

COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
February 12, 2008

The Henrico County Board of Supervisors convened a Special Meeting on Tuesday, February 12, 2008 at 4:30 p.m. in the County Manager's Conference Room, Administration Building, Henrico County Government Center, Parham and Hungary Spring Roads, Henrico County, Virginia. The Chairman called the meeting to order at 4:39 p.m. Those present at the meeting were:

PRESENT

The Honorable David A. Kaechele, Chairman
The Honorable Patricia S. O'Bannon, Vice-Chairman
The Honorable James B. Donati, Jr., Varina District Supervisor
The Honorable Richard W. Glover, Brookland District Supervisor
The Honorable Frank J. Thornton, Fairfield District Supervisor
Mr. Virgil R. Hazelett, P.E., County Manager
Mr. George T. Drumwright, Jr., Deputy County Manager for Community Services
Ms. Angela N. Harper, FAICP, Deputy County Manager for Special Services
Mr. Leon T. Johnson, Deputy County Manager for Administration
Mr. Robert K. Pinkerton, P.E., Deputy County Manager for Community Operations
Mr. Randall R. Silber, Deputy County Manager for Community Development
Mr. Barry R. Lawrence, Assistant to the County Manager/Clerk to the Board
Mrs. Linda B. Jones, Deputy Clerk to the Board
Mr. Joseph P. Rapisarda, Jr., County Attorney
Ms. Rhysa G. South, Assistant County Attorney
Mrs. Tamra R. McKinney, Director of Public Relations & Media Services
Mr. John A. Vithoulikas, Director of Finance
Mr. George H. Cauble, Jr., Director of Human Resources
Mr. Gary L. Martin, Director of Internal Audit
Mr. Arthur D. Petrini, Director of Public Utilities
Mr. Edward L. Priestas, Director of Public Works
Mr. Willis W. Pope, Director of Real Property (Retired)
Mr. Steve Price, Assistant Director of Real Property
Mrs. Karen K. Mier, Director of Recreation and Parks
The Honorable Diana D. Winston, Chairwoman, School Board
The Honorable John W. Montgomery, Jr., Vice-Chairman, School Board
The Honorable Linda L. McBride, School Board Member, Brookland District
The Honorable Lamont Bagby, School Board Member, Fairfield District
The Honorable Lisa A. Marshall, School Board Member, Tuckahoe District
Mr. Frederick S. Morton, IV, Superintendent of Schools
Mr. Wendell C. Roberts, Assistant County Attorney, Schools
Mr. Harry R. Pollard, IV, Chairman, Independent Land Commission
Mr. Robert E. Barton, Vice-Chairman, Independent Land Commission
Mr. H. Preston Harrison, Member, Independent Land Commission

Mr. Robert W. Taylor, Member, Independent Land Commission
Mr. Francis A. "Sandy" Cherry Jr., Attorney, Randolph Boyd Cherry and Vaughan
Mr. James W. Theobald, Attorney, Hirschler Fleischer
Mr. Robert C. Layton, Brookland District resident
Mr. Will Jones, *Richmond Times-Dispatch*
Mr. Tom Lappas, *Henrico Citizen*

Report of the Independent Commission that
Examined Land Purchases

Mr. Kaechele thanked everyone for attending the meeting and expressed appreciation to the members of the Independent Commission for their efforts in bringing this report forward. He then asked everyone seated at the table to introduce themselves. Mr. Hazelett indicated that the Board might later wish to consider going into a closed meeting to consider a portion of the report and advised that some members of the School Board would need to leave while the meeting was in progress. While Mr. Pinkerton, Mr. Silber, and Mr. Price distributed copies of a Power Point presentation (see enclosed copy), Mr. Hazelett recognized the members of the Commission who were present, noting that Mr. Kessler was unable to attend the meeting because of a scheduling conflict. He acknowledged the vast amount of expertise from the members of the Commission, pointing out that they collectively had over 200 years of experience in real estate. Mr. Hazelett then began his presentation, which offered brief background information on the Commission; highlighted the premises of the Commission's report; looked at the County Manager's role in the land acquisition process; defined the real estate market value from calendar year 2002 - 2007; and summarized the Commission's recommendations and County Manager's recommendations in the areas of competitive disadvantage, eminent domain, real estate appraisal, real property organizational structure, and Kain Road acquisition.

During the overview of the competitive disadvantage recommendations, there was considerable discussion by Board members, Mr. Hazelett, Mr. Pollard, Mr. Rapisarda, and Mr. Morton regarding the use of foundations,

options, and rights of first refusal to acquire land for public projects. Mrs. O'Bannon questioned why the County Manager's recommendations contained so many reservations about the use of foundations, whether foundations could enter into options or rights of first refusals, and how the Henrico Education Foundation is set up. Mr. Pollard commented that the Commission had not had enough information to fully examine the use of foundations, but encouraged the County to explore the idea further and determine if they were a viable option.

In response to questions from Mr. Kaechele and Mrs. O'Bannon, Mr. Rapisarda explained that a formal Board enabling resolution would be necessary to provide the County Manager and School Superintendent with the authority to enter into options or rights of first refusal to assist the County in acquiring properties. Mr. Glover questioned the method of selection and qualifications of foundation members and also how foundations would be structured. He commented that the foundation concept was worth investigating, especially if it would enable real estate professionals to negotiate market prices for property being acquired. Mr. Rapisarda responded to questions from Mr. Donati about the funding mechanism for foundations. Mr. Kaechele expressed concern that a foundation might be cumbersome and superfluous to the efforts of the Department of Real Property. Mr. Glover countered that he would like to have more information on foundations. Mr. Hazelett advised that this concept could be brought back to the Board for further discussion. Hearing no objections, he determined that it was the consensus of the Board for the County Manager to come back with a resolution to provide him and the Superintendent of Schools with the ability to create more options and move more quickly on property acquisitions than has been the case in the past. Mr. Pollard responded to an additional question from Mr. Kaechele pertaining to land coordination efforts between the General Government and Schools.

Mr. Hazelett cautioned that condemnation should be used as a tool of last resort but acknowledged that the tool could be sharpened. Mr. Morton, Mr. Hazelett, and Mr. Rapisarda responded to questions from Mrs. O'Bannon relating to how far in advance the School Board plans for land purchases and the difference in timeframes between the County's Capital Improvements Plan (CIP) and School's CIP, i.e. five years versus ten years. Mr. Hazelett and Mr. Rapisarda responded to a question from Mr. Kaechele regarding the County's ability to back out of a condemnation proceeding under State statutory requirements. Mr. Thornton indicated that he was trying to reconcile the Commission's recommendations with the Manager's recommendations. In response to a question from Mr. Kaechele, Mr. Rapisarda explained the public hearing process for condemnation proceedings.

Mr. Hazelett responded to questions from Mr. Kaechele concerning right-of-way appraisals and the County's current process for appraising property the County is seeking to acquire. At Mrs. O'Bannon's request, Mr. Hazelett elaborated on his recommendation to contract with an outside appraisal firm rather than add a Certified Appraiser to the staff of the Real Property Department as recommended by the Commission. Mr. Pollard clarified the role of a certified appraiser and emphasized the importance of the County obtaining a certified appraisal to address distrust in the County's current appraisal process and discrepancies among competing appraisals. Mr. Barton explained the science behind determining land values set by the Uniform Standards of Professional Appraisal Practice and also explained for Mrs. O'Bannon why the Commission had recommended that the County hire a certified appraiser.

Mr. Thornton commented that he had not heard any empirical data as to when the County should use condemnation and at his request Mr. Hazelett

briefly reviewed the County's past use of eminent domain irrespective of easement and rights-of-way acquisition. Mr. Kaechele complimented the Commission on an outstanding job and thanked the Commissioners for their work. Mr. Pollard pointed out that the Commission was acutely aware of what was happening in the vicinity of Kain Road and that values in this area of the County were rapidly escalating. Mrs. McBride clarified that the School Board approves the Schools capital budget one year at a time. Mr. Kaechele thanked Mr. Hazelett and his staff for their great support of this study and for a great team effort. Mr. Hazelett pointed to the length of the report, the large volume of documentation that had been compiled, and the huge amount of effort that had gone into the report. Mrs. O'Bannon thanked the commissioners for their hard work and professionalism. Mr. Pollard stated that the Commission felt proud of what it did and that serving the County was a powerful pay off. On behalf of the Commission, he thanked the County for this opportunity.

The Board recessed for dinner at 6:08 p.m. and reconvened at 6:22 p.m.

On motion of Thornton, seconded by Mr. Glover, the Board approved going into a Closed Meeting at 6:23 p.m. for the following matter:

Discussion and consideration of the potential acquisition of the Kain Road property in the Three Chopt Road District for public purposes relating to education, parks and recreation, fire safety and a fueling facility, pursuant to Section 2.2-3711(A)(3) of the Code of Virginia, 1950, as amended.

The vote of the Board was as follows:

Aye
David A. Kaechele
Patricia S. O'Bannon
James B. Donati, Jr.
Richard W. Glover
Frank J. Thornton

Nay

On motion of Mr. Donati, seconded by Mrs. O'Bannon, the Board approved going out of the Closed Meeting at 7:01 p.m.

The vote of the Board was as follows:

Aye
David A. Kaechele
Patricia S. O'Bannon
James B. Donati, Jr.
Richard W. Glover
Frank J. Thornton

Nay

In open session, on motion of Mr. Donati, seconded by Mrs. O'Bannon, the Board approved the attached Certificate of Closed Meeting.

The vote of the Board was as follows:

Aye
David A. Kaechele
Patricia S. O'Bannon
James B. Donati, Jr.
Richard W. Glover
Frank J. Thornton

Nay

There being no further business, the meeting was adjourned at 7:01 p.m.



Chairman, Henrico County Board of Supervisors