Department of Planning and Budget 2007 Fiscal Impact Statement

1.	Bill Number HB3196	
	House of Orig	gin Introduced Substitute Engrossed
	Second House	e In Committee Substitute Enrolled
2.	Patron	Athey
3.	Committee	House Transportation
4.	Title	Urban development areas: localities to amend comprehensive plan.

5. Summary/Purpose: The proposed legislation provides that every county that has adopted zoning may, and that any city or town may, amend its comprehensive plan to incorporate one or more proposed urban development areas, if such locality meets the criteria for high growth. An urban development area is to be defined as an area designated by a locality that is most suited for development due to proximity to transportation facilities, the availability of a public or community water and sewer system, or proximity to a city, town, or other developed area. The comprehensive plan shall designate one or more urban development areas sufficient to meet projected residential growth in the locality for the ensuing 20-year period.

The proposed legislation would not allow a county, city, or town that has amended its comprehensive plan in accordance with these provisions to limit or prohibit development pursuant to existing zoning or any application for rezoning based solely on the fact that the property is located outside the urban development area. Any locality that has not revised its comprehensive plan to establish an urban development area on or before July 1, 2008 shall not receive 50 percent of its annual secondary road allocation from the Virginia Department of Transportation.

6. Fiscal Impact Estimates are: Preliminary. See Item 8.

7. Budget amendment necessary: None.

8. Fiscal implications: The proposed legislation would allow all high-growth localities to establish urban development areas. High-growth localities are defined as those with population growth between two decennial censuses at five percent or higher. Urban development areas would allow for higher density development and would require a certain percentage commercial space. The urban growth boundary is to be established in the locality's comprehensive plan so as to allow sufficient space for the future growth that is predicted by the Virginia Employment Commission.

No locality that has created urban growth areas is to deny or limit development or rezoning applications based solely on the fact that the property is located outside the urban development area.

Any locality that has not revised its comprehensive plan to include urban development areas by July 1, 2008 is to receive only 50 percent of its annual secondary road allocations from VDOT. Such an allocation is to continue until the locality establishes an urban growth area. The legislation does not specify for what purpose the remaining half of the secondary road allocations is to be used.

- **9. Specific agency or political subdivisions affected:** Virginia Department of Transportation, all high-growth localities
- 10. Technical amendment necessary: None.

11. Other comments: HB 3202 and SB 1417 contain similar provisions.

Date: 01/25/07 / smc

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cc: Secretary of Finance

Secretary of Transportation