

Commission on Local Government

Estimate of Local Fiscal Impact

2023 General Assembly Session | 01/19/23

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 legislation impacting local governments.

HB 1674: Comprehensive plan; freight corridors. (Patron: Delegate M. Keith Hodges)

Bill Summary: Comprehensive plan; freight corridors. Requires localities, when developing a transportation plan as part of the locality's comprehensive plan, to include freight corridors when designating transportation facilities that support the planned development of the locality.

Local Fiscal Impact: **Net Additional Expenditure:** X **Net Reduction of Revenues:**

Summary Analysis:

Number of Localities Responding: 5 Cities, 5 Counties, 2 Towns, 1 Other

Localities estimated a negative fiscal impact ranging from \$0 to \$12,000 over the biennium.

Localities identified the negative fiscal impact as the increased expenditures needed to complete the additional requirements (consideration of freight corridors) in their Comprehensive Plans. A few localities noted in their narrative response that the bill could produce a negative fiscal impact; however, only one provided a numerical estimate. Some localities reported that the bill would produce no fiscal impact, as their comprehensive plans already considered the issue or that they could assume the additional work without increased expenditures.

Net Increase in Expenditures: Itemized Estimates by Responding Localities

Locality	Juris	Recurring Expense- Personnel		Recurring Expense - Operating		Recurring Expense - Capital		Recurring Expense - Other	
		FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
City of Chesapeake	City								
City of Danville	City								
City of Harrisonburg	City								
City of Manassas	City								
City of Richmond	City								
Augusta County	County								
Mecklenburg County	County								
Prince George County	County								
Rappahannock County	County								
Roanoke County	County								
Northern Neck PDC	Other								
Town of Luray	Town								
Town of Marion	Town								

Net Increase in Expenditures: Itemized Estimates by Responding Localities

Locality	Nonrecurring Expense - Operating		Nonrecurring Expense - Capital		Nonrecurring Expense - Other		Penny Value of Increase on Real Estate Rate*	Total Increase in Expenses (Biennium Total)
	FY23	FY24	FY23	FY24	FY23	FY24		
City of Chesapeake								\$0
City of Danville								\$0
City of Harrisonburg		\$0					0	\$0
City of Manassas								\$0
City of Richmond								\$0
Augusta County								\$0
Mecklenburg County								\$0
Prince George County		\$12,000					0.0003	\$12,000
Rappahannock County								\$0
Roanoke County							0	\$0
Northern Neck PDC								\$0
Town of Luray								\$0
Town of Marion								\$0

Locality	Expenditure Narrative by Responding Localities
City of Chesapeake	No anticipated fiscal impact.
City of Danville	May require coordination with MPO to determine what freight corridors we have.
City of Harrisonburg	The exact amount of added expenditures for this bill cannot be determined. Additional costs are accrued anytime the comprehensive plan is updated, as this bill would require. Additional costs would come in the form of consultant fees or the equivalent staff time necessary to update the comprehensive plan.
City of Manassas	
City of Richmond	Assuming this requirement will only be incorporated when updating the comprehensive plan; would not require an immediate update.
Augusta County	Include a transportation plan in current scope of work for Comp Plan. No additional funds needed.
Mecklenburg County	There is no additional cost beyond the already existing work cost for the plan.
Prince George County	This legislation would result in modification to our Comprehensive Plan and would result in an increase in consulting services, estimated at \$12,000.
Rappahannock County	
Roanoke County	We can foresee a fiscal impact but are hopeful it would be nominal as we spend time analyzing transportation routes and needs when planning for the future of the County.
Northern Neck PDC	PDCs do not have comp plans, so there would no fiscal impact to PDCs.
Town of Luray	Not applicant to rural towns
Town of Marion	

* Penny value is defined as the amount a locality would need to raise their real estate tax rate to cover the fiscal impacts of the bill, assuming no other changes to revenues or expenditures. It is represented in terms of dollars (e.g., 0.01 is a one cent increase in the real estate tax rate, etc.).