

**Minutes of the
COMMISSION ON LOCAL GOVERNMENT
May 9, 2025
12:36 PM
Virginia Housing Center
4224 Cox Road
Glen Allen, Virginia**

Members Present

Heather Cordasco
Ceasor Johnson (Remote)
Robert Lauterberg, Chair
Terry Payne, Vice Chair
Edwin Rosado

Members Absent

None

Department of Housing and Community Development (DHCD) staff present for all or part of the meeting:

Andrew Malloy, Senior Policy Analyst
Sulaiman Safi, Board Coordinator
Chase Sawyer, Policy Manager

Call to Order

Commissioner Lauterberg, Chair of the Commission on Local Government, called the regular meeting to order at 12:36 p.m.

Roll Call

The roll was called by Mr. Malloy. Mr. Malloy reported that a quorum was present.

Remote Participation

Prior to the meeting, Commissioner Johnson had been approved by the Chair to participate electronically. Commissioner Johnson participated electronically from the Lynchburg, VA area due to his principal residence being more than 60 miles from the location of the meeting.

Approval of Agenda

A motion was made by Commissioner Rosado and seconded by Commissioner Payne to approve the draft agenda. The motion passed on a unanimous voice vote (YEAS: Cordasco, Johnson, Lauterberg, Payne, Rosado; NAYS: None).

Approval of Minutes

Following discussion, a motion was made by Commissioner Rosado and seconded by Commissioner Cordasco to approve the minutes of the March 7, 2025 regular meeting with an amendment to strike the last sentence of the Schedule of Regular Meetings section. The motion passed on a unanimous voice vote (YEAS: Cordasco, Johnson, Lauterberg, Payne, Rosado; NAYS: None).

Public Comment

Commissioner Lauterberg opened the floor for public comment. After seeing no speakers, Mr. Lauterberg closed public comment.

Cases Before the Commission

Mr. Malloy provided an update on the status of previous cases that were before the Commission. Mr. Malloy reported that the Voluntary Settlement Agreement (VSA) between the Town of Warrenton and Fauquier County was approved by both the Town and the County in December 2024, and that a three-judge panel appointed by the Supreme Court of Virginia had recently approved the agreement. Mr. Malloy also reported that there were no potential cases at this time.

Regulatory Reduction Action
(1VAC50-20)

Mr. Malloy provided an update on the regulatory reduction action initiated by the Commission pursuant to Executive Order 19 (2022). Mr. Malloy stated that the process is transitioning from the Proposed Stage to the Final Stage and that staff has prepared the final draft regulations as part of the agency's effort to reduce regulatory requirements by 25%.

Mr. Sawyer provided additional information regarding the actions taken by the Commission to date related to regulatory reduction efforts and outlined the next steps in the regulatory process.

A motion was made by Commissioner Rosado and seconded by Commissioner Payne to approve the Final Stage regulation as presented and allow staff to make non-substantial changes if necessary. The motion passed on a unanimous voice vote (YEAS: Cordasco, Johnson, Lauterberg, Payne, Rosado; NAYS: None).

Fiscally Distressed Localities
Regulations (SB645) Update

Mr. Sawyer provided an update on the status of the Fiscally Distressed Localities Regulations. Mr. Sawyer stated that the emergency regulations are currently in effect and that the Notice of Intended Regulatory Action (NOIRA) Stage was recently completed with no public comments received. Mr. Sawyer reminded the Commission of the stakeholder outreach efforts that were conducted prior to the emergency regulations going into effect and stated that staff would continue to engage with relevant stakeholders as the regulations progressed through the standard regulatory process. Commissioners discussed the regulations and requested additional information regarding the factors considered by the Auditor of Public Accounts (APA) when determining the existence of fiscal distress in a locality.

Cash Proffer Survey Instrument

Mr. Sawyer presented on the cash proffer survey instrument. Commissioners discussed cash proffers and their utilization. A motion was made by Commissioner Johnson and seconded by Commissioner Rosado to approve the cash proffer survey instrument. The motion passed on a unanimous voice vote (YEAS: Cordasco, Johnson, Lauterberg, Payne, Rosado; NAYS: None).

2025 General Assembly Session

Mr. Malloy reported on legislation of interest to the Commission passed during the 2025 General Assembly Session. Mr. Malloy highlighted the following items:

- **Budget Item 102.X.** – identification of programs similar to the Longtime Owner Occupancy Program (LOOP) of Philadelphia, PA intended to keep long-term residents in their primary homes as real property taxes increase and review of eligibility criteria; DHCD to submit findings and recommendations
- **HB2153** – development of a document by DHCD to assist localities with the stimulation of affordable housing, including development by nonprofit organizations
- **HB2396/SB1270** – technical advisory group convened by VHDA to evaluate the prevalence of deed fraud and develop recommendations for prevention; DHCD to assist technical advisory group as necessary

Commissioner Rosado expressed interest in participating in the LOOP-related workgroup on behalf of the Commission. In accordance with 1VAC50-20-50, Commissioner Lauterberg approved of Commissioner Rosado's request to represent the Commission on the LOOP-related workgroup.

Other Business

Commissioner Lauterberg opened the floor for other business before the Commission.

The Commission discussed and agreed that, moving forward, the Commission on Local Government will begin its meetings at 12:30 p.m. while maintaining flexibility to adjust the meeting start time to accommodate Commissioner availability.

Commissioner Payne suggested the Commission consider holding its meetings in different locations throughout the

Commonwealth and conducting site visits at the different locations to explore topics of interest to the Commission. The Commission discussed Commissioner Payne's suggestion. Commissioner Lauterberg asked staff to include the topic of site visits on the next meeting agenda and encouraged commissioners to come prepared with topics or areas they would like to explore and learn more about.

Commissioner Lauterberg provided an update on the work of the Fiscal Stress Report workgroup. Commissioner Lauterberg reminded the Commission of the workgroup's efforts to date and the findings of the workgroup, specifically that the current methodology of the report may be missing key determinants that could more accurately predict fiscal stress. Commissioner Lauterberg stated that he intends to continue discussing possible revisions to the Fiscal Stress Report with subject matter experts and relevant stakeholders.

Adjournment

A motion was made by Commissioner Rosado and seconded by Commissioner Payne to adjourn the meeting of the Commission. The motion passed on a unanimous voice vote (YEAS: Cordasco, Johnson, Lauterberg, Payne, Rosado; NAYS: None). The meeting adjourned at 2:00 p.m.