

COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
March 26, 2019

The Henrico County Board of Supervisors convened a special meeting on Tuesday, March 26, 2019, at 5:00 p.m., in the former Macy's South Building at Regency Square Mall, 1420 N. Parham Road, Henrico, Virginia 23229.

Members of the Board Present:

Tyrone E. Nelson, Chairman, Varina District
Thomas M. Branin, Vice Chairman, Three Chopt District
Patricia S. O'Bannon, Tuckahoe District
Daniel J. Schmitt, Brookland District
Frank J. Thornton, Fairfield District

Other Officials Present:

John A. Vithoulkas, County Manager
Joseph P. Rapisarda, Jr., County Attorney
J. T. (Tom) Tokarz, Deputy County Attorney
Barry R. Lawrence, CMC, Assistant to the County Manager/Clerk to the Board
Tanya B. Harding, CMC, Deputy Clerk/Administrative Assistant
Timothy A. Foster, P.E., Deputy County Manager for Community Operations
W. Brandon Hinton, Deputy County Manager for Administration
Anthony E. McDowell, Deputy County Manager for Public Safety
Randall R. Silber, Deputy County Manager for Community Development
C. Michael Schnurman, Legislative Liaison
Benjamin A. Sheppard, Director of Public Relations & Media Services

Prior to Mr. Nelson calling the meeting to order, Mrs. O'Bannon welcomed those who were in attendance and apologized that laryngitis caused by allergies was affecting her voice. She noted Regency Square Mall has been an important part of the community and Henrico County for more than four decades, serving for many years as the region's premier indoor shopping mall after it opened in October 1975 in the heart of what was then the region's vibrant western edge. Across the country, the retail landscape is vastly different these days, and traditional shopping centers are poised for reinvention. Regency, with its new owners the Rebkee Company and Thalhimer Realty Partners, is being remade. Mrs. O'Bannon remarked that as the Tuckahoe District Supervisor she welcomes the private investment and imagination that are breathing new life into this area. New eateries and other businesses have opened or are under construction, a testament to the community and Henrico County that Regency is being repositioned rather than torn down or allowed to languish. Regency's future is exciting because it is being shaped by creative, out-of-the-box thinking. Malls are no longer just about shopping and eating. They continue to be great community gathering places, but they are offering more variety and more in the way of experiences. Mrs. O'Bannon closed her comments by pointing out it will be wonderful to see what Regency has in store for the community.

Mr. Nelson also welcomed everyone in attendance and called the meeting to order at 5:08 p.m.

Regency Square Mall/NOVA of Virginia Aquatics Update

Mr. Vithoukas expressed excitement about the opportunity to see Regency's transformation firsthand and noted members of the School Board, Economic Development Authority Board of Directors, and Planning Commission were present. He pointed out shopping center owners and communities across the country are being challenged by how consumer goods are bought and sold. Henrico is not immune to this disruption, but the community is ready to help write the next chapter. The private investment in Regency's future is welcome and presents the opportunity to do some things that are innovative and exciting.

Mr. Vithoukas commented on the County's plans to "drown-proof" the community. He referred to the County's plans to develop the Henrico Aquatics Center along Laburnum Avenue in partnership with the YMCA of Greater Richmond and reported that site work will be underway there shortly. The center will be a place where thousands of Henrico's youth will learn to swim. The County sees swimming as a critical life skill as well as a key to good health that will strengthen self-confidence and promote academic success. Mr. Vithoukas remarked that the community's needs cannot be met by the center's two pools. NOVA of Virginia Aquatics has been in talks about developing a swimming facility at Regency. This facility is seen as supporting the County's goals for promoting healthy lifestyles, sports tourism, and drown-proofing Henrico. The facility will also serve seniors, high school swim teams, and the community.

Mr. Vithoukas announced the County's new partnership with Regency and NOVA to develop an indoor aquatics center at Regency. The project is expected to cost about \$18 million and will be supported by a mix of private and public funds. The County's anticipated contribution is \$1.75 million through a local economic development grant over a five-year period. This will buy the community 30 years of available water in the western portion of Henrico. As the result of the additional investment that the developer in making in Regency, Mr. Vithoukas is recommending that the current six-year payback financing for the developers be extended to ten years. This strong public-private partnership will be transformative and life changing for the community. Mr. Vithoukas recognized the following entities whose support has helped make this project possible: Regency, NOVA, YMCA, Jewish Community Center, SwimRVA, Henrico County Public Schools (HCPS), and the Division of Recreation and Parks.

Mr. Vithoukas turned the podium over to Mark Slusher, Senior Vice President for Thalhimer, who narrated the first portion of a slide presentation. Mr. Slusher noted the meeting was being held in what used to be the lady's accessory department for Macy's department store. Mr. Slusher began the presentation by showing an aerial photograph of Regency from March 2015. He cited the following demographic forces that have affected Regency: brick and mortar retail broke down because some retailers got complacent and let their products and services become commodities, consumers decided to buy their commodities online and go out for experiences, and boomers and millennials became a monolithic consumer block for seventy percent of the United States' retail economy whose primary focus is experiences and entertainment. Mr. Slusher explained how Rebkee and Thalhimer tore down the overpass along Quioccasin Road and how outparcel restaurants and a new front door to the mall are bringing it new life and changing the public perception of it. He identified companies who have located or expressed an interest in locating at Regency and documented how Regency has turned around a deeply declining mall and outparcel sales trend. Mr.

Slusher pointed out Regency is well located with a great history, infrastructure, and a surrounding community that desperately wants it to succeed but retail alone will not sustain its transformation or enable it to regain its standing as one of Henrico's most valuable assets and amenities. To compete with lifestyle retail centers and Richmond's hip, urban alternatives, Regency must reestablish itself as the vibrant retail, commercial, cultural, and entertainment destination it once was by providing an inviting, convenient, secure, and family-friendly environment. Locating NOVA at Regency is a critical next step in that transformation. It will take Regency to the next level and solidify its brand by bringing thousands of active families engaged in health and wellness, as well as competitive events and sports tourism; daily consumer traffic supporting the success of Regency's growing number of retailers, restaurants, and entertainment venues; and a great resource for Henrico schools, as well as seniors and those with special needs.

Mr. Slusher introduced Ann McGee, Executive Director of NOVA, who narrated the next portion of the slide presentation. She informed the Board that NOVA is a non-profit organization that has helped develop the sport of swimming and served Henrico youth since 1987. Geoff Brown is in his 32nd year as NOVA's head coach. More than 800 youth swim competitively for NOVA year-round, and more than 1,500 youth participate annually in NOVA's learn-to-swim program. Ms. McGee referred to NOVA's outreach and community engagement efforts and the growing community demand for greater access to swimming, with U.S. census data indicating swimming is the nation's fourth most popular sport. Ms. McGee advised the Board that NOVA is well positioned to meet community needs, but additional pool space will be required to fulfill its mission. She provided statistics pertaining to the limited swimming ability among children in lower income households and explained how the aging and special needs population benefit from swimming. Ms. McGee spoke to the opportunity to locate NOVA's Sharp Family 50-meter and 25-yard pools inside the former Macy's South space at Regency Mall and cited the goals of this public-private partnership as Regency revitalization, responsible public investment, and greater community access.

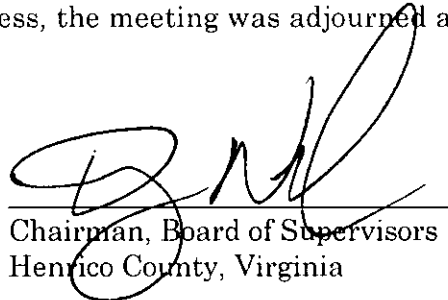
Ms. McGee recognized Rob Hargett, a principal and co-founder of Rebkee, who reviewed drawings depicting the design and location of the future NOVA Swimming pools and facilities within Regency. Mr. Hargett explained the challenges of and process for constructing the pool within a former department store. He turned the presentation back over to Ms. McGee, who explained how the Regency investment will provide significant community access to aquatics.

Ms. McGee recognized Neil Luther, Director of Recreation and Parks, who explained how greater access to water for all will result in a safer and better quality of life for Henrico residents. He lauded the County's new public-private partnership with the YMCA, which helped set the stage for the NOVA-Regency partnership. NOVA will align with (HCPS and the YMCA to offer lessons to students during the school day, provide additional practice lanes for high school varsity swimming and more competitive swim meets in Henrico, broaden exercise opportunities for elderly and special needs citizens, expand NOVAfit adult lap swimming hours for greater public access, provide summer camps through the Division of Recreation and Parks, and contribute to Regency's success by generating hundreds of visitors daily who will eat and shop at the mall. Mr. Luther pointed out the County is not in the business of building pools and the YMCA and NOVA partnerships will open up cost effective opportunities for Henrico residents that would not otherwise be available.

Mr. Luther recognized Amy Cashwell, Superintendent of Schools, who referred to the tremendous potential and community impact of these public-private partnerships. Dr. Cashwell stated that the partnerships will help further a number of goals established by HCPS to make Henrico students life ready. She also pointed to the heightening demand for high school swim teams and the expanded access that will be provided for practices and meets through the NOVA facility at Regency.

Mr. Nelson voiced his excitement over the County's partnerships with the YMCA and NOVA. He gave kudos to Mr. Thornton and Mrs. O'Bannon for their leadership in bringing these partnerships forward and working for a "drown-proof" community. Mr. Nelson thanked the Board of Supervisors, Economic Development Authority Board of Directors, School Board, Thalhimer, Rebkee, NOVA, and the other participants in this latest partnership. Mr. Nelson asked Ms. McGee to field a question from *Richmond Times-Dispatch* reporter Chris Suarez Rojas regarding fees that will be paid by the public for access to the future NOVA facility. He mentioned that representatives from NOVA, Thalhimer, Rebkee, and the County would be available at the conclusion of the meeting to answer further questions from the media or the public.

There being no further business, the meeting was adjourned at 5:47 p.m.



Chairman, Board of Supervisors
Henrico County, Virginia