

# **2010 Thomas Jefferson Planning District Legislative Program**

**Representing the Local Governments of:**

**Albemarle County  
City of Charlottesville  
Fluvanna County  
Greene County  
Louisa County  
Nelson County**

**FIRST DRAFT  
September 2009**

**Carl Schmitt, Chairman  
Steve Williams, Executive Director  
David Blount, Legislative Liaison**

# ACTION ITEMS

## LOCAL and STATE FUNDING OBLIGATIONS

*Legislative Position of TJPDC, Charlottesville,  
and the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson*

**The Planning District localities urge the governor and legislature to honor their funding obligations to services provided in cities and counties by their local government partners, and to resist shifting costs or expanding requirements for these programs to localities.**

Revisions to the state general fund budget for FY09/FY10 approved by the 2009 General Assembly produced a \$2.8 billion reduction over the previous version of the plan. A continuing decline in state revenue collections has driven the gap in the current fiscal year to an estimated \$1.35 billion, and it could go higher. FY10 state general fund revenues likely will be \$750 million below FY06 state general fund revenues. The gloomy budget outlook likely will extend into 2011 and 2012 as well, as projections call for only modest revenue growth over the period. All this spells bad news for state aid to localities. There will be additional reductions in state aid at the same time cost pressures continue to build. This causes great concern for local governments, especially in the areas of public education, public safety and health/human services. We believe reduction or elimination of state funding for state-required services/programs should be accompanied by relaxation or suspension of the state requirement or flexibility for the locality to meet the requirement.

Local governments, which are overly dependent on the real estate tax that continues to produce less revenue due to the sluggish housing market, cannot continue to pick up the slack when the state retreats from its obligations. Unfunded and underfunded state mandates/commitments and “cost shifting” by the state reduce the ability, especially in our rural localities, to meet local needs, and often force our citizens to bear local tax and fee increases to pay for programs and services. Service cuts will have a direct and harmful effect on the lives and well-being of our citizens who expect, rely and need programs in critical areas such as education, safety and human services. In addition, increased demand for services primarily funded at the local level present unique challenges to rural, urban and fast-growing localities alike (all present in our region).

We believe that any changes to Virginia’s tax code should not reduce local government revenues or restrict local taxing authority. The legislature should broaden the revenue sources available to local governments, rather than capping, removing or restricting them. The state should refrain from establishing local tax policy at the state level and allow local governments to retain authority over decisions that determine the equity of local taxation policy, if governing bodies are to provide cost-effective services. This includes the processes for setting real estate tax rates and developing and approving budgets, which are integrated processes that are effective in involving the public and ensuring efficient tax administration.

## **PUBLIC EDUCATION FUNDING**

*Legislative Position of TJPDC, Charlottesville,  
and the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson*

**The Planning District localities urge the legislature to fully fund the state share of the realistic costs of rebenchmarking the Standards of Quality (SOQ) without making formula changes that shift the funding burden to localities.**

The state spends roughly \$6 billion/year on public education, about one-third of its general fund budget. This funding was reduced by more than \$600 million (from \$6.3 billion to \$5.7 billion) during the past legislative session, and despite increased cost pressures, public education funding is a prime target for cutting again. Stimulus dollars that helped offset some education reductions this past session again will be plugged into the FY11 budget, but will not be available in FY12. Meanwhile, local governments boost education funding by spending \$3 billion more per year than required by the state.

The state should resist changes during the upcoming rebenchmarking of education costs that would require localities to fund a greater share of those costs. The state should not continue the cap on state funding for education support personnel that was enacted for FY10, and should defeat proposals that would recalculate personnel salaries by recognizing only state (and not also local) costs, that increase the federal revenue deduction (which saves the state money increases required local costs), and that reduce the current 55% state share of SOQ costs. State funding should be realistic and recognize actual educational needs, practices and costs; otherwise, more of the education funding burden will fall on local real estate taxes. We also support establishment of a mechanism for local appeal of the calculated Local Composite Index (LCI) to the state; changes to the LCI that negatively impact a locality also drive up local taxes.

The state budgeted teacher salary figure (on which it bases its share of teacher costs) trails the statewide and national averages. Teacher pay comprises the majority of K-12 expenditures, and local market conditions dictate the level of pay required to recruit and retain quality teachers. Accordingly, localities in our region should be included in the "Cost of Competing Adjustment" now available only to various localities primarily in Northern Virginia. This would help our localities to reach and maintain competitive compensation. Likewise, to help recruit, develop and retain a highly qualified and diverse teacher workforce, the state also should not eliminate or decrease state funding for benefits for school employees.

Regarding school capital needs, we continue to urge state financial assistance with school construction and renovation needs, including funding for the Literary Loan and interest rate subsidy programs. The state should resist its customary seizing of dollars from the Literary Fund to pay state costs for teacher retirement. We also support an increase in the maximum amount of Literary Fund loans from the current \$7.5 million.

# LAND USE and GROWTH MANAGEMENT

*Legislative Position of TJPDC, Charlottesville,  
and the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson*

**The Planning District localities encourage the state to provide local governments with additional tools to manage growth, without preempting or circumventing existing authorities.**

Recent years have seen an increase in both mandated and optional land use provisions applicable to local governments to address growth issues. Still, current land use authority often is inadequate to allow local governments to provide for balanced, sustainable growth in a manner that protects and improves quality of life.

The Joint Subcommittee Studying Development and Land Use Tools has renewed discussion of two issues that garnered great attention the past several years. The group is taking another stab at crafting legislation to replace cash proffers with impact fees for roads, schools and public safety facilities. Two years ago, amidst opposition from local governments, the General Assembly defeated a measure to repeal local authority to accept voluntary cash proffers from new residential projects, while revising existing impact fee authority and capping the amount of impact fees a locality could impose. The group also has debated revising the existing urban development area (UDA) provisions adopted two years ago as part of the 2007 Transportation Act, proposing to establish separate tiers, by population, of UDA requirements.

We support efforts to have impact fee and proffer systems that are workable and meaningful for various parties, but we oppose attempts to weaken our current proffer authority. Rather, the road impact fee authority adopted in 2007 should be revised to include additional localities and to provide: 1) a fair allocation of the costs of new growth on public facilities; 2) facility costs that include various transportation modes, schools, public safety, libraries and parks; 3) effective implementation and reasonable administrative requirements; and 4) no caps or limits on locality impact fee updates.

Further, to enhance our ability to pay for infrastructure costs and to support services associated with new developments, we endorse the following:

- Authority for local ordinances for determining whether public facilities are adequate (“adequate public facility,” or APF ordinances)
- Optional cluster development as a land use tool for local governments.

We support 1) dedicated funding through both the Virginia Outdoors and Virginia Land Conservation Foundations for acquiring, preserving and maintaining open space, 2) full authority to generate local dollars for such efforts, and 3) additional incentives for citizens to create conservation easements. We request the state, on a local option basis, increase from five years, the roll-back taxes assessed against property under land use taxation that changes to a non-qualifying use to an amount equal to the sum of the deferred tax for each of the 10 most recent complete tax years. Finally, we support authority for localities to enact scenic protection and tourist enhancement districts.

# TRANSPORTATION FUNDING

*Legislative Position of TJPDC, Charlottesville,  
and the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson*

**The Planning District localities urge the state to establish separate, dedicated and permanent state revenue streams for our transportation infrastructure. The state also should not shift road maintenance and construction responsibilities to localities.**

The need to fund a declining transportation infrastructure is dire and state dollars remain inadequate. Local governments need sustainable, dedicated, non-general funds from the state to support our transportation network. Absent such an investment, Virginia faces a congestion and mobility crisis that will stifle economic growth and negatively affect the quality of life of our residents.

This past summer, the Commonwealth Transportation Board approved a six-year improvement program for FY10-15 that includes \$5.5 billion for highway construction and \$2 billion for rail and public transportation, for a total package of \$7.5 billion. Compared to the program adopted two years ago (the FY08-13 plan), the highway construction budget for FY10-15 is \$3.1 billion or 36% less. State formula distributions for unpaved roads and primary/urban/secondary construction have been eliminated. Hundreds of millions of dollars continue to be transferred from construction to maintenance to cover the maintenance shortfall, a figure that will grow as revenues coming into the state's transportation coffers continue to slow. Uncertainty about federal transportation revenue and the federal transportation reauthorization; declining state revenues; and the ability of the state to match federal funds and to float bonds for road projects loom as big question marks for the future.

The state should direct its funding efforts at all transportation modes both statewide and regionally, targeting investments toward solutions that put money to work on new ideas and in tandem with leveraging private investment. It should account for urban area needs where public transportation is important, the increasing traffic demands placed on fast-growing localities and ongoing improvements necessary on rural, secondary roads. These improvements are vital to our region's ability to respond to local and regional congestion and economic development issues.

We support ongoing state and local efforts to coordinate transportation and land use planning, without eroding local land use authority, and state incentives for localities that do so. We urge VDOT to be mindful of local comprehensive, land use and trail/bicycle plans, as well as regional transportation plans, when planning transportation systems within a locality. Finally, we request legislative support for enabling authority to establish mechanisms for funding transit and non-transit projects in the region, and we support Code changes to allow unpaved secondary road funds to be allocated for other secondary projects without penalizing the locality by reducing the amount of such funds in future years.

# COMPREHENSIVE SERVICES ACT

*Legislative Position of TJPDC, Charlottesville,  
and the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson*

**The Planning District localities urge the state to be partners in containing costs of the Comprehensive Services Act (CSA) and to better balance CSA responsibilities between state and local government.**

Since the inception of the Comprehensive Services Act in the early 1990's, there has been pressure to hold down costs, to cap state costs for serving mandated children, to increase local match levels and to make the program more uniform by attempting to control how localities run their programs. State and local costs of residential and non-residential mandated services continued to increase; from 2007 to 2008, CSA pool expenditures for state and local governments rose 11% (from \$342 million to \$380 million). Costs also have been difficult to forecast because of factors beyond state and local control (number of mandated children in a community, severity of problems, service rates, and availability of alternative funding). In addition, localities pay the overwhelming majority (90%) of costs to administer CSA, as the state has increased administrative responsibilities, but not administrative funding dollars to localities.

We support the following: 1) full funding of the state pool for CSA, with allocations based on realistic anticipated levels of need; 2) a state cap on local expenditures in order to combat higher local costs for serving mandated children, costs which often are driven by unanticipated placements in a locality; and 3) increased state funding for CSA administrative costs. We believe that the categories of populations mandated for services should not be expanded unless the state pays all the costs. We also urge the state to be proactive in making residential facilities and service providers available, especially in rural areas.

In a further effort to help contain costs and provide some relief to local governments, we recommend that the state establish contracts with CSA providers to provide for a uniform contract management process, improve vendor accountability and control costs. We encourage the state to consider penalties for individuals who have had children removed from their care due to abuse or neglect. We also support local and regional efforts to address areas of cost sharing among localities by procuring services through group negotiation.

Local governments remained concerned about possible fiscal impacts of changes in match rates for certain services funded through CSA. The FY09/FY10 budget modified the local share of funding for community and residential services on a "phased-in" basis, by lowering the local share for community-based services as an incentive to serve children who can be appropriately cared for in the community, and increasing the local share for residential services. Approved definitions did not include some services provided in the community, and therefore they will not qualify for a lower local match.

## **AREAS OF CONTINUING CONCERN**

### ***ECONOMIC and WORKFORCE DEVELOPMENT***

The Planning District's member localities recognize economic development and workforce training as essential to the continued viability of the Commonwealth. We support policies that closely link the goals of economic and workforce development and the state's efforts to streamline and integrate workforce activities and revenue sources. We also support increased state funding for workforce development programs.

- We support the governor's Economic and Workforce Development Strategic Plan for the Commonwealth that more clearly defines responsibilities of state and local governments and emphasizes regional cooperation in economic, workforce and tourism development. ~~includes new tools for local governments to use in attracting economic development opportunities.~~
- We support enhanced funding for the Regional Competitiveness Act to continue meaningful opportunities for regional projects. We also support enhanced state funding for the Industrial Site Development Fund, the Governor's Opportunity Fund and tourism initiatives that help promote economic development in localities and regions.
- We encourage the state and local governments to work with other entities to identify and promote local, regional and state agricultural products.
- We appreciate and encourage continuing state incentives and support for expanding expediting deployment and reducing the cost of broadband technology, particularly in underserved areas.

### ***ENVIRONMENTAL QUALITY***

The Planning District's member localities believe that environmental quality should be funded and promoted through a comprehensive approach, and address air and water quality, solid waste management, land conservation, climate change and land use policies. We are committed to protection and enhancement of the environment and recognize the need to achieve a proper balance between environmental regulation and the socio-economic health of our communities within the constraints of available revenues. Such an approach requires regional cooperation due to the inter-jurisdictional nature of many environmental resources, and adequate state funding to support local and regional efforts.

We believe the following:

- The state should not impose a fee, tax or surcharge on water, sewer, solid waste or other local services to pay for state environmental programs. To do so would set a disturbing precedent whereby the state could levy surcharges on local user fees to fund state priorities.
- The legislature should provide funding for wastewater treatment and other necessary assistance to localities as it works to clean up the state's impaired waterways,

while ensuring that system design standards remain compatible with any new state requirements. The state also should explore alternative means of preventing and remediating water pollution.

- The state should not enact legislation mandating expansion of the area covered by the Chesapeake Bay Preservation Act. Instead, the state should 1) provide legal, financial and technical support to localities that wish to comply with any of the Act's provisions, 2) allow localities to use other practices to improve water quality, and 3) provide funding for other strategies that address point and non-point source pollution.
- We support legislative and regulatory action to ensure that alternative on-site sewage systems (AOSS) will be operated and maintained in a manner that protects public health and the environment.
- The state should be a partner and advocate for localities in water supply development and should work with and assist localities in addressing water supply issues, including investing in regional projects. Also, the state's water supply planning efforts should continue to involve local governments.
- The state should expand the list of localities that may, by ordinance, require conservation of trees during the development process.
- We support increased local government representation on the Biosolids Use Regulation Advisory Committee (BURAC).

## ***HEALTH and HUMAN SERVICES***

The Planning District's member localities recognize that special attention must be given to developing circumstances under which people, especially the disabled, the poor, the young and the elderly, can achieve their full potential. Funding reductions to community agencies are especially troublesome, as their activities often end up preventing more costly services later. The delivery of health and human services must be a collaborative effort from federal, state and local agencies. We urge the General Assembly to ensure funding is available to continue such valuable preventive services.

- We oppose any changes in state funding or policies that result in an increase of the local share of costs for human services.
- The state should increase funding to the Virginia Juvenile Community Crime Control Act (VJCCCA) program, which has produced a nearly 50% drop in Department of Juvenile Justice commitments since 1998. Further, the state should maintain a formula-driven allocation process for VJCCCA funding.
- The state should provide sufficient funding to allow Community Services Boards (CSBs) to meet the challenges of providing a community-based system of care, including maximizing the use of Medicaid funding. We believe children with mental health needs should be treated in the mental health system, where CSBs are the point of entry. We support state action to increase investment in the MR waiver program for adults and young people and Medicaid reimbursement for children's dental services. We also oppose any shifting of Medicaid matching requirements from the state to localities.

- We support funding for mental health and substance abuse services at juvenile detention centers.
- We oppose new state or federal entitlement programs that require additional local funding.
- ~~We support sufficient state funding for local social services facilities and for local departments to maintain adequate office space to deliver services. We also request that the state provide funds for staffing local social services departments to 1) determine eligibility for residents seeking social services such as Medicaid, food stamps and Temporary Assistance to Needy Families (TANF), and 2) meet child and family services review goals. We also support state assistance for providing pre-admission screening services for nursing homes and for prompt investigation and services in cases involving abuse, neglect or exploitation of the elderly or disabled. We support the provision of sufficient state funding to match all available federal dollars for the administration of mandated services within the Department of Social Services, and to meet the staffing standards for local departments to provide services as stipulated in state law.~~
- We support continued state funding for local Disability Services Boards, as well as restored state dollars for the Rehabilitative Services Incentive Fund.
- We support sufficient state funding assistance for older residents, to include companion and in home services, home delivered meals and transportation.
- We support the continued operation and enhancement of early intervention and prevention programs (and renewal of CSA Trust Fund dollars to support them), including school-based prevention programs which can make a difference in children's lives. This would include the state's program for at-risk four-year-olds, the Child Health Partnership and Healthy Families programs.
- The legislature should provide full funding to assist low-income working and TANF (and former TANF) families with childcare costs. These dollars help working-class parents pay for supervised day care facilities and support efforts for families to become self-sufficient. We oppose any initiatives to shift traditional federal and state childcare administrative responsibility and costs to local governments. We believe the current funding and program responsibility for TANF employment services should remain within the social services realm. We also support a TANF plan that takes into account and fully funds state and local implementation and support services costs.

## ***HOUSING***

The Planning District's member localities believe that every citizen should have an opportunity to afford decent, safe and sanitary housing. The state and local governments should work toward expanding and preserving the supply and improving the quality of affordable housing for the elderly, the disabled and low- and moderate-income households. Regional housing solutions and planning should be implemented whenever possible.

- We support changes to the Code to allow 1) local flexibility in the operation of affordable housing programs, 2) for creation of a state housing trust fund, 3) establishment of affordable dwelling unit ordinances, 4) the award of grants and loans to

low- or moderate-income persons to aid in purchasing dwellings, and 5) the provision of other funding to encourage affordable housing initiatives.

- We support enabling legislation that allows property tax relief for community land trusts that hold land for the purpose of providing affordable homeownership.
- We support measures to prevent homelessness and to assist the chronic homeless.
- We support incentives that encourage rehabilitation and preservation of historic structures.
- We support retaining local discretion to regulate the allowance of manufactured homes in zoning districts that permit single-family dwellings.
- We encourage and support the use of, and request state incentives for using environmentally friendly (green) building materials and techniques, which can contribute to the long-term health, vitality and sustainability of the region.

## ***PUBLIC SAFETY***

The Planning District's member localities encourage state financial support, cooperation and assistance for law enforcement, emergency medical care, criminal justice activities and fire services responsibilities carried out locally.

- We urge the state to make Compensation Board funding a top priority, fully funding local positions that fall under its purview. It should not increase the local share of funding constitutional offices or divert funding away from local offices, but increase money needed for their operation, as local governments have continued to provide much supplemental funding for constitutional officer budgets.
- We urge continued state funding of the HB 599 law enforcement program (in accordance with *Code of Virginia* provisions), drug courts and the Pre-Release and Post-Incarceration Services (PAPIS), Community Corrections and Pretrial Services Acts.
- The state should continue to allow exemptions from the federal prisoner offset and maintain the per diem payment to localities for housing state-responsible prisoners.
- We urge state funding for the Volunteer Firefighters' and Rescue Squad Workers' Service Award Program and other incentives that would help recruit and retain emergency service providers. Further, the state should improve access to and support for training for volunteer and paid providers.
- We encourage shared funding by the state of the costs to construct and operate regional jails; however, we do not believe the state should operate local and regional jails.
- We urge local involvement in planning processes for homeland security measures.
- We support state funding to develop supervised visitation centers to protect children during visitation with non-custodial parents, when ordered by a court.

## ***LOCAL GOVERNMENT STRUCTURE and LAWS***

The Planning District's member localities believe that since so many governmental actions take place at the local level, a strong local government system is essential. Local governments must have the freedom and tools to carry out their responsibilities.

- We support legislation to enhance the ability of local governments to provide services required by citizens and to meet their responsibilities in state/local partnerships. Accordingly, we support a requirement for state agencies to notify localities of planned construction projects that may affect the locality's comprehensive plan.
- We oppose intrusive legislation involving purchasing procedures; local government authority to establish hours of work, salaries and working conditions for local employees; matters that can be adopted by resolution or ordinance; and procedures for adopting ordinances.
- We request that any changes to the Virginia Freedom of Information Act (FOIA) preserve 1) a local governing body's ability to meet in closed session, 2) the list of records currently exempt from disclosure under FOIA, and 3) provisions concerning creation of customized computer records. We support changes to allow local and regional public bodies to conduct electronic meetings as now permitted for state public bodies.
- We support local requests to the state for enabling legislation to increase the income and financial worth limitations for real property tax exemption or deferral programs.
- We encourage clarification of Code provisions that stipulate law enforcement responsibilities when transporting persons for whom a temporary detention order has been issued for emergency medical treatment or evaluation.
- We oppose any changes to state law that further weaken a locality's ability to regulate noise or the discharge of firearms.
- We support expanding local authority to regulate smoking in public places.
- The legislature should adopt legislation to clarify that local government entities are not obligated under the Underground Utility Damage Prevention Act to mark private water, sewer and other lines on private property or lines it does not own or operate.
- ~~We support legislative changes to enable the manufacture and sale of products from Eades Distillery in Nelson County.~~
- The state should amend the Code to require litigants in civil cases to pay for the costs associated with compensating jury members.
- We support increased state funding for regional planning districts.
- We support legislation to increase permissible fees for courthouse maintenance.
- The state should ensure that local connectivity and compatibility are considered in any centralizing of state computer functions.
- We support authorization for localities to make donations to nonprofit entities engaged in providing energy efficiency services or promoting energy efficiency.