Five referendum questions will be placed on the Nov. 8, 2016 general-election ballot in Henrico. Voters will be asked to indicate “yes” or “no” on whether the county should issue debt in the amounts of:

- $272.6 million for schools projects
- $87.1 million for parks projects
- $24 million for libraries projects
- $22.1 million for fire stations and facilities projects
- $14 million for roads projects

Henrico officials have identified 26 projects that would be funded over six years if the referendum questions are approved.

The projects being recommended with this year’s bond referendum would provide new and upgraded facilities in all five magisterial districts. The school projects are proposed to be funded over a five-year period, while the others would be funded over six years.

Henrico is required by state law to get voter approval before issuing debt for capital projects. Officials have determined the county would be able to manage the new debt without any increase to the real estate tax rate, which stands at 87 cents per $100 of assessed value and remains the lowest among Virginia’s urban localities.

**Speakers Bureau**

A speakers bureau of county representatives is available to meet with neighborhood and civic groups before the referendum.

**SCHOOLS PROJECTS**

$272.6 million proposed for Schools

Henrico County Public Schools would receive $272.6 million, or about 65 percent of the total.

**RENOVATIONS**

A major portion would support the renovation of school facilities. Forty-one of Henrico’s 72 schools — or 57 percent — are at least 50 years old.

- Adams Elementary School
  Built in 1966; Estimated Cost: $19 million
- Chamberlayne Elementary School
  Built in 1961; Estimated Cost: $14 million
- Crestview Elementary School
  Built in 1955; Estimated Cost: $12 million
- Pemberton Elementary School
  Built in 1955; Estimated Cost: $14.1 million
Seven Pines Elementary School  
Built in 1959; Estimated Cost: $12.8 million
Skipwith Elementary School  
Built in 1957; Estimated Cost: $13 million
Tuckahoe Middle School  
Built in 1958; Estimated Cost: $28.2 million
J.R. Tucker High School  
Built in 1963; Estimated Cost: $55 million

NEW/EXPANDED
Several new or expanded facilities would accommodate general enrollment growth as well as demand for seats in HCPS’ technical education centers, also known as advanced career education (ACE) centers. About 1,900 students apply for 950 seats available each year at the two existing ACE centers.

- East Area Technical Center, a $42 million facility that would be built in the Varina District at a site to be determined  
- Glen Allen High School Technical Center, a $37 million facility that was envisioned but not constructed when the school opened in 2010  
- Glen Allen Elementary School addition of eight classrooms, $5.5 million  
- Brookland Area Elementary School, which would be built at a site to be determined, $20 million

Referendum Question
Shall Henrico County, Virginia, be authorized to contract a debt and issue its general obligation bonds in the maximum aggregate principal amount of $272,600,000 pursuant to the Public Finance Act of 1991 to finance school projects and the Henrico County School Board’s capital improvement program, including capital improvements to schools, furnishing and equipping of schools, acquisition of future school sites, and such other construction, renovations and improvements as may be required by the actual educational needs in Henrico County?

RECREATION AND PARKS PROJECTS
$87.1 million proposed for Parks

The recommended projects for Henrico’s parks system would provide new and improved facilities, rehabilitate and expand public access to high school athletic fields and support the county’s tourism initiative.

The recommended projects would provide new and improved facilities, rehabilitate and expand public access to high school athletic fields and support the county’s tourism initiative.

- Glover Park (previously Greenwood Park), which would complete the park’s second and final phase of construction and include additional athletic fields and a stadium, $20 million.  
- Dorey Park, additional athletic fields, $6.2 million;  
- Cheswick Park, renovation of Henrico’s oldest neighborhood park, $2.1 million;  
- Tuckahoe Park, additional athletic fields and a new entrance on Ridgefield Parkway, $16 million  
- Tuckahoe Creek Park, second phase of development with parking, $5 million  
- Three Lakes Park, renovations, $2.3 million
• *Taylor Park*, a new 99-acre complex on East Williamsburg Road in Sandston, with athletic fields, trails and playgrounds, $19 million
• *Deep Run Park*, improvements, $4 million
• *High school athletic field* rehabilitation, which would upgrade athletic fields at Henrico’s high schools and open them for public use, $12.5 million

---

**Referendum Question**

Shall Henrico County, Virginia, be authorized to contract a debt and issue its general obligation bonds in the maximum aggregate principal amount of $87,100,000 pursuant to the Public Finance Act of 1991 to finance the construction, renovation, remodeling, furnishing, and equipping of recreation and park facilities, and the acquisition of land necessary for such facilities?

---

**FIRE PROJECTS**

*$22.1 million proposed for Fire Stations and Facilities*

The bond issue for fire stations would provide $22.1 million, or 5 percent of the total, for:

- *Staples Mill Firehouse*, which would be built near Staples Mill Road and Glenside Drive, $10 million
- *Eastgate/Newbridge Firehouse*, which would be built near Nine Mile Road and Laburnum Avenue, $9.6 million
- *Fire Training Center*, which would expand and upgrade the Division of Fire’s training facilities on Woodman Road, $2.5 million
Referendum Question

Shall Henrico County, Virginia, be authorized to contract a debt and issue its general obligation bonds in the maximum aggregate principal amount of $22,100,000 pursuant to the Public Finance Act of 1991 to finance the construction, renovation, remodeling, furnishing, and equipping of fire stations and facilities, and the acquisition of land necessary for such fire stations and facilities?

LIBRARY PROJECTS
$24 million proposed for Libraries

The bond issue for libraries would provide $24 million, or 6 percent of the total, for a new Fairfield Area Library. The facility would be built on North Laburnum Avenue across from the Eastern Henrico Recreation Center.

The library would be comparable to Henrico’s other modern area libraries, including Twin Hickory and Tuckahoe, which have 40,000 and 53,000 square feet, respectively.

The existing Fairfield Area Library, 1001 N. Laburnum Ave., opened in 1976 and totals 24,000 square feet.

Referendum Question

Shall Henrico County, Virginia, be authorized to contract a debt and issue its general obligation bonds in the maximum aggregate principal amount of $24,000,000 pursuant to the Public Finance Act of 1991 to finance the construction, renovation, remodeling, furnishing, and equipping of library facilities, and the acquisition of land necessary for such facilities?

ROAD PROJECTS
$14 million proposed for Road Project

The bond referendum for roads would provide $14 million toward improvements to a 1.9-mile section of Richmond-Henrico Turnpike, near Richmond International Raceway.
The road is slated to be widened to four lanes — from two lanes currently — between East Laburnum Avenue and the railroad crossing that’s north of Azalea Avenue, near the Chickahominy River crossing.

The $41 million project also would be supported with state and federal transportation funds.

In addition to widening the pavement, the project will provide a divided road with a multiuse trail for bicyclists and pedestrians on one side and a sidewalk on the other. The improvements are designed to improve safety and capacity as well as promote economic development in the area.

---

**Referendum Question**

Shall Henrico County, Virginia, be authorized to contract a debt and issue its general obligation bonds in the maximum aggregate principal amount of $14,000,000 pursuant to the Public Finance Act of 1991 to finance various road and sidewalk projects including the acquisition of land necessary for such projects?

---

**QUESTIONS AND ANSWERS**

*What will I be voting on November 8?*

A series of five questions will ask whether Henrico should be authorized to issue up to $419.8 million in general obligation bonds to pay for improvements to public facilities. Voters will respond “yes” or “no” to each question. The proposed bond amounts are:

- $272.6 million for school projects
- $87.1 million for park projects
- $24 million for library projects
- $22.1 million for fire station and fire facility projects
- $14 million for road projects

*Will approval of the projects result in a tax rate increase?*

No. Henrico will be able to carry and pay off the additional debt under its existing tax rates. This is possible because the county manages its finances carefully, borrowing only when necessary and making annual payments to reduce its debt. In addition, approval of the bond referendum will not jeopardize Henrico’s AAA bond rating, which allows borrowing at favorable interest rates. Henrico’s real estate tax rate of 87 cents per $100 of assessed value stands among the lowest of urbanized localities in Virginia. It is one of the reasons the county has been successful attracting development, investment and jobs.
What projects are planned?

A total of 26 projects have been identified after months of discussion by county officials, including the Board of Supervisors and School Board.

Why does Henrico need the approval of voters to pursue these projects?

Under Virginia law, counties are required to get voter approval by way of a referendum before issuing debt for capital projects. Cities do not have this requirement. Henrico has held several bond referendums in recent decades, including one in 2005.

What does it mean to “issue general obligation bonds”?

Just as a person might get a bank loan to buy a car or home, local governments go to the bond market to borrow money to build or renovate schools or to make other public facility improvements. The county issues, or sells, bonds to investors to get the funds needed. At the same time, it pledges to make repayments plus interest over a set number of years. General obligation bonds are common municipal bonds that are backed by general tax revenues.

Would the meals tax be used to pay for these projects?

Yes. Henrico would use a variety of funding sources, including the meals tax, to complete the bond referendum projects. Voters approved the 4 percent tax on prepared food and beverages in 2013 to provide increased funding for Henrico County Public Schools. The tax now generates more than $20 million in revenue annually, with half set aside to cover school operating costs and half designated for school capital projects. The school renovation and construction projects now proposed with the bond referendum are exactly the kind of improvements that the meals tax was intended to support.

If voters approve the bond referendum, would all of the projects get underway at the same time?

No, construction will be staged over several years. The school projects will be funded over five years, while the parks, library, road and fire facility projects will be funded over six years. To limit its costs, Henrico will borrow money for a project only when it’s ready to proceed.

FINANCIAL INFORMATION

Retiring debt allows for reinvestment

Henrico County has the highest-possible AAA bond rating from all three major rating agencies, which means that it can borrow debt at the lowest possible interest rates. In fact, interest rates today for municipal debt are at historic lows, particularly for AAA-rated debt, which provides Henrico with an affordable opportunity to achieve much-needed infrastructure and infrastructure renovations at the lowest possible cost.

When considering any new debt issuance, Henrico staff complete a thorough analysis to ensure utmost affordability and that any new costs will not impede the county’s service delivery efforts. Critical to this analysis is establishing specific concrete guidelines, as well as infusing flexibility throughout the financing plan. Specifically, the following guidelines have been included in the financing plan for the bond referendum.

- NO TAX RATE INCREASE WOULD BE PROPOSED. Existing revenue sources, such as meals tax revenues collected in excess of budget estimates funding school projects, are sufficient to finance this bond referendum.
As can be seen in the chart, after paying off nearly one-third of its overall outstanding debt over the past five years, Henrico’s bond referendum proposal ensures that after issuing $419.8 million in new debt over the next six years, outstanding debt levels will remain BELOW levels reached in FY2012. Blue lines indicate existing debt levels and green lines reflect the proposed levels associated with the November 2016 Bond Referendum. The proposed financing plan ensures that Henrico could afford the costs associated with the bond referendum while remaining safely within its existing debt-management guidelines.

The financing strategy includes a plan to issue all school-related debt within a period of five years, and a plan to issue all debt for libraries, roads, fire, and recreation and parks projects within a period of six years. By issuing all debt over six years, the county has strategically afforded itself the flexibility to extend the debt issuance schedule should economic difficulties arise.

- County expense growth will not exceed the rate of 5 percent, a level that approximately equates to average annual inflation (3 percent) and population growth (2 percent). This premise has been adhered to since the county’s successful bond referendum in November 2000.
- The county has established a reserve for future operating costs associated with the opening of any new facilities, as well as to provide a buffer against any future economic difficulty.

While the financing plan for the bond referendum has been meticulously reviewed for utmost affordability, the individual projects proposed in the coming bond referendum were also carefully selected, with emphasis on renovation of aging facilities, core service delivery enhancement, and economic development opportunities. Renovating aging infrastructure, particularly county schools that are more than 50 years old, is significant for many reasons, not least of which are the added efficiencies that will yield annual cost savings into the future. Further, economic development opportunities such as sports tourism enhancements will yield permanent revenue growth as it relates to hotel/motel tax, sales tax, and meals tax collections, all of which will be generated from visitors to the county and mitigating any impacts to Henrico citizens.