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Loudoun County Board of Supervisors, Finance/Government Operations and Economic Development Committee, Tuesday, March 12, 2024

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[00:07:32] Good evening, and welcome to the Finance, Government Operations, and Economic Development Committee meeting. The room has a hearing loop. If you need hearing assistance, switch your hearing aids to telecoil mode. If you need a headset, we have those available as well.

[00:07:49] Please see the clerk to request one. We have six items on our consent agenda. They are number seven, contract renewal road and construction support services. Number eight, contract renewal construction support services for buildings and parks. number nine contract renewal public safety two-way radios and related equipments number 10 art advisory committee annual end of term report for 2020 to 2023 number 11 commission on aging annual end of term report 2023 and number 12 parks

[00:08:21] recreation and open space board annual end of term report do we have a motion to approve the consent agenda. So moved by everybody and seconded by everybody else. We'll say Supervisor Sainz and Chair Randall, just because I'm going to pick randomly. Any discussion on that motion? I'll just say on behalf of the committee and hopefully the board to thank those three groups, the Art Advisory Committee, the Commission on Aging, and the Parks, Rec, and Open Space Board for the work they did in the last term and the report that they provided us.

[00:09:00] And certainly we appreciate all of our citizen volunteers who care enough to come and spend time in meetings and help advise the board on those subjects. Supervisor Brisbane. Thank you. I actually wanted to say something similar. I did go through and read the committee's annual reports, which is new for us, for our advisory bodies to provide annual reports to the finance committee and then subsequently to the board.

[00:09:26] And I was very impressed with all the work that the PROS Board has done. And also linked in that item is a video from our director of Parks and Rec that I watched today. And I didn't know that they had done that. And so it's a great video.

[00:09:42] And I am always surprised at some of the programs that are out there under Parks and Rec that I don't know about. And there were a couple in that video that I actually didn't know about. So I would just say go watch the video if you can. And thanking our advisory bodies. There is one advisory body that I have some concerns about what they're doing, but I will take that and talk about it offline.

[00:10:04] Thank you. Was it one of these? Okay. Let's talk about it offline. That was a little ominous, that's all. Okay, Mr. Sainz. Thank you, Chair.

[00:10:19] I would propose that we add item number 14 to the consent agenda without any objection. Well, if we're going to add 14, we could add 13 as well, I think. Sounds good to me. All right, 13 and 14. Okay. Any objection up here?

[00:10:37] Okay. Well, I do get a closing. No, I don't get a closing. I haven't spoken on the item, though, so I will – oh, I did speak. Yes, never mind. I can't speak. You can take my vote. Sure. No, I didn't make the motion. I can't do a closing.

[00:10:53] I will – no, that's fine. I was just going to note on those two items, I was going to thank – we have Mayor Vance and Mayor Wine here, I think. Yes. Hello. How are you? Thank you for being with us this evening. I was just going to note, so these are items where there are cost overruns.

[00:11:14] The Hamilton well is a well that effectively serves an LCPS facility. And so, you know, the obligation kind of is one that should be certainly borne more by the county.

[00:11:30] And then, of course, the Hillsborough traffic coming project we're all very familiar with, \$392,000. I don't have a problem with funding it. I did want to note that, you know, sometimes the county does get some criticism for not being responsive enough to our towns, but I think we're certainly willing to pay our share when there are overruns, and the projects benefit all of our shared constituents, so happy to do that here.

[00:12:01] Okay, all in favor of the consent agenda, say aye. Aye. Anyone opposed? Motion carries, 5-0. All right, moving on to our FY25 budget development process item. This is the CIP program and other capital funds.

[00:12:20] So staff has come back to the committee with a report. We only had a single scenario that was requested on the last CIP work session, which is removing the 7690 interchange ramp project no longer needed since the town agreed to vacate the easement, allowing the ramp to progress with the full interchange project.

[00:12:38] And the scenario instead substituted Bull Run Post Office Road realignment, which is \$3,090,000 available in FY28 to accommodate design, land acquisition, and utility relocation. I will turn it

over to staff.

[00:12:56] Thank you, Chair Letourneau, members of the committee. Well, to resolution, you've summarized the three slides that I had for you. Well, there's only one thing. So, you know, it wasn't that. Okay. So, yes, as you've stated, we have run that scenario, and we're able to accommodate removing the Route 7690 Phase 2 interchange project and adding the Bull Run Post Office Road Realignment Project into FY28.

[00:13:25] We can go to the next slide. So this slide just shows us what was proposed in the FY25 budget and then removing that funding from this project, and then on the next slide shows that funding being assigned to the Bull Run Post Office Road Realignment Project, as well as adding funding for future fiscal year to construct the project.

[00:13:48] And so staff's recommendation is for the Finance Committee to forward the proposed CIP as amended, as well as the other capital funds to the Board's March 14th budget work session for review and approval. And we can take any questions.

[00:14:05] Okay. Are there questions from members of the committee? Supervisor Briskman. Do we need a motion to do this? Yes. We do need a motion. Okay. And are we losing?

[00:14:20] I know sometimes we hear from staff that we can't move pots of money around between projects in the CIP, especially road projects and bridges and stuff like that, because we've gotten some sort of funding from MVTA or SmartScale or stuff like that. Are we losing any opportunities in that sort of realm by switching these over?

[00:14:41] No, this project was funded with general obligation bonds, and so we had the capacity to be able to swap these two projects. Okay, fantastic. I'm happy to support this for my colleague from Dulles. Something else you wanted to discuss?

[00:14:58] Actually, I think, unless there's any other questions on this, I think you can slide into your other item. Oh, okay, but you have to make a motion for this, she said. Well. I'm happy to make my motion. I can. I didn't, I don't know, is this an amendment, or should we pass this first and then take that up, or is it an amendment to the CIP in general?

[00:15:23] I think you just passed the motion that's in the. Yeah, so then we'll, I'm sorry, I didn't see you. All right, yeah, so let's do this. Any other questions, comments on any item, not just that, any item in the CIP? This probably is the least amount of CIP discussion we've ever had, and we managed to make it five minutes in this one.

[00:15:46] So I'll move the Finance, Government, Operations, Economic Development Committee for the 25 to 30 proposed CIP program, Capital Asset Preservation Program Fund, Major Equipment Replacement Fund, Metro Garages Fund, Public Facilities Fund, and Transportation District Fund as amended by the committee on March 12, 2024, the Board of Supervisors, March 14, 2024, Budget Work Session for review and approval.

[00:16:06] Questions made and seconded by Supervisor Briskman. Yeah, just by way of opening and maybe explanation, I think the reason for that is because the CIP is completely programmed and it is an important point we kind of gloss over it we don't spend a lot of time on it but to our citizens you know we've got hundreds of millions of dollars billions of dollars worth of projects in the cip and we also have

requests to do more things and do them quicker but it's a fiscally constrained document over the six-year period and it's completely programmed to the absolute hilt so you know we have occasional one-off things that we can do

[00:16:43] using fund balance, but for the most part, you know, the capital program is the capital program, and a lot of the projects that are in the capital program have been in there for a while. This year, there was some additional work done to recast into future years the amounts of money.

[00:17:02] It's really depressing. If you're following certain projects along that you've been promoting, some of those seem to have moved backwards because the amount of money has gone up so significantly, and they can't be accommodated in the same years, but that's the reality of the supply chain and inflation and all the issues that we're dealing with in the construction world.

[00:17:22] So any other comments on the motion? Seeing none, all in favor say aye. Aye. Anyone opposed? Motion carries 5-0. Vice Chair Brisbane had a request. Thank you. I'm going to make a motion.

[00:17:40] The motions on the white paper and the orange paper are exactly the same. Could we just do the questions on it first? Could you just introduce kind of what you're talking about? And then I may actually support your motion, but I want to ask a few questions, and I prefer not to do it in the motion since it's a committee. So we, staff, helped create a motion that would send the planning and conceptual design funds to fund balance.

[00:18:08] It's a million dollars for the Cascades Senior Center and Library so that we can get an idea of what we're talking about because this is really the first time the county has done something like this on a more modern facility that we've built.

[00:18:27] So I don't really have any questions for staff. Yeah. So I'm wondering, this is just the conceptual? It's not any actual design work? Yeah, it would be the planning study and concept design.

[00:18:44] so we would come up with a concept that would then be sent to do the full design. Okay. It's the first step, really. Is there any concern with doing that in fiscal, potentially? The board would still have to vote on this as part of fund balance. But is there any concern with doing this in, say, 2024 or 2025 if the project funding is so far out?

[00:19:05] I mean, you're leaving such a huge gap between when you do that process and then when you build it that we change, the public changes, the needs of the county change, codes changed accessibility issues changed we've seen that over some projects that we've had a big span on so is there any concern with that is there any is it more prudent to wait until closer to when it actually could be funded to do this or do you think it's better to do it early and define the project earlier yeah you you would have to redo a portion of this when you go to design it let's say six years later only to reaffirm your program reaffirm your your end users needs at that

[00:19:45] point uh because it will be a certain time later if it is you know six years say um but there is an advantage to doing it earlier as well because we would have a good understanding of what to put in the cip for those future years and really set the program and know what to put into the uh into the project so there's i guess pros and cons to both well is there a way to do the parts that we wouldn't have to redo later or is that all part and parcel and when i say redo it's not a full like the whole million dollars wouldn't need to be redone you just reaffirm what you've already so you have the information you're just reviewing it and as long as there's no major

[00:20:21] changes from the end users it would be a short process um and you know we would review some okay and we have had projects we had to do a complete and wholesale redesign on because too many years have passed and everything changed from hvac to but is this not at that level of detail This wouldn't get into the full design details.

[00:20:41] This would be conceptual in nature and a little more fluid. You could make those adapt to those. So the second question, which is more for budget staff, is when we do this, if you just read kind of what the motion is, it's to send it to the fund balance discussion so that the board can consider it in the fund balance discussion.

[00:21:00] What it seems like to me is what ends up happening is that staff takes these requests and just inserts them into the item that comes to us in fund balance. And then it's like baked in already as an assumption the board wants to do it. Which is it?

[00:21:17] So we get direction from the finance committee or the board to send items to fund balance. And then the item that is presented, there's staff recommended uses of fund balance. And then we articulate what the board's already recommended uses of fund balance.

[00:21:33] But the board can decide whether or not it wants to remove. Does this become a board recommended use of fund balance? Yes, because you've sent it to the fund balance process. But we haven't approved it. We haven't actually recommended it. We've just said we should discuss it in fund balance. I think if there's a way you'd rather. And I'm more talking about this in the abstract, not this particular project.

[00:21:50] I mean, we can work on characterizing things a little bit more specifically if that would be helpful. Okay. Chair Randall? So, yeah, I think this is a matter of semantics, to be honest. I think that the goal is to have this in the fund balance.

[00:22:08] And if that's not the goal, that should be said, because I get what you're saying. And if we're not trying to do something with it, then we shouldn't probably be sending it there at all, to be honest. And so, you know, maybe, and I know where we're going with this, and I don't care about this language because I know what we're trying to do. But maybe in the future, the discussion, the wording could be just a bit different, I think.

[00:22:29] Do we know in advance what the fund balance is possibly looking like this year? Item five on your agenda has a projected year in fund balance discussion of approximately \$200 million. Exactly. Thank you. Thank you.

[00:22:44] Okay, so Supervisor Rustin, do you want to make your motion? I would. Thank you, Chair Letourneau. I move that the Finance, Government Operations, and Economic Development Committee recommend that the Board of Supervisors send funding consideration for the planning, study, and conceptual design of the Cascades Library and Senior Center complex renovation in the amount of \$1 million to the FY 2024 fund balance discussion.

[00:23:11] Second. Okay, motion is made by Supervisor Rustin, seconded by Supervisor Saints. Opening? Sure. I mean, I think the idea of how much we have in fund balance also speaks to the idea that this isn't something huge that I will be asking for in fund balance.

[00:23:28] And again, it's just a concept and it's a planning document and planning study, so we can just get an idea of what that renovation could look like. And I do suspect that, you know, it will be a couple of years before we start, like the actual technical design, perhaps.

[00:23:46] but I don't think it'll be six years. Crossing my fingers that it won't be six years, but thank you. I appreciate the Finance Committee's support. Thank you. Chair Randall? Yep, just to give some support to the motion. Hopefully it won't be six years. Gosh knows.

[00:24:02] These two facilities are probably two of the most used facilities in eastern Loudoun County, in this part of the, well, in Sterling, Algonquian area that I've seen in a long time. It is very rare that you can almost not even get a room,

[00:24:16] And for the Cascades Library, the Parks and Rec, or actually not the Parks and Rec, but the Teen Night is at the Cascades Library, and it is an amazingly well-attended thing that happens that mostly middle school kids, some high school kids, although high school kids get really cool and so they don't want anyone to know what the middle school kids, it's something for them to do.

[00:24:47] because truthfully, one of the things we need to work on in Loudoun County is having something for that age to do, middle and high school kids. Teen night at the library is absolutely amazing. And so, you know, we in general need to make sure that we keep all of our buildings and our resources kind of just up in general.

[00:25:07] But most especially, I think these two buildings are used just all the time. I was at the senior citizen the senior center this past weekend when the cast when the community builders were there The community bills are a group of teenagers at the senior center So it's kind of an interesting thing But I I fully support this and want us just in the future to take a look at and we already do take a look at when we should Update our our existing buildings that are how old is this been miss Brick's been 20 years older than that older than that okay so we just keep upgrading them when we can

[00:25:42] thanks thanks thank you sorry belabor the point but yeah um definitely we'll support this and and chair Reynolds correct and supervisor Brisbane with their motion we need to look at renovating these two locations these are definitely some of the older facilities now in Eastern Loudoun with the renovation the sterling community center the sterling Park Safety Center because I remember growing up the Cascades library actually it was called the eastern loud and regional library um this is before the ashburn library is built we only pretty much had that and the rust library in leesburg at the time um so this was the the place

[00:26:22] to go uh during that time that's from 1990 i'm going to age myself a little bit here that was 1993 to about 1999 when i graduated from broad run so it was the only eastern loud and regional library at the time. I don't remember when the Ashburn library opened up, but it was definitely years later. So anyway, so kudos to Ms. Bricksman for getting this in, and it's definitely a worthwhile project. So I'll support the motion. I think the broader point I was really trying to make was it's hard to evaluate one single item as part of the fund balance until we're actually in

[00:27:01] the fund balance and we can see what all the items are that staff brings. And I don't think with respect that it's really a matter of semantics because the board very rarely takes things out when they come as part of a package that goes to the fund balance it it's just like our budget when something's in it's much harder to take out um and that may be perfectly fine in this particular instance but i was kind of

making a broader point about sort of how we do fund balance in general um doesn't i don't i don't know how many items we've sent to some some balance in the course of the year i don't know if it's as many as sometimes some other years have been it doesn't seem like it. But for myself, I probably will end up supporting this in fund

[00:27:39] ballots. But I just want to say, you know, depending on what all the other options are and what other things that we need to do, it's possible something like this or any other project could get left out. So I don't want the vote on this to kind of be the vote where we've fully committed to doing it. Thank you. Now y'all got me feeling nostalgic talking about how old those buildings are so my kids are 21 and 19 and I took my first child to story time there on a weekly basis and I still hug librarian Sally every time I go in there who read stories to my babies so that's how old that place is and it was there for a couple years before I started doing that

[00:28:19] also the senior center is celebrating 25 years this year so I'll be bringing a resolution about that and there's going to be all kinds of fun stuff happening because the senior center is is celebrating 25 years so you know having been in and out of those buildings a lot over the last 20 years i i am noticing that they're they're really starting to show that they've been loved well let's say it that way so i really appreciate everyone's support on this and i'm really looking forward to the um to the end end product thank you okay i'll favor the motion say aye aye anyone

[00:28:53] opposed motion carries five zero and with that i believe we're done with the cip items very much So our next item is information items, monthly Department of Economic Development report. I know our mayors are still in the audience.

[00:29:10] You're more than welcome to stay with us for the whole meeting, but we've approved your item, and you're free to go home if you want. But we're also happy to have you, too. All right.

[00:29:27] Mr. Reiser, good evening. Good evening, board members. I have a huge cast with us tonight. Colleen Cardaz, our assistant director, Kelly Fultman, the chair of the Rural Economic Development Council, Stuart Vermack, you remember from his outstanding performance at the budget sessions last week.

[00:29:48] Kristen Brown is here, and John Magistra, who is also our, leads our rural efforts and was instrumental in the report that we're going to talk about tonight. A couple of macroeconomic issues. Consumer prices rose 3.2% through February, which was a slight uptick in inflation, which I think we were hoping not to see, but it's just a slight uptick. Jobs increased by 275,000 in February, a stronger number than was expected there.

[00:30:21] The prime age labor force participation rate, that's 25 to 54, has recovered. It was 0.5% higher in February than it was in February 2020. The overall labor force participation rate was 62.5%. Through the end of February, DED has had 86 wins, 4.14 billion in investment, and 2,159 jobs, new or retained.

[00:30:47] The pipeline remains very strong and diverse, with significant gains in prospects in the targeted clusters and in the international program. My analysis of the pipeline would lead me to believe that we'll continue to notch a lot of wins and create a lot of jobs over the next few years, but there will be a significant reduction in overall investment as data center development slows down.

[00:31:12] Ombudsman assistance is way up in our department. We're already at 118% of our annual target of helping businesses and very pleased to announce that our engagement with minority-owned

businesses is at 142% of this year's goal.

[00:31:29] Vacancy rate for office industrial and flex is down to 2.9%. DED worked with Mapping and other county staffs to support the county's road renaming initiative program, and Colleen has a report based on that. Thank you so much.

[00:31:45] Just as a reminder, this was passed as part of the November 15, 2023 Board of Supervisors Business Meeting, directing staff to implement a one-time fixed amount grant to offset the cost of businesses financially impacted by the road renaming initiative. DED was responsible for maintaining the grant program, so we're going to provide a report as we've closed out that grant.

[00:32:06] Home-based businesses that met the criteria were eligible for a one-time grant of \$500, and businesses and nonprofits and commercial structure 750 with the ability to also apply for a reimbursement as up to \$5,000 for a standing sign. Staff did determine at the time that there were 225 businesses that had a business license and were eligible for the grant if they met all the criteria.

[00:32:29] We opened the grant process in two phases from mid-July to mid-August of 2023. We worked closely with Public Affairs and Communications who developed a communications plan, including a web page, blog posts, a news release, messages through Alert Loudon, and email text updates to residents and businesses who signed up.

[00:32:48] There was also a postcard sent to property owners and tenants. DED also promoted the program and amplified the information provided by PAC, conducted phone calls to every business for whom we could find a phone number, and conducted door-to-door visits to distribute informational flyers.

[00:33:06] We spent quite a bit of time on Route 7 and 50, about halfway through the grant program to try to increase participation. In total, we received 55 grant applications. After review, 39 were awarded. That's two up from what's in your packet. We were able to work with two businesses to certify their applications.

[00:33:25] Five of those were to home-based businesses, and the remaining to commercial businesses and nonprofits. We did issue a single-sign reimbursement, and of the applications that were received, the 16 that were denied the primary reason was that they were not eligible for not being licensed and in good standing with the county the remaining funds that were dedicated to the grant will be sent to the end of year fund balance and i'd be happy to take any questions okay questions for our team we take are we taking questions on everything in the package i i think we have more that was

[00:33:59] just okay yeah just on that section yeah okay so keep going then okay uh before we get to the rural report update. I do want to give kudos to a few Loudoun businesses announced as Virginia Governor's Cup case winners last week. Bro Vineyards and October 1 Vineyard both took home top prizes. Loudoun wineries were well represented again this year at the Virginia's Cup with 27 wines from 17 wineries earning gold medals. So congratulations to them. So working with our partners in Virginia Cooperative Extension, Loudoun DED has prepared a report on the findings of the

[00:34:37] 2022 census of agriculture recently released by the usda the full report is in your packet mirroring national and regional trends for changes in acres farmed from 2017 to 2022 10 of loudon's acres of farmland were converted out of agriculture during the period the loss of any farmland on a local state or national level is certainly concerning but i do think there are many factors at play. The cost of land, inflation, and workforce shortages all contribute to why farms convert to other uses. Understanding these economic drivers and barriers to sustaining

[00:35:14] farmland is a critical focus for DED, VCE, and the Soil and Water Conservation District, all of whom monitor Loudoun's agricultural-based businesses and try to help preserve as much farmland as possible. The primary reason for the loss of farmland is likely new home construction.

[00:35:32] As you know, the demand for new homes has been very high in recent years, driving up prices. Assessed values for single-family homes are up 49% during the period of the study. A lesser but significant contributing factor behind the loss of farmland was nutrient banking.

[00:35:50] Nutrient banking involves permanent land use conversion to uses that generate a lower amount of nutrient runoff, such as the conversion of farmland to forests. And according to a 2022 report by the Virginia Department of Environmental Quality, there were nine approved nutrient bank projects in Loudoun that removed 633 acres of farming land.

[00:36:11] Finally, the census data show that land under conservation easement in Loudoun increased from 2017 to 2022 by 29 percent, or approximately 5,000 acres, which may or may not be farmed. While statewide, the increase was only 5 percent.

[00:36:27] There are a few bright spots in the report that reinforces the effectiveness of the Board of Supervisors' efforts to support rural businesses and preserve farmland in western Loudoun County. A real positive trend in Loudoun's agricultural-based business sector is moving from a commodity farm system to more of a specialty crop hub that has increased diversity in both the type of products grown and the farmers who grow them.

[00:36:53] During the census period, the number of farms in Loudoun grew by 6% to 1,332 active farms. With the increase in farms and the diversification of product, Loudoun saw the market value of agricultural products sold increased by 14%, representing 50.2 million of our local economy.

[00:37:13] Page four of the report lists all the many ways that Loudoun County are leaders in agriculture, including being number one in the Commonwealth for equine farms, number of horses, new or beginning farmers, and several minority farmer categories. And we're number two in grape production, land under conservation easement, alpacas, goat farms, and women farmers.

[00:37:34] We'll take some questions on this if you have them, but first I think I'll turn it over to Kelly Fultman, who has a few updates from the REDC. Welcome. Hi, thank you. Just to let you know, things that we finished up this year, obviously we finished up our zoning ad hoc That consumed most of our time, but we've also had monthly speakers, including most of the Innovation Challenge winners that DED has had, and they have been wonderful.

[00:38:01] We've also included businesses with other innovative programs and processes. Speaking of Molly Croy's and her, their goat business, and many other speakers, we've had updates on the Loudoun supply chain by Curate, and we are really looking forward to diving into this census next month.

[00:38:24] Also, we have been kicking around ideas to better connect customers to our rural businesses, and we're going to be doing a little bit more examining that. Some thoughts are how do we reach out to our HOAs and let them know what we have to offer, and also how can we bring some of our products more to some of our larger equestrian events to give those customers a broader, broader range.

[00:38:51] And so we may be asking to see if that could be something as an ad hoc that we can do in the future. Anything else from Mr. Reiser? No, that's all for us. Thank you. Okay. Questions for everybody on

anything now.

[00:39:08] Start on this side, Supervisor Bruce. Oh, thank you. I did have a question on the first part. First of all, I love driving down Little River Turnpike, So I'm just so glad we did that, and I love getting the notifications that say, I mean, I hate that there might be an accident, but I like that it says Little River Turnpike, and I really appreciate that program that happened.

[00:39:31] Commercial vacancy rates seem a little bit high under office. Is that okay? Well, I mean, our effective office rate as of today is about 7.5%, which is really not high.

[00:39:51] But the actual usable vacancy rate is probably closer to 5%. There's some obsolete office space in there that, frankly, will eventually be torn down for other uses. But it's still on the rolls in the short term.

[00:40:10] But when you're looking at vacancy rates in other parts of northern Virginia in the 20s and in actual usage rates closer to 50 percent, I'm very comfortable with where our office market is right now.

[00:40:27] Okay. And then on to the census. Oh, I was thinking I was on a timer. I forgot. We're not. I thought I saw a bunch of zeros. On the census, how do we grow in numbers of farms by 6% but lose 11% of farming acreage, I think is what you said. And then what are we losing it to?

[00:40:49] Yeah, 10 percent. We lost 10 percent, which is, you know, actually better than a lot of our comparators in northern Virginia. A lot of the farms that we are seeing are smaller farms and more specialty farms as opposed to larger farms.

[00:41:06] A lot of the larger farms are selling off parcels for housing. That seems to be the largest area where we're losing some of our farming to. And, you know, the economic sense, you know, is there.

[00:41:23] Certainly it's not what we want. It's not what we hope for. But with the demand the way it is and the prices that are being offered on some of these lands, it does make sense. Our goal is to provide as much opportunity to make these revenue-generating properties in order to keep as much in the farming realm as possible.

[00:41:48] Okay, yeah, I do love the diversity that you were talking about. Thank you. That's all I have. Thank you. Mr. Sains. Thank you. Can you explain the minority farmers group referenced as one of the programs expanded during the census period? Sure, I think Stuart can take that.

[00:42:04] Good evening, everyone. Yeah, I can. That was an initiative through our department, specifically through our commercial horticulturalist, Beth Sastre, who on a variety of different occasions, but in a very formal sense in 2021, convened strategic, you know, strategically convened a group of minority farmers representing diverse agricultural sectors, vegetable growers, flowers, tree fruits, green tea.

[00:42:34] and micro-dairy and convened them to really try to gain an understanding of their perspective of their specific challenges and needs. It was a, you know, a one-off program during that period of time.

[00:42:50] Again, this is specific to those five years that that was happening, and they were able to share those sort of common challenges and triumphs, and Beth pointed out that those struggles were not different from the majority of growers in Loudoun right and when you say minority groups you mean just minority businesses like the the farming groups that you just mentioned are persons of color uh

specifically persons of color person of color okay very good all right and then does DED or the REDAC have uh are the virgin and the Virginia Cooperation Extension have

[00:43:26] a plan to address the aging producer population yeah no we we absolutely do and you know we have really focused much of our energy on young farmers uh getting more and more young farmers and really the demographics are starting to you know we're seeing more and more people get into it i mean this goes all the way down into our elementary schools with our uh farmer trading cards programs and uh trying to engage them in a in a in a different way um you know the fact of the matter is loud and has a lot of legacy farms that uh that the next generations are not

[00:44:06] necessarily looking to carry on that same thing. So trying to get as many new farmers into the pipeline and, you know, diversity plays a major role in that is something that we are very, very focused on. And I do want to take the opportunity to compliment Stuart. You know, our relationship with VCE is incredibly strong and it hasn't always been that way.

[00:44:31] We are working hand-in-hand, along with, you know, soil and water and visit loud. And it really has become a coalesced effort to try to continue the work that the board has instructed us to do on this kind of work. Very good.

[00:44:47] Thank you. Mr. Roser, I'm step. Thank you, Mr. Chairman. I'm looking at page 7 of 18. This is the section that talks about, according to the residential pipeline report, the combined number of housing units remaining to be built in the rural and transition policy areas dropped by 43% in five years from almost 9,000 down to a little over 5,000 housing units.

[00:45:25] So is that due to a combination of factors? Is it partly because quite a few homes have been built already? Is that the primary factor?

[00:45:42] I would say that that's mostly it, and there haven't been a lot more homes. In fact, I don't know if there have been any more really big developments approved by the boards in some time. So this is, I think, the construction of already approved homes throughout Western Loudoun.

[00:46:02] And you can, when you drive down 267, you can see the homes being built. All right. So it is more because homes already built are out of that pipeline rather than land going into conservation easements or nutrient banks.

[00:46:22] Well, we would have to do a deep dive into that. My instinct is that it's that more of those houses have been built. Okay, thank you. Chair Randall. Thank you, Mr. Chairman. I may need two sessions. First of all, thank you for this.

[00:46:38] This is a very good report. I understand why we brought it to the Finance Committee, but I also think that it will be very helpful and maybe even better served to be in TLUC, especially as we're about to go into the Rural Zone, MCPAM. This is something that I think we need to be in TLUC. If you look at page 7 of 18, second paragraph down, it actually says the primary reason for the loss of farmland in Loudoun was new home construction.

[00:47:03] The demand for new homes has been very high in recent years. What is important to say, in fact very important to say, is that no board, not the past four boards in Loudoun County, have approved new construction of homes in rural Loudoun County.

[00:47:18] Not at all. This has all been by right construction, which is why it's so important for us to get this CPMZOM done as soon as possible, because we are losing land to new home construction that is all by right production. It's also why we have to figure out the Primax soil item as soon as possible as well, because, again, we're losing farmable soil to new construction.

[00:47:47] And if you understand what farmable soil is, not just, quote, primax soil, you understand why that's easier soil to build on. So it's very clear why we've lost some of this land, and it's very clear that we can't keep doing that. I do understand that we have lost less than the rest of the other parts of even this area, other parts in Parkier County, Prince William County, Clark County.

[00:48:11] We have, but, you know, we really want to stop losing it altogether. That's the first thing. Secondly, I think that what we are doing well in, we are doing extraordinarily well in.

[00:48:26] If you look at page 18 for all the things that Loudon ranks number one or number two in, it is absolutely fantastic, which is a credit, Mr. Reiser, to your office and the work you're doing in this area. I have fairly recently incorrectly said that maybe we weren't putting enough focus in the rural policy area.

[00:48:46] I was wrong. I got to just look at these numbers, and then we're putting a lot of focus in the rural policy area, and that's very, very, very helpful. I would say also to Ms. Fultman, especially, but to everybody, I have been discussing over the past, I don't know, two weeks or so, but really this past week, the rural CPAM and Zone Wilmington, how to do that, and the fact that a lot of it will come through TELUC, And that if we do it very much like we did toward the end of the Zora process, it would be a much more kind of controlled process.

[00:49:20] So we don't have a stakeholders group of God knows how many people or groups, but we have those industry area groups. And one industry area by itself should be our equestrian area because it's such an important part of our rural economy. And so Mr. Turner, Mr. Kirshner, Mr. Crony, and I, separately, not together, have been talking about what those industry areas would look like right now.

[00:49:44] I think we're up to eight or nine industry areas, which, by the way, is three more than we had when we did all of East Browning County, and how that would look. But I think that this whole discussion and this whole report being presented in TLUC, especially since we're going to do the CPAMSOM, comes through TLUC, I think would be really, really important.

[00:50:07] Overall, this whole census was fascinating. I read it cover to cover and even went back on some other places twice. But especially for the housing, we've got to get the PrimeX rule done. We've got to get these other things done because it is the housing that does not come to this board that is leading to us to lose formable soil.

[00:50:29] Thank you. Thank you. Any other questions, comments? No. Thank you for your time today. Do you need to respond? No. Okay. Great. Thank you. Thank you so much. Thank you for being here tonight. All right.

[00:50:47] Our next item is the Eastern Loudoun Community Arts Center study. So this came up in last year's CIP, and the board asked for essentially a scoping exercise to look at what a community arts center would be.

[00:51:04] We've had some citizens asking us about this and interest on the board, and so this is the result of that process. Great. Thank you. Thank you, Chair Letourneau and members of the committee. As you

mentioned, this is an item to discuss the Eastern Loudoun Community Arts Center study.

[00:51:21] And along with me today is Megan McCarthy, DTCI's Design Program Manager, and we have from our design consultants Bob Perry and Robert Tarbell from Page Sutherland Page, along with Michelle Walter, a sub-consultant of theirs with AMS Planning and Research.

[00:51:39] So as you mentioned, in the fiscal year 24 CIP budget work session, this project was added to the projects identified for future development list, and staff was directed to further investigate the type of project and facility that this would become and would be appropriate.

[00:51:58] DTCI then contracted with Page Sutherland Page, and they utilized a team of specialized subconsultants in the area of theater and theater design. the study first started out with a data collection and information gathering effort they looked at population trends as well as a market analysis of regional venues in the in the area collected data on those and then also reviewed key stakeholders and had interviews with them to

[00:52:32] include dtci and prcs as well as the art advisory committee and then also local arts communities such as Citizens for Arts of the Eastern Loudoun County, Arts Fairfax, and Loudoun Symphony Orchestra. This map shows, and it's a little tougher to read, but in the study, this is one of the pages, but essentially this is an inventory of the performing arts community arts centers in the area and the noted seats that each venue holds.

[00:53:11] The study looked at the Franklin Park Performing Arts and Visual Arts Center as a baseline to consider a similar center in Eastern Loudoun. The study noted several deficiencies of Franklin Park that would not necessarily be appropriate for the Eastern Loudoun, one being the number of performers that can fit onto the stage, the audience size, it's only a 260-seat theater, and some of the storage limitations and layout inefficiencies, and then some of the size concerns with dressing rooms.

[00:53:44] And that venue's a little unique in that it's a restored barn, so it has some noise isolation issues as well. So the study made a couple recommendations and goals for consideration. One thing the study noted was a gap in similar venue sizes in the area.

[00:54:03] And from that map previously, you'll notice there are a lot of venues in that 250-seat range and then onwards up to the 1,000-seat range, but nothing in the kind of 500, 600-seat range. The study recommends a venue that could also serve as a cultural hub for the community that fosters artistic expression and community engagement and be able to accommodate a variety of events to include cultural celebrations for the community, community engagement, educational outreach, and then for spaces for the Loudoun Symphony Orchestra

[00:54:42] as well as the Loudoun Ballet Performing Arts Company. One thing a study noted was a need for a dedicated space for the arts group. The existing arts groups in Loudoun face challenges finding performing and rehearsal spaces throughout the year.

[00:55:02] Groups often constrained to venues such as churches or high school auditoriums, which sometimes are not ideal space for cultural celebrations are are they include performance components to the celebration are also desired from the community and dedicated space to show off the county's visual arts collection is something this this facility could could entertain note about the facility size and competition with other values and what this study is really suggesting the region already has a multiple large-scale venues so really this venue would

[00:55:39] want to right size that venue to accommodate the local arts groups but not try to compete with the larger commercial offerings so as such it recommends that that 600 seat level auditorium and in this case they propose a two-level auditorium where you could close off the balcony and have a smaller venue say the three four hundred seat level as well so it could be some flexibility there, and really providing a venue that is in between those other area venues.

[00:56:09] Some of the features, the study put together a notional program of what a potential facility could look like. They really want it to be a multi-purpose facility to accommodate the spectrum of arts and cultural offerings, and combined this study develops that program in about a 67,000 square foot facility containing a public circulation hall, entry hall, multi-purpose room, auditorium, stage area, an orchestra pit, performing spaces, and then those storage areas, as well as that visual art collection exhibit area.

[00:56:48] While a site has not been identified for the facility, the study does note the advantage of being close to multimodal transportation, including the metro. So while obviously not a necessity, it would enhance the use of the facility if that property could be found and for the study it notes an eight acre site would be the appropriate size and that factors in the facility size the parking and the stormwater management for that and the estimated project cost of their study they had a consultant review that

[00:57:22] that notional program and in conjunction they with their discussion they they put together an estimate for land development and facility construction at \$18 million and \$68 million total. That number does not include the land acquisition cost, some of the design services, FF&E, construction support, and other costs and contingencies.

[00:57:44] So those noted here would then bring the estimated total project in today's dollars up to about \$112 million total project cost. And with that, that is all we had on the highlights of the study, but we are all here to answer any questions you may have thank you i'm sure there are a lot of questions i've got some but i'll defer to colleagues first i'll start on this side first chair randall thank you mr chairman um you guys have on here well on page four of the of the um of the pack of the presentation at number 11 the alden theater i had an opportunity to go to the alden theater

[00:58:23] recently. The Alden Theater is actually encompassed inside the McLean Community Center, and I thought it was really, really interesting because it was a 300, I thought it was, well, 308th recent, so almost 400-seat theater. It was very, very nice, but because they put it inside of a community center, that building did more than one thing, right? So it had, you know, they had a whole place for, like, down the halls for visual art, for drawings, for that type of stuff, and then they had the performing arts theater, but it was also literally, there was some library space

[00:58:58] in there, and it wasn't all that big, well, it was big enough, but it wasn't huge, it would be, I would maybe recommend a little field trip to the McLean Community Center and to look at that theater, because I thought it was really well done, it accomplished many goals at one time quite a few i guess i'm saying not many like small but many like a lot of goals um at one time um it gave you um all all this kind of recreational space it gave you

[00:59:31] um book space it gave you space for visual art it gave you the the the the performing arts area um yeah all the all the surrounding land around it it was really well done and so um first of all You know, obviously very supportive of this and really thank the group of individuals, ladies, many who are here tonight, who first came to my office, gosh, I don't know, maybe even like a year ago.

[00:59:57] Has it been that long? Oh, my gosh, more than that, then, talking about this. But I think that we should all just do a little field trip to that facility. I have gone to many other of these facilities before, but I think that one is particularly impressive.

[01:00:15] Thank you. Supervisor, upset. Good evening. Full disclosure, the McLean Cultural Center is a previous client of AMS, and so I know the building well, and I'd be happy to facilitate that tour for you. Okay. It functions extremely well, and one of the things that we would want to take particular interest in looking at is how it also is used for some of these cultural celebrations and community convenings in adjacency with the actual theater itself, which is something that we discovered to be very important here.

[01:00:43] The only component you won't find quite as accommodating is the display of public art, which I think is a big priority for your county. There was, if I may, Mr. Chairman, there was, I don't know if they, there was quite a few hallways and the whole back room that displayed public art.

[01:01:00] I thought that was well done, but, I mean, what do I know? Your collection is quite robust. Yeah, okay, wonderful. Thank you. Okay, thank you, Mr. Chairman. So \$112 million is a lot of money.

[01:01:17] The ION facility, which can accommodate \$5,000 in an audience, is assessed at \$16 million today. And that is on 15 acres of land.

[01:01:35] We're looking for eight acres of land for a smaller facility. So the \$112 million does give me pause. um about this do you believe this is the cheapest route we could go to create a 600 seat venue i think it wouldn't necessarily be the the cheapest route no but this is the complete design and and and of the i guess full package that would be included um as a nicer facility

[01:02:15] I don't know if anyone else has anything to add. So our colleagues at Fisher-Daxon Associates and AMS, we work all over the country. It was positioned to us that Loudoun County likes things of quality, and we were also shown the quality of the high schools that you build and the auditorium that you build, and so, no.

[01:02:37] I mean, bluntly said, this is not the cheapest. Okay. Are there any plans to look at more affordable options? We certainly can. this is just the first kind of take at a study and what a program would look like and then what a cost to that would look like as this goes into a cip or possible discussions later we could we could further refine that study there is some funding in here for a future in the cip for five hundred thousand dollars in the future that could further evaluate that as well but that's

[01:03:10] not till 20 28 or 30 one of those when would you need the board to make any kind of decision directing looking at a more affordable option well I guess as soon as we receive that direction we'd be able to move on but seeing we don't have design scheduled in the CIP yet it's tough to say what that looks like but as a part of that design process we could always consider multiple options for that design as we develop the CIP item thank you very much Supervisor Sainz thank you and

[01:03:48] thank you for the presentation actually I want to come out from a different angle I think when I sent my spreadsheet, I had my staff do some research for venues around Northern Virginia and just some other locations. So I think we're heading in the right direction.

[01:04:06] But for me, I think we should actually go a little bit higher than 600 seats. Our high school auditoriums sit close to 900, 1,000 plus seats. Let's see, for Parkview High School, 982, Dominion High School, 1,088, Rock Ridge, 1,037, Independence, 800.

[01:04:28] That's what I can just quickly find without going, if they don't have that information on the website. But doing research, for example, Loudoun County, we have 435,000 residents. 146,516. The numbers keep going up every day and every hour.

[01:04:43] Thank you, Madam Chair. Richmond City has a total number of 227,000. Do you know how many performing arts venues they have in Richmond? I'm from Richmond. So you understand where you're going. I do, yes.

[01:04:59] Dominion Energy Center, 1,800. Altria, 3,565. The National, which is actually right across the street from Dominion Energy Center, 1,500. November Theater, 600 to 700. Richmond Music Hall, Capitol Ale House, 500.

[01:05:15] I can actually go on. There's pretty more. But just to give you an idea, if Richmond can sustain that amount of performing arts venues, and they're doing pretty well with their activities. I think Loudoun, the Northern Virginia area as a whole, can sustain having a performing arts center that can do 1,000, 1,300, or 1,600.

[01:05:34] My benchmark would be the Capital One Hall, where you have, yes, you have the main auditorium, which seats 1,600 in the tiers. You have the main seating area. Then you have the elevated seats. But then also you have offshoot products.

[01:05:52] They have like the vault area, which I think that sits 400 to 500 folks in the kind of like a black box. Then within the venue, there's space for rentals, for parties, banquets, et cetera. Then breakouts and smaller areas throughout the whole building. And it's very nicely done. So obviously they have ballets, they have off-Broadway shows, concerts, comedy shows, et cetera, et cetera.

[01:06:11] So I think if we go to that number, we can do the same and sustain that with having Loudoun Symphony, Loudoun Ballet, Sterling Playmakers, and having those off-Broadway shows and comedy shows and et cetera. And then for me, I think the ideal location, I think, I don't know if Mr. Reiser is still in the building or not, but is to continue having our conversations with the developers of Irana, and that would be the ideal location for me.

[01:06:33] It's close to Metro, kind of one of your requirements you're looking for as well. It's in Eastern Loudoun. So to me, I think we need to shoot a little bit higher because if we go 600, we're not even being at the same number of a high school auditorium where a lot of these events are currently being held now. And it gives us enough space to have all these different programs.

[01:06:50] They can have a permanent space within the facility to do practice, to do shows, to do workshops of the like, and also attract regional events. For example, I know the debates, not debates, excuse me, drama programs.

[01:07:06] Recently, we just had a program at Capital One Center around the whole Commonwealth went there. Recently, last year, they were at the Hilton Performing Arts Center and used that venue for their drama programs and competitions. So if we do something at this magnitude, we can attract and have those competitions as well here in Loudoun County and attract regional competitions and the like.

[01:07:30] So I think we can't sustain it because we have Wolf Trap, we got Capital One, we have all these other places that you listed here regionally, and they're all doing well. So I think we can all, we can still have that location at this size here in Loudoun and still have sellout shows all the time.

[01:07:45] So that's my take on it. But I think overall your research was very good. And I'll just note that this came to us when we had some discussion earlier and tried to refine what this study would look like. And it was brought up that it should be a community arts center.

[01:08:01] So we focused more on that aspect than the performing arts center, per se, that would be a bigger, but point taken. We like to call this threading the needle, right? Getting it exactly right. The issue, and unlike Richmond, is that you are in an extremely competitive marketplace.

[01:08:20] So you won't be able to bring in a lot of commercial product, which subsidizes the cost of operating the building. Capital One has a different way of subsidizing the cost of the building. It's called Capital One. So absent that, the larger the building gets, the more expensive it is to run.

[01:08:40] Certainly all of these looking at ways to bring down, and it wouldn't be the quality. I really want to reinforce when I said quality, it's the kind of building that's appropriate for a symphony orchestra to play in is expensive to build. Should we shrink the size of the buildings, maybe not have as much room for art or maybe not have as much room for cultural celebrations or other things?

[01:09:01] That's what would have to bring the cost down. And those are absolutely discussions to be had. But if you want something that's more of a showcase for your local, it will still be a community building and therefore the operations will be on the county's dime and the larger it gets there's just a statement of fact the more expensive it is to run so trying to get exactly right is you know what we were shooting for mr empstreet yeah thank you mr chairman i i this is a key issue that we would we we think we do need to resolve in this committee which is what is the

[01:09:36] scope of this facility and so i think this last exchange with with uh supervisor sayings kind of illustrated the crux of what we're receiving from staff from several members of the board which is kind of i'm not sure we have complete a complete understanding of the scope that the board wants for this project so is it a performing arts facility which is kind of what was just described Or is it a community arts facility, which is what this feasibility study more or less focused on?

[01:10:10] And so that is a key issue that I think we need direction from the board, however that comes, before we go any farther. Otherwise, we run the risk of bringing you back something that is not what the majority of the board is seeking. Okay. So we got Supervisor Sains' opinion, but that's just one.

[01:10:30] Before we close out this discussion, we can always go back and have everybody kind of just share their initial thoughts, if that's helpful. Supervisor Brisbane. Thank you. I do understand the competition aspect of it, and I do think that we're a much different market than Richmond.

[01:10:50] But I also think that we will pretty quickly grow and perhaps realize that this isn't big enough. I don't know when that point will happen, and I don't know if there might be a way to plan for that.

[01:11:09] So the one thing I did want to stress, though, I haven't, Supervisor Sainz just mentioned them, but I really haven't heard Sterling Playmakers as a stakeholder in this quite yet. And they do have a very, very robust program, and I know that they need space.

[01:11:28] So if we could just make a note to engage Sterling Playmakers, because I know that they would be one group that would want to use such a facility. Is there any way that we, well, first of all, I'll just say I think it should be by Metro.

[01:11:50] As much as I know that my constituents would have to drive there, I do think that it would be best for the county to have it by Metro. It would help us with the viability of our metro stations, I believe.

[01:12:06] I think it said that Loudon Gateway is underperforming currently, and so that might be an argument for putting it near Loudon Gateway, but I also understand Supervisor Sainz saying that there is going to be a lot of activity around that station at Ravonna, so I think that's something that we should discuss, But I definitely think for this to be successful and for us to help with the viability of our metro stations, it really should be there as much as I'd love to have it up in my district.

[01:12:43] And I know there's there's probably more land for a better price in my district. When you say closing the balcony, does that mean that you, that was a new term to me, does that mean that it would be maybe a group that could sell 300 tickets and so they would want the balcony closed to make it feel more intimate?

[01:13:05] Okay, okay, great. My other thought is, and you guys are the professionals, maybe you have some thoughts on this, but would there be a way to plan this for an expansion? Would there be a way to plan for an—so I'm thinking about Strathmore, right?

[01:13:22] Strathmore started as a house with people sitting on the lawn, and that's kind of how they built that program. And now they have this beautiful performing arts center. I went to see St. Martin in the field there. I mean, it's beautiful, and they do artwork outside and all that.

[01:13:38] So is there—have you ever seen that concept? Would there be a way that we can do that, say we buy 12 acres and one day expand? Certainly land control is the number one requirement. I'm going to go out on a limb and say that's going to be pretty difficult.

[01:13:57] Okay, darn. The hall that we were looking at, and I think part of the price issue that came up was it was for amplified and non-amplified sound. So in the non-amplified sound, for the symphony, there would be non-amplified sound. And so that means that the hall has to perform acoustically slightly better and has some nuances to it to enhance the performance of the hall.

[01:14:21] So the only thing that I could think of that we might be able to look at, and I appreciate the challenge, is somehow creating a hall where balconies could be added or extended. We did a recent study at the Kennedy Center Concert Hall for the removal of the partier sections on the side.

[01:14:42] They were trying to make their hall a little smaller because they needed to be more reverberant to the artists. So there are ways that you can go inside of the hall and make it or at least change its size. In this case, we were making something smaller, but there may be a way that we could look at tiers that could be added later.

[01:15:03] I just don't think that that would be sort of a wise use of money. You'd have to close the facility down. That would shut down your revenue generation, and it would be shut down for quite some time. And then where does the orchestra play when they've got their concert schedules? because their concert schedules are usually set up well in advance of any particular year.

[01:15:22] So it would be a challenge to do that. Okay, okay. Well, just a thought. I think that we should buy more acreage than eight. That would be my opinion because I can envision other community, services isn't the right word, but other community events or types of things that we might want to have around there.

[01:15:45] And so that would just be my two cents. You know, Ohio Stadium, they added the whole C deck. They added it on there. Anyway, I'd be interested in any research on that. Thank you. That's all I have. All right.

[01:16:02] I'm going to jump in. I'm sorry. Can I just say one more thing? Certainly. You sold me on the acoustics for non-amplified music. So I played in an orchestra for a very long time, and you sold me on that. And so I think I might fall in the 600 to 800 size.

[01:16:19] Thank you. Yeah, as you know, it's important for the violins to be able to hear the other side of the hall, so it's both ways. I played the violins for 20 years in an orchestra, so there you go. Yeah, I kind of knew this was going to happen because even when the public was coming to us and the supervisors were talking about it, everybody had vastly different visions about what a performing arts center meant.

[01:16:41] And I think the key thing comes down to is the focus more on the artists and having a space for them to perform as a community, amenity or you know accessible to the community or is it on more of a almost commercial venue which is attracting you know major artists and the focus is on the attendance and it's on people coming into the county which is why I question a little if we are focusing more on the performing side if it actually does need to be metro accessible because our focus is going to be more on serving the community and quite frankly that those aren't the most necessarily central

[01:17:20] locations in the county and the land is really expensive so that's kind of observation one observation two is this may take on a bunch of different directions depending on commercial interest and partners if we're talking about a solely a county facility that the county is going to build operate completely then it's got to be a much smaller scale not necessarily than what you proposed but then what my colleagues are talking about because well colleague i don't know you You were asking about a lawn with, you know, I, you know, that's just not I think that's not what a typical, you know, county facility would be.

[01:17:59] And I don't think that's necessarily what what the need is. You know, the Richmond market, Richmond is a hub for the whole region. It's in a way that D.C. is the hub for us. I mean, people go into the Kennedy Center and to other venues around the region. So I think we're probably wiser to focus more on the performing arts aspect with a more, you know, scalable, sizable, you know, reasonably sized facility than trying to build another Capital One hall.

[01:18:30] Now, that said, if as part of one of our major metro developments, we do have an entity that wants to come in and partner with us as a P3, or if there's a commercial entity out there of which there's one in my mind that's out there building these kind of facilities, that's a different discussion.

[01:18:51] And I think all of these numbers and all these discussions changes a little bit. So I think it's hard to kind of narrow this down at this moment because we don't really know what's going to happen with that development. It's worth a conversation with our economic development team, probably, to kind of see in what direction that's going.

[01:19:11] That may not obviate the need for a facility that is performer-focused as an arts facility. You know, we could conceivably see both, except that maybe this facility doesn't need to be quite as big as even 600 seats.

[01:19:26] You know, it is a fair point. We build really nice high schools and the most modern ones, you know, are those auditoriums are and they may not be, you know, to the standard of a true, you know, acoustical concert venue.

[01:19:43] But they're, you know, they're pretty nice facilities. And so we do have that, you know, that accessibility to that type of size, at least for some things. But I think, you know, I don't know that we can answer Mr. Hemstreet's question necessarily without having more of a discussion about what economic development opportunities may exist.

[01:20:03] And that may kind of dictate where this goes. Does that make sense? So a P3 with a large-scale performing arts center is completely different from what this is. I know. And that's completely different from a community.

[01:20:20] It is. That's what you're saying. That's my point. art center so i'm not sure how to reconcile that with the board what i think what i'm saying is if there is an opportunity for a venue of that type in the county then it changes what the board discussion is about a county facility but we can't answer that question yet but at the same time it's not a ridiculous question because it's come up and the discussions around some of these properties so i guess my question to you back is how much urgency is there on the board really and i'll let

[01:20:57] How much urgency is there really in the board or the committee? Can we keep this in committee for a while? From the staff perspective, there's no urgency. What we're trying to do is react to what felt like a lot of urgency from the board to bring this back and develop it as a county facility.

[01:21:14] Yeah, but we're talking about a fiscal year 30-plus project. We can let the discussion continue, but let me go to Chair Randall. Thank you, Mr. Chairman. I do think there is some urgency. do was actually been asked for from the citizens who came first and asked.

[01:21:31] And if any of you have been involved in those discussions, I've been deeply involved in those discussions. They have asked for a community venue in eastern Loudoun County. The truth is, we're not trying to do everything at one time. Mr. LeTurner is right. As we grow the metro area, as we grow the urban policy area, we have more than one development that has talked about a much larger venue that may be a P3 that maybe they would build themselves.

[01:21:59] And so we don't even need to put this by the Metro if someone's going to come along and make this part of their Metro discussion. And believe me when I say we have more than, including Ravonna, we have Ravonna and another discussion right now that's talking about a larger venue that they would do.

[01:22:15] This is really for Eastern Loudoun County community. In fact, in many ways, even 400 seats is what they have been asking for. And so they're asking what we've been talking about is not a large performing arts center.

[01:22:32] It is a community arts center for the people who live in eastern Loudoun County. And when the group first came to me, they pointed out that, you know, there was one in the west, which is Franklin Park. That's 260 seats.

[01:22:48] So if we're talking about 400 seats here, 600 seats here, that's well larger than even what we had and what they were discussing already. The way you get to having more than one venue is to do them in different sizes. You're not going to do – this goal is not the end-all, meet-all goal.

[01:23:08] This is one, and then another one will come along at another time, and there will be another at a different size and does something different. So all the ones you described in Richmond, Mr. Sainz, you're

right. They didn't all come at the same time. They're not all the same kind of venue. They're not all the same size.

[01:23:25] We can do this, and we should do this, and we can also look to see what will happen as we build out the urban policy area. I actually feel like this is a fairly urgent need, and I don't want to leave this in committee for too long because I think that we can get moving on this.

[01:23:41] And this is one of these things is the longer we wait, the more it's going to cost. cost is not going to go down it's just because the cost for supplies and everything is just going to go up and so kind of lingering on this for a long time that is never going to help your cost we either want a community art center or we don't if we do want it let's get going on it as soon as possible and oh by the way if you look at all the stats on something like this in the community there are fantastic stats and shows that they raise property value that they lower anxiety you know they're just good for the community overall so so if it's a community arts center

[01:24:18] of a 400 to 600 arena that we're looking for there's no reason for us to kind of linger for a long time and we can talk about larger venues near the metro later on thank you well what i meant though was we just passed the cip without this funding in it over the next six years so i mean yeah it's not you know i mean i understand it's urgent perhaps for us to have the discussion but we're not funding this immediately so all right Mr. Sains thank you to start up the hornet's nest well sorry but you know it's and I understand Chairman Randall's you know line of comments here just a second ago but to me like for example I'm going to use Sterling Playmakers if I'm currently

[01:24:58] using now say Parkview Dominion High School for my events for my plays and those are at 800 900 1,000 seats they do they do for their for their plays they do if I'm using that venue now for my plays and that seats 800 900 a thousand seats and you're proposing to build a 600 seat am i going to go to the 600 seat when i can book the the higher higher number which is going to give me more revenue for my performances no you're not going to go to the 600 yes will they do some yeah of course but will they do main their main plays at that the smaller venue no they're not because

[01:25:36] they're going to lose revenue likely actually because they'd be able to get the dates they would just run the show longer and they would prefer to do that symphonies theater companies because it just gets better the more times you perform it and that's what do you know right now per show but the high schools are not available that the biggest issue with the high schools is that they're not available when they book they book four days in a row right so four days at 800,000 seats compared to if i'm doing four at the other i'm still losing revenue on my on my performances so that that's what i'm just saying and again i think i think my my suggestion would

[01:26:16] be is let's keep this in committee we could still have some conversations we can talk to economic development regarding the p3 but to me i think we have enough space at ravana or be at loudon gateway enough space to house a bigger venue and then have a smaller venue within that that bigger venue space um would be to me is be the ideal situation so but that'll be that'll be my suggestion all right i'm gonna have supervisor brisbane and then i think we're just gonna sort of have each person succinctly sum up where they are whether i think the question in front of us is basically should we continue on this path which is kind of as as scopes here or on a different

[01:26:55] path i think that's kind of maybe broadly how to frame it well actually why don't i just start that process because that's what i was going to suggest is maybe we kind of do a straw poll here on on what if

we can get a consensus i'm with chair randall and i think that we should move it out of committee um for for further conversations i i don't know that i i mean economic development always has good information but i i see these as two very distinct projects and a p3 for a much larger um facility could be down the line but i don't think that we should

[01:27:31] wait on this community facility to to you know in case something like that might happen i think i i'm when you talk about acoustics and intimacy and having a dedicated space for our community artists i am happy with this proposal and i think this proposal is worth discussing at 600 seats i i doubt that our high schools seat that much i really want to get that confirmed but they do do they okay and but if they do they don't have the acoustics they don't have the permanency they don't have like a lobby area they don't have a nice place to have a reception I mean all the things

[01:28:08] that you want and kind of a community center so I'm happy with this proposal and I would move forward with it thank you okay Mr. Stane should we assume we know where you are or do you want to articulate I'll articulate it again and say I think we've had a very good conversation thank you to the consultants thank you to to the performing arts group I know you guys worked very hard on this and got us to this point kicked us and and kicked us down this path and and rightfully so so kudos to you and then job well done to getting us to this point so thus far um i say we my suggestion would be is keep it in committee we can still discuss the the smaller venue but i think we need to do some more homework and research with economic development and have a bigger space where

[01:28:48] we can house both in one facility okay mr stands is bigger mr hepstreet we're using the phrase keep it in committee i don't know that it was going out of committee anyway was it i wasn't going to suggest that i i think we need to come back with a little more with another item that's a little more defined in terms of the options to start to narrow where the committee is with something that we can take to the board uh the other issue is i used to work somewhere else yes so in that other place i had direct responsibility for multiple types of venues that you're talking about and i

[01:29:27] would like to talk with some of with you offline a little bit around what is actually practical or possible because what I'm hearing is is likely more varied than what the committee is thinking okay so we're going to still continue kind of with the straw poll so go bigger supervisor risk was comfortable supervisor I would agree with supervisor sayings to keep this in committee I

[01:29:59] I'm very uncomfortable with the price, and I'm very uncomfortable with the county bearing the full price of over \$100 million for this venue. I think that if we're going that expensive, we need a private sector partner, and as multiple members up here have said, there are potential private sector partners for us.

[01:30:23] I like the idea of a community, a more community-based center. I appreciate Supervisor Sane's argument about you're not going to book a 600-seat venue if you can go to a high school and get 1,000 people in to watch your show.

[01:30:42] But I think if the taxpayers are paying for this, we need to scale it down. That's where I am. Okay. Sarah Randall. Thank you, Mr. Chairman. I completely disagree. I think this is one of these things that the taxpayers actually have said over many, many years that they want to see us to have art in our community.

[01:31:04] And, you know, things cost, and it's actually going to cost more. We will have probably a partner, but it wouldn't be for this venue. Keep in the community, because Mr. Hemstree can talk to us and explain that statement he just made, because I went right over my head.

[01:31:21] Went right over my head. Keep in the community. And I didn't mean like today, but I mean not forever. I just think we don't want to linger on this forever. I think we're looking at a, you know, when you look at the Kennedy Center before it was revamped, the large room, not the operas, but the other room, the large room in the Kennedy Center set like 1,200, right?

[01:31:43] These places are huge. I mean, so we're not, when we say 400 seats, that's a big venue. It's not a tiny venue, 400 seats. Mr. Sains is right. Our newer schools hold somewhere between 800 to 900 people. Our older schools, and Ms. Bricksman is right, in that way, high schools don't.

[01:32:02] So you're both correct as far as school size and how much they hold. I was speaking at Light Ridge not long ago, and it was 850 people. And I was like, this is a big school. But, you know, the vision of the group was a community-based community arts center that was, and we actually had this discussion, and I don't even think it was as high as 600, so something in that area.

[01:32:34] And I do think that, you know, we're, you know, just like we, you know, there was a lot of complaining, and I mean a lot of complaining, when this building was built. There was a lot of complaining when they built the school board building. There was a lot of, I mean, this was called the Taj Mahal. We moved in it, and we were, like, already growing out of it within five years.

[01:32:54] So there's never going to be a time where there's not going to be some complaining. But if you listen to the residents, there's many more people who say, please do something toward the arts in this county. So thank you, Mr. Chairman. Okay. So I would err towards continuing on this path and not the bigger performing arts venue path.

[01:33:13] With appropriate discussions about exact scale and scope and all that to be had. I think if this is fully a county facility, it likely is a geo bonded facility, which means it will go on voter referendum. This is one of those projects where I would take the stance that if the voters rejected it, I wouldn't move forward with it.

[01:33:31] But if they approve it, I would. Some projects we, you know, we say we're going to do anyway because they have a need like schools and some of those, you know, fire stations. If the voters were rejected, we'd find a way to do it anyway. This isn't one of those for me, but that would be a way to kind of, you know, feel out where the public is on this if we get to that point.

[01:33:49] But I think, you know, this is probably the right type of facility that we're talking about in terms of what our needs are at this moment. So, but we will continue the discussion. We'll allow the staff and Mr. Hemstreet to do a little bit further clarifying with board members.

[01:34:07] And then we'll kind of figure out what you would want from us in terms of, you know, more formal direction at some point. Makes sense. Okay. Thank you very much for coming. Thank you for all the work. And we are going to

[01:34:20] take a break. Okay. We're going to resume our meeting with item number four, which is the local

[02:04:39] fixed route transit system for the Washington Metropolitan Area Transit Authority lift program and peer jurisdiction fair comparisons. So before we begin, I think we should take a moment. I'm going to let, if the committee could just give attention for a moment, I'm going to let Mr. Brown and share some information, share some news with us.

[02:04:59] So thank you very much, Chair Letourneau, for indulging us. I would like to announce and hope that you would celebrate with us that Ms. Penny Newquist, after 11 years of serving the county, has chosen to enjoy retirement.

[02:05:17] So July 19th is her last date, so congratulations very much. Well done. After the next transit summit. we're going to ignore our own rules for you penny oh sorry no okay so penny was kind enough uh and this is the kind of person she is that she um is not leaving us in the lurch um our our transit summit which will be part of the conversation this evening is on may 29th and there's some pretty heavy topics which we'll talk about some of them tonight that need to be

[02:05:56] presented to the whole board and she is committed to stay with us and help shepherd that process through so i'm very appreciative of her willingness to to help us through that process so and if you get a chance to talk to her talk to her about what she's planning to do afterwards i'm a little jealous and i'm going to live vicariously through some of her um traveling so and i would add um penny had a i think 30-year career with arlington prior to coming to 29 yeah how long 29 29 yeah so so really extensive uh career in transit and a very good career and i have enjoyed working with her closely as she staffs us for WMATA.

[02:06:33] So thank you, Penny. Okay, on to the seriousness of this item. Yes, sir. So thank you very much. So this evening, we're coming back with you with a fairly large amount of data and information that was requested at the January 11th meeting.

[02:06:50] As you may recall, on January 11th, we brought forth a proposal for a free fare local transit system as a concept for consideration. It was a pretty heavy ask. and it did require some additional information and potentially some deep dives into it.

[02:07:06] So what we were asked to provide and what we have, we believe, we brought to you is an update and an understanding of the local fixed route system itself, what the WMATA lift program is and how that could apply here, our fare box equipment update and how that replacement process could work, and also the fares of the comparator jurisdictions that were discussed during the free fare evaluation that we talked about in January.

[02:07:35] So we brought all that information to you. There's four different segments in this particular presentation, so I will apologize up front with the heavy data load. But what we would like to start out with is kind of framing what the guidelines have been historically for transit and pose a question to the committee to think about as we go through this and maybe have a discussion to provide some guidance to staff in preparation for the Transit Summit.

[02:08:06] Yeah, and as you're beginning, so this is not intended to be an action item for us tonight. It's not putting us on the spot on this. It's helping to inform us for the Transit Summit that we're going to have. Yes, sir. Thank you for that. So the guidelines the staff has used for the local fixed route service is really to focus on a multimodal and convenient transit option for residents it's designed to enhance communities by providing equitable transit services reduce the number of single occupancy vehicles on loud and

roadways to mitigate traffic congestions and also reduce greenhouse gas emissions in alignment with our energy strategy so those are the guidelines that staff has been

[02:08:44] working as they deal with routes but a bigger conversation is starting to emerge and it deals with what is the long-term focus of the transit system specifically the question of is it about maximizing coverage or maximizing ridership now I'll share with you that the fair free conversation that we brought to you was in fact a maximizing ridership conversation okay so uh and every conversation has a little bit of tension between this coverage or ridership debate but you the

[02:09:14] As we move forward through this process, there really needs to be some sort of clarity around what does the board want the transit system to be. Is it about maximizing coverage, which has its own set of implications, or is it maximizing ridership, which has its own set of positives?

[02:09:33] And when you say maximizing coverage, can you explain a little bit what you mean by that? Yes, sir. So in the in the item, you'll see a number of coverage maps that shows that the vast majority of eastern Loudoun has maximized coverage of a bus running through a neighborhood, even though there may only be one rider per hour coming through that that particular area.

[02:09:54] That's talking coverage so that every area in the in the certainly the eastern Loudoun area is has coverage. Ridership says, do you change how you deliver those services to ensure that you get the most amount of people on the bus to get people where they need to go when they need to go there?

[02:10:11] It's a philosophical conversation. Both can be applied at the same time. It just takes a lot more money. So, you know, so there's that underlying question that is seeming to emerge amongst the discussions about transit.

[02:10:27] So I just ask you to keep that question in your mind as we go through this. We've asked our Transit Operations Administrator, Mr. Scott Gross, to walk us through this data. And, again, I'll just apologize. It's a lot of data. And then we can maybe kind of try to absorb it and then tackle the questions as we get towards the end.

[02:10:48] That's possible, sir? Okay. So with that, I'll turn it over to Scott. Thank you, Mr. Brown. So the local fixed route system really has about 29 routes in it currently. We have 10 that we consider legacy routes. They've been operating in the east, eastern side, northeastern side of the county for roughly a little over two decades, actually about 24 years, I think now.

[02:11:14] Those routes are in Sterling, Ashburn, Leesburg, Sugar Land. They tend to be in our lower income areas. They tend to have our transit dependent ridership on them. The 19 new Silver Line routes are a combination of the previous Metro Connection routes that we've now wound some of those through neighborhoods, but we're still picking up at the parking rad lots and then going to Metro Rail stations.

[02:11:42] Next slide, please. So this slide right here really kind of is an indicator for all the different types of services. But if you look at the local fixed route service, you can see that over half of the this was this was on board surveys that were collected on board survey data back in October of 23.

[02:12:03] This data shows that the majority of the people that answer this question that are actually on the local fixed route system, especially the legacy routes, are making less than \$75,000 a year, and the majority of them under 50. Next slide, please. The paratransit service is the guidance from the board is to provide service around our routes within three-quarters of a mile.

[02:12:26] That's the FTA minimum guidance that we have now. That also comes with any time a route encompasses an area. So if two or three routes intersect and there's a space between them, we're also required to serve that space.

[02:12:43] As you will see in the next slide when we actually get to the service area map, it's much bigger than it used to be. And a lot of that is because of the intersecting routes that Mr. Brown indicated a little bit earlier that we cover a lot of space now. Now, what this has actually done is caused our paratransit service to really take off.

[02:13:07] It's okay. It's okay. So we'll hit on ridership on this a little bit later because it is important to hit that, and I do want to just mention in 23, the board authorized us to buy three more minivans.

[02:13:23] Those minivans were put into service in a very short span and have been operating for over a year and have significantly helped this service. So thank you for that. Okay, Ben. So the route design objectives. When we were creating the Silver Line routes, the goal was to have frequencies of 30 to 45 minutes.

[02:13:45] And what our goal, to get a 45-minute, well, really what we're seeing is the farthest point of the route away from the Metro Rail Station is going to be about 20 to 25 minutes away. So the hope is that nobody's on the bus for more than 25 minutes. Because of the road infrastructure and because of where everything is located, the high-density housing developments, the affordable dwelling units, schools, et cetera, it makes it difficult to keep those routes to that level, even though we did it.

[02:14:16] And you will see, as we get to the next set of maps, it will show where the routes are intersecting all over the areas there. Next slide, please. So this is a map, really, that shows current combined job and household density.

[02:14:32] The black lines that are running through it are the routes. So you can really get an idea of how we, when we went through this, that we really tried to touch on all of these areas and hit as many affordable dwelling units in high-density areas as possible to get to the metro rail stations.

[02:14:52] we also try to interconnect them with the current local fixed routes or the legacy local fixed routes. Next slide, please. So this slide is a little difficult for you to read. This is basically the performance metrics. This is riders by revenue hour for the local fixed routes. The top three performers up here are your route 70, your route 82, and your route 80. They're all above, at eight or above eight riders per hour generally speaking and then they go down to as low as three when we get down to the route 57 all the way on the right hand side so I'm going to enter interrupt just

[02:15:30] briefly if you look in the actual item we did not put it in the in the presentation but you'll see a detailed list of all the routes and that it kind of explained where they go so you route 70 as Scott referenced that's really the spine of the backbone back backbone route that runs the long pretty much the west to east, east to west segment of the county.

[02:15:53] So you'll see a lot of ridership on that. But if you look on that chart there, you'll see that it's Leesburg, Ashburn, one Loudoun, Douglas Town Center, and then Northern Virginia Community College. That's the Route 70 kind of span. So I just wanted to show you that, because if you have questions about the route, because we spend a lot of time on route numbers here, there is a cheat sheet in the item.

[02:16:14] I'm sorry, Scott. Nope. Thank you for pointing that out because it is, I'm used to those routes, so I'm glad that you said that. Thank you.

[02:16:33] Next slide, please, Penny. So this is just a different way of looking at that same data. The top left-hand corner is the one that we really pay attention to. That 110 riders a day, that's per, on the legacy routes, so that's per route per day. So those routes are carrying some people, which is going well. Next slide, please. So this is riders per route per day as well.

[02:16:49] This is actually per year, dating from 2019 all the way up to 2023. What this shows is pre-pandemic, we were carrying about 298,000 people. This is just on the legacy routes. As of 2023, we were at about 270,000 and change.

[02:17:07] In 2024, we're actually projected to run almost 315,000. And so we will be above pre-pandemic levels for the first time for these original 10 routes. Next slide, please. So now we get into the performance metrics on the silver line routes.

[02:17:27] Whereas on the legacy routes, we were at eight. From three to eight, we're really on the silver line routes were from three backwards down to a little bit less than one on the routes. Now, it is important to point out that industry standards are usually it takes two to three years for a route to mature.

[02:17:46] This is not light switch materials they have to run for a while. People have to get used to them. And I can tell you also that when you create new routes, the first six to nine months, you run those routes, and then you have to optimize them to make sure that your on-time performance is hitting where you want it to be.

[02:18:07] So the first six months, we were around 75%, 74%, 73%. We made some changes, and now they're up to 85%, which is where we like to see them. so that's part of this we also i have to point out that in june of 2023 these routes really all started in may of 23 due to just a number of issues that have happened but in june of 23 when we had them all up and running we we lost the rail for three weeks there was a shutdown when they were doing a rail replacement between boston and i can't remember what the other station is out

[02:18:42] there so um we believe that all of this kind of is pushing this but it's it's also not um uncommon throughout that that this this segment of the ridership is slow to come back next slide please um so this is another metrics where you're actually looking at it so the top left on the silver line whereas on the legacy route fixed routes we were at 110 riders per day uh per route on the silver line, we are at 19 riders per day on the silver line routes. Next slide, please.

[02:19:20] This metric is really showing all of the routes combined. So when you get the legacy routes combined with the silver line routes, essentially in 2019, we're running a little less than half of what we ran in 2019 with all of the routes combined. The majority of that ridership loss is the silver line routes, as we've seen by the previous metrics.

[02:19:47] Next slide, please. So this graph, and we talked about this graph last night, Supervisor LaTurna. There is an error on this graph. The January numbers are incorrect. They're flat on the purple line. The last two dots, they should be at 9.1K going straight across.

[02:20:07] And then the blue line is actually a little above 24K. I think it's at about 25 and change. So they actually are going up. This was an error in the data that got pulled in. But this gives you a good idea of

more of a graphical look at the two, the Silver Line and Legacy routes.

[02:20:24] The Legacies are on the top and the blue. Next slide, please. Now we get into the paratransit ridership. This is important because the paratransit ridership, as you can see, we expanded the areas. This is, you know, we did a study on this.

[02:20:42] This is near and dear to me. You can see in 2019 where we were on our ridership. it was i can't see that slide sorry um what that number is up there but essentially we were running around 12 000 rides between 10 and 12 000 rides prior to 2019 um in 2023 we hit about 15 000 and in 2024 we're projected to eclipse 18 000 um so we're significantly higher than we were we

[02:21:15] anticipated this happening when the footprint expanded. So that footprint has helped out in this area immensely. Next slide, please. So the average cost for each of these routes is shown on the screen. The legacy routes are essentially ranged from \$340,000 to \$444,000 a year with the average being \$366,000. The Silver Line routes are a little bit higher at \$427,000. The reality for that is they tend to run more miles every day and they use more fuel every day. And that's

[02:21:51] the basic difference of that, of the reason that that cost difference is there. Paratransit route is actually averaging about \$234,000. I was asked a question yesterday on what does it cost to operate per passenger for paratransit. In 2024, we are currently running \$68.97 a passenger for paratransit. I'm sorry, \$68.97 a passenger for paratransit. If you want to compare that to

[02:22:31] WMATA, for example, they're in the mid to upper 80s. So we're significantly less than where they are. The total projected for FY25 and tax funding is about \$13.5 million. Grants and fares and other revenues coming in are at about \$5.2 million for FY25. So we're going to pause here for just a moment because it's a lot of information to absorb before we go into the next topic.

[02:23:01] So what we presented to you was really a focus on the legacy routes and the metro routes, the metro connecting, what was the proper term? The Silver Line Metro Connecting Routes. Silver Line Metro Connecting Routes. And as Scott mentioned, they're not mature. So that is an impediment on ridership um you know the industry standard as scott mentioned is 24 to 36 months to be able to have a route mature so that's gonna that that does have an effect on it however we believe there are other factors that are coming into play with those routes so it is not we can't

[02:23:38] blame it on that um and if you look at our legacy routes which are mature uh people know that they exist they know where they where they are they supposed to go you're seeing a a magnitude um more ridership there so you're seeing that and you're seeing some very low ridership in some of these routes down to less than one on average person per revenue hour so and then you look at the pricing there so a lot of this is a conversations that we want to bring to the board of how do you want us to optimize routes during the transit summit because they're if we're going to make

[02:24:15] the investment we want to make sure that it's maximizing that investment towards the board's desired end goal of serving the public in that arena so that is that the pause that I'm providing here is just that's that is the overview of the local fixed route service that we are currently providing today which was the question yeah why don't we have some questions here and I just want to add so next month we're doing the same presentation on the long-haul bus service so that we can be ready for the transit summit on that so okay questions on this part of

[02:24:50] the presentation supervisor brisman thank you uh yeah this was a lot to digest because i i thought the discussion we were having was whether we were going to have our local fixed routes be free yes um and i still don't know i read through the entire packet and i we are going to get to that okay oh i thought that well he just said the total projected fy 2025 cost for all local fixed routes is 13.5 million so basically if we were to do fare free it would cost us 13.5 million

[02:25:26] it costs us that now uh currently the the revenue uh just to rabbit trail a little bit the revenue that we achieve from fees from ridership fares thank you for the right word uh is i think we're at 354 000 right now that ballpark 300 say 350 to 360 000 a year is what we actually get from those fares so that's wrapped up in grants and other revenues so the 5.2 million dollars that fair revenue was wrapped up into that okay so we would we would be it so then it would be 18.7 million

[02:26:03] and it would cost they have a slide we're gonna they're gonna have slides to talk about fair free proposal coming up after this part they're just trying to set us on the baseline of the performance okay i'll wait then i'll wait then till we get to that that might so they can explain it that might be. Okay. Thank you, Mr. Chair. So you hinted that there are other reasons why the silver line routes are not being as heavily used. Is it because most people who use the silver line

[02:26:40] would prefer to drive to the metro station, or is there another reason? So I think that is one of several reasons that um that we've we've uh tangentially observed uh some of the neighborhoods that we're routing through um are vehicle owners and would prefer if they're even if they're even commuting anymore and that's that's one of the big factors you know uh a lot of the neighborhoods that we're trying to capture ridership in uh are likely um uh federal employees or employees of

[02:27:16] organizations down in D.C. that now have maximized telework. So that is a factor. And those we believe that there's contributing factors of those that are in those communities that we're circuitously going through, circuitously going through, do prefer to drive in total. They prefer to drive in total or they prefer to drive, park in the garage and take the Metro in. And I think that's a fair assessment of what Metro is also experiencing universally. So I hadn't really thought of i mean we've been briefed on how the long-haul bus competes with metro i hadn't really

[02:27:55] thought of the parking garages competing with the buses that get people to metro but that seems to be the case i would say it's a contributor um and you know the board wisely put a um a half mile radius to where the parking rights the free parking rides could not exist around the parking rides to try to to minimize some of that um and so i think there's probably more discussion to be had about how do we really look at the system in total to uh to promote if you're looking at

[02:28:29] ridership as a driver to promote ridership both on our transit systems and the metro system um and how does that how does that look and that those will be topics that we will need to do a deeper dive into during the transit summit okay thank you yes ma'am thank you chair randall um thank

[02:28:52] Thank you. This was very interesting. If we go to page 5 on the, not the item, but on the presentation, I thought what was really interesting, when you look at the income transit by level, by income level by transit mode, the local bus route by transit mode, besides the people that did not want to answer, if you look at the lighter blue, that's less than, look at that light.

[02:29:19] less than \$26,000 a year, which is why you say this has been your passion. But if you look at the commuter bus, look at the difference in the amount people are making for the commuter bus. That chart

alone was absolutely incredible, I thought. So thank you for that. I am just a teeny bit confused. And listen, you and I have talked so many times, I thought I had all this real clear in my head help me understand the the paratransit bus routes um as we are talking about them right now this is not the the needs to be three from mile from a fixed route that is not

[02:29:59] correct actually that is that the paratransit and that is what has gone up this much yes even still being three-fourths miles from a fixed route because we've added that many more fixed fixed roots because we yes yes we increase that area in that is incredible that's that that number is and so when you when you look at the 2024 number and it's it's 10.7 right now that's what it is right now and you expect it to be 18 jeez i am these numbers i was not expecting this i think this is i think you've done a lot of work for the in this first of all scott's a good job but these

[02:30:38] numbers have kind of blown me away and i didn't i didn't really realize that we were having that level of use right now not that where i like it to be but much more than i than i realized it was right now so i will have some more discussion when we get to you know where the you know fair fair what we should do or you know that but that that's like five that's like five is everything that's like five is everything so thank you so much so yeah so what that shows is the really lower income riders who we would consider to be transit transit dependent are using the local

[02:31:12] fixed routes, and our numbers are pretty solid. The rider profile of both the commuter bus and the Silver Line connection are more affluent, probably less transit dependent, and particularly in the Silver Line, really not using service all that much. I know, Scott, we've talked a lot about how it takes two years for some of these routes, but we can't ignore what's happened, which is people simply don't commute to the office the way that they did so in looking at rail

[02:31:47] passenger numbers at metro our inner core numbers have mostly recovered what has not recovered are the outer not just in loud and not silver lines new but even in the red line you know our glenmont rider or our orange line rider coming in from vienna or our springfield rider those riders have simply not come back. So we're running an awful lot of service for, I believe, a ridership that just doesn't really exist at this point. And it's not even that we're not capturing it. It's that even Metro itself is not really getting a lot of that rider anymore. And that's because of

[02:32:22] changes in commuting patterns and hybrid work and the federal government's policies and all that kind of stuff. I mean, if you look at the silver line riders per revenue hour, you know, we have one route that's over you know three and a half but we've got one two three four five six seven eight nine ten eleven twelve thirty like basically almost all the routes that are under one and a half riders per revenue hour so you know and we've talked and we're going to talk a little bit about route optimization i i don't think it makes sense to be providing this level of service for a

[02:32:56] ridership that is just by various metrics not really in existence but chair randall hit on the one thing it has done for us is to increase our paratransit ridership. So a question, and I know the answer, but it's a leading question, is we could conceivably scale back the number of Silver Line routes we have, but still keep the footprint of the paratransit service to what it is today, even if we were to shrink those routes, right? Absolutely. Okay. So the board, one of the

[02:33:30] options for the board could be if we wanted to get at some of this lack of ridership on these routes and scale this back, but we still could keep the existing paratransit service because that's doing very well. Yeah, so reservoirs. Thank you. I'm tracking now. So, but I hear you when you say that it takes a while

for routes to mature. So all of the routes that you see on slide 11, how long have they've been in existence so as Scott mentioned they uh they've been probably two decades uh

[02:34:06] whether it's through um what was the no no no i'm talking about the silver line routes oh the silver line routes oh only since may i'm sorry i was at 13 to have my glasses on sorry 13 look like an 11 yeah on 13 since may yes so may so less than a year i'm not willing to to to make major cuts in this at this point if they're not even you know I would give it more time honestly what what what is this sort of break-even point where you would think about cutting given that they're new how how long would you give them so we we we do adjust routes

[02:34:45] it's basically micro-optimization but cutting routes this early in the in the game really depends on the board's patience level, right? So, you know, industry standard says two years, wait two years. Okay, so two years. Right. This is a unique situation, I will say, that I think warrants additional evaluation beyond the industry standards because of our telework environment that is new. I mean, you know, we never experienced this before. So those best industry standards

[02:35:21] where industry-best standards have been compiled over decades and decades of practice. And I'm not proposing that we do anything with it, but it's a discussion that we're hoping to have with our consultant during the transit summit about route optimization.

[02:35:39] And they will say 24-month is the standard, but there are some things that we're seeing that are unique to this environment. As Mr. Letourneau mentioned, Metro's seeing this on heavily established routes now. So there's a lot of things that come in that we need to really take the time and absorb it before we just – and I'm having to do this because I'm a defaulter to the industry standards.

[02:36:05] Before I default to the industry standard and say, nope, we're just going to wait 24 months, because there's so many other nuances that we need to give you all the information to make an informed decision about. Okay, I just want to make sure that we give it a chance before we kind of pull the rug out from under it, because I'm nervous about the metro stations being, you know, viable and successful, and I feel like if we pull these bus routes too soon, we might have less riders.

[02:36:28] And the question is not necessarily pulling them, but optimizing them. Yeah, okay. And I'll just give you an example, uh, straight routes. Um, um, that's, I'm not using the right word, but, but routes that are basically express routes instead of the meandering through neighborhoods that you're picking up one or a half a person on average per hour. Maybe you, maybe you put a series of express routes and that's an optimization tool and you abandon the hypothetically the lowest four of those routes and you get express routes so people can get to it.

[02:36:59] Okay. All right. That, that sounds reasonable. Thank you. Yeah, and so when I was saying scale back, I didn't necessarily just mean no service. I meant scale back the scope of the routes because some of these routes have a ton of stops and they take 45 minutes. And we're literally picking up almost nobody at some of these stops.

[02:37:16] So, yeah, we could give it two years. But at some point, I think you have to kind of realize, again, it's not just us. Like the metro itself on routes that's been around 25 years is seeing this, too. It's just like the rider doesn't exist. So, Phyllis.

[02:37:32] I met a woman that was quite some time back. I think I might have told you about this, Mr. Gross. In her differing ability, she has an anxiety disorder, and so she didn't want to drive because she

thought that she could have a panic attack whenever she drives, and she didn't want to have a panic attack in the car.

[02:37:54] So when we talk about paratransit or differing abilities, are we including differing abilities that may be on the mental health scale, not just the physical health scale? Yes. If, essentially, yes, their doctors sent in a note that says they have trouble doing X, Y, and Z, reaching a bus stop for whatever reason.

[02:38:16] So, yes, it's on both the mental and the physical scale. Well, it wasn't reaching a bus stop. She could do that. She just thought that she was worried about having a panic attack while driving. Right. So that was her different ability. So that would be, she'd have to, well, because if somebody has a physical different ability, you can see that.

[02:38:36] They don't need a note. But if somebody has a mental health different ability, are you saying they have to provide some proof that they have that? It's an eligibility requirement. It's for everybody. So essentially the doctors are telling us what the disability is. And not that, not from a HIPAA standpoint, but from a we're getting the information from the doctor saying, yes, the doctor says they believe that this person meets your criteria, which is.

[02:39:03] So then you're actually not, you're not asking anyone to have a note from the doctor, you know, Susie Kendrick. It's an eligibility thing, so they have filled out those papers already and done the eligibility paperwork already that shows what concerns they might be facing.

[02:39:21] I understand. Thank you. Okay. Why don't we move on? And actually, I think the next Lyft discussion gets a little bit into this, too. So I had asked for a discussion about Metro Lyft because it's a program that we have that's essentially a lower-cost version of a type of access service that we haven't really ever discussed here, so I thought it would be worth discussing.

[02:39:47] Go ahead. Right. One of the things we do not have in Loudoun County is a senior disabled rate, which is half of the fare. Essentially, if you go on to a monitor, a \$2 fare gets down to a \$1 fare. The Lyft program is exactly that. It does that for low-income riders as opposed to senior and disabled.

[02:40:06] It's a program that you can go on, you basically get a passport on your card, it automatically, when you tap it on the smart trip it gives you your half fare off um we take smart trip we can certainly make that work from a functioning standpoint um we do we would have to have the board adopt a new fare that says that we can do that um and then essentially the last two bullet points up there it's going to take about 90 days to 90 92 93 days to get it completed to get it programmed into the system and then distribute it out to all the buses and what that does at the

[02:40:44] existing fare structure, it goes from a dollar a ride to 50 cents a ride for the low-income eligible individuals. And that's the same arrangement with the seniors and the different abilities. They can provide that. This particular program is lift is for those who are eligible for the SNAP program, a food assistance program. And in Loudoun County, we currently have 34 people registered to use the service. We were trying to get numbers of their actual usage of that fare card We couldn't get that data, but the numbers are very low.

[02:41:19] And Walmart across the region is indicating that usage of that specific fare card is about 75% of the people that are eligible are using it. 25% are not actually using it. That's of people who have it, though. Yes. I don't remember.

[02:41:35] What are we at, 5,000, 6,000 of actual Lyft customers? I don't remember. In Loudoun, but I'm talking about, sorry, when I said we, I meant Metro. So the takeaway on this is this is a new program that we adopted as part of last year's budget.

[02:41:51] The takeaway on this, Mr. Letourneau, is that this could be easily incorporated into our existing fare-based system. Yep. Okay. Next. Next slide, please. So one of the questions was asked of us last time were what were the free fare comparators?

[02:42:11] What were the fares before they went free fare? So up here is the list on your screen is the list of them. I mean, essentially, they range from \$0.75 up to \$2 is the fares that were there. There was nothing outrageous.

[02:42:26] There were no \$4, \$5, \$6 fares in there. It was fairly low income. If you were to compare it to our regional, or actually our peer jurisdictions, they're all around \$2 on their local fixed route service as well.

[02:42:45] So I hope that answers that question. And if I could just qualify this as well, the question I think Ms. Prishman asked the question, which was a very pointed question, we were looking, the consultant estimated that 20-25% increase in ridership if we went to a fare-free environment.

[02:43:04] And so you asked the question, well, where were these other people that were receiving that had also experienced these 20-plus percent increases? And they were fairly on par with our current fare system. So I think it does validate what the consultant had proposed as a 20-25% increase in ridership if ridership is the priority of the board as we build this out versus coverage.

[02:43:33] Was that the last slide? There's a Fairbox discussion. You want to take it? No, no. It's numbers. I'm not taking it. Okay. So essentially we were also asked to do an analysis on the Fairbox costs.

[02:43:53] Without going fare-free, there's 103 fare boxes that need to be replaced. I need to make sure that we're absolutely clear that these are obsolete fare boxes. They're on their last legs. They definitely need to be replaced soon. If we were to do that, it would cost us \$775,000.

[02:44:12] We do have a trip grant for that, and our local match, using NVT 30 funds, it would be the \$775,000. All in, it's \$3.8 million, so \$3.1 million is covered by the state. Next slide, please. If we were to go fare free, the savings on that is roughly \$300,000 in our local match.

[02:44:34] It would still cost us \$387,000. We still have to outfit the commuter buses, and all the back office equipment doesn't change. We still need to replace all of that as well to match the fare boxes. they're tied together with their software levels, and they're incompatible.

[02:44:52] So this is a very different number than what we were given last time in terms of the cost of the fare box and the equation between fare box savings and revenue loss. What this shows us is if we do replace all the fare boxes, we would recover all of our costs of doing that in just about a year, whereas before it was like years and years and years, if ever.

[02:45:17] So that is a significant difference. We would still, and we're not talking about long haul tonight, but this is, for this everything, this includes a long haul too? Actually, both of them are, this is, the 387 is long haul without the local fixed routes.

[02:45:35] The 300, or the 700,000 is all buses. Okay, okay. All right, questions on this. Chair Randall. Okay, let me see if I got this, because I'm on page 24, of 24 of the item, not the presentation, okay?

[02:45:55] Under fiscal impact, if I read it, should the board direct staff to implement fair-free local fixed route and paratransit service at the May 29th, 2024 Transit Summit, it's estimated to require approximately \$356,000.

[02:46:10] So you're saying, if I got that part, you're saying for us to go fair-free would be \$356,000 a year. Is that correct? That is correct. And what that means is we will be giving up revenue from fares of approximately \$356,000.

[02:46:29] So the local tax fund would have to replace that. But then you go on to say that if we replace all the fare box supporting back office equipment, that would be \$1,936,725 with a 20% county match of \$387,345.

[02:46:52] So what you're saying is at least in the first year, it costs more to replace the fare boxes than it costs for the fares to be free. After that first year, we would lose that approximate \$356,000, except the other things that happen is that the ridership goes up 25 percent, around 25 percent, correct?

[02:47:17] Hypothetically. Hypothetically, around 25 percent. So 25% more people are riding the bus or working or contributing in those ways into the economy, that type of thing.

[02:47:33] Did I get all those numbers correct? So for the first year, we save money by going fare free for the first year, but only after that because you have to pay. And is that assuming, is that assuming of that \$1,936,735, are you assuming that difference is also coming from NVTa or from some other 20%, from some other place for that money to come?

[02:48:02] So the \$1.9 million, and I'll show you right there on that screen because it just couldn't be a perfect, better timing, is that total of which will be our match is \$387. The rest of that 1.9 is the TRIP grant, state funding.

[02:48:18] It's the TRIP, it's the state funding TRIP grant, so that's okay, and that goes from that first year into perpetuity after that first year? Assuming the grant is still available, now that money will go away if we go fare free for that purpose. The money goes away, but assuming the grant is- I'm getting too deep in the water.

[02:48:36] No, no, no, no, this is exactly where I want to be. This is why I'm going to miss you, Penny. These are one-time costs. Yeah, I understand that. Okay. Yeah, I got that. Right. I got that. Assuming it's, but if the grant doesn't go away, we have that, we don't need the grant anymore.

[02:48:52] No, these are one-time costs. All right, I got it. One last question. The 25% increase assumption is a really big increase assumption. Now, I do believe, and you all, we can check on this, I do believe that one of our local, one of our counties in the area, either.

[02:49:13] Alexandria. Alexandria. But did it go fare free for just people under 18? No. It went everyone. Are you basing that 25% number on that at all? Where are you getting that number from? That's a very large number. I like that number, but where are you getting it from? So that was from the consultant that did a nationwide assessment of what it looks like based on our system and how it applies nationwide.

[02:49:36] But going forward, adjusted for inflation, the money we'd have to replace with every year after the first year is \$356,000. so that's that is in 2024 dollars yeah yeah adjusted right yeah okay all right i understand not adjusted not it's not adjusted yeah yeah yeah i understand yep thank you okay um thank

you oh okay i think that cleared up my earlier question that it's the revenue is really the cost because the other costs are kind of like sunk costs

[02:50:11] basically so the revenue loss is what it is so as far as the fare boxes go how much would it cost to all because we have to put the fare boxes in the long haul right so how much does it cost to put fare boxes just in long haul it's essentially the difference between 387 and 774 so this is essentially just a long haul so we're we're scott yes this is this is the cost to put it in the long that's the cost to put it in 387,345 so we're not going to get any economies of scale if we just

[02:50:45] say put the fare boxes in all the buses um even if we go free they'll just all have the the fare box which also has the apc like we wouldn't be getting any economies of scale to balance out the the um so it's all nvt 30 funding right the difference would be you would just pay the 787 instead of the 387 but it's a one-time cost so it costs you if can you go back to the previous slide please so this slide is providing fair boxes in all of the buses so the 775 000 cost to the

[02:51:23] counties one time that's this is all the buses the 387 is long haul and every fair box has the counters no they the apcs are totally separate piece of equipment from the boxes that's why on the local fixed route service if the fair boxes go away we count now because as they're tapping cards it gives us our counts if that goes away then there's an automated passenger counter as you walk in the door it tells us how many people have entered and exited the bus those aren't on all of all of our buses are not equipped with those okay in fact if you look at the last

[02:52:01] line it says automatic passenger counters we would have to add 14 units okay okay okay if we went fare free that's fine to an expense of 140 which should still be cost shared okay and and to supervisor turner's point uh the magnitude of this savings um cost element has decreased the more we you know dove deeply into those numbers and really teased it out um so it's it is to the chair's point the first year it's a net savings the following years it is uh ltf would have to

[02:52:36] clearly offset the the loss of revenue um there is an investment that we have to make with automatic passenger counters to go fare-free. We, Scott hates it when I say this, but we are prepared to scavenge and cannibalize between now and that time frame, but we're probably going to have to make a decision about whether we just do it. If there is no decision about fare-free, if the decision is made to go fare-free, we're still going to have to figure something out in the interim.

[02:53:12] if we decide not to go fare free we have to make the full and we're thinking we're not going to make that decision until may at the transit summit we we believe that the the level of thought that needs to go into this um and the information that we need to give the board to make an informed decision okay it really is the right okay and then the lift program why would we not just go to zero on that and make that fare free or does that not work with the metro program could we not do that 50 is is the metro program the metro lift program will reduce it to 50 percent of whatever our fairies. I know, but could we reduce it another 50% or are we stuck with what Metro does?

[02:53:44] I don't know that question. We'd have our own program. Could we reduce it to zero? The person who is eligible through the SNAP program for the Lyft program could use their discount card on Metro Rail, Metro Bus, and other locations. If we're fair free, they don't need that card.

[02:54:01] Good point. Okay. But they might still have it for Metro and all that. Okay. So I will tell you that i i have to verify this but i believe that we could actually create a pass for zero pair fair for that program if

we chose to oh okay all right i'd like us to consider that at the transit summit um and now i'm gonna i'm gonna poke you guys a little bit now and um because you just explained how easy it would be to lower fares for folks that are in the lift program and more than

[02:54:36] two years ago, this board gave direction to figure out a way to have our students riding free on our local fixed transit buses. I don't understand why we can't make a policy that any student with even a high, just high school, let's just do high school. Why can't any student in high school that has a high school ID, both of my kids had them, why can't we just make a policy that they ride free if they show their high school id so and that was part of the original conversation

[02:55:11] and why we pivoted to this um because the challenge we have in loudon county in particular is not all schools have ids um so we would have to revert back to a smart trip card but okay which then means we're issuing them to uh underage children i'm sorry well i don't understand why we can't just ask the schools to issue issue ids like i don't understand why that's not well we can the schools but we can ask and encourage them to do it they didn't want to do it they believe it's a liability issue just to start encouraging children who are minors to go out into the system and dc

[02:55:49] and everywhere else they didn't want any part of that is that a fair characterization but lots of jurisdictions do it all kinds of jurisdictions do well we have a new superintendent so maybe we should ask the question again and i guess i guess i don't i'm not on the school board so but i guess i don't understand why some schools have an id and some don't that makes zero sense from from an lcp administrative level but that's a whole nother conversation but i i still believe that we could just make that policy and if we make that policy then some of the schools might just parkview might

[02:56:27] be like okay we're going to issue the ids because they want their students to be able to ride for free. Well, so I think that the jurisdictions that have the policy, typically the city transit system is the school bus. So in D.C., which has this policy, there's no school buses. New York City, very, very few school buses. They use it as it's a cooperative agreement between the school system. And we believe me, knee deep into D.C. public schools issues with our system, but they use it as their school bus. So that's where you more typically see it. I think we look at this wrong because there's two types of customers. There's cost-sensitive customers and there's

[02:57:04] those who are not. So on our legacy routes, we have cost-sensitive customers for whom the fare could actually be an obstacle. For the most part, I doubt that's the case for teenagers in this county. Oh, that is, I'm sorry. That is so not true. We have teenagers working jobs to help pay the bills and their families. Absolutely. That is so not true that our teenagers won't be cost sensitive.

[02:57:28] Some of them are, some of them are. But the point I'm making is the silver line routes, go back to the chart, show most of those customers in that route are not cost sensitive. So when you talk about the 25%, to me, that really doesn't make any sense because the obstacle for them using it today is not really cost.

[02:57:52] And it's only a dollar anyway. But what we see with that type of rider, and we see this in the Metro ridership data, is those are not typically cost sensitive riders. When the fare goes up, we actually haven't seen much decrease in ridership and those type of riders. We do see a decrease in some of the core areas. So to me, if we were to look at going fare free, and one of the questions I have for you is, it would make the most sense to do that in our legacy local fixed route service, where we know we're serving lower income areas, and we're bringing them to job centers. So do you have a

[02:58:29] breakdown a sub breakdown of this for what the fleet looks like for that versus the silver line fleet in terms of cost on farebox i guess i'm done oh i'm sorry i thought you were done that's okay okay well there's no timer here we can go back to you that's fine yeah so in in the item the number of routes in the item the number of routes the two-digit routes are legacy routes sorry say that again the in the item the list the breakdown of routes on the third page i believe shows the legacy routes they're two-digit routes that those are all your legacy routes so those

[02:59:09] are all the ones that would be fare free essentially so what's i know what's the cost though of fare box oh i'd we'd have to come back yeah okay that's what i asked yes i'm sorry i understand supervisors well do you want to continue first supervisor brisman or you want to go back to you yeah okay supervisor saints all right thank you i'll kind of go back to supervisor brisman's question regarding um how to figure a way to excuse me get at least our high school students uh to use be at the the system to get to to rest in or tyson's or into the city or just use

[02:59:49] the the local fixed routes to get around you know from sterling ashburn ashburn to leesburg or you vice versa etc you know if we went to the school system they said they didn't want to do it I think now that we're talking about maybe this could be we can further have have you guys flush it out a little bit more and bring this back to us in the transit summit is to now look at maybe us having a program where we sign up get a program a form where they sign up their parents sign off it if they're at a certain age whatever we decide and then they can get a card from us that they can use to ride the buses you know just go around the school

[03:00:27] system if they don't want to have any parts with it then then we manage it and and get them a get a pro a student program or something to that effect i'm pretty sure there's um case studies around the country we can use for examples and bring that bring that idea back to us to to see how we can get our students to to use the bus systems obviously with parents permission and at a certain rate um age or whatever the staff might present and and to your point supervisor sayings if I may um yeah of course um that was one of the the concepts that we presented uh in the fair free preamble was to actually have the county um manage a program that allows them to come get a

[03:01:05] smart trip card that we could set at zero uh based on their age which is usually the easiest way to do that based on age which removed the equation as to whether or not they had a school id and they were coming to the county to request it as opposed to it being issued by the school to the student which was a significant concern by the school um so that was a you know uh i think the the actual startup cost was 90 some odd thousand dollars for just the the um the cards uh it assuming you needed cards for everybody under the age of 18 that was in a school age and then the the other

[03:01:42] associated costs it was not insurmountable but it was you know a little over a hundred thousand dollars a year to to manage that um to be able to provide that service if the board could decide the age that they wanted to do it if it was 18 um you could do 18 if it was 22 because you wanted to northern virginia community college the board could make that decision as to what age they wanted to do that but it would if they're under the age of 18 it would be submitted by the by the parent okay well you know again chair i don't know how to give that direction rather at least just saying it if staff can look at that again and bring that back to us at the the transit summit and then i I pose a question.

[03:02:16] You said there's going to be a fee with it. Why can't they use the cards that we'll give to the regular citizen? Is there a difference? There's no fee associated with them receiving the card. It's just a cost

burden for us to acquire the cards, get them set, and get them prepared to distribute.

[03:02:35] So would it be the same card as, say, a regular citizen? Smart Trip, yes. Okay. All right. Yes, sir. So you're just saying it's additional cost to the... That the county would have to absorb because if Metro were to provide them free, for our program, they would charge us for that.

[03:02:50] They do charge us for that. Yeah, but, yeah, through the chair, if that's allowed, he can bring us back. We will represent that and actually package it in a way that's more clear. Thank you. All right, let me go to Chair Randall and then back to Supervisor Brickson. So, first of all, I'm going to agree with Supervisor Brickson for a lot of reasons.

[03:03:08] We just gave two different excuses, and I'm going to actually call those excuses. On the one hand, you know, it's because New York doesn't have a bus system for their kids. Okay, on the other hand, it's because we're worried about the kids not being able to handle it in Loudoun County. I'm sorry, but we've done a lot of talking real recently about parent responsibility and parent rights.

[03:03:29] And so if the parent says that these kids can get in the bus, then the parent said they can get in the bus. And there's, you know, the parent's responsibility and parent's rights has to go both directions. I actually believe that our kids are pretty smart. And, you know, listen, every 16-year-old might do what a 16-year-old might do, but I have to believe that most of our kids are going to do the right thing.

[03:03:53] And I am surprised at how many of our kids work, especially, you know, when we look at our graduation numbers of kids who are on-time graduations, and we see a certain group falling off by 16% and you meet and talk to that group, it is because they have to work and they don't have any way to get from school to work.

[03:04:17] If we let them ride a bus, it would change their whole lives. Those graduation numbers would go up significantly. I've met with these students. I've talked to these parents. I know that to be an absolute fact. Secondly, we can't very well say that we believe that we're going to have a 25% increase in ridership if we go for free and then say, but it's only \$1, only \$0.50.

[03:04:42] Well, for some people, \$1 or \$0.50 every single day. So that's \$1 a day. You're talking \$40. That could be a lot of money for somebody in one month.

[03:04:57] And so I want us to be real careful that we don't assume that everyone has an amount of money because we assume that amount of money is not that much. So I completely believe that we can get to the point where our high school students, we can figure it out by age or however we figure it out, should be able to take a bus for free.

[03:05:25] And if the parents say they can't, they can't. But they should be given that possibility or that opportunity. And I will completely agree with Ms. Bricksburg on this. Thank you, Mr. Chairman. Okay. Let's see who I was at risk. Thank you.

[03:05:40] I mean, maybe with the new superintendent we could re-approach it. I know that we might just be going fare-free and it wouldn't matter. No, but I don't like the idea that someone has to come and ask for it. Someone has to have their parents sign it. I mean, so my point is if we go totally fair free, are we then worried that there's a 14-year-old riding our bus?

[03:06:00] Are we going to check how old they are when they get on the bus? If we're going fair free, they can get on the bus, and we're not checking their age. So does that mean that we have liability now for a

minor that gets on the bus that the schools are worried about? I agree with Chair Randall.

[03:06:16] Like, parenting goes both ways. You should know where your kid is, and your kid and parents should have trust. But I just, I don't buy it that you, what's that? Oh, well, listen, that's off, that's an offline conversation.

[03:06:33] But anyway, I do think that we should re-approach Dr. Spence on this because, you know, there's a different administration there now and I don't understand why some schools would, and I can bring it up in joint committee too, I don't understand why some schools are issuing an ID for high schoolers and some aren't.

[03:06:50] The easiest way to do this, if we don't go fair free, is that they just show their high school ID there's no lie I don't understand understand I'm sorry I'm you're not the person I should be yelling at about this but I'm sorry but I just don't understand yes but going around them requires us to have parents sign forms and stuff like that so it's either fare free or we got to figure out the school ID that's what I think but thank you very much I'll stop Ernie

[03:07:23] thank you okay yeah it wasn't my decision either i'm just i was i because we had this when the item first came to finance the first question i said was wait a minute i thought we were talking about students why are we talking about all this and that's when we had this whole dialogue about the school concerns okay um so we're back to that question which nobody's really addressed which and we don't need to tonight we don't need to this is for the transit summit but is the focus for the system to try to drive ridership or to drive as many places geographically as we can.

[03:07:58] And right now, I think it's fair to say, particularly on the Silver Line routes, we're set up to cover a lot of places to give all those peoples in different corners options, but we're not necessarily set to optimize ridership. So it sounded like you're doing work with a consultant to try to come up with some proposals that would optimize routes. Does that include this discussion of ridership versus area coverage it it does uh mr letourneau and and that's we were kind of priming the pump tonight and selfishly uh you've given us a great deal of information to to uh to

[03:08:34] feed the summit and and i and i value that um even if it is rhetorical um um the question the question about optimization is really going to beg that question of do we do we focus on ridership or do we focus on on coverage because optimization changes based on that preference so when we enter the summit well this is not going to be the question that you're going to see necessarily because you're going to be looking at it this is kind of a lens that you're going to be looking at the questions through as we move through those questions about are you comfortable with this type of optimization this is going to be a lens that you're going to be looking through i mean we

[03:09:12] obviously have those guidelines which look at equity and carbon footprint and those other guidelines that we use day-to-day, but this is a lens that we're going to need your help looking through as we look at those solutions. So maybe that was even rhetorical as well.

[03:09:32] Okay. Well, thank you very much to the team for putting so much effort into this, and we look forward to next month where we talk about long-haul buses, which in some ways is even more complicated than this is indeed thank you all very very much have a great day thank you all right are we ready to roll right into housing oh yeah i'm sorry item five yeah well share randall already asked what the fund balance number was so that's really all all any of us and i'm happy to

[03:10:08] take no more questions just kidding hello everyone uh we are here um office of management and budget staff are here to present the second quarter FY24 forecast for you. As I stated earlier, we are forecasting a year-end general fund balance compared to budget of \$209 million.

[03:10:37] While that is a large amount of year-end fund balance, it is not dissimilar from the projected year-end fund balance you saw in the first quarter report. The variance is about \$11 million dollars. And just as a reminder, the over-recovery of real property revenue is really driving the year-end forecast. If you recall, the FY24 budget was prepared with the uncertainty around HB 791, which could have caused a devaluation in the commercial property portfolio.

[03:11:15] that did not come to fruition. So the revenue forecasts are benefiting from the positive turn in that area. But that is resulting with a rather large year-end fund balance.

[03:11:31] The FY25 budget, which I know you are currently deliberating on, does go back to our normal way of forecasting the revenue from the real property tax rate. I'm happy to take any questions. Okay. Questions, Chair Randall?

[03:11:47] So I have said many times that I plan on eventually making a motion to do another half cent on the tax rate, and when I say that, I realize that's just incorporated into the budget and all that.

[03:12:05] Depending on if I have to do that out of the fund balance, that 7.5 or however much that's incorporated, and this may be just as much a Mr. Hemstreet question, I am very aware that we try to make fund balance money one-time things, and so incorporating that in the budget, it gets a little kind of on the line because you're going to incorporate that one-time money into the budget later.

[03:12:30] How do we feel about that? Because I am going to make a motion. We're going to get some information on housing right now that I think will clarify some of the confusion that I caused by asking a question inartfully. But how would I do that knowing that the next year you convert that into, you know, put that as part of the regular budget?

[03:12:55] Would that be fine to do in the fund balance for the first year? So I have a way of dealing with this with using recurring revenue. Supervisor Turner has asked that question, and so Ms. Burke and I will talk about that tomorrow, and it will be part of your packet for Thursdays.

[03:13:16] Sounds good. That sounds wonderful. Thank you. Now, fund balance could be a backup if for some reason the board doesn't want to allocate the recurring revenue source. But that does create an issue for you at the beginning of FY25. Okay. Okay. Because I actually, I don't want to, I want to do the entire amount of what would be equal to a half penny, which I think is like \$7.4 million.

[03:13:42] Yes, we have a way of doing that. Okay. All right. I look forward to tomorrow then. Thank you very much. So, Professor Respin. Okay. Hypothetically speaking, I know that we have used fund balance in the past to start positions mid-cycle, and then they roll into the regular budget.

[03:14:06] We don't love doing that. But if I were to make a motion tomorrow night to remove a certain number of resources from the budget, could I then, say, send that discussion to fund balance of that amount to fund balance so that maybe they could get the money for the resources and then they would roll into the next budget?

[03:14:49] So if the board intends to fund recurring expenditures, our recommendation would be to use recurring funding and just prorate it to wherever you want it to be to get to the number that you want it to

be. Just keep in mind that the more you do that and the more that you're tempted to use fund balance, the farther in the hole, so to speak, you start your FY25 budget process.

[03:15:09] I'm sorry, I'm getting my ears. FY26 budget process because you're not funding a full year of expenditures. So it's kind of a smoke and mirror game in a way because you're not incurring the full year of cost, but the next year you will incur the full year of cost.

[03:15:30] And so to see the full value of whatever it is you're funding, I would always recommend that you fund it for a full year. The positions we have brought for the fund balance process have typically been exigences or positions that we feel need to be, from the staff perspective, need to be added right now and should not wait for July 1st.

[03:15:54] And so, you know, ones that come to mind would be when we're really behind, say, for CPS workers. I remember seeing an increase in the population that needs to be served and that we really just we feel it's a critical need that we don't want to wait until July 1st.

[03:16:15] Other reasons we've done that has been when we've had volunteer fire companies come in and say they can no longer staff units. And so we have had firefighter positions to staff those units mid-year. And so my recommendation to the board would be not to knowingly do that.

[03:16:33] Or if you intend to fund something, I would recommend you fund it through recurring revenue. Thank you. No more questions. Thank you. Mr. Sains. Thank you. I know at some point we're going to get the list, and if you can remind me when, but what is being proposed for fund balance or what have we sent during this year to be discussed for fund balance?

[03:16:55] That will come to the Finance Committee in December. December. And I do not have anything tracked currently of what's been sent to fund balance except what the committee recommended for the Cascades project.

[03:17:10] Oh, okay. Usually it's a nice long list at some point, but okay. All right. Yeah, that's it for me. Thank you. Okay. Thank you very much. Now we will move on to item six, which is overview of the Loudoun County Housing Fund.

[03:17:28] Funds, I should say, really, because there's a whole series of them.

[03:17:46] So, John, I will say that Ms. McClellan was worried that we wouldn't be here on time at 630. So I did not have that concern, but there it is at 9 o'clock. I know you've had a long day, so thank you for coming. Thank you for your understanding. I did take the back road, so I saw a different country today.

[03:18:06] Good evening, Chair Letourneau and Madam Chair Randall. I'm John Hall with the Department of Housing and Community Development. I am joined with staff this evening. To my immediate right is Travis Perlman, who is our Affordable Housing, Finance, and Development Administrator.

[03:18:22] Next to him is Cheryl Kroll, who is our Finance Manager, and then Brian Regan, who is our Assistant Director, who will lead us into this presentation. Before he starts, what we wanted to do, the agency, Department of Housing and Community Development, is nearing its two-year anniversary that we were actually formulated into our own separate agency.

[03:18:46] So we thought this was a good time and the budget season just felt right for us to walk through what the department has received for sources and how we have been using those sources. And then what

are anticipated needs that we have in order to continue to complete the 133 key action items that's in the Unmet Housing Needs Strategic Plan.

[03:19:11] So, Mr. Regan. Thank you, Mr. Hall, and good evening committee members. The purpose of tonight's information item is to provide the Finance Committee with an overview of the county's housing fund. The housing fund is managed by the Department of Housing and Community Development and contains various components that help to fund the county's numerous housing programs.

[03:19:30] The first point of clarification is that the term housing fund is not synonymous with the county's housing trust. The county's housing trust is the first of six components of the overarching housing fund. The components of the housing trust and its dollar amounts will be reviewed during the next slide.

[03:19:47] The remaining five components of the housing fund include home improvement programs, including funding from a former locally funded revolving home improvement loan program. The Rental Housing Acquisition and Preservation Loan Program, or RHAP, was established by the board in 2022, which assists multifamily affordable housing developers in acquiring existing affordable multifamily rental communities in the county to preserve and extend rental affordability.

[03:20:14] Local tax funding starting in fiscal year 2023, the board adopted the county's budget, allocating the equivalent of a half penny of real property tax revenue for affordable housing needs. In 2009, the board approved the allocation of \$1.3 million in housing funds to be used as the county's match of \$2 million through the Virginia Department of Housing and Community Development's Neighborhood Stabilization Program.

[03:20:37] This housing program provided emergency assistance to stabilize communities with high rates of abandoned and foreclosed homes. And in 2022, the board directed that funds from the termination of the Belmont Ridge Trust are to be used to establish a soft second home purchase program to assist qualifying households with incomes from 70 to 100% of the area median income.

[03:21:00] This program will complement the county's existing down payment assistance programs that assist households from 30 to 70% of the area median income. In thinking about the various components of the housing fund, it may be easier to consider what funds are restricted and what funds have some flexibility to them.

[03:21:19] What you see on the screen are portions of the housing fund that are restricted. In addition to the NSP program and Belmont Ridge Trust on the right side of your screen that I just spoke about, the largest component of these restricted funds are within the Loudoun County Housing Trust, which contains approximately \$38 million as of December 31st.

[03:21:37] A housing trust agreement governs the use of these funds and is targeted to households with incomes between 30 and 70 percent AMI. Sources of the housing trust include cash proceeds received as the result of a fair market value sale of an ADU, cash contributions paid by developers for ADU program modifications, cash received from any source for the purpose of furthering the provision of ADUs in Loudoun County, and any other funds designated by the board for the housing trust.

[03:22:06] Within the housing trust, there are eight categories of funding. The first and largest pot of funds are housed within the Affordable Multifamily Housing Loan Program, which enables the county to provide gap financing for affordable housing projects to encourage private investment. To date, 11 projects have been allocated funds by the board in the amount of \$41.8 million.

[03:22:27] The \$30 million remaining balance that you see on the screen does not include the most recent funding approvals of Old Arcola School and Commonwealth Lofts that the board approved last month, so the more accurate unobligated amount is closer to \$20 million. Two categories fund the county's existing down payment and closing cost assistance programs. The DPCC program is the general down payment program available to all residents, and the other, PEG, is strictly for employees of county government, schools, and constitutional offices.

[03:23:00] One category provides the county with the option to purchase ADUs that are in jeopardy exiting the program due to a lack of qualified purchasers showing interest in that ADU. The revitalization and rehab category is leftover funding from a loan that the Windy Hill Foundation utilized to rehabilitate some of their properties. And the remaining three are proffer related.

[03:23:20] These funds are derived from proffers that developers have provided the county as part of the legislative land use application process. I now like to pivot to the components of the housing fund that offer flexibility. The home improvement programs is a fund that was used to administer the Eastern Loudoun County Revitalization Program, but that program is no longer active. That program was locally funded and was a revolving home improvement loan program.

[03:23:44] Since that program is no longer active, the board can reallocate these funds if necessary. The RHAP funds assist multifamily affordable housing developers in acquiring existing affordable multifamily rental communities, and if warranted, the board can alter the parameters of this program to meet other objectives. And the remaining pot includes 8.7 million dollars in local tax funding that can be used as the board sees fit. One of the more successful uses of the housing fund is the affordable multi-family housing loan program which is derived from the housing trust. This program was initiated in 2018 and is replenished using funds from the equity split of 80 youths sold after the initial 15-year covenant period.

[03:24:24] Since this is trust-derived, funds must be used to benefit households between 30 and 70 percent of the area median income. Six county funded developments are currently operational, utilizing 16 million in loans and providing 548 attainable rental units. Five county funded developments are currently in pre-development phases, utilizing 25 million dollars in loans and will be providing 477 attainable rental units. All told, these 11 developments have been provided more than 41 million dollars in loans from the county and resulted in the creation of more than 1,000 unattainable rental units. Although the board approved funding for the developments listed

[03:25:02] under pre-development as early as 2020 and 2021, the approval process can take up to 46 months or more due to the rezoning approval, permitting, and construction and delivery. An important point to bring to the committee's attention is the fact that approximately \$20 million remains as part of the Affordable Multifamily Housing Loan Program. Over the last three months alone, the board has approved three land use applications that have proffered affordable housing units.

[03:25:28] assuming that each of the three will apply for gap financing through this program and assuming a loan request of six million dollars each these three would almost deplete the specific fund over the next year additionally there are approximately seven applications either under consideration by the board planning commission or still in the staff referral process that mention the provision of affordable housing units again in a hypothetical situation where each will apply for gap financing and assuming a loan request of six million dollars each This would require \$42 million if all requests were to be approved.

[03:26:04] Without additional funding, the board would subsequently have to make the difficult decision as to which affordable developments to fund and not fund. Increasing the allocation will allow the county to build a stronger foundation and pipeline for future affordable housing developments. This final slide displays how successful the Affordable Multifamily Housing Loan Program has been at leveraging funds and includes other county opportunities for leverage, Not including the Old Arcola School and Commonwealth Lofts projects, the county has issued \$32 million in loans.

[03:26:34] As a result of federal, state, local, and private funding, the county was able to leverage \$289 million, resulting in a 1 to 9 leverage ratio. The county has a similar opportunity to leverage funding as part of its \$8.7 million in local tax funding, as well as the \$5 million in RHAP funding.

[03:26:51] Also important to note is utilizing funds for services and programs that will meet the objectives of the Unmet Housing Needs Strategic Plan. As Mr. Hall stated, at a minimum, this could include establishing a land bank, increasing access to home ownership, and expanding a tenant-based rental assistance program.

[03:27:07] To conclude, staff recognizes the organizational complexity of the housing fund. Following the fiscal year 2025 budget process, staff will identify methods to strategically and efficiently combine funding categories to create a more manageable and streamlined housing fund.

[03:27:24] So at this time, staff will be glad to take any questions that you may have. Okay, thank you. Mr. Sainz. Thank you. Thank you for the presentation. You mentioned in the Eastern Loudoun Rehabilitation Program, that was in existence, then it went, I guess the board decided to end the program, is that correct?

[03:27:47] There was just a lack of interest in the program. When did we end it? I would say about five years ago, approximately. Oh, well, I would like to discuss possibly how we can reallocate that money to something else or reestablish that program, if possible.

[03:28:06] And I'm assuming there was a criteria for how old your house was and whatnot. So I'd love to hear more about that, possibly, if possible. And then the half cent that comes off the taxes, is that the \$8.7 million?

[03:28:23] Is that what's in that fund right now? That is correct. And what do we plan on doing with those funds? So with those funds, as well as the RHAP, or the Rental and Home Ownership Acquisition Program, that would be an additional \$5 million.

[03:28:40] So with those dollars, we are planning to incorporate some of our key action items in the Unmet Housing Needs Strategic Plan, which include activating county-owned land. So staff has been working to do a solicitation to get one of our properties activated to try to get that property closed and produce the units.

[03:29:04] We are also exploring mapping other county-owned properties. So if we can get a pipeline of viable projects that are suitable for affordable housing, we would develop that pipeline to get money going faster and sooner. We are also working to do what I call a consolidated request for proposals, which basically bundles or leverages our internal sources of funds.

[03:29:30] So in addition to local tax fund dollars, some of our federal dollars, community development block grant, our home investment partnerships grant to give a solicitation to the public to see what developers have shovel ready projects and are aiming to do attainable housing.

[03:29:48] You know, it could be attainable housing, it could be transitional housing, it could be permanent supportive housing, just whatever fits into our key action items throughout those 133 items in the Unadmitted Housing Strategic Plan. We are planning to do that, so that particular exercise is under review right now, so I'm hopeful that that will move forward and we can get that solicitation out and then we will get more interest.

[03:30:14] We are also working to revamp our down payment closing cost assistance program. Mr. Regan mentioned some of those general pots, but using the Belmont Trust, what we want to do is help stabilize families who are getting rent increases year over year.

[03:30:34] And if we can get them mortgage ready and they can afford a home, we could use some of that down payment closing cost assistance to curtail the principal balance of those loans. So that program, Mr. Regan is working on to get that launched, hopefully before the end of this fiscal year.

[03:30:53] And then we are also embarking on conversations, not only with our Housing Advisory Board members, but with some of our interdepartmental peers, such as Department of Planning and Zoning, our Housing Ombudsman and that group, to talk about transit-oriented development.

[03:31:10] With your previous discussion with Mr. Brown, it kind of dovetails in the sense that we want to try to identify the landowners around transit so that we can hopefully produce more units so that households can combine their household and transportation-related costs.

[03:31:29] And so that are some of the things that we have in queue that we anticipate using the funds that are available. Okay. Well, that sounds like a lot that you guys are. A lot for \$8.7 million. A lot, yeah, a lot for \$8.7 million, but also you're working on a lot of different options and plans, so look forward to hearing more about those so we can use those funds.

[03:31:48] And then, yeah, if we can get some more information or have more discussion at some point regarding some of the defunct programs, I think you said, like the rehabilitation from, was it Windy Hill, Eastern Loudoun rehabilitation, the trust, was it the Broadlands Trust or something?

[03:32:07] belmont trust excuse me um yeah those all up that's a lot of a big pot of money as well so love to hear what the plan or what you're thinking for those to reallocate that funding as well at some point because um it sounds like we have a lot of a lot of funds we have a lot of options and and programs so let's let's try to make them all work as best as possible so we can get these funds to uh to the residents is most streamlined and straightforward or how we can come up with some development projects ourselves and here in the county to be to have more affordable housing Workforce housing and the like that we all know we need here in the county

[03:32:44] So thank you for everything you guys are doing and continue to do surprise our step Thank you, mr. Chair Last year one of one of our colleagues raised the point that we had over 30 million dollars And I think it was the housing trust may have been in the affordable multifamily housing loan program and we were continuing to put half a penny into housing assistance when we were not able to spend the money we had

[03:33:24] because there just weren't enough houses or enough apartments whatever it was and so the question is are we going to run into or will we be in that situation again this year are we going to be putting more money into housing if if for example if chair randall makes a motion as she has said to add another

half penny is there any way to spend it in the next fiscal year i would say the short answer is absolutely one of the things that i want to clarify from last year when i was posed

[03:34:04] the question by the board was, how are we planning to spend the \$30 million that was available in the housing trust? At that time, I did not realize that this housing trust, not to be confused with the housing fund, but the housing trust that has the multifamily loan program, that pot of funds are restricted solely for low-income housing tax credit projects that we have historically funded one or two per fiscal year. So that balance is never going to be completely used based on the

[03:34:39] current restrictions. And then as we learn more about the terminology with the housing fund, which is where the local tax fund dollars is another segment of that, that's where we have currently \$8 million. So what we are working on are some acquisition projects through county-owned land that could take basically that in one swoop or at least 90% of that current balance. And even if we identified some other projects, we're looking at market rate conditions somewhere between \$5 and \$9 million for

[03:35:17] acquisition costs. So funds could be used in that manner or to provide gap financing for someone who wants to do a long-term ground lease, if that's the case with with some of our county-owned property so that we can get the units produced okay very good thank you a follow-up question so as as you probably know most of the folks who come in here and petition the board for assistance are renting units and their expectation is if the board

[03:35:55] increases its allocation by half a penny, so we're providing a full penny on the tax rate to housing assistance, that they will immediately see rental assistance. We will immediately begin giving them assistance so they can pay their rents. I don't get the impression that's the way this works, and I'm having some difficulty finding a program that would meet their expectations, and I don't want to give them false expectations.

[03:36:29] So what is your perception of whether we need to be more clear with what their options are? Can one of the folks who came in with the New Virginia majority and spoke to us, can she expect that we will be sending her a check to cover part of her rent?

[03:36:52] Can she expect that we will be giving her landlord money to cover part of her rent? What should we be telling these folks if we want to be very honest with them? Great questions.

[03:37:08] So with the diversity of our funding sources, we have, there's more than one answer is where I want to go with that. So for the example that you give, that source of funds would be from our ARPA dollars, our American Rescue Plan Act dollars that we have currently \$5.7 million allocated that the board allocated to help with temporary rental assistance. It does allow for case management if a household is rent burdened, where our contractor who is Loudon Cares and their subcontractors will work

[03:37:44] with households to try to either increase their wages, help them find upward mobility jobs, or to find alternative housing where they're less rent burdened. With that particular pot of funds, we had our kickoff meeting on Monday, and Loudon Cares and their partners are planning to launch that program within the next 45 days.

[03:38:06] That's going to be the more immediate resources that will be available to the county. As it pertains to what we're presenting today, and as I referenced the 133 key action items, One of those particular items is the possibility to explore a local tenant-based rental assistance program, which is basically, it mirrors the federal system of our housing towards voucher program.

[03:38:33] That program, the board approved a smaller fraction of that about a year ago when we received our home investment partnerships entitlement grant dollars. We are planning to use \$500,000 of that entitlement grant for a local tenant-based rental assistance program.

[03:38:55] It's only projected to assist 22 households, and the plan that when we put this together was basically to dovetail our federal program. So this year, HUD was very gracious to us and gave us an additional \$3 million of budget authority, So we're able to issue about 300 vouchers.

[03:39:17] And so when we get to number 322, the 301 to 322, they will come from our local tenant-based rental assistance program from our home dollars, and we will fund them until we have attrition, and then we will move them over to our federal program subject to their program eligibility.

[03:39:40] That's all we have planned thus far for a local tenant-based rental assistance program. But there are other ways that we can help the community. And again, that's been through our ARPA dollars. And we have some additional CARES Act funding that's helping to augment with our eviction assistance program.

[03:40:02] Thank you very much. Thank you. Supervisor Brisbane. Thank you. So I read through this. Yes, I'm glad that you guys are going to try to simplify things, but I also understand that you're really piecing together a lot of different funding sources, so I kind of get why it gets complicated for us who aren't living it every day.

[03:40:27] Could we go back to slide five and four? Either one's fine. So the green buckets that were in that last slide, should they really be underneath housing fund components? so all of those blue all of those green and orange buckets are under housing fund components yes okay yes so in there where is the 8.7 million which bucket is it in so it's it's what we would call what i call board flexible fund so it doesn't have restricted uses like the multifamily loan

[03:41:03] program so the all the green boxes we have more latitude or the board has more latitude in its uses so it's right here yes bottom okay and we can we can do a lot of different things with that yes okay all right thank you for clarifying that i think that maybe we should have one thing called housing trust or housing trust fund instead of two things with housing trust in the name so i'll let you guys figure out that that um nomenclature is that a right word um so i think

[03:41:38] you mentioned that we are thinking about a tenant-based rental voucher program. Did I hear that? Yes, with our Home Investment Partnerships grant, which would be \$500,000, and it's projected to help 22 households. Okay. Could we use any of the \$8.7 million for that? Yes, that would be an eligible activity. Okay. So we could increase that with the half cent revenue? Yes. Okay. All right.

[03:42:13] Great. And do we, this might be a Mr. Hemstreet or Ms. McClellan question. Do we need to write a new ordinance to do a county-based rental voucher program? Because I think Alexandria has a completely different ordinance that allows them to do that. We would need to research that so that we have a good answer for you. I do not know if we have to do an ordinance. Okay. It might be because this one, the one, the 500,000 is from a grant. So it might be that we don't have to do it.

[03:42:47] But if we were to use the LTF, I, well, I'm not a lawyer, but, um, I would fear that we might have to, if we don't have such an ordinance, cause I was reading Alexandria's ordinance recently. we'll check with our housing council okay respond um and then on the r-hap has has anyone taken advantage of the r-

hap not at this time okay are we i'm sure we're trying absolutely we we had a deal i think last year mr regan will know the deal um and it fell through i thought we did

[03:43:22] okay that that's too bad um we do have some folks out in the community that focus on these issues who are worried that the r-hap money hasn't been used and they're a little bit worried that the RHAP money would not achieve relief for folks at the very lowest end of AMI.

[03:43:40] Would you have any comment? If I could bifurcate that comment. So RHAP in general has restrictions. So it has to be existing real estate for residential that a developer is either going to acquire in rehab or basically acquired and maintain it for residential affordable housing that is the restriction of our HAP so to date we have not had any developers bring us any proposals that they

[03:44:15] have found you know an existing residential place to acquire so for me overseeing this program that's that's a challenge with that restriction in place so so that's the first part of your question. And then the second part, as far as the AMI, the zero to 30% area median income for households is becoming an increasing challenge just because rents continue to rise. In a lot of cases, they're doubling or at least 30% increases are happening year over year. And so

[03:44:51] that coupled with other household expenditure increases are really putting a stronghold on that particular income group especially even it's moving up the income bracket but that particular group one of the examples I usually will use is that in order to participate in our our affordable dwelling unit program you have to make at least 30 percent of the area median income okay to qualify so if you make less than that there there are very limited resources I think we have a couple of

[03:45:26] properties with a handful of units that we call unmet housing units that will meet that, but we need more. Okay. But the RHAP program is not restricted to like 60 to 100% or anything like that. It could serve that sector if the developer were to buy it, or would it be up to the developer that buys it? My understanding is that it's for affordable. And usually when we use the term affordable it's up to 80 percent ami okay all right we will okay okay yeah yeah i'm

[03:46:01] happy to chat offline oh go ahead yeah so the rhab program is restricted it um it ties itself to the local uh low-income housing tax credit program and so okay uh the funds are restricted to be used on uh for income what's called income restricted housing stuff that's currently restricted by deed restrictions for 60 percent AMI units and below. The program can also fund what's called naturally occurring affordable housing. This is unrestricted affordable housing, and that can fund units up to 80 percent of the area median income. Okay, I got you. Okay, that answers my question.

[03:46:34] One more question, Chair, if you don't mind. Critics of rental assistance programs, rental voucher programs, would say that if a landlord knows that the tenant is receiving vouchers, that they will raise the rent. I have read studies that show that doesn't necessarily happen, and that that kind of program that helps folks get their footing actually helps them like Like, be more stable, be more participatory in the labor force, all the things, right?

[03:47:13] Have you heard any of that criticism, and do you think it's valid? I'm going to defer to Mr. Regan first. He oversees the program, so we'll hear from him. Personally, no. So as part of the Housing Choice Voucher Program, one of the initial steps is to run a rent reasonable test.

[03:47:33] So if a voucher holder comes in and they provide what's called a request for tenancy form, and that provides what the proposed rent is, and it's essentially a stopgap so that landlords can't say, oh, we

know this is an HCV unit, we're going to propose \$4,500 in rent.

[03:47:50] Because what staff will do is run, you know, kind of a query of surrounding properties and rentals based on the number of bedrooms to say, oh, well, the average is, let's say, \$2,500. That's way beyond rent reasonable. We can't rent to that particular unit. Interesting. Okay, thanks for that.

[03:48:06] I appreciate it. Thank you. Thanks. I'm going to take the liberty of asking a few questions before I go to Chair Reynolds. I'll be really quick. Okay, go ahead. I'll be very, very quick, in fact. I just wanted to remind you all, because the one thing we haven't said is that \$8.75 million is not just a half penny. It's also the cigarette tax.

[03:48:23] Yeah, yeah. So our half penny last year would not have gotten us to this much money. or half penny this year is only 7.4 so that's the that's the half penny plus the cigarette tax which is 2.2 million which is 2.2 million i just want to make sure we knew that yeah thank you mr chairman yeah absolutely okay no no problem um all right well maybe that rolls into this so when we talk about the half penny first of all the current balance is 8.7 million but as of July 1 we are allocating at least another half penny, which is 7.4. So that actually is a \$15 million balance,

[03:49:02] right? What is the availability of that funding? Does that become available July 1 or does it roll through the year? How does that get accumulated, shall we say? It's an appropriated amount at the beginning of the year. So instantly on July 1, there's another 7.4 million. That's correct. So we're in march and we have 8.7 as a balance and then as of July 1 that will grow so the real question isn't can you spend the 8.7 it's the 8.7 plus 7.4 and then whatever the cigarette tax

[03:49:33] which i assume is stable 2.2 ish it might go down a little bit 2 million whatever so that's 16 or 17 right that that total up to 18 million is what i've been projecting right uh to put in our consolidated RFP. That's one of the reasons why our department is trying to bundle these resources so that we get a bigger response and more shovel-ready projects so that we can expend the funds. Yeah. Yeah. And to be clear, I'm not asking that question because I mean, it did just start. It's just that there's a proposal potentially to increase it further and I'm trying to evaluate

[03:50:13] how much is really in it. And so really it's a number close to 18 million that's going to be available. So, which, you know, is a sizable amount of money. The housing trust fund and affordable multifamily housing program, at the beginning, kind of towards the beginning of the presentation, we talked about how with all of the different projects out there, there's a risk that we could run out of money in that. So, what was the original baseline source of funding for that? Right. So, the baseline is \$20 million. So, that includes after the Arcola School and the

[03:50:50] Commonwealth lofts are taken into account, the balance is going to be around \$20 million. But where did that, what was the original source of funding on that? That came from the trust. The trust fund. Correct. Right. The trust fund should replenish, right? Partially. What's the rate of that happening, and what are the term loans where we may see some wave of money coming into that?

[03:51:13] I may have to defer to Ms. Krell and Mr. Perlman for that, but at least for the ADU portion of the ADU sales over the last five years there's been an average about five million dollars that have gone in correct okay and I think just in terms of but you were still concerned at the rate here that we could bottom out on that there's the potential if all things align correct okay and what what would be the solution to that I know more money but how exactly later if I may add

[03:51:48] So part of the challenge is that we have currently used all of our gap financing for projects using that fund because they have all had low-income housing tax credit applications to the state. Where we would be able to, you know, have that fund balance out or make sure we're preserving whatever the floor we're supposed to have is with the local tax fund dollars.

[03:52:15] Ah, okay. So that's where we'll start. Because you would balance it with local tax funding. start drawing all right so here's the tim question could that be balanced in that specific circumstance with one-time fund balance funding so not the same thing as what chair randall was asking about earlier which is a reoccurring additional half penny i'm saying could you actually transfer funding to help balance that fund or stabilize it as a one-time use and using fund balance the basic answer to that question is yes okay you can use one-time funding

[03:52:50] it whenever that's available to stabilize that fund as needed i see so with 209 million in fund balance that might be a viable way to address that issue without having to dip into local tax funding new local tax funding through an allocation like a half penny right yes you can you just have to be mindful as mr hall states that there's somewhat of a pipeline that's associated now with that program and as he stated he's also looking to create a pipeline of projects oh sure

[03:53:25] for the other major sources of funding we have yeah so as we build that pipeline and we have viable projects that are on the horizon we would need to be mindful of um monitoring that yeah but any of these things are options to put money into the source of funding potentially that's correct The board could add funds to the housing trust.

[03:53:48] Okay. The rental, the RHAP program, we list it as a flexible, board-flexible source of funding. It didn't sound very flexible. Right.

[03:54:06] That's simply because the board, those first two boxes, and we can go back to that slide, the first two boxes actually have restrictions, but the board at its discretion could modify those. We can modify the rules around that program. Right. Can we actually move the money out of that program completely and put it into another bucket?

[03:54:25] Just asking. I'm not saying I want to do that. I'm just asking the question. Yes, the board could decide that you want to use those funds otherwise within the housing fund. So we could reallocate that. That sounds like the hardest one, though, to utilize, right?

[03:54:44] Currently, yes. Is that because of our own rules? I believe so. All right. However, the plan of action is to have, when we do the consolidated request for proposals, is to have the RHAP restrictions part of that procurement to say if any developer has a property in mind that they want to acquire and preserve for affordable housing, we'll dedicate these funds and you'll get bonus points, things of that nature to try to motivate.

[03:55:15] Yeah. I guess what I was thinking about was more a concept where you would be sort of swinging money here, depending on what the need was. Like if you didn't, if we go another whole year and there's not another project with RHAP, but we know we have needs here, here, and here, it seems kind of silly to just, you know, hold that money there and not use it. But we, if we did have a RHAP, you know, we could potentially swing money back into it if, if there was a project. I don't know. I'm just sort of thinking out loud, but, but, you know, flexibility seems like a good thing.

[03:55:45] So, okay, I think those were all the questions that I had, but that was a very helpful discussion and presentation for all of this. So, and Chair Randall suggested that we have it, and I'm glad that she did. And maybe we can recommend that our colleagues who aren't here watch this, or at least have their staff aides watch this, or get a briefing, or something like that.

[03:56:11] Okay, anybody else have any questions? Seeing none, thank you very much for being with us. And with no further business to come before the committee, we are adjourned.



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