

February 4, 2016

The Honorable Thomas A. Greason 32nd District Virginia House of Delegates General Assembly Building P.O. Box 406, Office 513 Richmond, VA 23218

Dear Delegate Greason:

On behalf of the leadership of the Loudoun County Chamber of Commerce, I am writing to express our significant concerns with HB 770, patroned by Delegate Gilbert, and SB 549, patroned by Senators Obenshain and Saslaw.

If enacted into law, these bills would significantly reduce the authority of local jurisdictions to manage their land use processes and would highly restrict the private sector's ability to work with local governments to negotiate mutually agreeable cash and in-kind proffer packages that assist in funding the capital facilities and infrastructure needed to serve new development. Unless significantly modified, we urge you to oppose these bills when they come before the House/Senate.

The Chamber supports efforts to reform the proffer system throughout Virginia to create more fairness in the process for both the public and private sector. Nevertheless, we believe that HB 770 and SB 549 creates a far too rigid, one-size-fits-all approach that would drastically undermine the ability of private sector investors to craft creative solutions to support a community's efforts to attract a talented workforce, spur economic investment, build critical infrastructure, and improve the quality of life of its citizens.

Loudoun County, for example, has seen tremendous growth over the last five years. Loudoun County's population increased by 62,140 people or 19.9% in that time, compared to the State's population increasing by only 4.8%. This explosive growth has compelled the County to develop public facilities at an accelerated rate.

Without proffer support, that financial burden would fall to the existing taxpayers. With proffer support the county has built needed facilities, maintained county services and kept taxes steady, creating a positive climate for business investment.

Loudoun has built 41 schools, nine fire stations, two libraries, seven group homes, eight parkand-ride lots and 10 parks since 2001, and has done an admirable job of providing public services to a growing community. These public facilities are critical to the quality of life of our residents and are important assets when decisions are made to locate a new business in Loudoun.

As HB 770 and SB 549 do not apply to commercial development, we are deeply concerned the restriction on residential proffers will simply compel Loudoun County to stop entertaining any residential rezoning applications.



This would: a) exacerbate an already difficult affordable housing situation in the county – making it harder for employers to attract workers to the county; and, b) shift the burden of supporting the county's capital needs almost entirely to the commercial development community. Should the commercial sector be compelled to absorb those increased capital costs, it would have a severe chilling effect on future commercial development in the county.

Northern Virginia has long been the economic engine for the Commonwealth, and in the last decade Loudoun County has driven the growth of Northern Virginia. As well intentioned as HB 770 and SB 549 are, the unintended negative consequences of these bills could be damaging for Loudoun County and the Commonwealth.

We urge you to oppose HB 770 and SB 549, or support amendments granting exemptions and carve-outs to high-growth areas, like Loudoun County.

We appreciate your consideration of our position on this critically important issue.

Sincerely,

Anthony Howard President & CEO