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COMMONWEALTH of VIRGINIA

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Bryan W. Horn
Director

Commission on Local Government

July 21, 2023

12:00 Noon

Virginia Housing Center

4224 Cox Road

Glen Allen, VA 23060

Members Present

Ceasor T. Johnson, D.Min, Chair (attending virtually)

Edwin S. Rosado, Vice Chair

Diane M. Linderman, PE

Robert W. Lauterberg

Call to Order

Members Absent

None

The Commission on Local Government (CLG) Chair, Ceasor Johnson, called the meeting to order at 12:12 p.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 Chair Johnson that a quorum of Commissioners Linderman, Rosado, and Lauterberg were present in person, with Commissioner Johnson attending virtually.

Pursuant to the Commission's electronic meetings policy, Commissioner Johnson attended virtually under provision #2, that his principle residence is more than 60 miles from the location of the meeting. He attended from Lynchburg. There was no objection to his virtual participation.

Administration

The draft agenda was adopted unanimously on a motion by Commissioner Linderman and a second by Commissioner Rosado.

The minutes from the May 5th, 2023 regular meeting were adopted unanimously on a motion by Commissioner Rosado and a second by Commissioner Linderman.



Chair Johnson opened the floor for the public comment period.

Justin Bell, Assistant Attorney General for the Department of Housing and Community Development, introduced himself to the Commission and let the Commissioners know that he was available as a resource should he ever be needed.

There were no further public comments, and the Chair closed the public comment period.

Staff Report and Updates

Mr. Northcutt introduced Trisha Lindsey, the new Policy and Legislative Director at DHCD, who will be serving as additional staff for the Commission.

Mr. Northcutt gave an update on articles of interest to the Commission that were distributed in the meeting packet. The articles noted that James City County and the City of Williamsburg are considering separating their consolidated school system. Staff discussed potential issues that may come before the Commission if the school systems were to separate.

Mr. Chase Sawyer, Senior Policy Analyst at DHCD, gave a brief update on the status of 2023 catalogue of mandates and the cash proffers survey. Both are on schedule and will be reported on when they are completed.

Ms. Grace Wheaton, Senior Policy Analyst at DHCD, gave an update on revisions to the fiscal impact statement process as a follow up from the May meeting. The update process is ongoing. Commissioner Lauterberg requested a list of bills and the blank fiscal impact statement questionnaire so that he can assist with these updates before the start of the 2024 General Assembly Session.

FY21 Fiscal Stress Report

Ms. Wheaton gave a presentation on the FY21 Fiscal Stress Report.

A robust discussion about the nature of the report itself ensued from the presentation. Commissioner Lauterberg engaged staff in a series of questions about where the fiscal stress report is mentioned in code, what is it used for, and who uses it. While staff has some information related to these questions, there is no definitive way to know who uses the report and for what purposes. Commissioner Rosado commented



that most localities will use it to talk about themselves and their financial situation to lobby for more aid from the General Assembly.

The Commissioners asked about the underlying data used for the report, specifically where it comes from, how it is collected, and how delinquent localities may be encouraged to submit their data on time. Staff responded that the information is all publicly available and is not submitted directly to the Commission, but instead, is collected by staff each year from the auditor of public accounts and other state agencies. Commissioner Linderman commented about past years where the Commission had considered contacting delinquent localities and refrained from doing so.

Commissioner Lauterberg expressed a desire to ensure that the Report is useful to the public and those who work in public finance. He brought up apparent inconsistencies in the report related to cities and counties with large numbers of college students as well as differences between the bond ratings of localities and their fiscal stress.

After continued discussion and a suggestion by staff to reconsider the report at the September meeting given the number of questions, Commissioner Rosado moved, and Commissioner Linderman seconded, that an ad hoc workgroup be created to take another look at the fiscal stress report with relevant stakeholders and provide recommendations for how it can be revised or improved so that it is more accurate, accessible, and useful for its intended audience.

In debating the motion, Commissioner Johnson expressed that staff may not be able to handle the responsibilities of an additional work group with its current work load.

The Commission decided that Commissioner Lauterberg and Commissioner Rosado would lead the workgroup, assisted by staff and any other stakeholders to be identified by the workgroup. The workgroup will report its findings at a time to be determined by the group.

The motion to create an ad hoc workgroup led by Commissioners Rosado and Lauterberg passed unanimously.



Periodic Review of Regulations

Mr. Northcutt gave a presentation on the need for periodic review or regulations which included an overview of the timeline and a suggested course of action.

Commissioner Rosado moved that staff publish a notice of periodic review of 1VAC-50-20 in the Virginia Register at the end of August to begin the periodic review process. The motion was seconded by Commissioner Linderman and passed unanimously.

Workgroup Updates

Commissioner Linderman gave an update on the initial meeting of the Virginia Code Commission workgroup to update notices of local government action. She has not been involved in any substantive decisions of the group at this point.

Official Meeting Adjournment

Commissioner Linderman left the meeting 1:23, and the Commission lost its physical quorum. The meeting was adjourned for lack of a quorum, but staff continued with additional updates on information relevant to the Commission's work for the benefit of the remaining Commissioners and the public.

Regulatory Reduction

Staff gave a presentation on the Commission's regulatory reduction goals as required by Executive Order 19 (2023) and the Office of Regulatory Management. As a follow up to the meeting, staff will distribute and make public the official count of Commission regulations required by the Office of Regulatory Management once it has been approved.

In order to facilitate regulatory reduction, staff will prompt the Commissioners to reconsider the virtual meeting schedule at the September meeting.

Cases before the Commission

Staff updated the Commission on the negotiations between the Town of Leesburg and Loudoun County. A voluntary settlement agreement was not reached. The County filed its responsive documents on July 7th. The parties have not agreed on a revised review schedule.

Staff updated the Commission about receiving a potential economic growth sharing agreement between Martinsville and Henry County. Staff will send the proposed agreements after the meeting and make them public once formal notice is filed with the Commission.

