

# **2022 Legislative Priorities**

Local, State, & Federal Policies Loudoun County, Virginia, USA



21720 Red Rum Dr. #177 Ashburn, VA 20147

## **PURPOSE**

The 2022 Legislative Priorities Package for the Dulles Area Association of REALTORS® is intended to be an outline for the government affairs efforts of the association throughout the year.

Questions or comments should be directed to:

Gwen Pangle, Chair Government Affairs Committee Dulles Area Association of REALTORS® 21720 Red Rum Drive, #177 Ashburn, VA 20147 (703) 777-2468

Staff Contact:

**Eric Fryer**, Director of Government Affairs DAAR, (703) 777-2468, efryer@dullesarea.com



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## FEDERAL ISSUES

#### AFFORDABLE HEALTH CARE

The need for more affordable health insurance options is a top concern among REALTORS®. DAAR believes there should be more health insurance options available that will provide necessary coverage at affordable prices.

## **DAAR Recommendations**

DAAR believes there should be more insurance options available that will provide necessary coverage at affordable prices.

- DAAR supports efforts to expand options and help REALTORS® find cost-effective health insurance plans.
- DAAR supports legislative and regulatory changes to allow small business owners and trade associations to offer association health plans to their employees and members.

#### Overview

The need for more affordable health insurance options is a top concern among REALTORS®. According to a 2020 National Association of REALTORS® (NAR) member survey, when REALTORS® and brokers forgo health insurance, the primary reason cited is the expensive cost of premiums/deductibles (78%). That same study concluded that 39% of members lost health insurance because of the COVID-19 pandemic. Nearly 1 in 3 respondents said they only chose their current primary provider because it was the only option they had to obtain health insurance.

Because most REALTORS® are independent contractors, they must pay for their own business expenses and health insurance coverage. Unfortunately, the options available in the current health insurance market are inadequate for people who are self-employed or small employers.

As part of efforts to address the health insurance needs of members, NAR advocates for reform of health insurance markets and Association Health Plans (AHPs). AHPs allow self-employed individuals and small employers to purchase health insurance through professional or trade associations, such as NAR. If implemented, NAR and other large groups would be able to provide coverage to all its members, regardless of the member's geographic location. These plans are also subject to different rules than plans in the individual and small group insurance markets and tend to be less costly.

One argument against AHPs is the fear that people will enroll in an AHP instead of enrolling in a state or federal health insurance exchange. However, this fear might not come to fruition. The 2020 NAR survey found that only 9% of members with health insurance obtained it through a state or federal health insurance exchange.



According to the same survey, 19% of members said they would join a REALTOR® AHP and leave their current health insurance plan if it was offered with equally comprehensive benefits as their current plan. 41% of respondents said they would join if they could save more compared to their current plan.

Without health insurance, REALTORS® and other self-employed individuals are unable to seek necessary medical attention and/or face significant financial burdens when they or their dependents need medical care. While efforts have been made at the national and state levels to help increase the availability of health insurance for REALTORS®, many challenges still exist in addressing this situation. NAR and REALTOR® associations throughout the county will continue to advocate for creation of AHPs as an option for its members.

## Background: AHPs at the Federal Level

On June 21, 2018, the U.S. Department of Labor (DOL) issued a new rule opening the door for small employers and self-employed individuals, including real estate professionals, to participate in Association Health Plans (AHPs). Shortly thereafter, more than a dozen states filed suit to overturn the rule.

On March 28, 2019, the U.S. District Court for the District of Columbia struck down parts of the AHP rule. On May 31, 2019, the Department of Justice filed an appeal in the case. On June 7, 2019, NAR filed an amicus brief (friend of the court brief) in support of DOL's Appeal. Because many states created AHPs prior to the court's decision, the potential impact of the decision remains to be analyzed.

In 2021, NAR issued a letter of support for federal legislation (H.R. 4547 and S. 896) that would expand access to AHPs to independent contractors (including real estate professionals). It would accomplish this by amending the Employment Retirement Income Security Act of 1974 to establish additional criteria for determining when employers may join in an association of employers for the purposes of obtaining a group health plan.

As of March 2021, the senate version of the AHP bill has stalled in the Committee on Health, Education, Labor, and Pensions. It has also stalled in the lower chamber as of July 2021.

## **Background: AHPs in Virginia**

Small employers in Virginia have achieved more success in the health care insurance arena. In 2018, one-person business owners (sole proprietor, single member, and single shareholder corporation) were able to access group plans and purchase coverage for qualified dependents. In 2019, single member limited liability companies were also included. These legislative victories allow single member businesses to have access to group plans that were previously only available to employer groups.

In 2021, the Virginia General Assembly passed the Association Health Plan bill, SB 1341, and was ultimately referred to the Virginia Joint Commission on Health Care for further



recommendations/study. The possibility for the bill to be reconsidered in 2022 is likely, and DAAR will continue to monitor and support such legislation should efforts to reintroduce the bill commence.

## **Additional Information**

NAR's work for an Association Health Plan.

2020 NAR Health Insurance Survey.

2019 NAR amicus brief (friend of the court brief) in support of DOL's Appeal.

<u>Virginia REALTORS® 2019 AHP legislation</u> – vetoed by governor.

<u>Virginia REALTORS® 2021 AHP legislation</u> – referred to Virginia Joint Commission on Health Care.

DAAR Legislative Update on H.R. 4547.

2021 General Assembly summary of S.B. 1341.

NAR's 2021 Letter of Support for H.R. 4547 (federal AHP legislation).

S. 896 The Association Health Plans Act of 2021 bill summary/status.

H.R. 4547 The Association Health Plans Act of 2021 bill summary/status.



# STATE ISSUES

#### STABILIZE THE COST TO DRIVE ON THE DULLES GREENWAY

The timely provision of safe, convenient, and efficient transportation infrastructure enhances the quality of communities, supports property values, and mitigates the effects of traffic congestion that accompany growth.

DAAR supports improving mobility in communities so that all citizens have access to transportation means best suited to their needs. DAAR is committed to advocating for providing relief from rising tolls.

#### **DAAR Recommendations**

- Encourage the use of a distance-based pricing system. Under a distance-based system, the toll fee depends on the distance traveled between each entrance and exit, as opposed to the current area-based pricing scheme where a flat fee is imposed.
- Allow the Commonwealth of Virginia to purchase the road using tax free bonds which would help lower the cost of the tolls.
- Define the meaning of "reasonable" cost to the user based on economic factors including, but not limited to area median income (AMI).
- Continue to support the SCC's flexibility to approve or reject a rate increase.

#### Overview

For thousands of residents, employees, and business owners who use the 14-mile private Dulles Greenway in Loudoun County as a daily commuter route, the cost of using the road has grown astronomically. With the February 2019 toll rate increase, drivers who use the Dulles Greenway 50 weeks-per-year may pay \$3,650 annually for their weekday rush-hour round trip.

Since 1995, all TRIP II requests for toll rate increases have been granted despite opposition from public officials, residents and area businesses. This automatic annual increase is scheduled to expire on December 31, 2019.

With expiration of the automatic annual toll rate increases, DAAR believes that the SCC may be more responsive to the argument that the TRIP II requests for toll rate increases are not reasonable to the user in relation to the benefit obtained, materially discourages use of the roadway by the public, and provides TRIP II with more than a reasonable return. DAAR, along with the Virginia REALTORS®, the Northern Virginia Association of REALTORS®, and lobbyists for Loudoun County all support providing relief to drivers of the Dulles Greenway and opposed an extension of automatic toll increases.



## **Background**

The Dulles Greenway was one of the first highways of its kind in the United States and is the first private road in Virginia since 1816. It was built under the Virginia Highway Corporation Act of 1988 and opened in 1995. By law, the owner of the road, Toll Road Investors Partnership II, L.P. (TRIP II), is permitted to submit requests to the Virginia State Corporation Commission (SCC) to approve toll rate increases on the Dulles Greenway.

The Virginia Highway Corporation Act virtually mandated approval of TRIP II requests. In 2008, the Act was amended to require that the SCC approve annual requests for toll rate increases if the amount of the increase is: 1) equal to the increase in the Consumer Price Index, plus one percent; 2) equal to the increase in the Real Gross Domestic Product; or 3) 2.8 percent, whichever is greatest.

The original law also permits the SCC to substitute a toll which is set at a level: 1) which is reasonable to the user in relation to the benefit obtained and which will not materially discourage use of the roadway by the public; and 2) which will provide the operator no more than a reasonable return as determined by the Commission. In the past, the SCC has not applied this 2-part test to the TRIP II requests since TRIP II has always applied according to the calculated guidance.

Numerous efforts have been initiated over the years to provide relief for Northern Virginia drivers from these automatic annual Dulles Greenway toll rate increases, including during the 2019 Virginia General Assembly Session. Two bills, introduced by Senator Stanley and Delegate LaRock, would have amended the powers of the SCC to regulate toll operators of the Dulles Greenway. They were defeated in their respective committees. Two other bills, introduced by Senator Favola and then-Delegate Bell, would have directed the Virginia Department of Transportation (VDOT) to evaluate potential opportunities for increased efficiency through combined operations of the Dulles Toll Road and the Dulles Greenway. They were also unsuccessful.

However, in 2021, HB 1832, introduced by Del. Suhas Subramanyam (D-87), and SB 1259, introduced by Sen. John Bell (D-13) passed in both chambers of Virginia's legislature and was signed into law by Governor Northam. The legislation entitled, "The Virginia Highway Corporation Act," (also dubbed, "the Greenway Bill") will implement a series of measurement standards to regulate the toll costs. One of these standards is to assess whether the proposed toll increases will discourage commuters from using the road. Another provision would prohibit all proposed toll increases that extend beyond 1 year.

Currently, the owners of the Dulles Greenway have requested five additional years of fare increases through 2025. According to the bill, the State Corporation Commission will be prohibited from authorizing any proposed increases should they fail to meet the new criteria.

#### **Additional Information**

SB1133 and HB2667 – Distance-based pricing.



<u>SJ254</u> – Study feasibility of purchasing the Greenway.

<u>SB1654</u> – Amend the powers and responsibilities of the SCC.

HB 1832 – The "Greenway Bill," or, The Virginia Highway Corporation Act of 2021.

DAAR's latest advocacy update on the passage of the 2021 Greenway Bill

#### **Our Focus**

- Continue to advocate for efforts to provide relief from any rising toll costs on the Dulles Greenway.
- Continue to monitor the Dulles Greenway (post-Greenway bill), and pinpoint additional areas of needed regulation/change where needed.
- Advocate against efforts in the Virginia General Assembly or the State
  Corporation Commission to authorize automatic annual toll increases on the
  Dulles Greenway should such efforts arise in the future.



## REAL ESTATE EDUCATION STANDARDS AND PROFESSIONALISM

The practice of real estate imposes social responsibility and a patriotic duty to which REALTORS® should dedicate themselves, and for which they should be diligent in preparing themselves. DAAR supports efforts to improve and enhance the knowledge and professionalism of Virginia's real estate licensees.

#### **DAAR Recommendations**

Course Requirement for Brokers and Team Leaders

 Once a licensee serves in a managerial or supervisory position as a team leader or broker in charge of a branch office or firm for 90 days, he or she should be required to complete an in-class, three-hour course, held in the Commonwealth of Virginia, on the management tools necessary to be successful in their roles, along with essential supervisory guidelines and regulatory updates from VREB. The course should be in addition to the required eight hours and must be completed every two years as part of the continuing education requirement.

Improving Real Estate School Standards

 To improve real estate school standards, only an accredited college or university, a public or private vocational school, a real estate board, a real estate office, or a real estate-related professional society or organization should provide continuing education courses.

Bolstering Pre-Licensing Education Requirements

 The 2018 Virginia General Assembly approved adding real estate-related finance to the curricula for new licensees. DAAR supports allocating five of the required sixty hours of real estate-related finance to cover practical topics such as buyer and listing paperwork and writing contracts.

Improving Regulatory Enforcement

 To improve enforcement of VREB regulations, there should be consideration of bolstering VREB resources.

#### Overview

As more and more individuals enter the real estate profession, DAAR believes that strengthening pre-license and post-license education is critical to improving professionalism.

## **Background**

Some advancements in addressing this issue have been achieved. In the past decade, REALTORS® have sought and obtained Virginia General Assembly approval on legislation addressing the core competency of real estate licensees, including additional pre- and post-licensing education requirements, written brokerage



agreement requirements, increased broker oversight of firm licensees, and background checks for new licensees. In 2019, the Virginia Real Estate Board (VREB) began a comprehensive review of its regulations. This presents another opportunity to ensure the necessary enhancements in education and professionalism are implemented.

#### **Additional Information**

The Virginia Real Estate Board <u>licensing regulations</u>.

The Virginia Real Estate Board <u>pending regulatory action</u> (proposed changes, public hearings, etc.).

#### **Our Focus**

Advocate for the inclusion of enhanced pre- and post-license education and professionalism requirements as the Virginia Real Estate Board conducts a comprehensive regulatory review.



#### REAL ESTATE TEAMS

The number of real estate teams continues to be a growing trend and may be viewed as an appealing option to help sales productivity. However, when working with a team member, the public may be unaware that they might not be working with a separate licensed entity. DAAR supports efforts to strengthen advertising requirements and clarify operating standards of real estate teams.

#### **DAAR Recommendations**

#### Team Names

All team advertising must contain the full name of the brokerage displayed in accordance with VREB regulations. The team name in the advertisement should be directly connected to the name of the brokerage such as "The ABC Team of XYX Brokerage." The name of the team should not contain the terms "Real Estate," "Real Estate Brokerage," or "Realty" or any other term that would lead the public to believe that the team is offering real estate brokerage services independent of the broker.

## Identify Licensed Individuals

If any unlicensed individuals are named in advertising for a team, the
advertisement must clearly and conspicuously state which individuals are real
estate licensees.

# Separate Offices

The team office must be approved by the principal brokerage firm.

#### Overview

Real estate teams are a growing force in the marketing of real property. It is imperative that the public is adequately informed of 1) the brokerage firm associated with a team, and 2) who to contact should concerns occur during the course of the transaction.

According to National Association of REALTORS®, as of January 2019, at least twenty-eight states have statutes or regulations governing real estate teams or advertising by real estate teams. The level of regulation varies from fairly detailed to very limited where only team advertising is the subject of regulation.

# **Background**

The 2018 Virginia General Assembly enacted legislation to address some of the concerns that have surfaced with the increased number of real estate teams. This law requires teams to obtain a business entity salesperson's license from the Virginia Real Estate Board (VREB) and expands the responsibilities of supervising brokers to include supervision of real estate teams.



In 2019, VREB began a comprehensive review of its regulations. This presents another opportunity to ensure teams are clearly identified to the public.

# **Additional Information**

The Virginia Real Estate Board <u>licensing regulations</u>.

The Virginia Real Estate Board <u>pending regulatory action</u> (proposed changes, public hearings, etc.).

## **Our Focus**

Advocate for the inclusion of stronger team advertising regulations as the Virginia Real Estate Board conducts a comprehensive regulatory review.



#### BROAD-BASED TRANSPORTATION FUNDING SOLUTIONS

The timely provision of safe, convenient, and efficient transportation infrastructure enhances the quality of communities, supports property values, and mitigates the effects of traffic congestion that accompany growth. DAAR supports improving mobility in communities so that all citizens have access to transportation means best suited to their needs. DAAR is committed to advocating against relying on the real estate industry as the primary funding source to finance transportation projects.

DAAR supports adequate and sustained funding for a balanced multi-modal regional transportation system and urges local officials to locate and pursue funding for specific projects as an initial phase of providing transportation congestion relief.

#### **DAAR Recommendations**

Dedicated Broad Based Funding Methods

 A dedicated, broad-based funding structure is the most equitable and effective method to finance transportation. DAAR recommends the funding structure include components from federal, state, and local governments. Reliance on real estate taxes, such as congestion relief or grantors tax, is ineffective as they are an unstable and unpredictable source of revenue. Home sales are cyclical and when a downturn in the housing market occurs, revenues from recordation taxes fall, creating added pressure for tax increases.

# Public-Private Partnerships for Transportation

Promoting of the use of innovative financing, design-build, performance
contracting, and other public-private partnership tools will help facilitate and
expedite the development of an effective transportation network. Public-private
partnerships involving the application of tolls must include safeguards to ensure
fair and reasonable costs to the public, as well as staggered toll rates.

## Transportation Trust Fund Protection

 Restore public confidence with a protective constitutional amendment and/or other legislative measures to prevent diversion of transportation revenues. Taxes levied on transportation users should be deposited in a trust account for spending exclusively on transportation purposes.

## Funding Formula Allocation

 DAAR urges the Virginia General Assembly to recognize the need for additional statewide and regional transportation funding and adjust the state funding formula to allocate more toward high-growth areas including Northern Virginia. DAAR encourages the Virginia General Assembly to begin a budget process where the money sent from Northern Virginia is sent back in the same proportional share for Northern Virginia.



Target expenditures to improve traffic flow through "bottleneck" intersections.

Construct a Northwestern Potomac River crossing in Loudoun County.

Complete the Tri-County Parkway linking the counties of Loudoun, Fairfax, and Prince William.

#### Overview

One of the major issues facing Virginia is the growing mobility crisis throughout the population crescent stretching from Northern Virginia to Hampton Roads. Without increased federal, state and local investment in all types of transportation infrastructure, Virginia runs the risk of economic stagnation, business flight and decreased tax base.

Transportation funding is also a major issue in Loudoun County. The long-term economic viability of the County requires a transportation system that moves people, goods and services in a safe and efficient manner. The current level of transportation investment in Loudoun County is well below what is required to meet the burgeoning local and regional transportation crisis.

Loudoun County continues to experience dramatic growth. The current population is 420,959 as recorded by the 2020 Census. For several years, Loudoun County has been recognized as the wealthiest and one of the fast-growing counties in America. Yet driving through the County is difficult or impossible because of the network of mismatched road configurations. Loudoun County continues struggling to ensure roads match population growth.

## **Background**

On December 18, 2017, then-Governor Terry McAuliffe proposed that Northern Virginians pay higher taxes to provide a dedicated funding stream of \$150 million per year to Metro. Included in his proposal was an increase of \$.10 to the current Northern Virginia regional grantors' tax ("congestion relief fee"). This would bring the regional tax to a total of \$.25/\$100. When added to the statewide tax on property owners, Northern Virginia homeowners would pay \$.35/\$100 in taxes.

In January 2018, Realtors® across Northern Virginia united to voice their concerns about the recent tax increase proposals to fund Metro. Along with DAAR, members of the Northern Virginia Association of Realtors® and the Realtor® Association of Prince William signed a joint statement regarding the Metro funding proposal.

In February 2018, DAAR members met with members of the General Assembly and Virginia officials to voice concern about the proposals to increase taxes on Northern Virginians. DAAR, along with other Realtors® across Northern Virginia, joined in the discussion as negotiators search for ways to provide \$154 million in dedicated funding for Metro.

The legislation passed did not contain the \$.10 increase in the "grantor's" tax but did divert \$45 million from existing "grantor's" tax revenue. DAAR remains committed to



advocating against relying on the real estate industry as the primary funding source to finance transportation projects.

## **Additional Information**

REALTORS® in Northern Virginia Respond to the Tax Increase Proposal

January 2018 Joint Realtor® Statement Regarding Metro Funding Proposal

DAAR's Leadership Discusses Metro Funding with State Lawmakers

<u>Dedicated Funding Plan for Metro Receives Final Approval in Virginia</u>

DAAR Update on 2020 Census Results

Population Density in Virginia Counties 2020 – U.S. Census

#### **Our Focus**

Advocate for adequate, sustained, and broad-based funding for a balanced multi-modal regional transportation system from federal, state, and local government.



#### BROADBAND

Communities prosper when they gain access to high-speed Internet. Property values increase, businesses grow, and jobs are created. DAAR believes that every American should have access to a high-speed, world-class communications infrastructure. DAAR supports expanded broadband so that there is less reliance upon dial-up or satellite access to the Internet.

#### **DAAR Recommendations**

- Develop a variety of options to encourage quality broadband deployment and adoption, including action by the public and private sector.
- Bolster communications infrastructure by working with alternate providers to provide services.
- Examine franchise agreements to determine whether existing providers can help improve services.
- Preserve the local governmental authority and zoning process that is developed with significant public input.
- Create a county liaison in an effort to link potential customers with Internet service providers.
- Explore the creation of a special broadband tax district to offset the infrastructure costs of bringing in the service for users.

## Overview

High-speed Internet access, or broadband, is critical to economic opportunity, job creation, education, and civic engagement. Communities prosper when they gain access to high-speed Internet. Property values increase, businesses grow, and jobs are created.

Technological communications ability has become the foundation of the American economy and the platform required for innovation and opportunity. It is a tool every child needs if he or she is to learn and compete in the global economy. Access to affordable communications infrastructure is required to ensure that businesses, large and small, are created here, move here, and stay in our community.

While the numbers of new broadband subscribers continue to grow, the Federal Communications Commission reports in its 2021 (Fourteenth) Broadband Deployment Report that nearly 18.3 million Americans still lack access to broadband internet service. Additionally, although up to 70% of the world's internet traffic flows through the data centers in eastern Loudoun County each day, many in the western part of the County struggle to get an internet connection.



# **Background**

In June 2018, the Loudoun County Board of Supervisors (BOS) adopted a Broadband Strategic Plan to increase broadband and cellular access in western Loudoun County. The Plan included conducting a study to determine the potential costs to provide broadband Internet services to unserved and underserved areas of western Loudoun County, specifically the potential costs for connecting County facilities with a private Wide-Area-Network (PWAN) to reduce costs in western Loudoun. The study was completed and in July 2019 the Board of Supervisors directed county staff to identify funding needs and procurement options to deploy a network to key county facilities.

## **Additional Information**

<u>July 2019 report to the Board of Supervisors</u> regarding the Broadband Strategic Plan recommendations.

Broadband Services and Providers in Loudoun County.

2021 Broadband Deployment Report

## **Our Focus**

Advocate for a variety of options to encourage quality broadband deployment and adoption, including action by the public and private sector.



# **LOCAL ISSUES**

## ATTAINABLE HOUSING

The increasing price of housing in Loudoun County continues to edge out the market many individuals who do not make an above-average salary. DAAR supports the availability of a wide range of urban, suburban, and rural housing choices at all price levels for those who wish to purchase or rent property in Loudoun County.

## **DAAR Recommendations**

- Create a separate housing and community development department to increase the visibility, prioritization and effectiveness of Loudoun County's home ownership and rental housing opportunity programs;
- Promote an increase in public and/or private-sponsored down-payment assistance for workforce families;
- Create a housing authority to develop new housing that would be affordable, rehabilitate housing, and revitalize community infrastructure.
- Promote the use of County-owned land to be used for housing that is affordable;
- Provide incentives for employer-provided and military housing assistance; and
- Conduct regular assessments and studies to determine housing needs.

## Overview

The most recent U.S. Census indicates that the median household income for Loudoun County residents was \$142,299 (in 2019 dollars). A family at this income level could afford to purchase a home priced up to three (3) times their income level – \$426,897. In Loudoun County, the average home price climbed from \$233,183 in May 2000 to \$512,986 in May 2018, according to George Mason University's Center for Regional Analysis. According to DAAR's May 2021 market report, the average home price climbed to \$630,000. DAAR believes that this increase edges out of the market many individuals who do not make an above-average salary.

## **Background**

Efforts have been made to highlight the need for housing that is affordable in Loudoun County.

- At the 2018 County Housing Summit, over twenty speakers emphasized the importance of providing housing that is affordable in Loudoun County and recommended ways in which additional housing could be developed.
- The County conducted a Post-Housing Summit Workshop where Housing Summit speakers and other interested persons provided in-depth recommendations for



- the County in three areas: i) proposed revolving loan fund guidelines; ii) barriers to affordable housing; and iii) use of public partnerships and public land.
- The Fiscal Year 2019 included funding for three new positions to be dedicated to housing a Housing Financier with the financial expertise to assemble the complex financing arrangements; Real Estate Specialist who will identify land that is or could be available for future housing development; and a housing attorney whose sole assignment is to provide legal advice on housing issues. Two of the three new spots will be located in the Family Services Department and one will be located in the County Attorney's office.
- The Economic Development Advisory Commission established a Housing Ad-Hoc Subcommittee to review best practices and policies related to addressing the need for a diverse housing stock and come up with recommendations by July 2019.
- In 2021, the Loudoun County Board of Supervisors adopted the Unmet Housing Needs Strategic Plan (UHNSP) which is designed to assist the county in improving housing accessibility, affordability, and quality for families.

#### **Additional Information**

Loudoun County Housing Needs Assessment 2015-2040
Loudoun County 2019 Comprehensive Plan
Loudoun County Unmet Housing Needs Strategic Plan
DAAR Update on UHNSP
U.S. Census Quick Facts: Loudoun County, VA

#### **Our Focus**

- Advocate for the inclusion of strategies to address housing attainability concerns
  as the County begins to implement the Unmet Housing Needs Strategic Plan and
  ensure that there is accountability and transparency throughout the process.
- Advocate against restrictive housing and land use policies that do not integrate provisions for affordable and workforce housing.



#### HOUSING SUPPLY SHORTAGE

The lack of housing stock in Loudoun County, and across the country, is a top concern among REALTORS®. DAAR supports policy strategies that will expand housing opportunities for all current and future Loudoun residents/homeowners.

## **DAAR Recommendations**

DAAR believes there should be a local, state and federal approach in solving the nationwide housing shortage.

- DAAR supports efforts to address large shortages in capital and lending for the development of affordable housing by expanding resources and maximizing the potential of existing programs.
- DAAR supports incentivized shifts in local zoning and regulatory environments to substantially increase the quantity and density of developable residential space.
- DAAR supports the idea of converting older or underutilized commercial space into residential housing units that are affordable for (future) residents of all income levels.
- DAAR supports expanding the capacity for residential construction by applying federal resources to help address construction capacity challenges such as rising construction costs and labor and materials shortages.
- DAAR supports addressing the nationwide underbuilding gap through a
  coordinated approach that involves planning, funding, and developing all forms
  of infrastructure to not only build more housing, but also build better housing that
  will be more inclusive and well-integrated into local communities.

#### Overview

Considering the COVID-19 pandemic's economic setback, as well as the lasting ramifications of the Great Recession in 2008, the lack of housing affordability/stock in the United States remains an issue that is worsening every day. As a result, cities and local communities must take concrete action to support housing affordability and stock in their areas.

The Loudoun County Board of Supervisors has made it a priority to address the housing shortage, and DAAR stands committed to working with them, and members of the community, to meet this critical moment in the industry's history.

## **Background**

Nationwide housing inventory is lower than it's been since the National Association of Realtors® (NAR) began tracking this data in 1982. On a local level, as of Q1 2021, Loudoun County only maintains a 12-day supply of housing stock.



# **Additional Information**

DAAR Q1 2021 Market Report

DAAR Q2 2021 Market Report

DAAR Q3 2021 Market Report

DAAR's Market Report Highlighted at 2021 State of the County Address

Housing is Critical Infrastructure.

Housing is Critical Infrastructure: Social and Economic Benefits of Building More Housing

We Know We Need More Housing, But How Much?

## **Our Focus**

DAAR supports local, state and federal policy strategies that will increase housing stock and expand affordable residence options for all who live or desire to live in Loudoun County.



#### **REGULATION OF ALTERNATIVE ON-SITE SEPTIC SYSTEMS**

Some of the greatest impediments to the real estate industry are land use policies and zoning ordinances. DAAR supports the rights of people to select and maintain an appropriate septic system on their private property.

#### **DAAR Recommendations**

Continue to raise awareness about the 2012 AG opinion prohibiting localities from imposing AOSS requirements that exceed local authority.

#### Overview

When sewers or sewage disposal facilities are not available, Virginia law allows local governments to regulate and impose maintenance requirements on an AOSS that has been approved by the Virginia Department of Health. The law further states that a locality shall not prohibit the use of such system or impose maintenance standards and requirements that exceed those allowed under or established by the State Board of Health.

# **Background**

Over the past several years, localities, including Fauquier and Loudoun, have considered additional oversight measures and requirements related to Alternative On-Site Septic Systems (AOSS) above and beyond what Virginia allows. During the 2009 General Assembly session, DAAR, in concert with the Virginia Association of Realtors®, worked to reverse the AOSS ban imposed by Loudoun County by supporting legislation to clarify that the Code of Virginia allows local governments to regulate and impose maintenance requirements on AOSS but does not give them authority to ban them. The approved legislation nullified the Loudoun County AOSS ban.

In September 2012, the Loudoun County Board of Supervisors forwarded an item to the Transportation and Land Use Committee requesting information on additional oversight measures for AOSS. A reminder of the November 9, 2012 Attorney General opinion that a Virginia locality cannot adopt requirements and standards for AOSS that are in addition to or more stringent that those enacted by the Board of Health was included in the item's staff report. The report also indicated that authority for an ordinance to prohibit AOSS where conventional systems may be found would have to be sought through an amendment to the state code 15.25-2157.

The Loudoun County Ordinance Chapter 1067 - Ordinance to Regulate the Establishment, Operation, and Maintenance of Alternative On-site Sewage Disposal Systems establishes requirements for operation, maintenance, and inspection of these alternative septic systems.

#### **Additional Information**

Alternative Septic System Requirements in Loudoun County



# Loudoun County Alternative Septic Systems

<u>Loudoun County Ordinance Chapter 1067 - Ordinance to Regulate the Establishment,</u> Operation, and Maintenance of Alternative On-site Sewage Disposal Systems

# **Our Focus**

Advocate against efforts to impose additional regulatory burden for owners of alternative on-site septic systems that exceed statutory authority enacted in Virginia.

Advocate for education on the alternative septic systems regulations and ensure members are kept informed.



#### **BROADBAND IN THE WEST**

For the County to continue to thrive and prosper with its unique character, for current residents to remain in the County and for prospective residents and businesses to locate to Loudoun County, expanded broadband is necessary so that there is less reliance upon dial-up or satellite access to the Internet.

#### **DAAR Recommendations**

Bolster communications infrastructure by working with alternate providers to provide services, such as "Wireless Internet Service Providers" (WISP); examine whether existing franchise agreements can help improve services; create a county liaison to link potential customers with Internet service providers; and explore the creation of a special broadband tax district to offset the infrastructure costs of bringing in the service for users.

#### Overview:

Although up to 70% of the world's internet traffic flows through the data centers in eastern Loudoun County each day, many in the western part of the County struggle to get an internet connection.

# **Background**

The FCC's National Broadband Plan states that no matter where you live or how much money you make, every American, every school, every library, every business, every health care institution and every public safety facility needs to have access to affordable broadband services. Technological communications ability has become the foundation of the American economy and the platform required for innovation and opportunity. It is a tool every child needs if they are to learn and compete in the global economy.

Access to affordable communications infrastructure is required to ensure that businesses, large and small, are created here, move here, and stay in our community. Technology is constantly advancing, and our community infrastructure supporting technology uses and tools needs to advance at a pace that is slightly ahead so that we are always in a position to leverage advanced technologies. We are a community of technology innovators, and our local infrastructure needs to enable innovation at the home and business locations.

In June 2021, All Points Broadband (APB) became the top choice for a partnership with the Loudoun County Government that could bring broadband to the west.

In July 2021, the Board of Supervisors voted to allocate over \$12.4 million to bring broadband to underserved communities Loudoun. The unanimous decision will boost expansion efforts to western parts of the county and, should the Virginia Telecommunication Initiative (VATI) grant be awarded to the board, this entire expansion project should be of no cost to Loudoun County taxpayers.



## **Additional Information**

Loudoun County Broadband Services & Providers

2021 DAAR Legislative Update: <u>Board Dedicates \$12.4M to Expand Broadband Access in Loudoun</u>

2021 DAAR legislative Update: <u>Board of Supervisors to Hold Public Hearing on AT&T Cell</u> Tower Proposal

2021 DAAR Legislative Update: An Update on Everything Broadband

## **Our Focus**

For the County to continue to thrive and prosper with its unique character, for current residents to remain in the County and for prospective residents and businesses to locate to Loudoun County, expanded broadband is necessary so that there is less reliance upon dial-up or satellite access to the Internet.



#### SIGN ORDINANCE

Some of the greatest impediments to the real estate industry are land use policies and zoning ordinances. DAAR supports the rights of people to acquire, use, and dispose of private property and believes that Realtors® have the right to advertise properties on the open market.

#### **DAAR Recommendations**

Continue to advocate against sign ordinance regulations that restrict private property rights and impede a REALTOR®'s ability to successfully market properties.

#### Overview

Realtors® work hard to market properties on behalf of their clients. These homeowners greatly depend on the Realtors®' expertise in helping sell their home. One of the key tools used to market property to prospective home buyers is the use of temporary open house signs. The placement and number of these temporary signs helps improve the chance of that homeowner being able to sell their property within a reasonable timeframe – especially if that homeowner lives on a large or uniquely configured parcel.

# **Background**

In 2017, Loudoun County staff proposed reducing the number of off-site temporary signs on private property from four (4) to just one (1) sign. DAAR staff met with Board members to express concern about the proposal and its impact.

## **Additional Information**

Sign Ordinances for Loudoun, Fairfax, Prince William, and Fauquier Counties

#### **Our Focus**

Advocate for sign ordinances that allow REALTORS® to adequately market client property.



#### **OVERLAY DISTRICTS**

Creating an overlay district is a process by which local governments create specific land uses within established boundaries or criteria. DAAR believes overlay districts can be beneficial if used in either a market or environmental protection purpose, so long as the associated regulations: 1) are implemented to fix an actual problem; 2) property owners are notified directly; 3) are understandable to property owners; 4) do not diminish the value of the properties; and 5) do not have an adverse financial impact on existing property owners. Property owners must be aware that if overlay districts are used to regulate land use without their notice or agreement, their private property rights and ability to use their land as they see fit may be compromised.

## **DAAR Recommendations**

#### **Examine Protection Alternatives**

 Given the significant impact overlay district regulations measures may have on property owners, businesses and the local economy, it's critical to consider the least onerous but effective alternatives to protect certain land and water resources.

# Weigh Costs and Benefits to County

Consideration of the most cost-effective methods and practices to overlay
district regulations should be made. Due to the potential financial impact on
existing property owners, the County should proceed with caution and gather
the necessary information that allows a thorough examination of the impact the
overlay district regulations will have on property owners. The County should also
share the costs and benefits of their proposed actions with the public.

## Direct Notice

To raise awareness about proposed overlay districts, DAAR encourages localities
to provide direct proper notice to property owners, raise awareness about the
potential impact and specific costs of implementing overlay district regulations
on property owners and provide an open forum opportunity for property owners
to understand the impact.

# Overview

Overlays often are created for environmental purposes to protect a water or land resource from further development. Over the years there have been a number of overlay districts established upon lands in Loudoun County to help meet specific goals related to airport noise, quarries, historic preservation and mountain erosion. Some examples of Loudoun County Overlay Districts include the Airport Impact Overlay District, Floodplain Overlay District, Historic Districts and Limestone Overlay Districts.



# **Background**

Loudoun County manages development on the mountainsides through a Mountainside Development Overlay District (MDOD) that contains land use restrictions and performance standards to minimize the destruction of individual resources and the disturbance of the ecological balance of these resources.

Steep slopes and moderately steep slopes occupy an area of approximately 50,000 acres in the county. If improper land use and disturbance occurs, these areas could experience erosion, building or road failure, and contribute to downstream flooding, as well as other health and safety hazards.

The Village Conservation Overlay District (VCOD) layer is a zoning overlay district and identifies thirteen small villages and hamlets outside of the boundaries of Loudoun County's incorporated towns and planned residential communities that contain unique, scenic and historic characteristics that should be maintained and protected.

The Limestone Overlay District covers the northeastern portion of the county and includes approximately 18,000 acres. The overlay district is designed to protect residents from sinkholes and groundwater contamination caused by limestone.

The Airport Impact Overlay District uses Dulles International aircraft noise contours, calculated for a full-build-5-runway layout, imposes development restrictions within specified areas.

Many properties within the Rural Historic Villages of Aldie, Bluemont, Lincoln, Taylorstown and Waterford are located within County Historic and Cultural Conservation Districts which are zoning overlays that regulate the appearance of properties through architectural design guidelines.

The Floodplain Overlay District is a mapped zoning area composed of Major Floodplain and Minor Floodplain. The county's Major Floodplain is based on the "Special Flood Hazard Area" shown on FEMA's Flood Insurance Rate Map for Loudoun County. The map also shows the county's Minor Floodplain, which continues upstream from the Major Floodplain. The types of activities and land uses in floodplain are restricted or prohibited by federal and local regulations.

#### **Additional Information**

<u>Determine if your property is in an overlay district.</u>

Mountainsides & Steep Slopes

Floodplains and floodplain management

## **Our Focus**

Advocate that any proposed regulation associated with overlay districts be made in proportion to the need or the effect on sensitive land and water resources.

