

COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
April 23, 2019

The Henrico County Board of Supervisors convened a special meeting on Tuesday, April 23, 2019, at 5:30 p.m., in the County Manager's Conference Room, Administration Building, Henrico County Government Center, Parham and Hungary Spring Roads, Henrico, Virginia.

Members of the Board Present:

Thomas M. Branin, Vice Chairman, Three Chopt District
Patricia S. O'Bannon, Tuckahoe District
Daniel J. Schmitt, Brookland District

Members of the Board Absent:

Tyrone E. Nelson, Chairman, Varina District
Frank J. Thornton, Fairfield District

Other Officials Present:

John A. Vithoulikas, County Manager
Joseph P. Rapisarda, Jr., County Attorney
Joseph T. (Tom) Tokarz II, 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

Mr. Branin called the meeting to order at 5:33 p.m. Mr. Vithoulikas briefly referred to the items on this special meeting agenda.

Housing Advisory Committee Update

Mr. Vithoulikas advised the Board there was an item on the general agenda for the 7:00 p.m. regular meeting to establish a new Housing Advisory Committee and appoint the members thereto. Eric Leabough, Housing Specialist for the County Manager's Office, narrated a slide presentation on this item. He began by noting staff presented information to the Board at the January 2019 retreat pertaining to the role housing advisory bodies play in other Virginia localities and shared potential options relating to the role and structure of such a committee in Henrico. Staff received feedback from the Board and produced the final recommendations that were reflected in the resolution the Board would be considering at the 7:00 p.m. meeting. Mr. Leabough identified the roles of the committee as follows: advise the Board on housing issues, strategies, goals, and policies that will improve the County's aging housing stock and

its neighborhoods; assist with the development of innovative approaches to help the County accomplish its housing goals; assist with the evaluation of the effectiveness of housing relief and other assistance programs; and produce a biennial report to highlight the progress being made towards these goals. He informed the Board that the committee will have ten members, at least five of whom will be Henrico residents at the time of appointment, and will include representatives of a trade organization for realtors and trade organization for builders as well as a land use attorney, market-rate and affordable housing developers/builders, a supportive housing developer, commercial real estate lenders, and a marketing and settlement agent. Potential work plan items for the committee are as follows: review a memorandum of understanding (MOU) for development requiring a bond inducement resolution from the Board; provide feedback and input relating to strategies put forward in connection with the Regional Housing Framework; recommend innovative strategies to improve Henrico's mature housing stock and neighborhoods; and explore barriers to and incentives for the creation of affordable housing within a market-driven, private sector context.

At Mr. Vithoulkas' request, Mr. Leabough also updated the Board on issues involving St. Luke's Apartments in which the County has been involved. In 2018, the owners submitted a Low-Income Housing Tax Credit and bond financing application to the Virginia Housing Development Authority (VHDA) for a \$90 million development project. VHDA indicated it could only finance a portion of the requested amount, thereby creating a gap in project funding of \$20 million. VHDA, the owner, and County staff met to discuss the status of the owner's request and identify a path forward to fill the project gap. The owner is committed to pursuing a new financing resource that could offer increased funding and a more streamlined approval process. Mr. Vithoulkas clarified for Mrs. O'Bannon that the apartments will be renovated and there will be an increase in the number of units occupied by seniors. Mr. Leabough elaborated on the planned improvements and advised the Board he anticipates an MOU will be coming to the Board within the next 90 days. He responded to further questions from Mrs. O'Bannon regarding the ownership of the property. Mr. Leabough clarified for her that although the Housing Advisory Committee will have ten members, the Board resolution establishing the committee and appointing members thereto only includes nine names. A staff recommendation to fill the tenth position will be forthcoming to the Board.

Stormwater Pollution Prevention Project Grants Update

Mr. Vithoulkas recognized Steve Yob, Director of Public Works, who narrated a slide presentation titled *Stormwater Local Assistance Fund Update*. Mr. Yob provided information on the following stream restoration projects for which the County has received 2020 Stormwater Local Assistance Fund Awards: Virginia Home for Boys, Quarter Mill Apartments, Bretton Woods, Nine Mile Road Landfill, and Water Reclamation Facility. The grants will fund approximately 50 percent of project costs. Mr. Yob showed photographs depicting each of the project sites. He responded to questions from Mr. Schmitt pertaining to the timing of the grants, project schedule, and source of the County's match. He and Mr. Foster responded to questions from Mrs. O'Bannon concerning project logistics.

Mr. Yob clarified for Mrs. O'Bannon that some repairs to County roads are scheduled while others are done on a complaint basis.

The Board recessed for dinner at 5:55 p.m. and reconvened at 6:06 p.m.

2019 Water and Sewer System Revenue Bonds Issuance

Mr. Vithoulikas recognized Ned Smither, Director of Finance, who provided an overview of a proposed water and sewer revenue bonds issuance. He began his slide presentation by listing the steps in the issuance process, noting that a public hearing was scheduled for the Board's 7:00 p.m. regular meeting on a resolution to authorize an \$85 million issuance for the purposes of financing public utility improvements and refunding one or more outstanding series of water and sewer system revenue bonds. The process includes preparation of a bond offering document, presentations to rating agencies, a competitive bond sale, and bond closing, the latter of which is projected to occur on July 15. In response to questions from Mrs. O'Bannon and Mr. Schmitt, Mr. Smither updated the Board on the status of the County's efforts to attain a triple-A rating from Moody's for its water and sewer revenue bonds. Mr. Smither shared with the Board the results of last year's water and sewer revenue bond sales and the County's success in selling the bonds at a competitive rate. He explained why the timing is right for another issuance and identified the following projects to be financed: Cobbs Creek Reservoir, Water Reclamation Facility Improvements, Strawberry Hill Basin – Sewer Rehab, Water Line Rehabilitation, and Sewer Line Rehabilitation. Mr. Smither offered an historical rate comparison of triple-A rated bond yields, documented how rates have improved over the past year, and noted the County expects to save in excess of \$900,000 by possibly refunding existing Series 2009B water and sewer bonds valued at \$9.8 million. He concluded his presentation by listing the ratings from all three bond rating agencies for the County's water and sewer system. The County's water and sewer bonds have the highest rating from Standard & Poor's and Fitch ("AAA") and "Aa1" from Moody's. Only 14 systems in the United States are rated "AAA" by all three agencies.

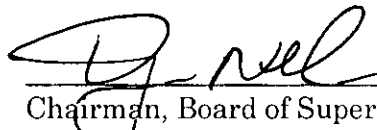
Regular Meeting Agenda Items

Mr. Vithoulikas displayed a photograph of Sharlene Ladd, Food Services Manager for Café 1611, who passed away unexpectedly on April 18. He advised the Board that he attended Mrs. Ladd's beautiful funeral service on April 20 along with Mrs. Harding. Mr. Vithoulikas pointed out Mrs. Ladd was instrumental in rebranding the cafeteria during her tenure by overseeing a remodeling project, healthy choice campaign, the issuance of gift cards, and the acceptance of debit cards. Under her leadership, Café 1611 was recognized by NBC-TV Channel 12 with a Hall of Fame Award. Mrs. O'Bannon noted Mrs. Ladd had Native-American heritage.

Mr. Vithoulikas reviewed the agenda for the 7:00 p.m. meeting, which included Manager's Comments recognizing four young men in the community for their life-saving efforts and Elvin Cosby, a Department of Public Works employee, for his 73 years of service to the County as he approaches his announced retirement date of April 30. Mr. Vithoulikas referred to the four proclamations on the agenda and six public hearing items. He advised the Board that one citizen had indicated an interest in addressing the Board during the public comment period on the County's stormwater local assistance fund grants. Mr. Vithoulikas covered the six general agenda items, beginning with a resolution to approve the Fiscal Year 2020 budget. In response to a question from Mr. Schmitt, he explained how the County will fund the costs in the upcoming year's budget of adding Sunday afternoon hours to Libbie Mill Library and to Fairfield Library once that new facility opens. Mr. Vithoulikas pointed out the next two items on the general agenda, resolutions for the establishment of the Housing Advisory Committee and authorizing a contract amendment for zoning and subdivision ordinance consulting services, emanated from the Board's January 2019 retreat. Mr. Silber elaborated

on the contract amendment resolution. Mr. Foster explained a resolution to authorize the acquisition of real property on Dabbs House Road. Mr. Yob explained the final two resolutions on the general agenda, to authorize agreements with the Virginia Department of Transportation for the Lakeside Avenue Bridge Replacement Project and Wilkinson Road Culvert Replacement Project. Mr. Vithoulkas advised that although Mr. Nelson was absent from this special meeting, he would attend the 7:00 p.m. meeting. He further advised that Mr. Thornton would be absent from the 7:00 p.m. meeting as well as being absent from this special meeting.

There being no further business, the meeting was adjourned at 6:28 p.m.



Chairman, Board of Supervisors
Henrico County, Virginia