

# **2023 Legislative Priorities**

Local & Regional Policies
Loudoun County, Virginia, USA

21720 Red Rum Dr. #177 Ashburn, VA 20147

## **PURPOSE**

The 2023 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:

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# **POSITIONS**

# ATTAINABLE HOUSING

The increasing price of housing in Loudoun County continues to edge out many individuals from the market 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**

- Continue to support the Loudoun County Department of Housing and Community Development to increase the visibility, prioritization, and effectiveness of Loudoun County's homeownership 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, s
- Promote the use of County-owned land 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 \$673,000 in May 2022, according to Virginia REALTORS. 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 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 diverse housing stock and produce 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.



# **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**

Support the delivery of high-speed internet communications/broadband infrastructure to communities in Western Loudoun County and provide affordable connectivity to customers. DAAR also supports transparent management of any grant funds received to enable broadband connectivity.

#### 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. We are a community of technology innovators, and our local infrastructure needs to enable innovation at home, work, and other places of business.

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.

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

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

<u>Broadband Services and Providers</u> in Loudoun County.

2021 Broadband Deployment Report

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

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

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.



#### 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 has been since the National Association of Realtors® (NAR) began tracking this data in 1982. On a local level, as of June 2022, Loudoun County only maintains one month supply of housing stock.



# **Additional Information**

DAAR Q1 2022 Market Report

DAAR Q2 2022 Market Report

DAAR Q3 2022 Market Report

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.



#### **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 is 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 budgetary 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 its 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 water or land resources 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 occur, 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 use in floodplains are restricted or prohibited by federal and local regulations.

#### **Additional Information**

Determine if your property is in an overlay district.

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.



#### 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 Loudoun County communities so that all citizens have access to transportation means best suited to their needs. DAAR is committed to advocating for relief from rising toll costs on the Dulles Greenway for Loudoun County homeowners and residents.

On the state level, DAAR's involvement in this issue is dependent on the official positions on legislative matters set forth by VAR and/or VAR's Public Policy Committee.

#### **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 flat fee scheme.
- Define the meaning of "reasonable" cost to the user based on economic factors including, but not limited to area median income (AMI).

## 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.

In 2020, DAAR surveyed its 1,400+ membership. Among the responses received, it was found that the average DAAR member can spend anywhere between \$50-\$400 per month on toll costs on the roadway.

# **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), can submit requests to the Virginia State Corporation Commission (SCC) to approve toll rate increases on the Dulles Greenway.

Since then, numerous efforts have been initiated over the years to provide relief for Northern Virginia drivers from these automatic annual Dulles Greenway toll rate increases. In recent years, during the 2019 Virginia General Assembly Session, two bills

<sup>&</sup>lt;sup>1</sup> DAAR's position on the Dulles Greenway was formed by members of DAAR's Government Affairs Committee due to the road's location in Loudoun County, Virginia. Advocacy efforts involving the Dulles Greenway on the state level are subject to approval and review by Virginia REALTORS® (VAR) and/or the VAR Public Policy Committee.



(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**

<u>SB1133</u> and <u>HB2667</u> – Distance-based pricing.

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

SB1654 – 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**

Under the guidance of VAR, continue to advocate for relief from any rising toll costs on the Dulles Greenway by supporting VAR-backed legislative measures.

Continue to monitor proposed regulatory and policy changes regarding the Dulles Greenway and pinpoint additional areas of needed regulation/change where needed.



#### PRIME AGRICULTURAL SOILS AND CLUSTER SUBDIVISION REGULATIONS

The Loudoun County Zoning Ordinance Amendments (ZOAM) website says the following with regard to ZOAM 2020-0002:

This ZOAM would amend the cluster residential development standards in the AR-1 and AR-2 zoning districts to prioritize the preservation of prime agricultural soils to support the long-term viability of farming in the Rural Policy Area (RPA). The ZOAM is further intended to improve the overall design of clustered residential development in the Rural Policy Area (RPA).

While there does not yet appear to be a draft ordinance available for review, this description suggests that the County intends to further amend the AR-1 and AR-2 district regulations (possibly after they are replaced by the proposed ARN and ARS district regulations) in order to prioritize the preservation of prime agricultural soil. It is unclear whether the County intends to incorporate these amendments into the draft Zoning Ordinance or pursue them after some version of the draft Zoning Ordinance has been adopted. In either case, DAAR will monitor future activity relating to ZOAM 2020-0002 and is taking the position that greater protection for prime agricultural soil should not result in the reduction in development potential of affected property.

#### **DAAR Recommendations**

 The allowed density should remain the same, possibly with reduced lot sizes and dimensional standards, to the extent necessary to accommodate the same amount of density in a smaller cluster area.

#### Overview

Loudoun County is currently in the midst of a zoning ordinance rewrite process; however, the rewrite of the County's Rural Policy Area has been seemingly divided into a separate process.

The county considers DAAR a valuable stakeholder in this process and members from DAAR have met with county officials multiple times in the past two years to provide feedback on the current Rural Policy Area and input on the direction of the new zoning guidelines.

# **Background**

The Board of Supervisors approved a Resolution of Intent to Amend the Revised 1993 Zoning Ordinance on June 21, 2022. The intent is to improve the design of clustered residential development by incorporating natural features, protecting and conserving agriculturally productive prime agricultural soils, allowing for productive and effective equine and rural economy uses, further implementing the policies of the Loudoun County 2019 Comprehensive Plan (General Plan) with respect to clustered rural residential development in order to guide all the future cluster subdivision application in the ARN/AR-1 and ARS/AR-2 Zoning Districts of the Rural Policy Area.



#### **Additional Information**

DAAR's Zoning Ordinance Rewrite Analysis and Memorandum

#### **ZOAM Outline**

#### **Our Focus**

DAAR questions the rationale for reducing the maximum lot coverage standards for the ARN and the ARS districts, which could reduce the development potential of some lots.

We question why the Draft ZO does not appear to implement some of the proposed RPA action items contained in the 2019 Comprehensive Plan.

DAAR will monitor future activity and provide input on ZOAM-2020-0002, which indicates that the County intends to amend the cluster residential development standards in the AR-1 and AR-2 zoning districts (i.e., the ARN and ARS districts under the Draft ZO).

## SHORT TERM RESIDENTIAL RENTALS

The Loudoun County Board of Supervisors is considering proposed changes to the Zoning Ordinance Amendment (ZOAM) regarding Short-Term Residential Rentals. There are a number of issues DAAR would like addressed in order to maintain and protect private property rights in Loudoun County.

DAAR takes the position that whether a home is occupied by an owner or renter, and regardless of the duration of the occupancy, the use of a single-family home for living purposes is residential use. Therefore, short-term rentals should not be regulated under the county's zoning code to begin with, as this violates the fundamental principle that zoning focuses on land use, not the user of the land.

#### **DAAR Recommendations**

- There should be no setback requirement approved in the ZOAM as it is unreasonable to request existing properties be moved to accommodate, and the enforcement of such would hinder the rights of the property owner.
- DAAR does not support the requirement that owners must reside in the dwelling unit for any set number of days per year, nor that the dwelling unit may only be used as a short-term rental any set number of days.
- DAAR requests that the minimum lot area be removed from the proposed ZOAM.
- The precedent established in Loudoun County is that the enforcement of regulations is complaint driven, and the county should continue to honor that precedent. Furthermore, DAAR believes the proposed method of enforcement to be an unattainable requirement.



#### Overview

Loudoun County is currently in the midst of a zoning ordinance rewrite process; however, the proposal of the Zoning Ordinance Amendment (ZOAM) regarding short-term residential rentals has been divided into separate issues.

A short-term residential rental is defined by the county as:

The provision of a room or space that is suitable or intended for occupancy for dwelling, sleeping, or lodging purposes, for a period of fewer than 30 consecutive days, in exchange for a charge for the occupancy.

The property owners' right to rent their property on a short-term basis could be significantly impacted by the proposed ZOAM. Among the core rights that a property owner has is the right to lease or rent the property, and short-term rental regulations can infringe upon this fundamental property right.

## **Background**

In 2018, Loudoun County established a short-term residential rental registration ordinance, which led to the county evaluating land use and zoning issues associated with short-term residential rentals, with a goal of amending the county's Zoning Ordinance to adopt standards for such rentals. The process resulted in a proposed Zoning Ordinance Amendment (ZOAM) that includes separate standards for short-term rentals of owner-occupied residents, which would be "accessory use," and for the rental of a non-owner-occupied dwelling, which would constitute a principal "whole-house commercial use."

#### **Additional Information**

Loudoun County Information on Short-Term Residential Rentals

#### **Our Focus**

Advocate that the right to rent is a fundamental aspect of private property ownership and oppose zoning and regulations that would infringe upon this fundamental property right to rent.

Prevent any zoning ordinance that regulates single-family homes differently based solely on the occupant's interest in property (owner or renter), or the duration of the occupancy (short-term vs. long-term) – as short-term rental regulations do – as this violates the fundamental principle that zoning deals with use and not the user of the land.

