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Loudoun County Board of Supervisors, Finance/Government Operations and Economic Development Committee, Tuesday, May 14, 2024

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- Agenda (Granicus): https://loudoun.granicus.com/AgendaViewer.php?view_id=73&clip_id=7674

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[00:11:50] Good evening, and welcome to the May Finance, Government, Operations, Economic Development Committee meeting. I will now call the meeting to order. This 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. Please see the clerk to request one.

[00:12:06] We, for a couple things, just for committee's awareness, we are going to adjust the schedule slightly to accommodate a board member who may need to leave early, and we're going to move the item number 12 which is human services non-profit as the first action item after the economic development and quarterly reports. We'll likely take a dinner break around 7 to 7 30 depending on where we are at the agenda and some exciting news today. I want to take a moment to recognize that all three credit rating agencies have affirmed Loudoun County's AAA bond ratings.

[00:12:43] So I'd like to thank Mr. Hemstreet, our budget and finance staff, Megan, all the team for the work that they've done to help us as well as recognize the work that the board has done to uphold our longstanding fiscal policies. I will call out specifically that Moody's rating was based on, quote, our strong and stable financial position and reserves supported by the county's policies, proactive management and solid leverage position.

[00:13:09] S&P highlighted our historically strong financial performance with available reserves exceeding 30% of expenditures, resulting from conservative revenue and expenditure assumptions, and our strong adherence to fiscal policies. And Fitch recognized our financial resilience and strong economic and demographic attributes, which include a strong population growth trend, large and diversified economy, and favorable unemployment and educational attainment metrics.

[00:13:33] So some good news as we get into our meeting tonight. We have eight items proposed on our consent agenda, and they are item three, award authority increase information technology consulting services, number four, award authority increase Oracle hosting solution, item five, contract renewal, public safety, radio system maintenance and support services, item six, contract award construction of the landfill entrance infrastructure, item number seven, contract award fire and rescue station four, Round Hill station replacements, Item eight, waiver of an affordable multifamily housing loan program requirement for an application

[00:14:12] submitted by Good Works LP in Green Street Housing, LLC, in the 2023-24 program year. Item number nine, disability services board annual report. Those were in your packet. And then I believe my office suggested one additional item, which is item 10, utilization of federal and state asset forfeiture funds with the sheriff's office.

[00:14:34] I had some questions on item 10. Okay, so you would like item 10 off consent, all right. Then we will not do that one. The other nine would be proposed for consents. Mr. Sainz, I'll make the motion.

[00:14:49] You seconded? Okay. Any discussion on those nine items? Seeing none, all in favor say aye. Aye. Anyone opposed? The motion carries 5-0. All right, our first information item with Mr. Reiser and our Department of Economic Development.

[00:15:10] The seat looks a little low tonight. I was going to say, I was trying to get on the switch. I don't know. It's fine. It's fine. Good evening, and congratulations to everyone on the AAA credit ratings.

[00:15:31] I think that's just amazing. Through the end of April, we stand at 125 wins, 3,820 jobs, and just shy of \$7 billion in new commercial investment for Loudoun County. February is the most recent month for local unemployment data.

[00:15:47] The rate was 2.2% unemployment rate for Loudoun County compared to 2.9% for Virginia and 3.8% for the U.S. Nationally, jobs increased by 175,000 in April, which is somewhat less than expected. But that was probably a good news for some economists as they think that that might get the Fed to look at rate cuts a little bit more before the end of the year.

[00:16:12] Recently, the Fed highlighted a lack of further progress toward bringing inflation down while holding interest rates at their highest level in two decades. Higher labor costs are the biggest source of pain, with more than 80 percent of entrepreneurs reporting that increases in wages and benefits are having a significant impact on their businesses.

[00:16:30] These cost pressures are squeezing small businesses and their need to pass those along to customers, and that helps to explain why inflation has been so stubborn. The Fed still appears likely to be considering rate cuts later this year, but they have not been moving very quickly. Speaking of small businesses, we have just wrapped up Loudoun's Small Business Week, which featured over 30 visits to small businesses throughout the county. The supervisors were a great part of that. We always thank the

board for their participation in this. It's so meaningful to our businesses to have you visit them during Small Business Week. The highlight of

[00:17:08] Small Business Week was the second annual Launch Loudoun Small Business Summit at the Lodge at Hanson Park. This sold-out event was part of our Small Business Week events and featured keynote speaker Jason Dorsey, a panel discussion on workforce, and a workshop led by Rise Advocates Academy founder Diana Patton. Chair Randall was also a featured speaker at that event.

[00:17:30] Of course, here in Loudoun, every week is Small Business Week, and our work continues. The Launch Loudoun program will be hosting free foundations of finance classes with a one-year subscription to QuickBooks beginning May 23rd. The focus of the training is to help provide small businesses with the tools for sound financial management. Each business will also receive up to five hours of individual support. It's all free and you can find out more at biz.loudon.gov. You also have in your packets tonight, the EDA's audit reports for 2022 and 2023. The report was presented to the

[00:18:07] Economic Development Authority at their March meeting. No material weaknesses were found and no areas of concern were reported. We were hoping to have somebody from the auditor here tonight. They could not make it, but if you have any questions, we'll try to answer them or we can take them back to the auditor for consideration. And finally, I'm honored to introduce Dr. Angela Wilson, the president and CEO of Seacon Enterprises. She is the new chair of the Economic Development Authority. Established in 1996, Seacon is a certified women-owned mid-tier business providing

[00:18:43] federal health IT systems, professional services, advisory services, and more. Dr. Wilson has a PhD in education from Virginia Tech and supports various local nonprofits and organizations focusing on athletics and education. She joined the EDA in 2020 and became the chair this January.

[00:19:02] Welcome, Dr. Wilson. Thank you. I'm really excited to be here for the first meeting, so thank you for welcoming me. Well, over the last few months, we've focused on assessing and reviewing our strategic objectives and strategic plan, particularly concerning entrepreneurship, housing and economic development support. We've also added two new members, including expertise from the investor community, all in an effort to enhance our understanding of how we can attract

[00:19:37] and foster new businesses and talent to Loudoun County. Any questions? Any questions? Just in general, welcome, first of all. And then I did want to ask Mr. Reiser a question.

[00:20:02] But first, I just wanted to say thanks to your office for arranging the Small Business Week visits. I always learn something, sometimes even get ideas for our legislative agenda with the General Assembly. We visited Ray's Poor House in Sterling, which is a new area for me.

[00:20:24] You're welcome. Yes, thank you. And they have been having some issues with permitting and zoning, kind of giving two different answers on being allowed to use some parking spaces for outdoor dining.

[00:20:40] And they're very frustrated. It's a little frustrating to me, too, because I can tell that they're over-parked. And so many of the businesses in that shopping center close at dinner, you know, at normal business hours. So I think Chris Hunter is going to be looking into it, and my office is going to be looking into it as well.

[00:20:56] But it was really a great visit, and I appreciate Chris. And actually, the owner of Ray's poor house got a little teary when we presented her with that trophy is not the right word. And then the cutting board because they're in the culinary. So they so, so appreciate it.

[00:21:13] And they're so dedicated to investing in Loudoun County and having their businesses here. And now to my question, our second visit was to a vet animal medical center.

[00:21:31] Again, new to my district. But I've known Dr. Mitchell for quite some time, and we did have a tour through her facility. And one of the things that she has found really, really frustrating in her business is that she cannot keep employees, even doctors, on staff.

[00:21:51] There should be four vets in that business, and one retired, one moved, and she can't get people to come because people can't afford to live in Loudoun County. She has a pregnant tech driving from West Virginia, which can't be good for anybody in that scenario.

[00:22:08] Um, and there was another employee walking down the hallway who works full time. And she said, he has two kids and a wife at home and they have to have food stamps and he works full time. So I'm just wanted to ask you, is that something that you're hearing consistently from businesses that want to locate in Loudoun County, that they're worried about their employees being able to live in the community where they work and serve?

[00:22:32] Yeah, you actually brought up two of our pain points, uh, you know, uh, but as far as workforce goes absolutely um and really uh our workforce development manager is constantly working through the systems and working with businesses to fill uh solutions i would say when you when you think about uh bringing businesses to loud the number one question we get is around workforce um and that's why i think it's great that the board you know really five years ago uh thought ahead and started a workforce development position in our office. I could argue at some point we'll need

[00:23:12] more, because just keeping up with all the businesses in Loudoun County and keeping up with the workforce demand, I mean, you know, we created, you know, more than 3,000 new jobs this year. And, you know, when you think about 50,000 new jobs in a community over the last decade, It's pretty significant, and that puts a strain on the workforce.

[00:23:32] But, yes, I would say that that is not uncommon across industries. I mean, there are currently 19,000 technology jobs open in northern Virginia that can't be filled. I mean, I know that our economy in Loudoun County is doing really well, but what goes through my mind is that there could be three more vets working in that office, and when we can't have them, that can't be good for our economy.

[00:24:01] So it goes through my mind. Yeah, and I think that, you know, again, that demand, that workforce demand has caused wages to go up, and, you know, it's caused a lot of things in the communities that made it harder on small businesses, and it's quite challenging right now, really, across industries.

[00:24:22] Thank you. Sir Roger Sainz. Thank you. I hope Mr. Hunter shared my dining experience with the owners when he was there. Oh, yes, the wings, the sauces. The sauces, yes, it was heard, and you can do that any time you want. You can get extra sauces.

[00:24:41] Good. I'm glad to hear you relayed that message. Well, no, thank you for being here, and welcome to your new position. I'm looking forward to working with you in a larger capacity. And I just

have to say, yeah, I had enjoyed our visits for Small Business Week.

[00:24:59] Chair Randall and I, we visited two locations in the Sterling District and had good visits with both the owners and the operators. And it's amazing what our folks are doing in our county every single day. So looking forward to the next one. Maybe we can do it more frequently. I don't know. But it's a lot of work.

[00:25:17] Yeah, I mean, it's a lot of work put in, but it's well worth it. And, you know, like Supervisor Brisbane mentioned, you can just see the expressions on the faces from the business owners and their employees when we come to visit and learn about what they're doing and asking questions and stuff. So I enjoy it thoroughly.

[00:25:33] So keep up the good work, everybody. And, yeah, to Ms. Brisbane's point, you know, we still have a lot of issues, even though our numbers look very good. We still have issues. And then I like to relay that a lot of times when people, oh, when you're traveling or, you know, visiting family and friends around the country, they're like, oh, you're in Loudoun?

[00:25:50] Oh, great. Like, yeah, Loudoun's great, but we still have our challenges and issues at the same time and one of them being, as you know, we don't have enough space for Flex Industrial. We need more of that. And we see the effects of a certain industry coming in and making offers that, you know, right.

[00:26:08] So as a business owner, you can't pass up, but they have everything has a cause and effect. And that effect is small businesses are being pushed out and they have nowhere to go. Either they leave Loudoun County altogether and go somewhere else or they fold up shop because there is no more space for them to go into.

[00:26:25] And the space they can find is the price is too high for them that they can't afford because it's way higher than what they're currently paying now. So we'd just like to say we just need to keep working to tackle these issues that we have. But thank you to all the good work you guys are doing every single day. Thank you. Supervisor Umstead.

[00:26:42] Thank you, Mr. Chair. Buddy, please thank Casey for the great job she did putting us together with a couple of local businesses. She is a delight, and the business folks really seem to appreciate her energy and her enthusiasm.

[00:27:02] We honored custom software systems and clear focus technologies, and that was a very interesting discussion about how they got started when we had the Mason Enterprise Center up and running.

[00:27:18] And they found that kind of collaboration was extremely useful, and it is harder for them to put that together now than it was in the beginning. But because of that early investment by the town and the county, they were able to get a number of new employees from the Leesburg hub zone.

[00:27:43] And those employees have flourished in that business. They came in without much or any training, and the businesses trained them, and now they are making six-figure incomes. So that's a huge success story for that business.

[00:28:02] And I just wanted to thank you and your staff for everything you've done for businesses throughout the county. Thank you. Thank you. Any other comments? Well, thank you so much for being with us. Appreciate everything all of you do.

[00:28:19] One of the great things about Small Business Week or period is that we get to spend some time with your staff, and they never fail to impress. So thank you very much. Thank you. Okay, so action items in order now. We're going to do number 12, and then number 10, and then number 11.

[00:28:38] So 12, but actually, first, we've got to do our quarterly report for the third quarter, so we'll do that. Next. Good evening.

[00:28:57] We are here to present our third quarter review of the general fund. Our forecast is very similar to what you've seen in the past few quarters. Obviously, the third quarter benefits from knowing the FY25 adopted real estate property tax rate, which affects tax year 24, as well as the preliminary information related to the personal property tax portfolio.

[00:29:27] And so our general fund projections at this time were projecting a balance of about \$190 million dollars and that is consistent with what we have been forecasting for the other two times we visited the committee we're happy to take any questions questions certainly very healthy on balance projected so we like that no okay thank you very much all right so moving on then

[00:30:05] to number 12 which is the fy25 human services non-profit grant recommendations and good evening

[00:30:42] Chair Letourneau and committee members. To my right, I have Dr. Megan Cox, who will present to you the presentation that came along with the board item. Thank you, George. All right, so this is the overview of the Human Services Nonprofit Grant Program. This is our annual grant competitive process that utilizes local tax funds to support nonprofits who support human services in Loudoun

[00:31:17] County. So this is a refresher on the purpose. The purpose really is to strengthen the coordination between the nonprofit community and our partners in Loudoun County Health and Human Service departments so that we can leverage and be most effective with our services and service provision to make sure that we address really critical needs related to safety, health, security, and mental health as well.

[00:31:44] Our eligibility criteria for applicants is unchanged as in previous years. We do have a requirement for an organization to be a 501c3, be in good standing with the SEC, not be locally tax funded through another contract with a health and human service agency within the county.

[00:32:07] So our core service providers are actually separate from that. And also, religious organizations are encouraged to participate as long as the funding is not being used for proselytization or any religious activity. We also have eligibility requirements for an award.

[00:32:28] So an organization must serve Loudoun County residents, and they must show a demonstration of serving Loudoun County residents with numbers that are associated with their services. They must have a mission that's consistent with serving on the four areas of need that the board identified in the 2017-2018 fiscal years.

[00:32:50] They must be an organization that has the capacity to oversee these resources. So we do have a restriction on the amount that an organization can request in terms of operating expenses.

[00:33:09] So they cannot have or they cannot request more than 30 percent of their total operating budget to make sure that we are encouraging diversification of funds. And also they have to show

documentation that the organization is securing funding from other sources, whether that be donations, other grants, et cetera.

[00:33:28] We do have two processes through our competitive process. The first is a mini-grant. That is a truncated, simplified application for either small organizations or those who are starting out in a grant process.

[00:33:45] The funding limit is \$5,000 per year. And again, it's a limited application process that's a little easier to navigate than our standard grant. Our standard grant is \$5,000 plus one, so \$5,001, up to \$113,000.

[00:34:03] And these are more in-depth questions. There's higher accountability with quarterly reporting, program evaluation, et cetera. And all of these questions have to relate back to an area of need and their programs that they support related specifically to Loudoun County residents.

[00:34:23] Our application review is unchanged from last year. the process remains the same. We did, however, do an analysis of some of the staffing challenges that we'd heard from our health and human service counterparts in the departments. And what we learned through that staffing analysis was that approximately 660 hours are taken away from the service levels and from residents to accommodate the application review process, because the application review process does take anywhere from six to eight hours per person who's reviewing

[00:35:01] and so that that did have an effect on service levels so what we found as a solution is to hire a consulting firm kpmg who has a history with the county and specifically requested that reviewers from this organization provided insight into non-profit financials and programming so that we would still have the expertise of the non-profit business community, but could

[00:35:34] alleviate some of that burden for the health and human service departments. So the KPMG reviewers, There were four reviewers, and each reviewer reviewed all applications. So we had a panel of four.

[00:35:49] We also had a financial reviewer who reviewed the applications for their financial records. And those were reviewed, again, by finance staff in the Department of Finance and Procurement to make sure that those scores were reliable as well.

[00:36:08] The KPMG staff went through training, a virtual reviewer training, just as HHS staff had in the past. We held weekly update meetings to clarify any questions that they had on the objectives or on the scoring procedures.

[00:36:26] And then for quality control, we did inter-rater reliability. So the KPMG staff actually increased the inter-rater reliability. However, we did see a decrease in scores overall, and we can talk a little bit about that if there are questions, but generally speaking, in order to maintain the scores for the non-profit organizations, we added points back into the applicant's process. So the average decrease was

[00:37:05] about 10 percentage points. So we added 10 percentage points to every applicant's final score to make sure that it was equitable across the board because there was a significant difference. So we are going to be requesting to amend the board's process and requesting the committee amend the process this year to accommodate for those lower scores by accommodating a lower scoring threshold of 70% instead of the 75%. So that is part of the accommodation that we

[00:37:40] also wanted to make sure of listing. The funding overview, we are recommending 42 organizations. We had about 3.36 million in requests. The budget for the nonprofit grant program is 2.86 million for fiscal year 25 and staff is recommending that 2.831 million be allocated to the non-profit organizations and as i mentioned uh 42 we're recommending 42 organizations receive funding

[00:38:16] uh 33 for standard grants and then nine for the mini grants and with that we will take questions okay i know that there are some questions on this item i'll start on this end um vice chair brisk

[00:38:31] Thank you. And thank you so much. And thanks for the briefing earlier today. It's all fresh in my mind. So that's nice. I wanted to know how, and I didn't ask you this earlier, so I apologize, but how do you monitor whether a religious organization, religious affiliated organization is not proselytizing when they're providing services because we're not allowed to fund them, obviously, if they are doing that.

[00:39:03] And I, in particular, have been with one. I've worked with many of our nonprofits and gone with them when they do their services and pass out their food. And one in particular was really close to the line, if not there. So how do we monitor that?

[00:39:19] So we monitor that by first reviewing the organization's outcomes related to the grant for any opportunity for proselytization or religious activities. So that's the first step. The second is review quarterly of their progress towards their goals, and the grant managers within each of the health and human service departments communicates regularly with the organizations.

[00:39:45] I'm not sure the question is specifically asked, are you proselytizing? I can get back to you with that response. But generally speaking, they are communicating on a regular basis with the organizations. Okay, okay, but not necessarily like going out with them when they distribute food and those sorts of things?

[00:40:05] We will be working on a process for that this year. Okay, okay. It has not historically been done. Yeah, yeah, okay. And what kind of engagement have we had with the nonprofit community since we sort of put this program together in 2017, 2018?

[00:40:26] Have we had sort of another effort of, you know, collaborating with them? So there are several opportunities to collaborate with the organizations. We have representatives from our grants team who attend the monthly LHSN meetings.

[00:40:46] We also have several training opportunities and we conduct outreach with the nonprofit community to make sure that we're getting their questions answered. If they're looking for other grants, we offer that as well in terms of the stakeholder engagement for, for instance, the four areas of need that has not been completed since 2018, fiscal year 2018.

[00:41:23] Okay, okay, great. Right. So we're starting to hear some rumblings in the letter that came in this afternoon about maybe it's time to get together again and review the goals and the areas and how folks are, I don't like to say judged, but how they're scored on the system and their applications and those sorts of things. Um, I'll, I'll probably just add a friendly, uh, to the, to the motion tonight on that.

[00:41:43] Um, and I think, thank you by the way for, I feel really good that we have added to the pot and I, I feel like, you know, I, I don't know if last year I had any, anybody come to me after the awards were announced. I don't think maybe I didn't have it last year and I haven't had it this year either.

[00:42:00] So that kind of tells me that the system is, is working and people feel that it's generally fair and and running smoothly so i appreciate that thank you thank you uh chair randall thank you mr chairman so with respect and i i truly mean that i i i find the answer to ms brixman's question a bit insufficient about um non-profits who are faith-based because when we when we voted to allow faith-based non-profits to receive grant funding that was one of the things she talked

[00:42:34] about so adamantly that at that time and that in that process of how to judge that was supposed to go into place right away and then one year later which we're here now we're supposed to be able to come back and look at how that was doing and we were not able to do that because it what hasn't actually been in place and no non-profit is going to say on an application yes we do this when they know it's not allowed because they know that that would make them lose their funding and so it was literally the requirement when we put this in place and so one year later I'm a little concerned

[00:43:14] that we we're now saying again we're going to put something in place and so I would appreciate it if as this process goes on and something is put in place that you let us know that as it's happening because I think we're, my second question is, so I used to, the gentleman who is actually second in charge at Youth for Tomorrow right now, I know him well. He's a very good friend of mine.

[00:43:39] When we were working at the jail, I was part of his hiring team. So I have some, I have a lot of knowledge about how that program works. I have some knowledge about who's there. So I don't know how we're following in our non-profits how much we can know who is from Loudoun County who is receiving that funding, which non-profits.

[00:44:07] So I know it's a requirement on page four. You have to serve Loudoun County residents, but some of these non-profits are getting a pretty big amount of money from us, and I'm wondering what that means. Is it a Loudoun County resident? Is it five?

[00:44:23] is it, what are the numbers look like when you say Loudoun County residents? Because I happen to know some of those numbers myself already, and I think these are fantastic organizations that do very, very good work, but I am not convinced that for the number of Loudoun County residents they serve, the grant amount that they are given doesn't always kind of match, in my opinion.

[00:44:51] I was and I am thrilled to see that there are so many new nonprofits this year. I do think that we have kind of focused on the same nonprofits year over year, and it's because they're putting in good grants and such, but I love that we have new ones.

[00:45:06] I do wonder, though, for the discussion around boosting everyone's final score by 10%, if everyone's score was lowered in a uniform way, right, So everyone, I mean, the difference in the scoring was across the board in uniform.

[00:45:27] Tell me why it was necessary to do that 10%. It was only to get people, to get nonprofits back to that 77% number. That was the requirement. And otherwise, they would have all fallen below that number. So there are several ways to calculate the proportional scoring.

[00:45:47] But we determined that a 10% increase across the board would be the most equitable way to distribute those because some were a little bit above 10 percentage points, some were a little bit below, and some didn't have a history of applying with the program.

[00:46:07] So to be able to look back on scores or to be able to identify an average score across the board was extremely difficult. just because we did have new organizations and didn't want to treat them with any less equity than the others.

[00:46:23] So then going forward, if we have a contractor, KP, MG, or whomever, will they now have just this different scoring criteria going forward so we don't have to, in the future, do that average anymore? That's correct. Okay, that makes perfect sense.

[00:46:39] Two more quick questions. For the mini-grants, which is on page five of the presentation, for the mini-grants, you said small or a limited number of years. It could be either one of those. It could be a fairly small non-profit or a limited number of years.

[00:46:56] Is there a limit on how many mini-grants a non-profit can get over the years? No. No? Okay. And then I need to go to the item, if I can remember my last question to come out of the presentation. Mr. Chairman, just give me one second. I need to go back to the item.

[00:47:13] I don't remember what my last question was. I still don't remember what my last question was. How about I ask one while you look for it? I was just going to ask.

[00:47:29] So it's about \$30,000 that's unallocated, it looks like. Is there any thought to going any lower than \$70,000? I think maybe not for various reasons, but if not, then what happens with that funding? So I think staff would leave that to the committee to decide.

[00:47:50] Otherwise, it would just be unallocated and be, I assume, I don't want to speak for budget, but I would assume going back into fund balance or something, yes. Was there one organization that was right, sort of right below the cut line?

[00:48:06] Yes, yes. With 69.6 was the next on the list, yes. And what organization was that? It's CFH Incorporated. Okay, we don't have the write-up on that, I don't think.

[00:48:25] Is it in here? Yes, it is on, I believe, page 10 or 11. Yes, so on page 11, under the not recommended for funding.

[00:48:41] So the funding will assist with adults with disabilities. CFH, okay. I'll go back to Sheridan in a second, but would there be any, I don't want us to put you on the spot, but would there be any discomfort if the board provided funding?

[00:48:58] Not from staff's perspective. now. Okay. Well, maybe that's something we want to consider with the \$30,000 remaining. Back to Chair Randolph. Yeah. It would actually just be the partial funding of what the remainder is. I think that actually, and that's pretty close. I mean, that's a pretty close line. So I would be, I do remember my last question. Three of the nonprofits, the Ryan Bartell Foundation, the Tree of Life Ministry, and MBLE, which I'm still not quite sure what that is, have the asterisks by their name by that. Will you walk me through

[00:49:37] what that asterisk means? And would you walk me through really what MVLE does? Because I really couldn't find a whole lot on them. But the asterisks are why the asterisk? So the asterisk indicates that they have not met a 50% goal in their process evaluation for the current term. So they are a current grantee who has missed the 50% mark for their annual goals. If they do not make that up, then we may request additional board guidance for their funding for fiscal year 25.

[00:50:17] When they were filling out their app, and believe me, these are fantastic nonprofits. I know all three of them, and I, well, actually, that's not true. I know two of them. I know Tree of Life, and I know Ryan Bartell, so I certainly don't want them to lose any money. What does that look like?

[00:50:33] Are they going to get their full amount, and then they have to do more? What does this look like in practice? In practice, we will work with the grant managers and the health and human service departments who are the managers of these funds over the next several weeks to identify whether or not the goals have been met at a satisfactory level.

[00:50:56] But they would get their... They would get their initial funding. Okay. The funding goes 50% up front. Oh, I got it. And then at mid-year, they get the other 50%. So they will get their first 50%. They may or may not get their second 50%, depending on how they do.

[00:51:15] Is that correct? That's correct. All right. And they will receive some assistance for... Although these, I mean, especially the Ryan Bartell Foundation, they've been around for a while, and they've always done really very well in this grant application process. I'm a little surprised to see that asterisk.

[00:51:31] So they know what to do. It may just be because it may be a staffing issue or something we just don't know yet. I know Tree of Life and Ryan Bartell absolutely know how to do this. Yes, and that's why we didn't want to exclude them from the recommendation. We wanted to make sure that it was noted just for the board's awareness.

[00:51:49] I think that's fair and reasonable. Can you give me a little more information about MBLE, Inc.? Because I did look them up, and it was kind of light when I kind of did some research on them. Yes. So I can provide you with a brief. You can send it to me if you want to. That's fine. I'd be happy to send you a two-page brief.

[00:52:05] You can send it to me if you want to. And then my last question is, we do have, and I'm going to be really careful about this, and I am not advocating. I am not. And I say that because it's the Coalition of Women and Girls. So they only applied for \$5,000, which means they could have done it under the mini grant number, and they probably would have got it under the mini grant, but they applied for it under the regular grant application and didn't get it.

[00:52:32] Do you know what that was about? We actually are inquiring. Okay, because they just like threw \$5,000 away, basically. All right. All right. Thank you. Okay. Any other questions? I'm going to make a motion with a little change on the fly here.

[00:52:50] So I move the Finance, Government, Operations, and Economic Development Committee recommend the Board of Supervisors approve a modified process that fully funds all applicants scoring a 70 or higher for the FY 2025 Human Service Nonprofit Grant Process and recommend the Board of Supervisors approve grant funding and the recommended Human Service Nonprofit Organizations as shown in Table 1 and Table 3 of the May 14, 2024 action item and direct staff to notify selected applicants and process payments for grant funding the amount of \$2,831,274.67 for FY25.

[00:53:19] I further move... that the next organization on the list of nonprofit grant funding recommendations in Table 1 be provided the remaining amount of \$30,000.

[00:53:39] Second. Okay, motion is made and seconded. Supervisor Brisbane, friendly amendment. Yes, I'd like to add a friendly amendment that the Finance Government Operations Committee recommend to

the Board of Supervisors direct staff to create a community engagement process with our nonprofit community, specifically LHSN and others as needed before the next grant cycle.

[00:54:02] Okay. Good? Accept it, yeah. Can you say that again, please? I've moved the finance government operations, recommend the Board of Supervisors direct staff to create a community engagement process with our nonprofit community, specifically LHSN and others as needed before the next grant cycle.

[00:54:24] don't think I don't I don't think that I don't I don't have an issue I don't think it's needed they do that already especially with LHSN yes they do um so I spoke with Aaron about it before I spoke to the motion and the idea is they they do have but they haven't done sort of like um a review really since 2017 and the non-profit community would like to have a sort of a collaboration engagement let me make a suggestion I think what you're getting at is the letter we received today from the non-profit group which is i think more about the areas of need and

[00:55:01] kind of the format criteria right which we haven't done in a while right so that's what you're asking for specifically i think maybe the language just doesn't quite okay say that okay i don't know do you need more specifics no i might ask you to share yeah i'll let aaron go ahead if i can just clarify i think um what you're saying is a community engagement process around the board's four areas of need to determine if there's any feedback that needs to be incorporated into the next process and criteria okay and criteria if you guys are areas of need and criteria funding

[00:55:38] criteria yes yes applicant criteria okay okay it doesn't mean we have to change it it just they want to give feedback in a more formal way okay that's fine okay yeah yeah okay i'll accept the friendly so we're now on the motion there any uh any discussion on the i have one more thing after you go back and figure out so and i guess i'm being really careful i'm not i'm not telling you to do anything with a lot of coalition women girls i promise i'm not i'm just that just baffled me because it just didn't make any sense after you go back and and check with them if you are

[00:56:16] to find out that it was that that if they put it in the wrong place it is it so be it it is fine whatever that it just it just is what it is if something else happened if some other mistake happened, and then they were to get that \$5,000, would that lower the, I think that would lower what Ms. Letourneau just said, to the next lowest non-profit by \$5,000, because at that point, you would have allocated all the money out, correct?

[00:56:45] The allocations will likely stand. We do give a choice of pressing the standard application button or the mini application button. So I'll take that answer.

[00:57:00] I'll take that answer. If they press the wrong button, they press the wrong button. I'll take that answer. Thank you. All right. Any further discussion on the motion? All in favor, say aye. Aye. Anyone opposed? Motion carries 5-0. Thank you very much.

[00:57:17] Thank you for all the work on that. Thank you. So then we'll go to item number 10, which is utilization of federal and state asset forfeiture funds by the sheriff's office.

[00:57:52] Good evening. Good evening. I'm Rob Brown. I'm the Assistant Division Commander for Criminal Investigations Division. To my right is Ryan Hamilton. He's one of our digital forensic examiners in our forensic services section. And to my left is SETI Shipp, who's our budget manager for the Sheriff's Office.

[00:58:09] And we'd be happy to answer any questions you have about this item. Okay. Supervisor Bresper. Thank you. I appreciate what you guys are trying to do here. It's my understanding that you're working on using better technology to streamline how you do your work?

[00:58:26] Yes, that's correct. Okay, okay. And this would allow the transfer of information in the cloud or on a thumb drive, or how would that work? Magnet review would allow it on a, it's all cloud-based. It would all be cloud-based. Okay, okay. So do you know if the cloud-based service that we've been working on for a couple years with the Commonwealth's Attorney's Office has been accomplished yet?

[00:58:50] I don't know about the Commonwealth Attorney's Office and their technology they're using there. Okay, okay. Anybody else have an answer, maybe, if that's okay? Yeah, I mean, that's not what this request is about. I know that's not what this is about. I'm getting to my point. Thank you.

[00:59:07] I can answer that, yes. We have accomplished that. It's done. It's complete. And everything's on the cloud? That is correct. Fantastic. Thank you, I'm done. Okay. All right, Supervisor Sainz.

[00:59:23] Since it's done, Is there any chance we can get a demonstration on the new process at some point? Sure, absolutely. Yeah, we can accomplish that. Okay, perfect. Thank you. Okay, any other questions? All right.

[00:59:39] I move the Finance, Government, Operations, Economic Development Committee. I recommend the Board of Supervisors approve the utilization of the sheriff's federal and state asset forfeiture funds to purchase Magnet Forensics Magnet Review cloud-based data review platform for the sheriff's office in FY24, totaling \$65,000. Second. Seconded by Supervisor Rumpstead.

[00:59:58] I guess it was pretty much everybody. Any discussion on the motion? Seeing none, all in favor say aye. Aye. Motion carries 5-0. Thank you very much. Enjoy the rest of your evening. I know, huh? All right.

[01:00:18] Item number 11, which is the update on the American Rescue Plan ARPA spending FY25 reallocation adjustments. On this item, I understand we have Mr. Lohr from the town of Round Hill here as well, who can comment on the request related to the Round Hill water projects.

[01:00:49] So you're welcome to come up.

[01:00:59] So we're back again. Happens a lot when it's at the finance committee. Dr. Cox will, of course, run you to a, walk you to a brief presentation, unless the, okay.

[01:01:17] Thank you. All right, so just a quick agenda. We will discuss some of the background on why we are making this reallocation request right now in May. We'll also kind of walk you through the timeline of the reallocation process and the proposed reallocations.

[01:01:36] As a background, as you're aware, 100% of the ARPA Trunch 1 and 2 funding has been allocated by the board through multiple board items and appropriations. And we have been tracking through the Department of Finance and Procurement each of the projects' spending.

[01:01:54] We do have several projects that are underspent or unspent, and that could be the case where they've met an objective, they've met their goals and were underspent. A couple of occasions they may have been underspent or unable to spend funds because there are no RFPs respondents or bidders for RFPs.

[01:02:19] There are several reasons why some may be underspent, but we also have the issue of a majority of the tranche two funds are not obligated per the final rule issued by Treasury. So the final rule for obligation defines obligation as a contract for service, a written transaction between the grantee, which is the county, and the subawardee or other entity.

[01:02:50] And so that requires written documentation as well as agreements for services rendered in the form of a contract, purchase order, MOU, et cetera. We have been checking on the final rule and the obligation definition for several months, just making sure that the definition does not change.

[01:03:12] And they actually, U.S. Treasury had a meeting today, a webinar, where they stated that it's unlikely that this will change. So, DFP developed guidance documents for the departments who had been allocated funds and requested updates and timelines for allocation and obligation and started looking at which ones may need to be reallocated because they wouldn't meet the 12-31-24 deadline. While we are focusing

[01:03:45] on the deadline, we also want to make sure that this continues to be front and center for safe living environments, for access for disproportionately impacted populations to make sure that they have healthy living spaces, they have healthy living environments, and access to services, healthy food, and what the needs are. The timeline for the ARPA reallocation started in February with the standard operating procedures, which were issued by our department, and

[01:04:22] Mr. Govan actually met with each of the department leads and project leads individually to make sure that there is an understanding that those funds would be reallocated or eligible for reallocation. We also then worked with the deputy county administrators to identify proposed reallocation and make sure that we weren't missing something.

[01:04:50] We then are bringing this here because we have about a seven-month window to obligate the remaining funds and want to make sure that we capture as much of every bit of every penny that we can to be allocated and obligated. So where we will be taking some of these reductions is approximately nine projects. I'm sorry, it's so small on the screen. It's approximately \$3.3 million. And as you can see in the furthest, the right-hand column, the justifications are

[01:05:25] most often the remainder of funds have been allocated. So these are extra funds that are no longer needed to meet the objective for some of these departments. We also have areas where we found duplication in services. So those funds were eligible for reallocation. We are proposing seven projects with an approximate price tag of \$3.1 million, with about \$172,000 remaining

[01:06:03] that we are requesting committee and board direction on. These proposed reallocations came directly from departments and from county administration as well through the town of round hill requesting funds as well so staff's recommendation is that we reallocate the 3.189 million um in underspent funds to the actually seven projects uh that were part of

[01:06:37] the final rule guidance for obligation and with that we will take questions okay um i know there is going to be a motion um from the dais maybe we'll get to that in a second and just see if there's any questions on other components of the recommendations. Supervisor Umstead.

[01:06:58] Thank you, Mr. Chair. First, thank you for the briefing this afternoon. That was incredibly helpful. In anticipation of Supervisor Sain's motion, and welcome to Mr. Lohr, and it's a great joy to see you

again. Do we have an estimate of how many demands or requests the board has already made on the fund balance and the reason i ask is i think the round hill project is

[01:07:34] critically important what funds we use to pay for it may not be as important um but i think it does need to get funded is it is it up in the air whether we'll be able to fund that project with other funds with fund balance if supervisor sane's motion passes mrs mccloud so my understanding of the the fund balance process as it stands right now um and ms burke has left the

[01:08:08] room so she will correct me later if i misspeak um but as you heard um we are getting a much better picture of what our fund balance will be the fund balance process while we have heard a couple things that the board has already sent to the process you've forwarded a couple of discussions to that process we won't start discussing requests and allocating fund balance until the december january time frame so i think one of the things to consider and perhaps mr lor could speak to this is that the round hill project to my understanding has gone out to bid and is ready to be funded

[01:08:44] so i think that that from a timing perspective either source of funding the county could use to fund this project i think from the town's perspective there may be a benefit a greater benefit to using the ARPA dollars as their project is ready to be spent, basically.

[01:09:05] And if it's the committee's pleasure, Mr. Lohr may be able to speak more to that. Mr. Rowe? Yes, sir. We're on the street now. Sorry, can you just introduce yourself to us? Oh, I'm sorry. Rob Lohr, project manager, works in the town administrator's office for the town of Roundhill.

[01:09:26] We're currently on the street now for bids, and the bid expected timeline is we'll receive our final bids June 18th. And we hope to probably a 30 to 45-day period of review, and then hopefully be able to award it at that point.

[01:09:47] Okay. Okay. Other questions? Supervisor Breslin. Thank you. um the the the water tower project is in the cip correct that's correct and how much is it funded for i think it was 3.7 3.7 yes ma'am okay but we need another 1.5 because the when we began this project at the end of covid we were looking at a 3.2 million dollar estimate because of prices of

[01:10:25] steel and concrete and because there's about five companies in the united states that specialize in this type of construction and they control about 90 of the projects that occur on elevated water storage tanks we've been monitoring on a monthly basis we just got back from stafford county yesterday and toward a facility that has just in final stages of construction and we have seen the price go from when we originally started this project in 2022 from 3.2 to over 5.5 million at this point. And we were not originally planning to use ARPA money for this project, correct?

[01:11:05] That is correct. It was not in tranche one, tranche two, or reserve funding. The reallocation provides a new look. Okay, but why, I guess, I guess it meets the criteria for ARPA funding or we wouldn't be doing it that's correct okay okay um that's all i have thank you chair random thank you so on page uh seven of the um of the presentation the first two projects is for

[01:11:39] displacement services but the the first one is displacement from the from mobile home parks of which we have two in loudon and the second was displacements for expiring affordable dwelling units so are we saying that that that that because it seems to me that's a that is a large amount of money for displacements for the two mobile home parks compared to displacement for all of our other expiring adu rental units especially since now i i'm i'm fairly sure that the mobile home

[01:12:15] park in um luke's has been sold so we think i understand that but the one in leesburg is kind up in the air and down up and down and just we don't know what's going on with that so i'm i'm a little are are those two pots of money together fungible between the two or is it just are those kind of set hi john so although so that's where they are mr hall uh so i will let mr hall discuss that good evening um chair letourneau and chair randall uh the the question uh relates to both of

[01:12:54] what I call ARPA I, Displacement Services for mobile home parks, and ARPA II, well, 1A and 1B. So when we devised this allocation, we really wanted to have funds available for three mobile home parks.

[01:13:11] Leesburg, you mentioned Luke's, and then I always forget the third town where there is a, is it Douglas? Is there a Douglas? Oh, no, no, no. Someone in our Housing Advisory Board said the town.

[01:13:27] I'll have to remember it. I honestly don't know. There is a third one. Okay. But nonetheless, we wanted to have a pot of funds available if and when the time came so that we could launch a relocation activity. We have performed two contract opportunities, and we had no responses.

[01:13:50] And so the plan of action right now is for DHCD to be on standby if and when an owner provides the notice to the residents that a sale is going to occur. We would then launch a communications plan to those tenants to basically know their rights.

[01:14:10] They don't have to immediately move. We would then come back to the board to seek alternative funding from our sources of funds that we have within our budget, which could be some federal dollars, could be some local dollars, then to issue another bid process because we talked to four contractors who have interest in helping, but the idea of being on standby was less appealing to these groups and they didn't know how it would really work.

[01:14:40] So they did not respond to the RFP that we did twice. So for that reason, we feel that we're not going to be able to allocate or obligate the \$1.5 million. As far as the second component with the expiring ADU covenants, we have 76 units that are expiring in 2023.

[01:15:01] I think it was 12 in 2023 and 64 this year. So 76 households will expire. And those households whose rents have been frozen at \$1,100, it will go up to roughly \$2,200. So we're trying to control for that rental shock and to allow those residents to have some time to either adjust to that new rent or to have time to identify alternative housing.

[01:15:29] So for those reasons, we didn't see these as fungible. We saw this as \$1,058,000 to actually help 76 households for one year, and the other 1.5 was to help nearly 100 residents at mobile home parks.

[01:15:50] And they're two different tranches of money? Yes. Okay, I understand that. For the mobile home parks, it is likely if this is needed, if this comes to fruition, we would be helping them relocate outside of the county.

[01:16:10] Is that probably a fairly correct statement? That is a possibility that would not be our preference. Sure, of course not. But that is a possibility with any of the ARPA funds that we have, even with the temporary rental assistance, which is not up for discussion today.

[01:16:27] Oh, I didn't realize that with the temporary rental assistance. We had talked about that with the ARPA funds, but I didn't know the temporary rental assistance. That would be a whole different issue because of where the money comes from and how it's collected. That's interesting. Okay. All right.

[01:16:43] And am I correct that the Lockett's mobile home park has been sold already? I was not aware of that. I thought I was told it had. I could be incorrect, but I was told it had. I don't know what that means. I don't know what that means as far as timing because there's a whole lot of things somebody have to do just from a zoning standpoint, but I do believe it has been.

[01:17:07] I don't know if it's been sold or if it's entered into a purchase-sell contract, but I believe the state law is once a sales contract is executed, then a notice to those residents have to be given. I remember that happening. Yeah, yeah, yeah. Okay, all right.

[01:17:23] Well, that's a lot going on there. Again, if you can keep me informed of that, it makes sense. It just seemed like the mobile home money was a whole lot more, but I understand the issue. I also just want to say that I really, really, really appreciate the MH, SADS, Behavioral Health Searchable Directory is really important because, well, it's just important for a lot of reasons, but one thing it actually does, it's give people who are experiencing a mental health crisis some control over what kind of help they can get faster.

[01:17:56] and they would probably feel like they have a little control over their lives at that time and that would just help in a lot of different ways. So I really do, I don't know, I'm imagining Ms. Graham stuck that in. I'm not sure who did that, but I've never, I read up on that and it's kind of genius for helping people who have a mental health crisis or their families.

[01:18:19] So I really appreciate that pot of money. So thank you. I am informed by someone who knows that the mobile homes are two in Lockett's, one in Leesburg, and one in Hamilton. Hamilton is the one you're looking for. I have one other question, but Ms. Brissman has one.

[01:18:36] Sorry about that. A lot of my questions were covered by Chair Randall, but I appreciate the presentation and the briefing you gave me and my staff earlier today. My one question I had, I was really disappointed that we weren't able to preserve ADUs.

[01:18:56] Did we preserve any of the ADUs that are expiring? The short answer is no. What we attempted to do was to reach out. There were three properties with the expiring ADUs that make up the 76 units.

[01:19:12] We reached out to those owners or owners' reps to see if they would voluntarily agree to stay under the ADU. but we would we would provide that that differential uh and and they opted out okay so wait we were targeting three out of 76 adus in the county no no there were three apartment complexes oh the entire complex that but it only totaled so 76 units were sprinkled among three properties got it

[01:19:43] okay okay so maybe in that scenario this would not have helped but a question i asked earlier to staff was if the county could have purchased those maybe through an authority of some sort, housing authority of some sort, do you think that might have been successful? Or do you think it's solely on the seller, so to speak? I believe that the acquisition costs would have been,

[01:20:16] you know, extraordinarily high to purchase an entire apartment complex. I see. Okay. Versus the the unit subsidy okay okay all right thank you um related to this is a general question on the arpa money is there a citizenship requirement for the ultimate recipient of that funding uh so currently the final rule does not um exclude non-citizens okay so so non-citizens for all of the county programs is there a residency requirement that you be allowed in residence

[01:20:54] but not a u.s citizen that is correct i see okay um all right anything else on anything other than mr sains's motion so i guess i'll turn the floor over to you at this point mr sains all right thank you i'll make them make the motion i can speak within the motion after okay fine with me okay thank you i move that the finance government operations economic development committee recommend that the board of supervisors approve recommendations for real reallocation of 1 million 689,294 in underspent funds from the Loudoun County ARPA state local fiscal recovery funds

[01:21:30] as outlined in table three of the May 14th, 2024 finance government operations and economic development committee action item, excluding the proposed allocation for the round hill water tank and the proposed remainder for board directed ARPA projects. I further move that the finance government operations economic development committee recommend to the board that the that consideration for the funding the round hill water tank in the amount of one million five hundred thousand be sent to the fiscal year 2024 end of year fund balance process i further move that the finance government operations economic economic development committee recommend

[01:22:06] to the board that the remaining balance of the underspent arbor funds in the amount of one million six hundred seventy two thousand two hundred ninety six thousand two hundred ninety six dollars be allocated for an economic mobility program targeted at households with an annual household income at or below 30 percent of area meeting income and that the board directs staff to return to the finance committee uh no later than july 2024 with proposed implementation implementation plan let's just may have mr sands seconded by supervisor briskman mr sands all right thank you um committee chair mr letourneau um and thank you for answering my colleagues questions

[01:22:45] earlier i know this is a you know a little bit of a extraordinary uh motion where we're kind of going against uh staff's recommendation but you just heard and we all and all these projects are very well worthy projects but we just heard from staff that the the round hill water tank you know was put in our cip program it was going to be funded in fiscal year 25 um and this it wasn't originally part of the arpa funding same thing with economic mobility program as well but there's a way talking with staff doing their their homework reallocations

[01:23:21] there's a way to fund both programs um where you know we take the the arpa money which is uh more appropriate use well i shouldn't say more appropriate but the proper use for upper funds for the economic mobility and then have the round hill water tank project to be funded through uh the fund balance i still i believe it does still meet the the timetable for the most part for the project to be completed in a timely fashion and be able to, in a sense, be able to help a lot of different folks in a lot of different ways. We heard earlier from our economic development team that we're struggling, from Ms. Brickman's experience, we're struggling to find, you know,

[01:24:00] folks to stay in the county, work, live and play here. And if you looked at the materials I sent you regarding the economic mobility, this will be a shot more, I look at it as a steroid shot to families that definitely need the assistance. 30% AMI, and since staff, correct me if I'm wrong, for a family of four is \$46,450.

[01:24:20] That's, no, 46,000, oh, 46,450. So that's, we're going to be helping, if this passes, we're going to be helping families that are definitely truly in need. They can use this funding once the program is set up.

[01:24:38] We have a partner, possibly could partner with George Mason University and their foundation which they're already working with uh alexandria in in their program this program will help families in

need they can help with paying extra bills doctor visits helping for a down payment on on a house or taking care getting out of some financial debt so a lot of a lot of ways to help families in need and again i think this this goes to directly helping families that are directly need dire needs and in our county um for the most part and again i just like to stress Again, the Roundhill water tank will still be funded if we approve.

[01:25:18] And I believe we do have a lot of money still left over for year-end fund balance to provide the funding needed for the water tank project as well. So I hope I have my colleague's support. Thank you. All right. Ms. Brisbane. Thank you.

[01:25:33] If I might ask staff a few questions through the chair. If we were to send this conversation to fund balance, would it delay the project you mean the round the round hill yeah project miss mcclellan i would ask mr lord to comment on that if you're okay with it mr chair yes um we appreciate the opportunity and the one thing that i didn't get a chance we're the only community in virginia that serves 85 percent of our customers are not our residents we serve the county with our system and this is a

[01:26:09] a critical project in many communities throughout the state has used ARPA funding, including two towns in your community. Let's stick with our question. Yeah. So yes, we will be able to work with you as far as funding on that. And we appreciate your consideration of this. And if we can move it to fund balance, the town will be able to continue to move forward, award the contract. Oh, okay. My understanding with the fund balance is that that discussion would occur um around june june or july december december we can we can still work with that if we have the

[01:26:45] support of the the county moving forward okay okay well that's that's very good news because that that was that was my big concern because it sounds like you guys are moving moving along with that we will we we hope to award the contract in late um late summer as far as the project and then we have the original funding from the small reserve that we have the original funding from the county to be able to move forward.

[01:27:10] What this will keep us from having to do is to go out for an additional loan for the balance on it. - Oh, okay, okay, fantastic. That's really great to hear. Now, to Megan and the housing folks, will staff be, so my other concern is being able to allocate, I fully support the program, the pilot program that Supervisor Sains wants to do.

[01:27:34] My concern is do you think that we can get that allocated in time because that's new for us so do you think we could get that allocated in time to meet the federal requirements of allocating by the end of the year if the committee directs us to do so we will set up a plan and bring it back to the committee for consideration it did take Fairfax County a significant amount of time but they did provide us with lessons learned as well as some pointers for that, but we would definitely bring back a plan with milestones,

[01:28:12] and if it's not achievable, we would let you know. Okay, okay. And then if it's not achievable, sorry guys, one more question. If it's not achievable, would we be able to quickly pivot and perhaps send this funding toward programs that could prevent homelessness or other housing-type programs?

[01:28:34] Because we got a briefing from FSAB to FSAB last week that our point in time count was shockingly increased, showed increase in homelessness, especially ages 18 to 24. And so if we can't do this, I would really like to be able to send it to that need.

[01:28:55] So when we develop the plan and present the plan, we will put triggers like risks identified to give an indication of, you know, where we would be able to mitigate or not mitigate.

[01:29:11] And within that, we would identify alternatives. Okay, okay. All right, all right. Thank you so much. I appreciate it. I think Erin had a comment. Ms. McCong. If I may, I just want to clarify a little bit on what Mr. Govan said. Supervisor Bristman, if you are asking, can we quickly identify other programs that address homelessness, I think staff, we can work internally to see what we can do.

[01:29:38] I don't want to give you the impression that we will be able to come back in July with fully formed recommendations. So, you know, we may or may not be able to do that, but if that's the committee's direction for us to examine other possible uses around the area of homelessness, then I think, you know, our time frame is limited.

[01:30:05] Well, okay, let me just ask a question, don't start my clock, on this timeline, because I was going to mention, we're actually working to try to clear and not have a July Finance Committee meeting agenda, as it is. But is there a timeline problem if this went to September for this item?

[01:30:26] Because my concern with it, I'm going to express my opinions later, but my concern, practically speaking, is that effectively that only gives staff basically a month with looking at what our time frame is of actually developing the item for July. So if it went to A, is that a problem? And B, if it went to September, would that we then have an allocation problem because of ARPA?

[01:30:47] so i think at this point we as staff would probably like to try to make it to you in july whether that is at a board meeting directly back to a board meeting or to the finance committee if there is a meeting my concern with september would be and i would ask staff to to chime in um is that you know by the time we get direction to do a program we don't have a lot of time to obligate the funds um at this point in the arpa timeline so having that direction sooner rather than later um i think we can can attempt to bring you something fully formed

[01:31:25] but if we if we take much longer um we may limit the board's options with that money okay we may just at the end just change the language slightly here to reflect it doesn't necessarily have to be be a finance committee meeting? I don't know. We may, it may be, it may not be. So, um, okay.

[01:31:42] Sorry, Chair Randall. So I think we need to be really careful about whether or not our point in time numbers are shockingly different when we don't know the numbers yet. We have a fairly low homeless rate in Loudoun County, so it would not take more to change percentage numbers versus changing actual numbers, and we don't really want to put things out like that just in general.

[01:32:01] We don't know that our numbers are shocking. We have no idea what our numbers actually are yet, So let's be pretty careful about that through the chair. Mr. Sainz, I'm sorry, it evidently is just me. I'm a little confused with what we're trying to do here. So are you saying that you want to do the \$1,005,000 and then add it to the \$1.6 for a total of \$3.72 million?

[01:32:26] Are you saying, what actual number are you trying to work with here that you want to do for the economic mobility program? Give me the number. Mr. Sainz. So the economic mobility program would get the 1.6, and then the 1.5 would go to the Round Hill through the fund balance.

[01:32:48] So I'm saying Round Hill water tank? Taking the 1.5 money from Round Hill and adding it to the remainder, which totals 1.6. Yeah. And then the Round Hill water tank would go to the fund balance

discussion, and then all the money that's in for ARPA that's being reallocated would go to the economic.

[01:33:04] I don't know that I disagree, obviously, with the thrust, but I'm a little concerned with how this is happening, to be honest. I mean, so, first of all, July seems very fast, and the staff may not say that, but I'm just going to say July seems very fast.

[01:33:20] Secondly, what department is this even going to? Is it going to DSS? Is it going to housing? What department are we working? Is this even coming out of? Thirdly, I mean, I guess the goal is to find these answers out, but I do believe that, you know, your time that you're putting on them is hard to, that's a really short period of time.

[01:33:46] And this is a fairly expansive program that you're talking about that's going to do hopefully a lot of things and a lot of good. But I would be a, I'm going to support you, but I'd be a little more comfortable if it said come back to us when it's ready versus saying come back to us in July.

[01:34:04] We don't know what's on their plates already. We don't know what department this is going to go to. We don't know what department has the capacity to do this. There's just so many unknowns here to tell the staff to assign it to a department to get it back to us in July, even if it's not back to finance.

[01:34:21] We do go on break in August anyway, so we're not going to do anything with it through the month of August because we're not going to be here. And so giving them a little more time just so I think would be, I would feel a little more comfortable about that. And I think that I love what we're trying to do, but I also don't know what we're trying to do.

[01:34:42] Can I answer that question? Yeah. We got one second left. Go ahead. So I'll just give a holistic answer here. So if you recall, you know, always Mr. Hemstreet reaches out in the beginning of a new term and says, hey, what are you looking to do, da-da-da-da-da. So we met with Mr. Hemstreet.

[01:34:57] My office met with Mr. Hemstreet back in December, early January, and this is one of my items, my to-do. So staff has been working on this, and this is the process to bring it in. So we've been working with staff, and we already actually even have a possible partner identified we just have to go and do ask more questions and due diligence so they already have the the framework when this was what their recommendation to bring it here and do it this way mr chairman do you mind if i ask what department i'm sorry you're way over time okay we're on emotion i'm only doing what you would do

[01:35:31] supervisor umstead thank you mr chair i i do support supervisor sane's effort but i'm very concerned about the time constraints and our ability to accomplish this if we could find funding from fund balance for the round hill project why why not send this new initiative to fund balance and pay for the round hill project out of

[01:36:06] ARPA funds for that reason I'm going to vote against this motion but I do think it's a really good initiative. I just think it's going to throw the organization and the departments into a very constrained scenario that I support it in theory. Okay. Quick question for Mr. Rohr. So I'm kind of confused about how, because you wouldn't get any money from us until probably after January, the next calendar year. So you wouldn't have to delay or phase your

[01:36:44] projects at that point we are looking at a year and a half construction schedule we don't have to obligate all your money up front no sir oh so i want i want to do what he does we don't we usually that's usually not the case on the county projects that my time shouldn't should be full the full three we we have

the difference guarantee in reserves but it will push us below their their fund uh balance requirements if we had to if we don't have an alternative you have you have enough money to cover in reserves yes in reserve to cover the difference but it'll push us well

[01:37:20] below our financial guidelines if we're required to do that well you won't know the county will have the money coming until the fund the board votes as part of the fund balance probably november so okay um i mean obviously we would we would prefer to have prefer to have it now i kind of thought so but all right but we also respectfully appreciate your consideration of our request and We don't want to put a hardship on you as a board.

[01:37:46] I'm a little concerned if staff has been working on this. And I mean no disrespect to any of my colleagues, but under our ask, don't task general operating, the board has never voted on this. So I'd be a little surprised if staff has done much work. Is that true, Ms. McClellan? Staff is aware of Supervisor Sane's interest in this program.

[01:38:08] So we have done what I would categorize as minimal market research to examine how it's being done in other places. We have really not gone beyond that. I will say, though, because other jurisdictions have done this, there is a model out there.

[01:38:27] So to that extent, that is the work that staff has done. And we have not assigned it to any department just to address that question either. we would need to examine where best to place it um i'm not supportive of the motion um i'm gonna i'm gonna need a lot more on the program before i got there other jurisdictions have done a pilot on this um and quite frankly if our if our point is only proof of concept and the pilot then let's let them do it because some of them have started it some of them are further along um i'm not sure what this one coming along is going to do that those won't in terms of a pilot um those came

[01:39:06] into it with very specific partners universities and so on which obviously we would need to identify and then there's this kind of the fundamental I'm not sure I support this idea you know we give targeted assistance through ARPA and other means rental assistance things like that in which we know how the how the money's being spent this is I understand it's an idea that's out there some jurisdictions have done it there's a little bit of literature I tried to do a little bit of research over the weekend there's nothing conclusive that this is a better approach than say rental assistance or something like that when which is targeted and we know you know

[01:39:43] essentially exactly where it's being used for and how it works so I think there's questions on multiple levels here how this program would work for us and then whether this is even the right idea which i'm not certain it is and then finally i think it would be much less complicated for the town of round hill if we just gave them this money now and address this later in some other way so i will not support the motion but mr sanes gets his closing all right thank you and connects the staff a question it's your closing okay and to clarify because i know we've done july and then

[01:40:22] we now found out that we're not possibly going to have a finance july meeting and that was what the original motion said and staff helped me craft the motion so staff either Megan or Ms. McCullen would staff be more comfortable with sending this to keeping it in July having come to a board meeting or would you be more comfortable sending it to September because clearly we don't have a meeting in August which you know which one would you prefer or recommend I should say Mr. Chair yes Ms.

McClellan I think that we can work with either if you would like us to return in July to keep this conversation going then a slight alteration to the motion just to say the finance

[01:41:01] committee or the second board meeting in in July that would be that would be fine with staff um i will say that is a quick turnaround for staff um so if that is the board's desire we can certainly try to meet that um it may be that we come back in July and we have some more work that we need to do, and we return in September. I don't think that it causes a huge problem to return in September, but it does start, you know, just eating into the time to obligate the funds.

[01:41:40] And that's my fear. I'm chairing the question. I have a point of information when you have- It's still your time. If you wish to yield time to- I yield it, yeah. Point of information is, I just don't know what the agenda looks like in July. Usually the July agenda, especially the last one before the meeting is pretty heavy because we're about to go on August break. So that July business agenda is really pretty heavy normally. So I don't know that I would feel comfortable just saying we would put it on that meeting.

[01:42:14] No, no, no, no. We were still on Mr. Sam's. No, still on my time. I can't put either or because they have to pick one. You've got probably about 30 seconds. All right. I'll amend the motion to say September business meeting. Well, it can come, I mean.

[01:42:32] Oh, yeah, September finance, sorry. Sorry, yeah, September finance. I'm in the motion to say September finance. You've heard the discussion. I think this is a worthy cause. We're not putting any due pressure or too much pressure on the Brown Hill water tank.

[01:42:48] That's still going to get funded. It's actually still going to get funded a lot sooner than the original plan with using fiscal 25 money. And if we pass this, we're able to move this along further for staff to do some more homework can come back and present us a framework for a worthwhile program, I believe, that will help a lot of residents in the county.

[01:43:09] So thank you. Okay, that was the closing. All in favor of the motion, say aye. Opposed? No. Motion carries, 3-2. So that will then be forwarded, I believe, to the next board business meeting.

[01:43:25] No? Or does it stay here? Yeah, we took down September finance. But does not the full board still have to vote it's not a recommendation for the committee. Oh, yes. Yes. Yes. If that's what you're asking, yes. That's what I'm saying. It's still going to be approved by the full board. Yes. The committee doesn't have the ability just to. Yeah. Yeah. Otherwise some of our colleagues would probably

[01:43:51] not appreciate the things that we would do here. All right. Let's go ahead and take a break. All

[02:12:51] right. We will resume our meeting with item 13, sanitary districts. And when we're talking about sanitation, there's only one person we could be talking to and that is. Trash talk with the best something, sir. Mr. Ernie Brown. And to be fair, I will, this is, deals with a lot of money up front, so I'm going to turn it over to somebody that can actually speak it. Mr. Caban here. I don't know

[02:13:20] about that after that offer. Well, you better. So again, just some quick introductions. We have Finance and Procurement. We have to my right, Ms. Elaine Crawford, Assistant Director of Finance and Controller. And then to my left, we have the Director of General Service, Mr. Ernest Brown, and then Mr. Dennis Comby as well. So again, we'll start off with a brief presentation and then

[02:13:53] at the pleasure of the committee, open up for any questions. Good evening. The Sanitary District refuse and recycling collection item has been brought to the committee or board four times in the

past few years. It was started as a board member initiative in 2019, and at the latest presentation in February 2022, the board directed staff to proceed with developing a process for sanitary districts. In order to fully develop that process and inform property owners of the

[02:14:29] financial implications of the district. The county needed to model service fees and that is the purpose of this item. Virginia code allows the establishment of a sanitary district by petition of 50 percent of qualified voters within the proposed district and the support of 55 percent of the property owners within that district. The code provides that before displacing private hauling companies, the county is required to provide five years notice or pay the displaced

[02:15:04] company unless 55 percent of the property owners in the displacement area petition the county to take over the service. The BMI proposed the sanitary district to be self-funded by the property owners through a fee, and the fee will be billed twice a year on the property tax bills and will be levied on all the property owners in the district for the same flat fee. The program is proposed for only non-HOA communities. Staff engaged the county's financial advisory firm,

[02:15:42] PFM Financial Advisors, to conduct a cost analysis and model for full cost recovery. PFM conducted interviews with Fairfax County staff about their sanitary district program, as well as contacted private haulers that operate in the county to get feedback on cost and availability of service. Private haulers typically charge individual homeowners between \$40 and \$70 per month, and HOA members pay between \$25 and \$35 per month. Haulers benefit from lower

[02:16:16] administrative costs and greater efficiencies when dealing with HOAs and districts, and the county would be able to leverage these efficiencies in purchasing power cost savings that would help offset the additional county management costs. In addition, the county would be able to impose performance standards to promote high quality and consistent service. The county would seek multi-year contracts with haulers for more competitive pricing. While the BMI intent was

[02:16:50] full cost recovery, the short-term and startup cost will take approximately six-day years to recoup. The county will incur project management and contract management costs to advertise, assist with petitions, manage hauler contracts, and then respond to customer service requests.

[02:17:13] Also, creating tax bills and reconciling accounts are additional costs to the county. The additional staff responsibilities for managing the program and contracts is the largest administrative cost to the county. The county will need to create capacity, however.

[02:17:30] Not every interest or petition may result and be successful and result in a district, and this will impact cost recovery. Staff is recommending creating capacity through contractual staff augmentation for one full-time and one part-time position.

[02:17:51] PFM created three models. The first model is a full-cost recovery model that includes one-time startup cost to establish each district recurring cost and hauler cost. The model assumes 10 districts with 50 properties per district.

[02:18:09] The monthly break-even fee is \$51, and as the number of total districts increases, the fee reduces to \$40 per month with 50 districts. PFM created an alternative cost model to evaluate the break-even amount monthly fee if the board approved subsidizing the initial startup and petition assistance costs for each district.

[02:18:36] That model assumes also 10 districts with 50 properties per district. The monthly break-even fee is \$42, and as the number of total districts increases, the fee reduces to \$36 per month with 50 districts.

[02:18:58] PFM modeled one additional scenario using a larger district size of 102 parcels in 10 districts, and that's based on a neighborhood that we already had data on. Under this model, economies of scale are gained in the initial setup phases.

[02:19:15] However, the recurring costs are less scalable. The monthly breakeven fee for full cost recovery is \$46, and similar to the subsidized model that was shown on the previous page, it's the same \$42 per month with the subsidized fee.

[02:19:34] The variables that will impact cost recovery include the continued interest in the program. It's unlikely that property owner interest in the program will be concentrated in only one year, and it's anticipated that there will be continued interest in creating new districts over many years, but at a declining rate.

[02:19:56] Administrative costs associated with petition assistance will continue over time. Price escalation is also expected, even with multi-year contracts as well as annual wage increases, and the number of properties in each district could generate some cost efficiencies.

[02:20:16] Based on the Fairfax model, a rate stabilization reserve will help mitigate the need for any unusually large increases in rates in future years, and this could be driven by tipping and disposal fees, labor supply and demand, cost of fuel, and capital equipment.

[02:20:39] regardless of the decision by the committee and the board to recover startup costs via the fee the county will need to use local tax funding in the initial years of the program to provide a process update this the process approved by the board in february 2022 begins with an outreach campaign implemented by dgs and public affairs to provide notification to property owners about methods for contacting the county to record their interest. Staff will then report

[02:21:13] back on level of interest and the criteria met. Staff will then offer assistance to qualified voters in completing the petition and the legislative process, including developing an ordinance, verifying property owner support, public hearing, and endorsement by the board.

[02:21:34] Districts will become active after procurement of the haulers. This timeline shows the estimated implementation schedule, if all goes well, with four months of outreach, three months for district creation, and six months for contracting. While the sanitary district model does not offer significant cost savings to property owners, it does provide for quality service with minimal

[02:22:08] traffic disruptions and noise in neighborhoods. And staff is recommending a subsidy of initial startup costs to reduce the rate to property owners and to make sure that the rate is reasonable and competitive. And with that, we will take any questions. Okay. Appreciate that. Questions first.

[02:22:31] I guess I'll jump in. The monthly free to break even, there's a bunch of different numbers in this presentation that confuse me a little bit. So, but the break even rate, does that include the FTEs that we would be needing to incur? It does. Okay. So what's the \$51 versus the 46, I think it was. The 42. No. So the break-even scenario in table five, which is for larger districts, got it at 46 and 42. But the presentation said 51 on the break-even rate. I assume that has

[02:23:09] to do with the size of the district? It does have to do with the size of the district, and it has to do with the initial startup costs and that outreach to the customers. And there are some efficiencies that can be achieved in those initial startup costs, but then the subsidized rate is really mostly the hauler costs. Okay. I guess I'm not following the logic on why there would need to be a subsidized rate because no one else is paying enough subsidized rate out there in the

[02:23:42] community. And I'm a little questioning a little the numbers on what the HOAs are paying monthly because that has not been my experience for any of the newer contracts. They're higher than those numbers. So I'm kind of, I'm not sure why it was set as the goal to make this subsidized.

[02:24:04] So we can look into the research on the HOA rates and confirm those. I don't think we started with that goal. But when we looked at what the rate would be without subsidy, it was substantially higher. Wait, what am I missing then? Because it didn't look like it was substantially that much higher. 51 versus 42 or 46 versus 42. So we were looking at a model of the 50 properties per

[02:24:38] district. And then so that \$46 rate is... Larger property. Yeah, but it would be 51. It'd be 51 versus 42. Okay. I guess I don't see that as being a significant difference. Okay. When we get to it, I would support the break-even scenario, but I don't know that I would the other one.

[02:24:58] Thank you, Mr. Chair. First, thank you all for briefing me on this today. So I'm going to look at this through an equity lens, and I'm being parochial because I'm looking at it through the equity lens of my constituents who pay town taxes, a significant percentage of which goes to

[02:25:32] trash and recycling collection. So if the county were subsidizing this using taxpayer dollars, my constituents, many of whom don't have a whole lot of resources, would be paying higher taxes, whether on their property or through their rents, in order to provide this service at taxpayer expense to other parts of the county.

[02:26:00] So from that perspective, given that my least resourced communities tend to be minority and, in many cases, immigrant communities, I don't know how I could justify supporting a significant county subsidy to this.

[02:26:26] And if there is no significant county subsidy, then what we're looking at is not much of an improvement cost-wise for the existing property owners, although efficiency, that's another argument you could make, that it would be more efficient to have the county with one provider going into neighborhoods that don't have HOAs and are not in the towns.

[02:26:47] but right now i'm not sure i can get to support on this um no questions you answered all of them earlier and i appreciate it thank you questions over here no questions i make a motion all right um depending i you might be split here since one of our members left but i'll make the motion and speak within i mean that the finance government operations economic development committee recommend to the board of supervisors that the local tax funding be approved for the initial sanitary district startup costs and that a cost recovery strategy for reoccurring services be

[02:27:24] approved. I further move that the Finance Government Operations Economic Development Committee recommend that the Board of Supervisors direct staff to forward a request to the fiscal year 2026 budget process to provide funding for initial startup costs for the sanitary sanitary district program. All right, Mr. Sainz, seconded by Mr. Brisbane.

[02:27:42] Thank you, Mr. Sainz. Thank you, Chairman Laterno. This is being my, you know, I brought forward way back I can't even remember when this forward but it's been it's been a period of time and staff has done research presented sent back some other questions and research come back again and and so on and so forth so appreciates time appreciate staff's time and efforts on this I think we finally got to a place where we can move forward with this item you know initially when we started this we were getting complaints you know majority of the sterling district is non-hoa so on any given day, you know, I'm just going to use this up here sitting, you might, Ms. Umstead

[02:28:21] might have Trash Company A, they pick up on Monday and Wednesday, Ms. Laterno will have Trash Company B, they pick up on Tuesday and Thursday, Supervisor Brisbane and I, we have Trash Company C and D, and they pick up on other random days, so in any given streets that are non-HOA, because again, it's an individual, you have to go up front and talk to the trash companies yourself, we might have Trash Pickup on every single day of the week and we're paying completely different prices for the exact same services because I might be a better negotiator than Mr. Letourneau or Ms. Umstead. When she reached out to her

[02:28:57] company, they happened to have a promotion going on, so she got one price. But then our services started to fall off and it's just you and the company negotiating amongst yourselves and the company obviously having more sway. But as a collective, as we've seen in HOA or town funded to whatever by having a collective having a group of individuals saying hey I got 100 units I got 200 units 50 units whatever the case may be you're able to go out and argue and say give us a better price or we're going to go with one of your competitors they say okay or as a HOA you're able to say hey your service is not very good if you don't pick it up we're going to end the

[02:29:34] contract okay we'll do what we need to do as an individual you don't have that that bargaining ship you don't have that collective behind you and that's what we see in the sterling district day in and day out. So to me, it is an equity issue. And my constituents feel the same way, where again, if you're a nature way, you're paying a lot cheaper price than what you're paying as an individual homeowner. So I'm glad we're at this point. We've seen this model. We've seen it's done in other localities where there's sanitation districts. They work pretty well. The county is able to negotiate on behalf of the individuals and get a better rate, have some service level agreements. And I like to see that brought here for my constituents and

[02:30:14] possibly in other places that are non-HOA areas, which we do have throughout the county. So with that, I hope I can have my colleagues' support on this item. I think it's well worth every penny for this program for the residents. Thank you. All right.

[02:30:30] Ms. Brisbane. Thank you, Chair Letourneau. If I could ask staff a quick question. Even in the subsidized scenario, isn't that money eventually paid back, or will there be a definite loss for startup? In the subsidized scenario, that money is not paid back. Okay. And how much is it to start it up again? We're looking at roughly 400,000 per year. So, you know, scaled

[02:31:00] up to a 10 year period, it would be 4 million. Okay. Okay. Great. So, I mean, I, in this scenario that he's describing, which is happening in the county right now, there's any number of problems that that are occurring that have nothing to do with cost in my mind we've got noisy trucks we've got trash cans out on the street every single day people having to worry about where to park their cars we've got um exhaust from the trucks every day probably which can't be great for the environment

[02:31:38] um and and i just think that any efficient jurisdiction should be doing this to help the quality of life and i suppose if leesburg wanted to do a sanitation district in leesburg they could do that um but i i'm happy to support this and i really think that it's it's a good thing for the full county i might have two or three communities like i don't have you know a heavy amount of communities that would probably be using it, but I can see it being used, you know, throughout the county in different communities where they don't have an HOA.

[02:32:16] So I'm happy to support, and I hope the full board does as well. Thank you. So I think Supervisor Rispin just laid out the case for having sanitation districts, but not the case for subsidizing sanitation districts, because I think we lost why we started this.

[02:32:32] We started this because we had extremely poor quality trash collection, and then we had a company that went out of business and left a whole bunch of people in a lurch and what we found is those individuals who lived in non-HOA communities had no recourse because there was no district there was no contract there was no nothing and when those companies went away they just went away so what we gain now with the sanitation district is the weight of the county the resources of the county being behind something that's been set up for residents whether or not it's subsidized and that to me is really why we were doing this it wasn't so much about trying to compete with you know commercial haulers and

[02:33:08] and HOAs and everything. It was making sure that those residents weren't stuck with no trash collection, which we can do if they're in a sanitation district. I think it is a real misnomer to assume that everybody in an HOA community is just made of money and has no problem with ever escalating. I'm not saying anybody said that. I'm not. But I do think there's a little bit of a baked an assumption here when we start talking about equity is if there aren't equity concerns in some of the HOA communities too that have seen HOA fees dramatically escalate over the last couple of years because trash collection has gone way up. So I'm just fundamentally, I'm completely in support of having a sanitation district. I think it would make a lot of sense to do. And I

[02:33:48] think everybody out there in a non-HOA community should and would do it regardless of whether or not we subsidize it. Because I think the cost is pretty relatively competitive, but they would gain all these protections. We would gain efficiencies. We would gain the pollution issues and all that stuff. But I'm having trouble telling everybody in the county that they should be subsidizing it and paying for it. And if we're being honest about the way these things go, because our staff is great, they're going to put extra work into this anyway. There will be some counting expense. I am sure that we're not completely accounting for by us running this program. That's just reality on all these programs. So I would have supported the motion 100% if it was the other alternative that

[02:34:27] was in the packet. And I completely understand the need for it. I'm there. And I probably wasn't there in the beginning. So you moved me, but I'm not there all the way to say, we then need to go the extra step and subsidize it on top of that. Because to me, that's going beyond what the problem was that we were actually trying to solve, which was a high quality ensuring that everything is getting covered. And I just, I don't know how I go back to my constituents and say, yeah, sorry. I know that, you know, your trash bills are going way up and your HOA fees are going way up. Assessments are up 12%, 15% a year for this. But now the county has this program,

[02:35:03] which you're not eligible for it just doesn't seem to be right to me either so i'm a no unfortunately on this motion but i would be a yes on the program if it was the other way any other

comments Mr. Sands, you got to close no and just point of information or my refresh my memory because it's very often our votes do not pass here but if it fails say hypothetically two to one it still moves to the board it would go to the board with no recommendation gotcha okay no that's fine Is that right, Ms. McCullen, or would it be a recommendation against?

[02:35:36] Because the motion would have failed, technically. Yeah, the motion would technically fail, so it would go to the board with a failed motion. But either way, it still moves forward. Either way. Okay, that's fine. Okay, all in favor of the motion, say aye. Aye. Opposed, no.

[02:35:52] That's the scenario. It's two to two. So motion fails, but we'll go to the board. All right. Moving on the right. Let's move it on the right. We got it on the committee. Hey, you got me a lot of the way there. I don't know about the next one, though.

[02:36:07] Item 14, streetlights. Same group? Same group. Completely same group? Except this time we take the lead in the presenting. Oh, okay. Right. So the last time we came to you, we brought to you a service district model with the associated prices.

[02:36:29] And the committee requested that we go back specifically look at two other models, one which we call the Prince William model, which is a magisterial district model where each district is provided a certain amount of funding, and then they're able to allocate that funding for streetlights in their district.

[02:36:49] The other model that the committee asked us to look at was a CIP model, very similar to the sidewalks and trail process that the county uses and that brings to the committee a recommended prioritization of streetlights and then we're of the, in that case, the sidewalks, and then the decision is made to fund or not fund that priority list.

[02:37:14] So staff looked at that information, and we have a recommendation for the committee's consideration. We also addressed a number of informational items that are in here. We can go through the entire presentation and discuss those informational items, or we can go to the information about our recommendations associated with that, whatever your preference is, sir.

[02:37:35] Probably the latter. Very good. Good. All right. Can you go to slide number 14, or 12, I'm sorry, 12. Okay, so just a little preface on this. We are recommending that the capital improvement program funding model be used, and we'll discuss a little bit about the recurring cost in the next slide.

[02:37:56] Do you want to take it from here? Thank you, Mr. Brown. So the Capital Improvement Program funding model, in order to reduce some of the concerns that the committee had over the cost of the residents that were presented previously, we are recommending this, as Ernie mentioned, it is similar to the Sidewalks and Trails Capital Improvement Program.

[02:38:16] Staff is recommending creation of a similar countywide streetlight program, CIP, in that the communities would petition themselves for the county for installation of streetlights, and the projects would be prioritized by some criteria that would be established by staff.

[02:38:34] The capital cost, which would be the program cost, the design, materials, and installation, would be paid from the CIP fund, and the annual service maintenance fees would be added to annual operating budget unless the board were to choose to recover some of those costs, and we'll talk about that shortly.

[02:38:53] In this model, the utilities would still retain ownership of the lights with the service and maintenance fees paid by the customer. So here's what the capital improvement costs look like. I ran several scenarios based on a number of streetlights that would go into those scenarios.

[02:39:11] The first scenario would be for 10 streetlights. As you can see, we get a little bit of economy of scale as you increase the number of lights that are installed. Most of that is due to savings that you get in survey design and construction mobilization costs.

[02:39:29] However, the annual maintenance fees are linear. they will go up with the number of streetlights. Staff is anticipating that we would be able to manage two applications of roughly 50 streetlights per year for an equivalent number of streetlights, which would be roughly 100.

[02:39:46] Next slide, please. So the cost recovery alternatives that we look at, we analyzed some potential methods for cost recovery, specifically for recovering those service and maintenance fees. The only method that's available by state code for recovering those costs is through the assessment of a special assessment or an ad valorem assessment on a service district.

[02:40:16] Our analysis shows that the administrative costs for the service district creation would likely exceed the cost of the county, what the county would be absorbing over a 10-year period. Next slide, please. We'll take a look at a little bit deeper dive into some of those numbers.

[02:40:32] In this case, we looked at a previously modeled subdivision of roughly 300 parcels. Based on the lighting criteria that would be needed for that area, it would assume around 75 Tier 4 light fixtures.

[02:40:50] That's just a particular grade of light fixture. The annual recurring service fees for those lights would be roughly \$7,056 per year. And over a 10-year period, that would be \$70,560 to be absorbed by the county operating cost if we paid that ourselves.

[02:41:10] Through a partial recovery cost by creation of a service district, the county startup costs are pretty excessive. That's \$37,217. And then the annual recurring cost would be \$4,600. And the 10-year cost of the county for recovering the cost, you can see, would be around \$84,000.

[02:41:32] and that would be spent to recover \$70,000 in annual fees. So based on that analysis, staff is not recommending the cost recovery just because it would be chasing money with more money. Just to be clear on that, the startup costs include construction and any sort of engineering that would go into?

[02:41:51] That startup cost is based on what the county would do just to set up the service district. It would require some administrative costs, some software establishment. Or the actual fee. But not the actual cost of installing.

[02:42:06] It does not include the cost of construction or design or any of that. It's just the county's operating car startup costs. So based on that, the staff recommendation is that the Finance Committee recommend that the board direct staff to create the countywide Streetlight Program Capital Improvement Fund and request the required funding during the fiscal year 2026 CIP funding process.

[02:42:31] The total ask would be around \$900,000. That would be for the 100 lights that we anticipate could be done. It would likely be less, but we're not sure. We think that we could probably handle up to the 100 lights construction. And it also would include an \$85,000 in contracted services for program administration.

[02:42:53] We don't want to staff up this program. We would want to use it on a contractual basis until we see what the actual appetite for usage of the program would be. And with that, we are open for any questions.

[02:43:10] Questions. Okay, I'll jump in again. So who's actually installing the lights? It would be the utilities. Okay. Dominion or no? Dominion would install the utilities. Yes. Okay. So if we set up a program with prioritization criteria, you would bring that back to us?

[02:43:31] Who would do the analysis around the prioritization? The prioritization would be done by staff. That would be part of the task that the contractual program management would do, the roughly .25 FTE that we were estimating that would be needed.

[02:43:50] We would contract that to who? We would, it would likely be somebody who has expertise in transportation, specifically in street lighting programs. We've used those staff before to assist us with generating the initial program manual that was developed for this program.

[02:44:09] We have existing consultants on staff that would be available to us by contract that could step in to assist with that. And the way we've structured this is it would be an as-needed application, so we would not have to bring somebody on full-time. We would only use it as an application comes in.

[02:44:24] So we estimated that if we did. So the prioritization criteria would come back to the board. But at this moment, is there an indication whether HOAs would or would not be excluded from the program? HOAs are currently excluded from this proposal that was using the original direction under the BMI.

[02:44:41] And so there's that exclusion. And there is a program guide that was attached to one of the previous approvals, previous items. So a lot of the prioritization data is already in there. We would want to go back and make sure we can overlay an equity lens on that to make sure that we've covered that component.

[02:44:59] The reason for the HOAs being excluded was solely board direction? It was in the original BMI we dissed. It was in the original BMI, but the board hasn't really fully given direction on that? No, sir. Okay. We just stay consistent with the guidance. Okay.

[02:45:14] All right. Well, that would be an issue for me, but I'm done with questions, so that will stop. Ms. Upstead. Thank you, Mr. Chair. Looking at page four of the staff report, we were unable to, this is clarification on program impact on nighttime safety, we were unable to make any connection between additional lighting and nighttime safety.

[02:45:42] That's what I'm reading. Has anything changed since that staff report? Do we have input from the sheriff's office on this? We had input from the Sheriff's Office on the initial analysis.

[02:45:59] They were interviewed at length, and their data was used for the initial analysis. So that has not changed. The only thing I would add is that we have looked at some of the guidance from the State Highway Transportation Administrators Association.

[02:46:16] And there are some best practices that deal with street lighting that may or may not be reflected in the data that was analyzed in Loudoun County. Okay. When you think about those best practices, are you thinking that best practices is for more lighting at night?

[02:46:36] Those best practices would include lighting in specific situations such as crosswalks, especially mid-block crosswalks, proximities to schools, parks, businesses that are open after dark, those types of

things.

[02:46:54] Okay. Thank you. Other questions? I have another one. So the total costs that are being recommended then is \$900,000 for the first year of funding and then \$900,000 annually.

[02:47:09] It would be replenished up to the \$900,000 level based on what is used from the previous years. Year, but the \$900,000 would be the initial expense. And then on an ongoing basis to maintain and pay for the electricity, what's that funding?

[02:47:32] That would be going into the operating fund, and if it was \$100 per year, so it's approximately \$90,000 for \$100. So if you did \$100 the first year? \$9,000. \$9,000 for \$100, thank you. So if you incrementally increase that over the 10-year period, that would increase proportionally.

[02:47:53] So initially we would just, if we say the first year is \$100, that would just be \$9,000, then it goes up from there, and then eventually I assume that would include light bulb replacements and things like that. That is the maintenance that Dominion or NOVIC would provide. Okay, motion.

[02:48:11] All right. I move that the Finance, Government, Operations, Economic Development Committee recommend that the Board of Supervisors direct staff to develop criteria for prioritization of community-requested streetlight installation. I further move that the Finance, Government, Operations, Economic Development Committee recommend that the Board of Supervisors direct staff to forward the creation of a county-wide streetlight program for prioritized community-requested streetlight installations to the fiscal year 2026 capital improvement program budget process for consideration and prioritization by the board.

[02:48:40] Mr. Spade, seconded by Mr. Risman. All right, thank you, Mr. Chairman of the committee, Mr. Letourneau. Again, this is, I can't even tell you when we started this item as well. It's been brewing for some time with some back and forth and doing some other analysis, et cetera. So I think we're, again, at a good place where we have a criteria, have a little bit of a framework is going to follow very similar to the RPPD process where it's citizens generated.

[02:49:07] They'll say, hey, we would like to start some streetlights. Kenny will work with them, get the petition signed, set up a district, come back to us after they do their analysis and the board will have final say so. I'll be honest with you, I don't think we're going to even get to the 100 lights per year that staff is even recommending or suggesting or using as their baseline.

[02:49:27] I think it's going to be a lot less than that. But I think this is a good program. I know some others might feel differently, but streetlights in certain neighborhoods and certain intersections or when you're walking your children, walking your dog at night, et cetera, this will be, you know, for better safety.

[02:49:44] Yes, we are in Loudoun County. Traditionally, we do have very good safe neighborhoods, but there's still some dangers out there. And also to have some nice lighting when you're trying to cross an intersection across from one side of the street to the other side of a neighborhood and you're not getting hit and struck when you're riding your bike, walking, et cetera.

[02:50:02] So there is some uses for having some lights in strategically placed locations within neighborhoods. So I think this is a good program. And ultimately, it stops with us. We can either say yes or no once it's brought in front of us for a review. So hopefully my colleagues can support this and move this initiative forward to the full board level for final vote.

[02:50:23] Thank you. Okay, so I got two issues. one is just sort of fundamentally speaking a lot of places in the county we don't even have places to put street lights because we haven't finished the sidewalks or the trails or all those things that are needed so we're like kind of getting to the next level here before we've really built out and so if i'm asking me whether i'd rather spend a million dollars a year to actually build and i was i just wrote an email to a constituent last week about a sidewalk misconnection and i had to tell him it was 336 on the list and i'm not even kidding which means it'll never happen

[02:51:02] So if you're asking me would I rather spend a million dollars on that than this, I would rather spend a million dollars on that. Second, I don't understand the exclusion of HOAs on this because now this is a county capital program. We're putting \$900,000 a year into.

[02:51:19] Why wouldn't we allow an HOA to petition as well for at least the assistance on the construction? Yes, some HOAs already have street lamps, and that's true. but those that don't first of all a lot of them are smaller so they don't have that many people to spread it around um and second it's a big expense for them and it's not like they're not paying so again like i don't i don't understand why we wouldn't open the program up to the entire county if we're going to take it we're going to start putting cip money into this and you know we

[02:51:55] can develop an eligibility required criteria that are you know it's based on need or however we want to do it, but I don't think we should be excluding HOAs from this. And I guess, what is the appropriate time for me to try to change that? Because it was part of a BMI, but now we're voting on something that's sort of like baked in. So how do I unpack that piece of it?

[02:52:20] So I would just say that it's baked in only so much as it was a criteria established. The The ramifications to allow all residents, regardless of HOA positioning, doesn't change the program as presented.

[02:52:36] Right. It does change the volume that may be experienced. Yeah. But that is regulated by the threshold by which the board decides to fund it and the prioritization process that the board lands on. So that would be how you interject that as a rule of order function, but changing that doesn't fundamentally change the program.

[02:53:01] Well, and obviously you require HOA approval or whatever. I understand, so that doesn't really answer my question, though, which is if I want to change the eligibility of HOAs or not, should I try to do it now? I would recommend that you take the opportunity that's presented. All right, so I will, I will, I guess, make a proposed amendment to the motion that says the developed criteria for prioritization of community requested streetlight, I just lost it, streetlight installations for non-HOA and HOA communities.

[02:53:39] It's a friendly. It's not a friendly. Is it a friendly? Well, I don't know. Can you tell me if it's a friendly? So you want to add in HOA? Yes. All right. I'm fine with it. Fine, yes. So I will accept that as a friendly to include HOAs, but can staff clarify a point of information on this that regardless of HOA, non-HOA, it will still come in front of the board for decision?

[02:54:07] It would still come in front of the board, and we would probably bring back to you as part of the program prioritization is it would be new streetlights only, not assuming the responsibilities of existing streetlights. Okay. Yeah. Well, yes. Okay. I would just say yes. I'll talk in my closing on that.

[02:54:27] Yeah. Okay. My time is up. You have not spoken yet, so go ahead. I have not. So on the HOA issue, I could see an HOA wanting to take advantage of it, but could it be the case that they go through this program, but then the HOA or whoever is maintaining the lights already in the HOA are the ones that maintain it?

[02:54:53] So that would change the structure of this because this is, unless you're talking about them funding the maintenance with the utility, the challenge you get with that is who initially contracted with the utility. So if the county was contracting with utility, it could be done, but that makes it a lot more difficult to assign that responsibility because the county would have entered into that agreement with utilities for the lighting.

[02:55:20] Okay, so you could have a scenario, so for example, I'm in a small HOA, and there's only some streets that are lit, and some have no lighting at all. So if that community were to come in and say, we want 50 streetlights that get approved for the program, does that mean there will be two different entities managing the streetlights in one HOA?

[02:55:43] If the board clarifies that it's not assuming the responsibilities of existing lights. Yeah. And I would defer to, I mean, so I would just say that the model that's proposed is the county absorbing the costs associated with this. We would have to do more work with the attorneys to tease that out.

[02:56:02] We used to have a remail program, and that has some problems as well. We do not recommend that we go back down that road where the county would receive the bills and then turn around and mail it back to them. It's not our recommendation. Well, electronically it might be easier, or not.

[02:56:19] Okay, I just lost my other question that I was going to ask you. I think it could get a little bit complicated if you have one neighborhood where two different entities are managing the streetlights.

[02:56:37] But also, oh, here's what I was going to comment on. I think we may also have an issue with HOAs and all of their rules and regulations. Like the county may not even be able to go in and install street lights and maintain street lights per HOA regulations which supersede right so it may be I guess I'm saying it may be not as big of a problem as we think it is because HOAs may not go for it and HOAs are going to have to approve it as well so but let's see let's see what comes back thank you I'm happy to support closing Mr.

[02:57:15] Yeah, you know, ultimately, like I said, I didn't envision HOAs because as Super President Bristman just kind of highlighted there are some difficulties there. And we might take the program from being like this and very manageable to now like this and ballooning the cost.

[02:57:35] Because if you're not happy with the initial fees or the recommendations for the startup now, imagine including a big HOA or a couple of smaller ones and the cost would just triple double overnight if you were to approve. But I guess my saving grace is that ultimately we will make the final decision if, say, if an HOA, a large one, small one, whatever, has to be part of this program, ultimately we can say yes or no.

[02:58:01] And then I think to Ms. Brisbane's point about having a county-run light program and then HOA light is already existing and not including the existing, because I think that's the appropriate thing not to include the existing. I think we will be able to easily identify which one is which because we can obviously map and say, okay, this is already here, put those little stickers for identification.

[02:58:23] So I don't worry about that one too much. But, again, I'm fine with this. And, again, ultimately, like I said, we're moving this forward finally to the full board for a vote. This has been a long time coming. So, again, thank you so much, staff, for all your efforts and work on this program as well.

[02:58:39] Okay. All in favor of the motion, say aye. Aye. Anyone opposed? No. The motion carries 4-0-1 with Chair Randall absent. Chair Renterna. Yes. I'm sorry. After your vote on sanitary districts, I had to consult the rules of order to make sure I had advised you correctly.

[02:59:01] A tie that results in a failed motion, the item will not go forward unless you do another motion to send the item forward with no recommendation. Okay. Okay, so, Mr. Sains, would you like to make a motion to forward the item with no recommendation?

[02:59:21] Yes, I'd like to make a motion that item number 13, Sanitation District Refuse and Recycling Collection, be sent to the full board with no recommendation. Motion is made in second. All in favor of the motion, say aye.

[02:59:37] Aye. Anyone opposed? Motion carries, 4-0-1. No, I'm not going to block your thing from getting to the full board. I'm just going to lobby the full board. All right, as will you, as will you, as will you.

[02:59:56] Item 15. So while Dennis sets up the presentation, I will kind of get it started, Mr. Chairman, if that's okay with you? Yeah, yeah, go ahead.

[03:00:18] Okay, great, thank you. So this comes to the committee from, again, a BMI, which was the Muddy Branch drainage study, And part of that drainage study was to take the information that we gleaned from the drainage study and bring back to the board a countywide flood assessment and mitigation program.

[03:00:40] You may recall the SOMA flooding that we were dealing with, and we actually established an ordinance to address that. This looks at taking that concept countywide and how that program would work.

[03:00:56] So with your permission, Mr. Chairman, I'd like to turn this over to Dennis to give the presentation on this. It seems that the committee is really enthusiastic in its support for this item. So is there anything that you really need to know that wasn't in the item? I do not believe, sir.

[03:01:13] Do you want to share the presentation? No, sir, we can skip the presentation. Maybe just go to questions for a minute. So the request for funding would be coming from the next budget process, right? In other words, the 26 budget process, actually, not the next one?

[03:01:32] No, that's the next one. That is the next one, yes, sir, 26. Okay, so the total cost of \$692 would go to that budget process? Correct. Okay. I guess I'll ask Ms. McClellan, is this an item that we should consider also sending to the fund balance discussion?

[03:01:51] Or because it's ongoing, would it not be inappropriate? So it has the addition of staff as part of it, and it's an ongoing program. So staff's recommendation is to address it in the budget process. And it would not be appropriate for one-time folks.

[03:02:07] Okay. Okay. Any other questions? Would you like to make a motion? Sure. I move the Finance Government Operations Economic Development Committee recommend that the Board of Supervisors direct staff to implement the objectives outlined in the Flood Assessment and Mitigation Program work

plan as provided in the May 14th, 2024 Finance Government Operations Economic Development Committee item and amend the program guidelines to expand eligibility for counties.

[03:02:34] Flood Mitigation and Protection Grant Program countywide. I further move that the Finance Government Operations Economic Development Committee recommend that the Board of Supervisors direct staff to include resources required to manage the Flood Assessment and Mitigation Program and one program manager position for consideration of fiscal year 2026 budget process.

[03:02:51] Motion's made. I'll second. Opening, Mr. Payne's. Just quickly summarize, as highlighted in the item, we've had some issues in the muddy branch drainage in the in sterling area we did a drainage study we've had howardsville was also another example selma estates so with all those we've done some analysis and programming and this is what the staff is recommending to kind of mitigate some of these issues and go out get some funding and take care of some of these flooding issues in certain areas so let's do it all right any other

[03:03:29] comments on the motion seeing none all in favor say aye aye anyone opposed motion carries four With there being no more business to come before the committee, we are adjourned.



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