

Commission on Local Government

Estimate of Local Fiscal Impact

2018 General Assembly Session

Bill: SB993

Patron: Reeves

Date: 2/1/2018

In accordance with the provisions of §30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of the above-referenced legislation:

Bill Summary:

Reduces from 60 days to 45 days the time within which a local planning commission shall act on a proposed plat, site plan, or plan of development after it has been officially submitted for approval. The bill prohibits a local planning commission from delaying the official submission of any proposed plat, site plan, or plan of development by requiring presubmission conferences, meetings, or reviews. The bill also reduces from 45 days to 30 days of receipt of the plat the time within which any state agency or public authority making a review of a plat shall complete its review upon first submission or for any proposed plat that has previously been disapproved. The bill eliminates exemptions (i) for deficiencies caused by changes, errors, or omissions occurring in the applicant's plat, site plan, or plan of development filings after the initial submission of such plat, site plan, or plan of development and (ii) from the review and approval of construction plans.

Executive Summary:

Localities have evaluated a negative fiscal impact ranging from \$0.00 - \$950,000.00. There was considerable variation regarding local fiscal estimates. Most localities didn't provide a cost, but noted there would be some impact. Overall localities noted that the bill would impact workflow, increase administrative workload, and require additional staff or contracted professional services during the busy submittal time. Localities that indicated no or minimal fiscal impact stated they were unable to determine the impact, but noted that the timeframe for approval would be difficult for a meaningful review, and the prohibition of a pre-application meeting would conflict with the provisions of VA Code §15.2-2260. One locality also noted that the bill could have a negative impact on developers because there would no longer be an opportunity for informal and less costly reviews, and most likely their application be denied.

Local Analysis:

Locality: City of Covington

Estimated Fiscal Impact: \$200.00

Being a small locality with minimal staff, in order to comply with the law, it may required overtime to complete a parts of the process in a timely fashion. It is not good news, but the number of occurrences would be minimal.

Locality: City of Danville

Estimated Fiscal Impact: \$0.00

While this will have no fiscal impact, this could greatly impact workflow and efficiency. The prohibition of a pre-application meeting is of great concern for our planning department, as this is seen as a mutually beneficial part of the process. It helps to ensure that what will be submitted is reasonable and that all parties are aware of guidelines/standards. As written, an insufficiently designed subdivision plat that does not meet standards/guidelines could be submitted and time would have to be spent in review to give a yes/no. This could lengthen the process to get a subdivision plat approved if there is an initial denial and it has to be amended for re-submission.

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**Locality:** City of Lynchburg

**Estimated Fiscal Impact:** \$0.00

- 1) The changes will create unrealistic timeframes for the review of plans. There could be times that given the number of plans that are submitted, availability of staff (i.e. staff may be sick, on vacation, or there may be vacant positions), etc. that it will be difficult to conduct a meaningful review within the reduced timeframes.
- 2) The elimination of the language “The provisions of this subsection shall not apply to deficiencies caused by changes, errors or omissions occurring in the applicant's plat, site plan or plan of development filings after the initial submission of such plat, site plan or plan of development. The provision of this subsection shall not apply to the review and approval of construction plans” means that the timeframe within which the city has to act on a plat will no longer be extended if a developer submits a plat that contains errors, omissions, or needs to be revised. If a developer submits a deficient plat, the deadline for approving the plat should be placed on hold until the developer corrects the deficiencies.
- 3) The one instance it may be a problem is with Development of Subdivisions of over 5 lots without public sewer service, which requires approval by City Council. Section 24.1-21.1. These occur very infrequently, and do not specifically require Planning Commission approval by Code.
- 4) While our current review times would meet or exceed the proposed timeframes, they could become an issue in the near future. As you know one of the budget reduction proposals put forth for reducing the Community Development Operating budget was the reduction of one FTE Employee to Part Time. If this was proposed and accepted by Council, it was projected that review times would at a minimum double. This would allow us to meet current time frames; however, the new time frames proposed in SB993 may not be attainable.
- 5) The City believes that this is “another” effort of the General Assembly to erode Local Government Authority and to make it more difficult for them to create the communities desired by their citizens.

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Locality: City of Norfolk

Estimated Fiscal Impact: \$950,000.00

Shorten timelines as specified in the bill would require approximately a 20% increase in Planning Department staffing to process applications and remain compliant. \$950,000 per fiscal year estimate reflects a 20% increase in the Planning Department personnel budget, which is \$4.8M in FY 2018.

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**Locality:** City of Winchester

**Estimated Fiscal Impact:** \$0.00

The shortened timeframes proposed with this bill are particularly troubling for small local government planning depts. Those that conduct all subdivision and site plan review in-house (like Winchester) may experience waves of development activity that create a greater impact than larger jurisdictions with larger staffing or those that contract with private engineering and planning consultants to conduct review. Section 15.2-2259 was just amended in the 2015 session to eliminate the population size qualifier (90,000 based upon 2000 Census) as it pertains to timeframes outlined in subsection 15.2-2259A.2. Now, small cities, towns, and rural counties are being further mandated by state code to rush development review despite an ever-increasing amount of new stormwater management review recently mandated by the state. The proposed prohibition on requiring presubmission conferences, meetings, or reviews for subdivision platting seems to directly conflict with the provisions of VA Code Section 15.2-2260 which expressly grant localities the permission to require submission of preliminary plats. Winchester also has provisions in its Zoning Ordinance that require a pre-application conference for formal site plan submission. The elimination of this local discretion will hurt developers since they will now be required to submit complete subdivision and site plans costing them much more in engineering fees to their private engineering consultants and full application fees to the local jurisdiction up front where today, they can receive valuable development review from a local planner or subdivision administrator at little or no cost. If the purpose of this legislation is to benefit private developers, it may in fact, do the opposite and cause increased expense and poorer customer service.

Winchester, as an independent city maintaining its own streets, is not impacted much if any by the changes pertaining to reduced timeframes for state review, but it will certainly lead to greater staffing needs at the state level by VDOT and other agencies to meet the constrained deadlines.

Section 15.2-2259 really needs a more comprehensive overhaul before further piecemeal amendments are considered. The title of the section is misleading- it suggests that the language is only applicable to subdivision platting, but amendments made in 2008, particularly those introducing new language in subsections 2 and 3, greatly expanded the applicability of the section from just plats to thereafter pertain to site plans and plans of development. Local government approval processes for sites plans is often quite different than approval processes for subdivisions. Today, Section 15.2-2259 is a difficult mix of provisions that in some places only applies to subdivision platting, while in other sections applies more broadly to site plans and plans of development as well. The state has made this section of state code unnecessarily difficult for local subdivision administrators and planners to comprehend.

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Locality: County of Henrico

Estimated Fiscal Impact: \$65,000.00

Although there would be no appreciable costs in regards to the administrative process, the shortened deadline could lead to the need for an additional employee. Current employees' workloads are continuing to increase and with current staffing levels this change in deadline will only place increased pressure on employees. The fiscal impact estimates the cost of salary and benefits for one additional employee.

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**Locality:** Fairfax County

**Estimated Fiscal Impact:** \$0.00

At this time we are unable to determine the fiscal impact.

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Locality: Prince George County

Estimated Fiscal Impact: \$0.00

Prince George County could currently meet the proposed turnaround times but we have a concern about the deletion of the Pre-App meeting requirement: "The local planning commission or other agent shall not delay the official submission of any proposed plat, site plan, or plan of development by requiring pre-submission conferences, meetings, or reviews."

We use the pre-app process to help ensure that the applicant is aware of all submittal requirements and level of detail necessary for their project. This helps the County received complete and accurate submittals on the first submittal that allows us to meet the current 60 day turnaround and would allow us to meet a 45 day review period.

If both proposed revisions were approved, there could possibly be a fiscal impact related to staffing levels or contracted professional services during a busy submittal time. We currently think that at this time, given our workload and staffing level, any additional costs for Prince George County would be negligible.

In short- we can see where this could easily have a fiscal impact on localities, but not Prince George at this time.

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**Locality:** Spotsylvania County

**Estimated Fiscal Impact:** \$0.00

No financial impact.

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Locality: Town of Christiansburg

Estimated Fiscal Impact: \$1,000.00

The Town of Christiansburg would need to review our plat and site plan requirements and would need to make adjustments, Public hearing advertising cost and paid Planning Commission time for potential changes would be approximately \$1,000.00.

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**Locality:** Wise County

**Estimated Fiscal Impact:** \$1.00

No significant impact to Wise County

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Professional Organization Analysis:

Organization: Northern Neck PDC

No local adverse effect.

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**Organization:** Virginia’s Region 2000 Local Government Council

Some jurisdictions may be able to fit subdivision and site plan approval within a 45 day window. However, this could be a two sided coin. When a plat or site plan is not complete or is submitted with unanswered questions, jurisdictions typically have the ability to "table" or delay the approval until all necessary items are addressed. The proposed shortened timeline will push Planning Commissions to either approve, approve with conditions or deny. In most cases this change will eliminate the ability for Planning Commissions to "table" a request. Therefore, a result could be a trend of more denials from Commissions across the State when plats and site plans have deficiencies or lack of needed information.

One county planner in this region noted that sometimes the surveyor causes a delay. The planner noted that prohibiting a preconference, meeting, or review prior to submission will inhibit the ability of staff and local, regional and state agencies to communicate to the developer about potential issues associated with the submitted element (plat, plan, etc.);

Another county planner in this region commented that “By eliminating exemptions for errors, changes, corrections, et al for site plans, plats, it essentially nullifies the review process and undermines the very principles of local regulatory authority to ensure that all local, state, and federal laws and regulations are implemented.”

A third county planner in this region commented that their county would not have a problem meeting the shorter time constraint if the bill becomes law and that they agree with the first comment on the general impact.

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