospital and is currently on the Board of Directors of Calvin B. Taylor Bank.

Project Understanding:

- Town of Cape Charles has identified a need for workforce housing.
- Cape Charles identified a town owned parcel suitable to accommodate workforce housing. The property is Tax Parcel 90-19-B fronting Cassatt Parkway and Old Cape Charles Road consisting of 16.6 Acres and is zoned R-3. Multi-family.
- This project is intended to provide a housing alternative where families, those in careers that support our community, can live and work while enjoying a high quality of life found in the Cape Charles area. When people have access to affordable housing, they can live near their workplaces. They can, and do, support other local businesses. They develop a vested interest in their town. They become integrated into the social networks that bind communities and make them great places to visit live and work.
- Development to provide rental and homeownership opportunities. Percent of rental and homeownership to be determined based upon market demand.
- Workforce Units shall be restricted for a term of 20 years.
- Short term rentals will be prohibited.
- Sewer must be extended to site. Developer will be responsible for the forcemain extension.

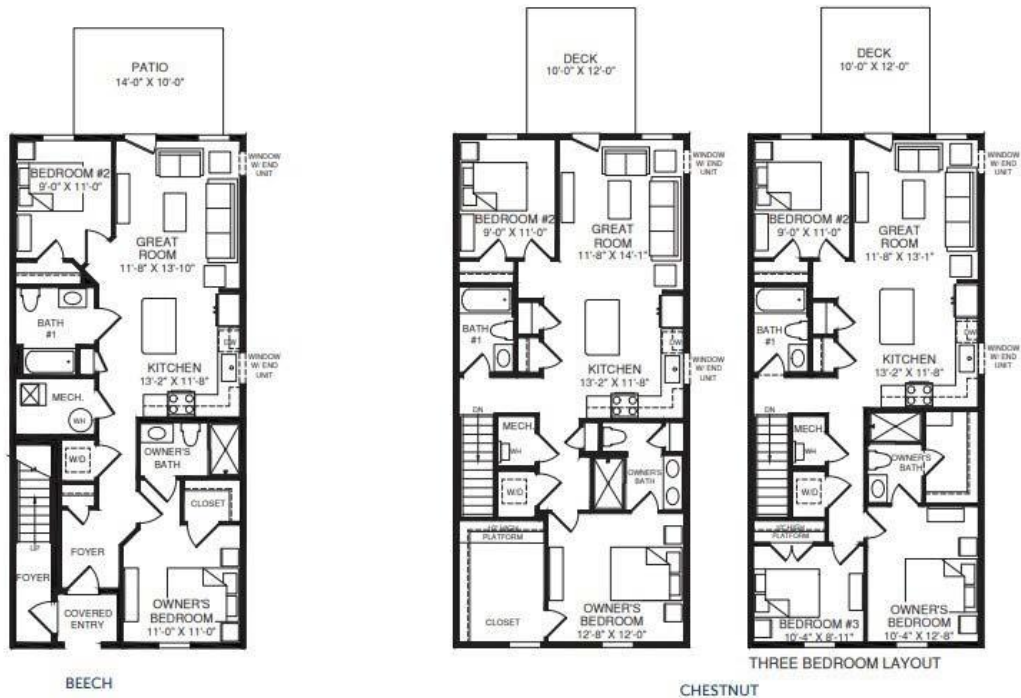
Project Overview:

- Based upon this understanding, we have evaluated numerous concepts and ultimately found the most suitable approach to be what is known as an "One Over One" product.
- This is basically a townhouse where there is a first and second floor unit.
- This approach allows us to significantly lower the unit cost, making at least 50 percent of the proposed units fall within the workforce housing parameters...whether a rental or for purchase unit.
- Proposal is to construct 170 One Over One Units. A minimum of 50 percent shall qualify as workforce housing. The remainder of units shall be market rate units.
- Property to utilize a professional property management company to qualify residents, as well as manage and maintain the property.

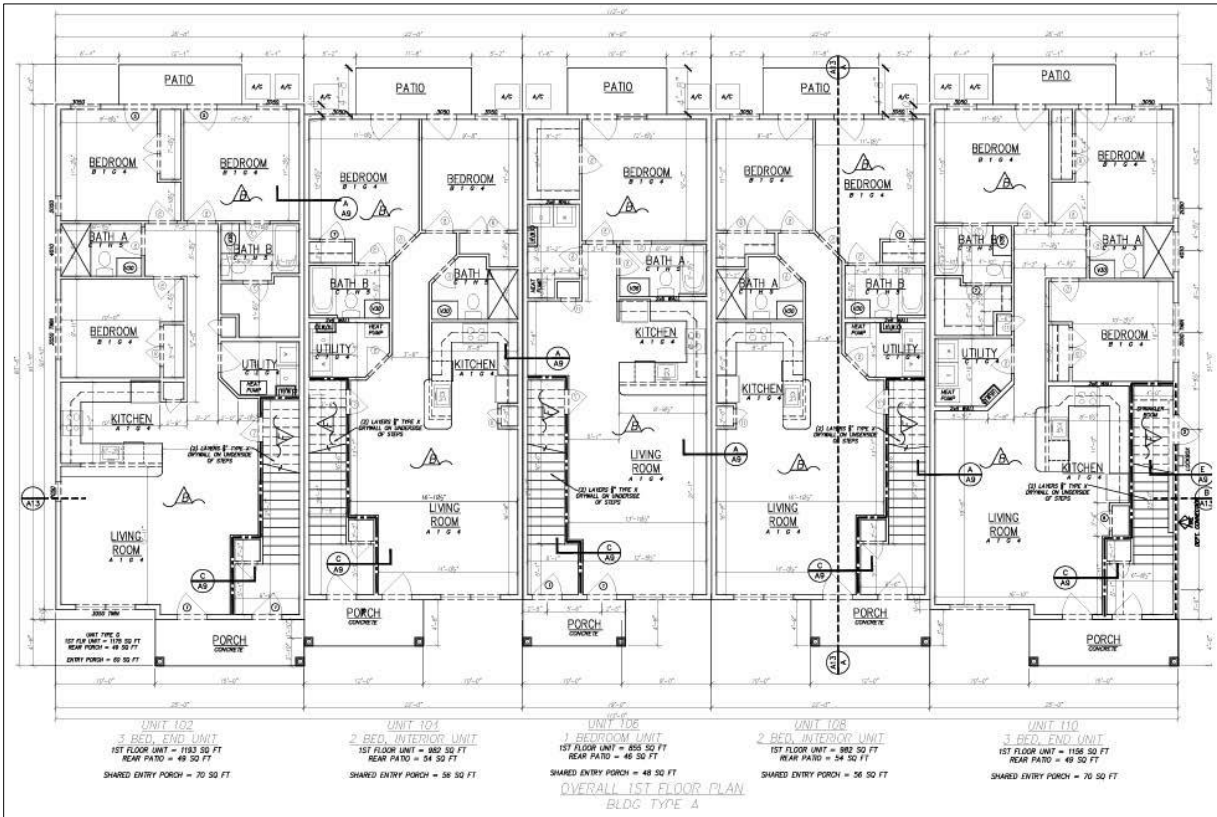




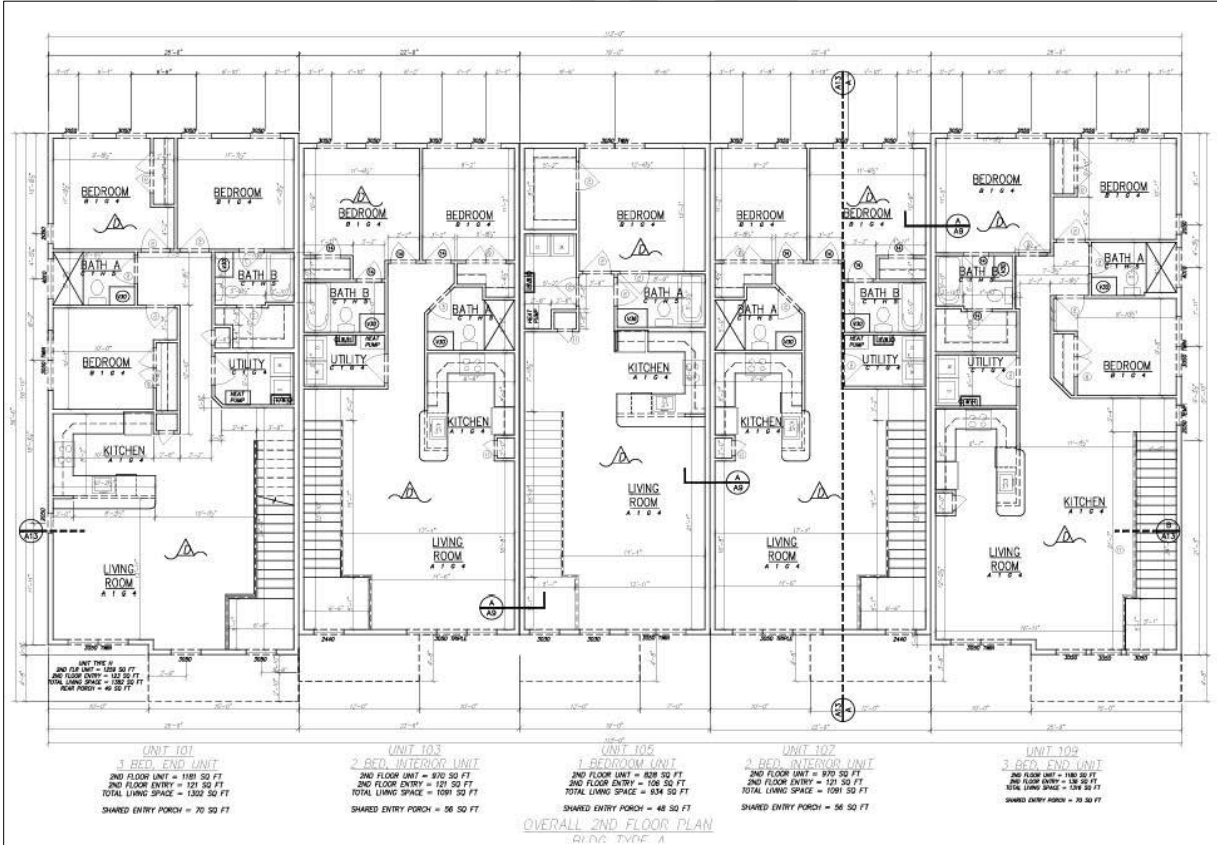
- Concept Elevation



Unit Conceptual Floor Plans:



Unit Conceptual Floor Plans:



Unit Conceptual Floor Plans:



- Interior Living Room



- Interior Kitchen Area

