Purchase of Development Rights Program – Focus Group 1 Questions

County staff has compiled the following information and questions for the PDR Focus Group's consideration. If you are a focus group participant, please arrive at the meeting having reviewed these questions and the attachments provided. Participants and other focus group attendees may also provide written comments to staff at Randall.Farren@Loudoun.gov.

Loudoun County previously operated a PDR program from 2001 – 2004. In June 2003, the Loudoun County PDR Board provided the Board of Supervisors with revised PDR program guidelines, included as Attachment 1 and hereafter referred to as the 2003 PDR Program Supplement. Staff intends to use the 2003 PDR Program Supplement as the foundation for a new Loudoun County PDR program.

Please note that the 2003 PDR Program Supplement includes now-outdated references to the *2001 Revised General Plan* (RGP) and concepts adapted from the RGP and prior versions of the *Revised 1993 Loudoun County Zoning Ordinance* (e.g., Conservation Design Standards, Green Infrastructure, River and Stream Corridor Overlay District.) In some cases, the terminology has changed but the general intent of the policies was carried forward from the RGP to the Loudoun County 2019 General Plan (2019 GP). For the most part, these revisions will not be the subject of the PDR Focus Group discussions. A summary of the most relevant land conservation policies from the 2019 GP is included as Attachment 2 for reference.

1. Eligibility Requirements

   a. Are the property eligibility requirements listed on page 5 of the 2003 PDR Program Supplement still relevant to a new County PDR Program? Would additional criteria (e.g. parcel size, locational or zoning criteria, etc.) help better meet the County's current land conservation goals?

2. Property Ranking System

   a. The 2003 PDR Program Supplement divided program funding between two categories: Agricultural Resources and Natural and Historical Resources, to which 60 percent and 40 percent of funds were dedicated, respectively. Would you recommend adjustments to this approach and/or funding structure and why?

   b. Aside from the changes necessary to align the program with the 2019 GP and the most current version of the Zoning Ordinance, as noted above, are the Resource Criteria listed still relevant to the County's land conservation goals? Which criteria would you recommend be added or removed?

3. Program Administration

   a. Most local PDR programs, including the previous Loudoun program, use a PDR Board or PDR Committee to oversee program administration, rank applications, and provide PDR-related recommendations to the Board of Supervisors. Page 15 of the 2003 PDR Program Supplement includes the previous PDR Board composition. Does the previous PDR Board composition still make sense in terms of both the number of members and areas of expertise?

4. Negotiating Purchase

The previous Loudoun County PDR program used individual appraisals to determine the value of development rights retired, providing a starting point for individual negotiations with applicants. The program also included ranking criteria bonuses for “bargain sales” (criterion 25 on page 10 and criterion 18 on page 13 of the 2003 PDR Program Supplement).

Other Virginia localities use different approaches to valuating development rights (see Attachment 3, Active PDR Program Comparison Table). For example, Clarke County provides a baseline $40,000 compensation per development right, subject to an income-based sliding scale that decreases compensation as the applicant’s income increases. Based on staff discussion with administrators of other PDR programs, there are benefits and drawbacks to each of the various approaches. For example, individual appraisals are likely to provide more equitable compensation tailored to the characteristics of each property being considered. Conversely, appraisals create additional administrative needs and challenges and are likely to significantly extend the processing and selection process for PDR applications.

a. Would you recommend that the County maintain the previous appraisal approach for easement valuation, adopt a flat price per development right, explore options that combine elements of both, or take another approach?

b. If the County were to adopt a baseline price per development right, how should the County determine a fair price (i.e., should it be linked to the County’s adopted Capital Intensity Factors, based on an evaluation of real estate assessments, or some other approach)?