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**HOUSE JOINT RESOLUTION NO. 195**  
**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
(Proposed by the Joint Conference Committee  
on March 13, 1998)

(Patrons Prior to Substitute—Delegate Keating, Senators Quayle [SJR 53], and Mims [SJR 107])

*Establishing a joint subcommittee to study land development patterns and ways to address demands for increased services and infrastructure resulting from residential growth.*

WHEREAS, many areas of the Commonwealth have experienced rapid growth in recent years and can be expected to continue such growth; and

WHEREAS, this growth has resulted in significant impacts on development patterns; and

WHEREAS, much of the development in the Commonwealth is occurring at the fringes of urbanized areas and is having a significant impact on land development patterns; and

WHEREAS, the development of residentially zoned properties will increase dramatically the need for capital facilities to provide public services for their residents; and

WHEREAS, existing state enabling legislation does not provide sufficient tools to require new development to fund the resulting infrastructure and service requirements; and

WHEREAS, the utilization of funding mechanisms currently available to localities, such as proffer zoning, to finance the cost of such infrastructure has often proven inadequate or undesirable to fund the needs that rapid growth can create; and

WHEREAS, Article 4 (§ 58.1-3229 et seq.) of Chapter 32 of Title 58.1 of the Code of Virginia authorizes local governments to establish land use taxation programs providing for the special assessment of, and deferral of real estate taxes on, real estate devoted to agricultural, horticultural, forest, or open-space uses; and

WHEREAS, land use taxation programs tend to preserve existing uses of property by reducing the likelihood that increased real estate tax assessments will induce owners to develop their property; and

WHEREAS, Section 2 of Article X of the Virginia Constitution authorizes the General Assembly to define and classify real estate devoted to agricultural, horticultural, forest, or open-space uses, and to authorize any locality to allow deferral of, or relief from, portions of taxes otherwise payable on such real estate, subject to certain conditions and restrictions; and

WHEREAS, localities are not authorized to establish a class of property for land use taxation purposes consisting of underdeveloped or unimproved property zoned for residential use; and

WHEREAS, incentives for deferring the development of property zoned for residential use, including land use taxation programs, may assist localities to cope with demands for increased services and infrastructure resulting from growth; and

WHEREAS, impact fees may offer an alternative to proffer zoning which is fairer and more equitable and which will inject greater certainty into the development process; and

WHEREAS, professional arbitration offers another method in resolving the problems arising from economic development and growth; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study land development patterns and ways to address demands for increased services and infrastructure resulting from residential growth. In conducting its study, the joint subcommittee shall examine the cost and impact of land development patterns and identify approaches by which localities can address the increased demands for infrastructure and services, including the imposition of impact fees, the use of professional arbitrators, and the addition of a class of property for land use taxation purposes consisting of underdeveloped or unimproved property zoned for residential use, provided that no changes are made to the existing agricultural and forestal land use taxation program that would diminish present benefits. The joint subcommittee shall communicate with the Commission on the Future of the Environment regarding any overlapping issues in order to minimize duplication of effort.

The joint subcommittee shall be composed of 11 members, to be appointed as follows: six members of the House of Delegates, to be appointed by the Speaker of the House in accordance with Rule 16 of the House Rules, and five members of the Senate, to be appointed by the Senate Committee on Privileges and Elections.

The direct costs of this study shall not exceed \$8,250.

The Division of Legislative Services shall provide staff support for the study. All agencies of the Commonwealth shall provide assistance to the joint subcommittee, upon request.

The joint subcommittee shall complete its work in time to submit its findings and recommendations to the Governor and the 1999 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint

**60** Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the  
**61** study.