BETTER COMMUNITIES THROUGH SOUND GOVERNMENT

2027 Community & Economic Development Policy Statement

Community and economic development are essential elements for the vitality of the Commonwealth of Virginia.

Diverse communities and neighborhoods are critically important to the health of Virginia's local governments. VML supports legislation to encourage state and local cooperation efforts that promote the diversity of and safety of all populations, that encourage the maintenance and protection of property in neighborhoods, and that improve the livability of Virginia's cities, towns, and counties. This includes improving the environment and quality of life in our localities.

VML urges the state to partner with localities to develop, share, and carry out the state economic development strategic plan. Local governments are also encouraged to work together in regional efforts to improve the quality of life and take advantage of economic development opportunities in conjunction with housing objectives. State support should be included in regional efforts in collaboration with local elected officials.

Incentive programs, provided through GO Virginia, Virginia Housing, Opportunity Zones, the Commonwealth's Opportunity Fund, and the Virginia Enterprise Zone Program are important economic development tools, particularly in a challenging economy. All parties benefit when the state works cohesively with local governments to ensure that economic development efforts focus on improving opportunities and sustainability. This cooperation includes technical assistance from the state and coordination on site acquisition and development. VML supports clarification on criteria for grant programs especially regarding fiscal health and/or economically distressed localities. Grant programs must consider the totality of the circumstance of a local government's fiscal health.

Efforts that we deem appropriate include grants and state tax incentives and efforts to assist minority, veteran-owned and women-owned businesses. The state should strive to fully fund programs that strengthen local governments' commercial and industrial tax bases to reduce pressure on the residential real estate tax base.

VML encourages the state to engage localities very early in the process when assisting with economic development prospects so that localities can better prepare for potential impacts. Site Readiness and Certified Economic Development Sites are important to localities and assistance from the State is encouraged to prepare these sites.

PLANNING AND LAND USE

VML encourages the Governor and General Assembly to expand local authority and land use management tools provided in the state code to ensure that the policies of the Commonwealth and localities encourage and support healthy cities and towns. Localities should have the flexibility to encourage mixed use and inclusive communities along with varying densities. The policies of the Commonwealth should support sustainable growth in and around urban centers to help local governments create more livable, environmentally responsible communities, thus reducing the environmental impact of growth. In addition, policies should alleviate transportation funding problems for the Commonwealth and should promote transportation priorities to promote public transportation modes as well as pedestrian and bicycle transportation. VML supports multi-modal transportation options for regions and localities with local input on access to multi-modal facilities.

Planning and land use control are two of local government's most important functions. Localities must maintain control of local land use decisions. Neither the state nor federal governments should usurp or pre-empt a locality's power to make such decisions or impose processes that weaken planning and land use functions. This includes home businesses and other activities that may put one individual's property rights into conflict with another's. The General Assembly should allow local governments to exercise land use authority in the manner that the local government deems appropriate for its circumstances. Coordination of local land use planning, the availability of public water and wastewater and transportation planning improves the ability of all levels of government to deal with and manage growth-related issues the Commonwealth faces in the long-term.

All localities should be guided by their comprehensive plan for future development. However, VML encourages a review of the components of the comprehensive plan to ensure that they are both necessary and include only essential functions of local government. State agencies should be required to comply with local comprehensive plans and local land use regulations and policies. VML opposes any additional legislation that would exempt religious organizations or provide special entitlements to individuals and industries from neutral, generally applicable local ordinances, and in particular, local zoning and public safety ordinances.

The General Assembly should enhance local government's ability to plan for future growth by authorizing a complete spectrum of land use and growth management tools and should allow and provide localities more creative, locally initiated planning and land use mechanisms.

When a county's transfer of development rights program includes lands adjacent to a city or town, the General Assembly should provide the municipality with the authority necessary to fully participate in the decisions on transferring such rights when it is determined by the municipality that the land-use change will impact its citizens.

VML supports the state's exploration of sustainable development, provided there is not an effort to supplant the authority of local governments to determine their own land use policies and encourages the consideration of incentives for localities to implement sustainable development approaches.

VML supports enhanced redevelopment opportunities through the adoption of an urban policy for the commonwealth, and implementation of growth management policies that encourage growth and economic development in urban areas.

VML supports the position that the vested rights law is prospective only and that local governments have the authority to amend zoning ordinances in the future.

The law on nonconforming uses and structures must be maintained. The desires of a single property owner should not outweigh the interests of the neighbors, who benefit from properties coming into conformance with the zoning ordinance over time through the effects of the law on nonconformity.

The General Assembly should not enact any legislation, under the name of private property protection law, that seeks to weaken local powers to regulate land uses or that requires additional compensation beyond judicial interpretation of the Fifth Amendment of the U.S. Constitution and Article I, section II of the Virginia Constitution.

ZONING INCENTIVES FOR IN-FILL DEVELOPMENT AND REDEVELOPMENT

The state code should continue to ensure that local governments have a full range of authority to promote affordable and mixed income housing, including authority to facilitate in-fill development, redevelopment, and mixing of uses in redevelopment projects. Therefore, the Code of Virginia must not be changed to limit local governments' authority to enact land use regulations for the benefit of all citizens of a locality

VARIANCES, SPECIAL EXCEPTIONS & CONDITIONAL USE PERMITS

VML maintains that the law on variances should be retained in its current form. Because land use is controlled at the local level, the General Assembly should not require or dictate any specific procedures for special exceptions, conditional use permits or similar land use decisions.

HOUSING

VML urges state and local governing bodies to develop and maintain a balanced housing mix, including affordable and workforce housing. This balance should be determined by a locality, as local officials are in the best position to determine that mixture. Local governments must be fully involved in the decisions on the placement of affordable and workforce housing in their jurisdictions. Procedures involving the granting of tax credits for projects must involve local governing bodies. VML supports expanded and flexible state funding for affordable and workforce housing while working with local governments to encourage the development of mixed income development and redevelopment, coupled with support for mixed use projects. In addition, all affordable housing tools in the Virginia Code should be available to all localities.

Any locality that issues a Section 8 housing certificate should have housing available in the jurisdiction for the certificate's holder, to prevent persons who are granted Section 8 certificates from having to leave their home jurisdiction in order to find housing.

VML supports the Commonwealth enacting policies that allow persons with a prior felony conviction to have the ability to acquire housing. This could include a model criminal history screening policy or other methods that would support the reduction of homelessness.

SHORT TERM RENTALS

The authority to regulate short term rentals should be maintained at the local level. VML supports ensuring that there is no erosion of local authority and that there are robust registry rules for enforcement and tax collection purposes. In addition, VML supports maintaining local collection of local taxes and does not support a single portal model for tax collection for short term rentals. VML supports maintaining the ability of local governments to set rates for meals and transient occupancy taxes without further restrictions.

HOUSING OPTIONS TO INCLUDE MANUFACTURED HOUSING, TINY HOUSES, ACCESSORY DWELLING UNITS, ETC.

Local governments must retain the authority to plan for the appropriate mix of residential structures in their communities and must retain full authority to regulate the placement of all types of housing without state intervention. New housing options must be explored in our efforts to increase the housing stock.

BLIGHT AND NEIGHBORHOOD PRESERVATION

The General Assembly should strengthen the authority of localities along with providing funding opportunities to manage and reduce blight. This could be done through empowering localities' flexibility with building permits issued for repairs or renovation. There are many methods that could be considered to empower local governments including but not limited to:

a) the requirement of timely completion of the work,
b) filing a legitimate plan by the owner, diligently pursued, to complete the work,
c) authorizing local government action to correct the health and public safety problems created by incomplete work and to either seize available assets of the owner and use them to fund corrective action or impose high fees that would recover the locality's costs on a priority basis.

This would be similar to the localities' powers for retrieving unpaid taxes.

VML supports strengthening the minimum property maintenance code which is optional for local governments to adopt.

RESPONSIBLE GROWTH MANAGEMENT

Current state land use authority is often inadequate to allow local governments to provide the infrastructure and services for growth in a manner that protects and improves the quality of life in our communities. The General Assembly should authorize local governments to implement growth management policies including impact fees in order to enable localities to facilitate orderly, rational growth in a manner appropriate to their communities. The authority to impose impact fees should include calculations for the cost of all public infrastructure, including local transportation, transit, and school construction costs, caused by growth. Until a comprehensive

impact fee system is authorized, all localities should retain full authority for conditional zoning to meet the needs of new citizens for public infrastructure.

The General Assembly should take all steps needed to assist towns and cities to work with the surrounding counties to promote growth in patterns that help the vitality of the municipalities. Any change must not shift the burden of paying for new infrastructure to existing citizens through increased real estate taxes.

VML supports the ability of localities to prepare for the closure of state facilities and supports the state providing ample notice to localities of proposed closures and the loss of jobs. Further, facilities being closed should not be left in a state of disrepair or blight, further impacting the surrounding community.

DESIGN FOR ALL CITIZENS

As life expectancy rises and as the number of citizens with significant physical disabilities and limitations is increasing, Virginia's local governments recognize that man-made environments must be made accessible to and inclusive of all citizens, whether aging, disabled, homeless or facing other limitations. Therefore, the state's laws, regulations and policies must serve to increase accessibility for the aged, disabled, and homeless populations. Such laws, regulations and policies that do not assist in reaching these goals should be amended or repealed.

Building codes should be amended to help achieve these goals in new and existing construction. Further, state laws, regulations and policies must be amended, to give local governments full authority to provide accessible private and public infrastructure.

EDUCATIONAL INSTITUTIONS AND WORKFORCE DEVELOPMENT

VML supports institutes of higher education complying with local land use and being a good neighbor. For localities to have a strong and diversified economic base, education of all types is desired, including two-year and four -year programs. In addition, VML supports all programs which encourage persons to enter the workforce such as apprenticeship programs, certificate programs or on-the-job training. Encouraging all types of education will attract new business and allow existing businesses to compete effectively.

TRANSPORTATION

Localities need greater input on how changes to VDOT managed infrastructure affect localities as well as input on priorities for addressing infrastructure issues.

PRESERVATION OF RIGHTS-OF-WAY

Road projects take many years from the planning stage to construction. Often localities need to reserve miles of rights-of-way years in advance of any funding availability for these projects, or risk development in the path of these road projects. Localities need tools to enable them to reserve rights-of-way for longer periods of time. While current law allows reservation, localities are often unable to provide the upfront funding needed to purchase these rights-of-way in the allotted timeframe.