

Commission on Local Government

Estimate of Local Fiscal Impact

2020 General Assembly Session

Bill: SB893

Patron: Marsden

Date: 1/20/2020

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:

Comprehensive plan; solar facilities review. Exempts a solar facility that is 150 megawatts or less from the requirement that it be reviewed for substantial accord with a locality's comprehensive plan.

Executive Summary:

Localities have evaluated a negative fiscal impact ranging from \$0.00 - \$25,000.00. Most of the localities noted that the bill would have little to no fiscal impact, because the requirements of the bill would only change one requirement of the planning review process, not the staffing patterns or revenues generated from the planning process as alternative energy resource development is a component of their comprehensive plan. Other localities that responded with no to little cost, noted that bill would limit local control by taking away comprehensive plan review for facilities smaller than 150 megawatts. Other localities noted that the impact of the bill is indeterminate, but the bill would save some advertisement costs, and the fewer review actions would lower local costs. Only two localities responded with a fiscal impact, noted that the bill would increase the cost related to reprint the comprehensive plan, and require significant acreage of land for development.

Local Analysis:

Locality: Augusta County

Estimated Fiscal Impact: \$0.00

Without requiring a 15.2-2232 review, the County cannot assess whether or not the location of a facility is in keeping with larger planning policies found in the Comprehensive Plan, which are certainly fiscal considerations, regarding the location and extension of public services. While this may not have a direct fiscal impact as far as administration of the review is concerned (likely saving us some advertisement costs and staff time) it doesn't seem to eliminate other land use regulations a locality has, such as, applicants for solar facilities submit an application to the County for a special use permit to install a solar energy system.

Fiscal impact would be determined on a case by case basis. If infrastructure is located in an area that is slated to solar, but that infrastructure is not needed for the solar energy system, then the infrastructure costs would be a sunk cost to the County. The County could also forgo revenues from industry that could have utilized the infrastructure in place. Therefore, the estimated impact per this bill is noted as \$0 above as there is no way to estimate the true impact until an area is identified for analysis.

Locality: City of Danville

Estimated Fiscal Impact: \$0.00

No impact.

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**Locality:** City of Harrisonburg

**Estimated Fiscal Impact:** \$0.00

The fiscal impact would be insignificant.

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Locality: City of Norfolk

Estimated Fiscal Impact: \$0.00

The city does not foresee any direct fiscal impact. There is concern over the potential impact of tying up a large amount of land for this use pending on the location. Opportunity costs should also be considered.

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**Locality:** City of Roanoke

**Estimated Fiscal Impact:** \$0.00

Based on our comprehensive plan, this bill should have no impact on Roanoke City.

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Locality: City of Virginia Beach

Estimated Fiscal Impact: \$0.00

This bill would only change one requirement of the planning review process. However, the review process still has other aspects that require the same amount of staff and extensive individual staff time. Therefore, removing this requirement would not change our staffing patterns or revenues generated from the planning process. Moreover, Alternative Energy Resources Development was already a component of our Comprehensive Plan, including such recommended policies as:

- Support research and development of alternative energy sources and encourage their use.
- Link energy resource development and management opportunities to the City's economic development strategy and the region's long-term economic development goals.

and agenda for future action as: encourage research and development of alternative energy sources and promote their use.

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**Locality:** Fairfax County

**Estimated Fiscal Impact:** \$0.00

No fiscal impact. This would have an adverse effect on the County as it would limit local control by taking away comprehensive plan review for 150 megawatt facilities and smaller.

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Locality: Frederick County

Estimated Fiscal Impact: \$0.00

After looking into SB 893, Solar - 2232 Review, we do not believe it would have an impact on how Frederick County reviews and/or approves such solar facilities, especially now that such facilities require the approval of a Conditional Use Permit. Further, we do not foresee any fiscal impacts to the County.

It would appear as though the intent of the legislative proposal would be to consider any proposals less than 150MW generally consistent with local plans, thus avoiding complicating the approval of such facilities with additional local review.

Having said that, we would expect any CUP review under our present structure to consider local land use issues, regardless of their size. Many of these local land use issues would likely be recognized by our comprehensive Plan.

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**Locality:** Prince George County

**Estimated Fiscal Impact:** \$0.00

This legislation would not have a fiscal impact on Prince George County.

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Locality: Rappahannock County

Estimated Fiscal Impact: \$0.00

The cost impact of this change is negligible and linked to the cost avoided to not advertise a public hearing for the otherwise required 15.2-2232 review. This presupposes that other zoning mechanisms are in place in localities to drive land use approval or denial of a solar farm and as such, the lack of a 15.2-2232 review would not be a determining factor as to whether a solar farm is eventually approved or disapproved by the local government.

This said, many localities will vigorously fight such a change as a 150 MW solar farm could easily take up 10X that in acreage (1,500 acres). It is not reasonable to think that this sort of MAJOR impact to the community should not have to be weighed against the comprehensive plan. Lastly, the code change does not state that a 15.2-2232 review cannot be performed for solar farms smaller than 150 MW that do not meet H(i) or H(ii). Localities could perform such a review if they like and they must perform such a review if the solar farm is larger than 150 MW in generation capacity.

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**Locality:** Town of Blacksburg

**Estimated Fiscal Impact:** \$0.00

Our comprehensive plan encourages solar facilities.

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Locality: Town of Buchanan

Estimated Fiscal Impact: \$500.00

This change would require minimum fiscal impact. My estimates are based on the cost to reprint the comprehensive plan.

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**Locality:** Town of Herndon

**Estimated Fiscal Impact:** \$0.00

The Town of Herndon has no comment on this bill.

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Locality: Town of Luray

Estimated Fiscal Impact: \$25,000.00

Exemption of large to small community solar facilities would negate the required proper planning for our community, effectively negating the reason to have Zoning regulations and a Comprehensive Plan.

The arbitrary selection of 150 megawatts would still require significant acreage for development. Small communities must retain their ability to regulate appropriate land use.

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**Locality:** Town of Scottsville

**Estimated Fiscal Impact:** \$0.00

Exempting facilities would mean potentially fewer review actions and lower local costs. For a small-town land use operation such as this one, exempting review is a notable savings of staff time.

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Professional and Other Organization

Analysis:

Organization: Northern Neck PDC

Local governments should have the right to review solar facilities no matter what size. Comp plans are dynamic and can change. This legislation could reduce the oversight of local government in land use decisions.

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