

COUNTY OF HENRICO, VIRGINIA
BOARD OF SUPERVISORS
SPECIAL MEETING
September 28, 2010

The Henrico County Board of Supervisors convened a special meeting on Tuesday, September 28, 2010 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:

Frank J. Thornton, Vice Chairman, Fairfield District
Richard W. Glover, Brookland District
James B. Donati, Jr., Varina District
David A. Kaechele, Three Chopt District

Member of the Board Absent:

Patricia S. O'Bannon, Chairman, Tuckahoe District

Other Officials Present:

Virgil R. Hazelett, P.E., County Manager
Joseph P. Rapisarda, Jr., County Attorney
Barry R. Lawrence, CMC, Assistant to the County Manager/Clerk to the Board
Tanya B. Harding, Administrative Assistant/Deputy Clerk to the Board
George T. Drumwright, Jr., Deputy County Manager for Community Services
Angela N. Harper, FAICP, Deputy County Manager for Special Services
Leon T. Johnson, Ph.D., Deputy County Manager for Administration
Robert K. Pinkerton, P.E., Deputy County Manager for Community Operations
John A. Vithoukias, Director of Finance/Special Economic Advisor to the County Manager
C. Michael Schnurman, Jr., Legislative Liaison
Jennifer K. Acker, Assistant Director of Public Relations & Media Services

Mr. Thornton called the meeting to order at 5:31 p.m.

Mr. Hazelett announced that Mrs. O'Bannon was in Europe visiting her son and would be returning to the County on October 5.

2011 Legislative Program

Mr. Hazelett explained that staff was trying to minimize requests in the County's 2011 Legislative Program given the General Assembly's focus on the economy, Alcoholic Beverage Control (ABC) privatization, and redistricting. He noted that Mr. Vithoukias presented an economic outlook to the County's legislative delegation at last year's annual dinner meeting that was valued

and well received by the legislators and will be prepared to make an updated presentation on the economy at this year's dinner meeting.

Mr. Hazelett recognized Mr. Schnurman, who announced that this year's legislative dinner is scheduled for November 3, 2010, the day after all 140 seats in the General Assembly are up for election. Mr. Schnurman pointed out that there was only one legislative request included in the County's draft 2011 Legislative Program, to grant the County the authority to establish defense manufacturing zones, which would provide tax and regulatory incentives to attract businesses. He stated that more than 14,400 jobs have been lost in the metropolitan region since 2008, with more than two-thirds of those losses occurring in Henrico due to the closing of Qimonda and bankruptcies of LandAmerica and Circuit City. Mr. Schnurman further pointed out that the thousands of employees with technical skills who were laid off during the recession could benefit from new manufacturing jobs and that the County was ideally situated to attract defense manufacturing jobs given its close proximity to institutions of higher learning and to Washington, D.C. and Hampton Roads. Mr. Hazelett, Mr. Schnurman, and Mr. Rapisarda responded to questions from the Board regarding the accuracy of cited job loss statistics, why State legislation is needed to establish defense manufacturing zones, the types of tax incentives that could be offered, the types of businesses that would qualify for tax incentives, whether the requested legislation would be specific to Henrico, and how defense manufacturing zones would fit into the County's land use plan and zoning classifications. Mr. Rapisarda advised that defense manufacturing zones are still in the conceptual stage and that there will need to be a lot of interagency study to work out the details.

There was some discussion by the Board and Mr. Hazelett regarding the County's strategy for pursuing equal taxing authority between counties and cities. Mr. Schnurman then referred to the County's four legislative goals listed in the 2011 Draft Legislative Program pamphlet that he distributed to the Board at the outset of the meeting. These goals, which are largely unchanged over previous years, include local autonomy, state aid to localities, economic development, and state and federal mandates. Mr. Thornton reiterated a suggestion he made last year that the County pursue legislation to restore voting rights for certain ex-offenders. Mr. Schnurman commented that the Governor is working on this issue and that he will track pertinent House and Senate bills that are introduced in the General Assembly and will update the Board on their progress.

Mr. Hazelett reiterated staff's philosophy for only including one item in this year's Legislative Program and referred to the County's good relationship with its General Assembly delegation, which involves considerable sharing of information. He noted that staff will be at the General Assembly on many other items of concern and will be having sensitive conversations with legislators on these items. Mr. Schnurman remarked that the reputation of Henrico County continues to grow among State legislators.

Mr. Hazelett, Mr. Schnurman, and Mr. Vithoukas responded to questions and comments from the Board pertaining to the County's residential/commercial real estate tax base ratio; the annual City of Chesapeake survey of the tax burden among Virginia's 13 largest localities; a 20-year decline in the County's manufacturing tax base; strategies for addressing the General Assembly's potential assault on local funding sources such as the Business, Professional, and Occupational

License (BPOL) tax; and the status of Virginia Retirement System. Mr. Thornton indicated that the County could be more effective in sharing written information with its legislators on County programs.

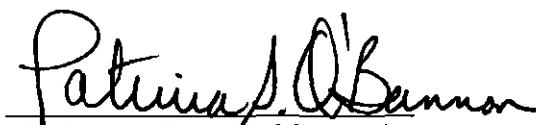
The Board recessed for dinner at 6:10 p.m. and reconvened at 6:13 p.m.

Mr. Hazelett introduced Mr. Vithoukas, who gave an oral overview of economic information that he will present to the County's legislative delegation at the November 3, 2010 dinner meeting. This year's presentation will be educational and factual; will be shorter than last year's presentation; and will address how the County has balanced its budget, is changing the way it does business, and administers the BPOL tax. Mr. Vithoukas and Mr. Hazelett responded to questions and comments from the Board relating to the impact of the economy on the County's BPOL and machinery and tool tax revenues, the County's growing retail industry, the status of the County's manufacturing and residential and commercial real estate tax bases, the County's current office vacancy rate, and the recent surplus identified within the Virginia Department of Transportation's budget.

Mr. Hazelett reviewed the four presentation items on the evening's regular meeting agenda. He then commented on the number of visitors from different states who have visited the new Dabbs House Visitor's Center since it first opened on September 17, 2010. Mr. Hazelett returned to the agenda and reviewed the appointment and resignation papers and general agenda items. He advised that one citizen, Bennie Easley of the Fairfield District, had signed up in advance to speak during the public comment period at the evening meeting. Mr. Easley was requesting that the County remove a fence that his neighbor had constructed on his property and also was seeking the County's assistance in helping him locate a new tool shed that he wanted to build on his property. Mr. Hazelett advised the Board that although the County could assist Mr. Easley in finding a site for the tool shed it could not do anything about the fence because this was a civil matter between Mr. Easley and his neighbor. Staff had previously explained this to Mr. Easley and Mr. Thornton. Mr. Hazelett also informed the Board that Vicki Beaty, a Three Chopt District resident who addressed the Board during the public comment period at previous meetings, might reappear at the evening meeting to speak to the Board. Staff had prepared a draft letter to Ms. Beaty stating that the County had done everything it could do to help her with her concerns involving redevelopment of a commercial site adjoining her property.

Mr. Hazelett briefly updated the Board on the status of the Freedom Flag Monument proposal and the County museum. He concluded by referring to issues associated with an anticipated future bond referendum.

There being no further business, the meeting was adjourned at 6:40 p.m.


Chairman, Board of Supervisors
Henrico County, Virginia