



Glenn Youngkin  
Governor

Caren Merrick  
Secretary of  
Commerce and Trade

# COMMONWEALTH of VIRGINIA

## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Bryan W. Horn  
Director

### Commission on Local Government

#### Special Meeting

February 16, 2024

11:00 a.m.

Virginia Department of Housing and Community Development

600 East Main Street

Richmond, VA 23219

#### Members Present

Edwin S. Rosado, Chair  
Ceasor T. Johnson, D.Min, (attending virtually)  
Diane M. Linderman, PE (attending virtually)  
Terry Payne

#### Members Absent

Robert W. Lauterberg, Vice Chair, not attending because of recusal from the case discussed at this meeting

#### Call to Order

The Commission on Local Government (CLG) Chair, Edwin Rosado, called the special meeting to order at 11:00 a.m.

Mr. LeGrand Northcutt, Senior Policy Analyst at the Virginia Department of Housing and Community Development (DHCD) initiated a roll call vote. Mr. Northcutt informed the Chair that a quorum of Commissioners Johnson, Linderman, Rosado, and Payne were present, with Commissioners Johnson and Linderman attending virtually.

Pursuant to the Commission's electronic meetings policy, Commissioner Linderman attended virtually under provision #4 due to a personal matter. She attended from Midlothian, Virginia. There was no objection to her virtual participation.

Pursuant to the Commission's electronic meetings policy, Commissioner Linderman attended virtually under provision #2 due to his residence being more than 60 miles from the place of the meeting. He attended from Concord, Virginia. There was no objection to his virtual participation.



## Approval of Agenda

The Chair asked for amendments to the draft agenda to strike section III a and replace it with “update on voluntary settlement agreement negotiations”, change section III ii to consider multiple schedules, as well as add a section under other business for a staff update on SB645, fiscal distress bills.

Commissioner Linderman moved the amendments and adoption of the draft agenda. The motions were seconded by Commissioner Payne and passed unanimously.

## Public Comment Period

The Chair opened the floor for the public comment period.

There was no public comment, so the Chair closed the public comment period.

The Chair introduced the following guests who were in attendance:

- Greg Haley, representing the Town of Leesburg
- Max Hlavin, representing Loudoun County

## Cases before the Commission

Mr. Haley updated the Commissioners on the status of the voluntary settlement agreement between the Town and the County.

## Loudoun County and the Town of Leesburg

Mr. Haley explained that, at their January mediation, the Town and County reached an agreement on the terms of the VSA. They include annexation only with consent of the property owners, the elimination of out-of-town water rates, a 25 year additional moratorium on city status petitions from the Town, a \$2 million/year economic development payment to the Town, and both parties seeking approval of the VSA by the end of 2024.

The Town has not gotten consent from Microsoft, the largest landowner in the area, and therefore was not able to approve the VSA at its February 13<sup>th</sup> meeting as originally planned. Mr. Haley stated that Microsoft has verbally agreed to consent, but it is not likely that they will get Microsoft’s consent in writing in time to keep the March 7<sup>th</sup> hearing dates.



If the Town does get Microsoft's consent in time to keep the March 7th hearing date, then the Commission will continue with its previously adopted hearing schedule. The County adopted the agreement at its regular meeting on February 6<sup>th</sup> with the ability to make minor amendments if the Town were to pass a substantively similar version.

Mr. Hlavin agreed with Mr. Haley's update, thanked the Town for its hard work, and stressed that it is important to the County for the Town to get consent from the property owners even though this is not required by law.

Presentation of contingent review schedules

Because the Town's adoption of the VSA, and therefore the Commission's review, is contingent upon Microsoft's consent to be annexed, Mr. Northcutt presented two review schedules, one for March 7<sup>th</sup>, and one for March 21<sup>st</sup>, contingent upon the Town's receipt of Microsoft's consent to be annexed.

After discussion with the parties, Commissioner Linderman suggested that the case be heard later in the day to allow the Commissioners to arrive on Thursday morning instead of Wednesday evening. Commissioner Linderman then moved the following amendments to the review schedule: 1) move and shorten the morning site visit to 10:00 am to 11:30 am, and 2) begin opening statements after lunch at 1:00 pm. The motion was seconded by Commissioner Johnson and passed unanimously.

Commissioner Linderman moved to adopt the amended review schedule with a second by Commissioner Johnson. The motion passed unanimously.

Approval of Notice of Public Hearing

Staff presented the draft notice of public hearing required by Code of Virginia 15.2-2907(B). Commissioner Payne moved and Commissioner Linderman seconded to adopt the notice and direct staff to publish the notice in the Loudoun Times-Mirror on dates contingent upon the review schedules. The motion passed unanimously.

Other business

Staff updated the Commission on SB654, regarding localities in fiscal distress, which passed the Senate 34-6.

Update on bills that affect the Commission

If a locality is deemed to be in fiscal distress by the Auditor of Public Accounts, the bill directs the Commission to oversee a state intervention team, report to the Governor on the likelihood that the



locality can exit fiscal distress with state intervention, hire an emergency fiscal manager, and work with said manager to develop a remediation plan for the locality to exit fiscal distress.

The bill will have a fiscal impact on the Commission and may undergo further revisions as it moves through the House. Staff will keep the Commissioners updated on developments with the bill.

#### Schedule of Regular Meetings

The Commission discussed its upcoming regular meetings and whether those meetings should be rescheduled to correspond with upcoming cases.

Commissioner Linderman, with a second by Commissioner Johnson, moved to move the March regular meeting to March 8<sup>th</sup> or March 22<sup>nd</sup> to correspond with the public hearing in the Loudoun/Leesburg case, contingent upon which review schedule is followed. The motion passed unanimously.

Commissioner Linderman, with a second by Commissioner Johnson, moved to move the May regular meeting to May 21<sup>st</sup> to correspond with the public hearing in the Washington/Rappahannock case. The motion passed unanimously.

#### Adjournment

Commissioner Linderman moved to adjourn, seconded by Commissioner Payne. The meeting adjourned at 12:30.

