

**REPORT OF THE
JOINT LEGISLATIVE AUDIT
AND REVIEW COMMISSION**

**REVIEW OF REGIONAL PLANNING
DISTRICT COMMISSIONS
IN VIRGINIA**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



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Preface

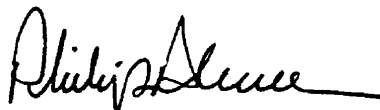
In 1993 the Joint Legislative Audit and Review Commission (JLARC) issued a report titled *State/Local Relations and Service Responsibilities: A Framework for Change*. Senate Joint Resolution 310 of the 1993 General Assembly Session directed JLARC to continue examining issues related to State and local relations. Subsequently, a JLARC subcommittee was formed which directed staff to review the Commonwealth's regional planning district commissions (PDCs). This report presents the findings from the review of PDCs.

PDCs were created in 1968 to identify and address, through regional planning, problems that transcend local boundaries. However, JLARC staff found that, in general, PDCs place less emphasis on regional planning and a comprehensive view of regional needs than is called for by the Virginia Area Development Act. In particular, as PDCs become less reliant on federal funds and more reliant on local funds, they are increasingly providing services of a more localized nature. While this trend can be viewed positively or negatively, from the standpoint of promoting regionalism, it is a concern.

However, local officials are generally satisfied with the types of services provided by PDCs and with their performance. Also, many PDCs reported noteworthy regional accomplishments. Despite these accomplishments, there is still a sense that regional efforts are missing for some critical issues that cross-cut Virginia's localities. The recommended improvements in selected PDC operations which are discussed in this report might better facilitate regional results.

With regard to the future direction for PDCs, the report identifies three tiers or levels of involvement with PDCs that the State could pursue, ranging from little or no State involvement to a strong State role in directing PDC priorities toward regional work. The level of State involvement is dependent upon the role the Legislature believes PDCs should play — as “associations of local governments” whose focus is to perform whatever services their member localities request, as independent regional entities whose focus is to encourage and forge regional solutions to area-wide problems, or as a combination of the two. Specific options related to the three tiers are included in the body of the report.

On behalf of the JLARC staff, I would like to thank the Department of Housing and Community Development and the regional planning district commissions across the Commonwealth for their cooperation and assistance during this study.



Philip A. Leone
Director

November 17, 1994

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I. Introduction

Over the years, studies have shown that many of the problems faced by State and local governments — environmental protection, crime, and transportation, for example — do not adhere to strict political boundaries. As the Commonwealth continues to grow at a rapid rate, regional coordination becomes an increasingly important avenue for addressing these problems, both from the standpoint of improved problem-solving and increased cost-effectiveness. Twenty-six years ago a statewide regional structure was put in place to address interjurisdictional issues.

Created in response to the Virginia Area Development Act of 1968, planning district commissions (PDCs) were designed to bring local governments together to discuss and provide solutions to area-wide problems brought on by economic and demographic changes. Each commission is a public body, composed of elected members of the local government subdivisions within the district boundary and citizen members. All current commissions have staff.

Since their creation, the 21 PDCs across the Commonwealth have developed into entities with wide-ranging services. There are vast differences between PDCs in terms of services provided, budget and staff sizes, and populations served.

Funding for PDCs comes from grants provided by federal, State, and local government sources. In FY 1993, PDC funding totaled approximately \$14.5 million — \$2.38 million of which was provided by the State. PDCs are primarily supported through federal and local funds.

PDCs are generally serving a useful role. They have not been, and probably should not be, viewed as precursors to regional government. They are a useful vehicle to identify, study, discuss, and sometimes implement solutions to regional problems, and to a certain extent, help plan for the region's future. They serve as forums for exchanging information, and provide services to local governments.

Because PDCs are heavily grant-dependent, availability of funding has played a key role in determining the services provided by each PDC. As reliance on local funding has increased over the years, PDCs have placed greater emphasis on the provision of local services, particularly in rural areas. It appears that this has sometimes been at the expense of their primary role as regional coordinators and problem-solvers. As such, they are not being fully utilized as originally intended under the Virginia Area Development Act.

Whether or how the State wishes to reverse the trend toward locality-based services is a policy choice that depends on the State's philosophy and approach to regionalism. It appears that the benefit of PDCs to the State and regional cooperation could be enhanced if the State outlined a clearer role for regionalism in general and PDCs

specifically. Also, in order to improve the potential effectiveness of PDCs, certain organizational concerns will need to be addressed.

HISTORY AND PURPOSE OF REGIONAL PDCS

In the 1960s, the federal government began emphasizing regional approaches to governmental problem-solving. The federal government passed the Housing and Urban Development Act of 1965 which provided federal funding to regional entities for two-thirds of the costs of studies, data collection, and preparation of regional plans and projects. Soon thereafter, the federal government required that all local applications for federal aid and loans be reviewed and commented upon by a regional review agency. In order to receive the funding from these federal programs, regional agencies or councils had to be formed. The requirement that regional agencies be formed in order to receive these federal funds spurred the creation and growth of regional councils across the United States.

Around the same time as the federal initiatives toward regionalism, the Virginia General Assembly created a study commission to examine and recommend solutions to problems faced by the Commonwealth's metropolitan areas. The Metropolitan Areas Study Commission determined that there was a need for a regional governmental structure whose purpose would be to solve regional problems and promote intergovernmental cooperation. Some of the Commission's findings were subsequently codified as the Virginia Area Development Act (VADA).

The Act called for the creation of regional planning commissions formed from voluntary associations of local governments. These planning district commissions were charged with promoting the development of the region through long-term planning and coordination among local governments. The Act also made provisions for the creation of regional governments, called service district commissions, which to date have not been formed.

Metropolitan Areas Study Commission

The increasing mobility of Virginians in the middle decades of the 1900s, due to the introduction of mass-produced automobiles and modern roads, resulted in rapid urban, particularly suburban, development in many parts of the Commonwealth. Reflective of this, from 1950 to 1960, the Commonwealth's six metropolitan areas (at that time) had approximately 50 percent of its population and 85 percent of its population growth. In response to these economic and demographic transformations, the 1966 Session of the Virginia General Assembly passed a resolution requiring a study of Virginia's metropolitan areas. As a result, the Virginia Metropolitan Areas Study Commission, otherwise known as the Hahn Commission, was appointed by Governor

Godwin in 1966. The Commission's Chairman, Marshall Hahn, was at that time President of Virginia Polytechnic Institute.

Given rapid metropolitan growth, the Commission found that, increasingly, problems originating outside local boundaries eventually became problems local governments must solve. Prior to the Hahn Commission, attempts at solving regional problems generally involved expansion through annexation and the creation of single-purpose authorities to deliver specific regional services. However, given the disruption of the long and often bitter annexation process and the fragmentation and duplication of government caused by the proliferation of single-purpose authorities, the Commission concluded that these and other existing government structures were not adequately dealing with area-wide problems.

In order to foster area-wide planning and service delivery and to stop the proliferation of single-purpose authorities, the Hahn Commission recommended a series of new concepts in intergovernmental cooperation. Among the Commission's recommendations were outlines for the creation and implementation of regional planning agencies (planning district commissions) and regional service delivery agencies (service district commissions) throughout the Commonwealth. Since much suburban growth adversely affected rural areas, particularly with regard to population shifts and consumption of land, the Commission felt that a statewide planning district and service district program would benefit all areas of the Commonwealth.

As designed by the Hahn Commission, the purpose of PDCs was to develop solutions to regional problems brought on by suburban sprawl, such as water and air pollution, recreation needs, urban blight, congested highways, and piecemeal development. PDCs were meant to foster intergovernmental cooperation by bringing local units of governments together, on a voluntary basis, to discuss and provide solutions to regional problems.

Once PDCs were established, they were intended to mature into service district commissions (SDCs). Service district commissions were intended to implement the regional service delivery plans created by PDCs, and essentially serve as a regional level of government.

Although the Hahn Commission believed that individual local governments were not able to deal with problems of greater than local significance, the Commission was aware that local governments have had a long and popular history in Virginia. With this in mind, the Commission recognized that strong local government was a way of life in Virginia and that any regional initiative would be viewed as a threat by local officials. Repeatedly, the Commission noted local governments' chief concern — retention of strong local government. So, in order to gain local acceptance of this new tier of regional government, the Commission strongly recommended that membership in PDCs be strictly voluntary.

Virginia Area Development Act

Following the release of the Hahn Commission's recommendations in 1967, the 1968 Virginia General Assembly enacted the VADA. Within a few years after passage of the Act, PDCs were operating in all regions of the Commonwealth. In contrast, no service district commissions have been created, or even attempted to be created, in any region of the State. Instead, PDCs were granted a number of implementation powers in the late 1980s. This report primarily focuses on the PDC provisions of the VADA.

Planning District Commission Structure. As required in the VADA, a State agency — the Division of State Planning and Community Affairs — was given responsibility for dividing the Commonwealth into planning districts. These boundary decisions were completed in 1969, after an extensive process involving research and local government input. In all, 22 planning districts were designated. Though the State identified the boundaries, it was the responsibility of the local governments within each district to organize the PDC. Within one year, PDCs were operating in 19 of the 22 designated districts. By 1973, all 22 planning districts had operating PDCs.

There have been two changes affecting PDC boundaries since their creation. First, five local governments — Bath, Chesterfield, Gloucester, Louisa, and Prince George Counties — have each been given authority to belong to two PDCs. Louisa County was given this authority most recently in the 1994 General Assembly Session. Currently, only Chesterfield and Gloucester Counties hold dual membership in PDCs. Second, two planning district commissions — the Peninsula and Southeastern PDCs — merged to form the Hampton Roads PDC as of July 1990. Figure 1 identifies the current PDC boundaries. All counties, cities, and towns over 3,500 population are eligible for membership to the regional PDC. In addition, smaller towns may join the PDC upon consent of the members. Local government membership on PDCs is voluntary — local governments are not mandated to participate. All but four eligible local governments are currently members of a PDC.

The VADA gives PDCs responsibility for determining the organizational structure of the Commission. For example, PDCs determine the number of commissioners, their terms of office and method of selection, voting rights, dues, frequency of meetings, and staff size and make-up. As a result, there is significant variation in the way PDCs operate. Table 1 identifies the basic parameters within which each PDC operates.

Mission of Planning District Commissions. Current Virginia law grants PDCs broad planning, coordinating, and implementing power. The Virginia Area Development Act, § 15.1-1405 of the *Code of Virginia*, states that the purpose of PDCs is:

to promote the orderly and efficient development of the physical, social and economic elements of the district by planning, encouraging and assisting governmental subdivisions to plan for the future and, if requested by a member governmental subdivision or group of member governmental subdivisions and to the extent the commission may elect

Table 1

Planning District Commission Organization

PDC Number	PDC Name	Total Funds (FY 1993)	Full-Time Equivalent Staff Size (FY 1993)	Number of Commissioners	Number of Member Localities	Population Served (FY 1990)	Land Area Served
1	LENOWISCO	\$420,276	8.5	14	4	91,520	1,385
2	Cumberland Plateau	\$2,676,840	29.4	32	4	123,580	1,834
3	Mount Rogers	\$546,669	13.2	37	20	178,210	2,782
4	New River Valley	\$378,382	9	17	8	152,680	1,458
5	Fifth	\$482,077	9	27	9	253,810	1,636
6	Central Shenandoah	\$328,685	9.8	20	10	225,025	3,437
7	Lord Fairfax	\$319,136	7	28	10	159,239	1,664
8	Northern Virginia	\$1,790,362	28.3	35	13	1,466,350	1,312
9	Rappahannock-Rapidan	\$154,295	3	17	10	116,643	1,964
10	Thomas Jefferson	\$458,725	9.8	12	6	164,476	2,154
11	Central Virginia	\$381,559	6.3	21	10	206,226	2,122
12	West Piedmont	\$325,505	6	21	7	238,854	2,569
13	Southside	\$297,242	7	28	5	81,258	2,000
14	Piedmont	\$294,915	7	21	12	84,905	2,819
15	Richmond Regional	\$1,106,041	19	30	9	739,735	2,136
16	RADCO	\$442,646	8.7	19	5	170,410	1,397
17	Northern Neck	\$239,605	4.4	16	4	44,173	738
18	Middle Peninsula	\$306,266	5	21	9	73,023	1,304
19	Crater	\$656,213	11	26	10	*365,971	*2,323
22	Accomack-Northampton	\$713,169	16.3	13	3	44,764	702
23	Hampton Roads	\$ 2,143,250	28.7	42	15	**1,448,040	**2,643
TOTALS		\$14,461,858	246.4	497	183	6,189,197	39,720

*Chesterfield County's population of 209,564 and land area of 434 square miles are included.

**Gloucester County's population of 30,131 and land area of 225 square miles are included.

Note 1: In addition to its three full-time staff, Rappahannock-Rapidan (PDC 9) reported the use of two volunteer positions in FY 1993.

Note 2: All data cover FY 1994 unless otherwise noted.

Source: JLARC staff analysis of PDC-provided documents and the *Virginia Statistical Abstract* 1994-95 Edition.

to act, assisting the subdivisions by carrying out plans and programs for the improvement and utilization of said elements.

The purpose of PDCs as articulated through the *Code* was modified in 1986 to give PDCs service implementation powers upon request of their member local governments. This gave PDCs the power to provide services as well as plan for services.

This broad statement of purpose was designed to give PDCs across the State the flexibility they needed to serve the various needs of their regions. Most of the 21 PDCs have adopted either formal or informal mission statements that are identical or very similar in nature to the purpose of PDCs as set out in the VADA.

Planning District Commission Activities. The VADA identifies two activities that PDCs are required to perform. First, PDCs are required to prepare a regional comprehensive plan. It is the responsibility of the PDC to determine the issues that should be addressed in the plan. The steps required for adoption of the plan are identified in the VADA. The plan becomes effective with regard to the actions of the PDC upon approval by a majority of the local governing bodies which are members of the PDC. The plan does not become effective within a locality unless it is adopted by the local governing body. Second, PDCs are required to review all local government applications to State or federal agencies for grants or loans. The PDC is to determine whether or not the proposed project is in conflict with the regional plan or policies, and is adequately coordinated with other projects within the district.

Service District Commission Provisions. As previously noted, PDCs were expected to be the first step in the creation of a regional government called a service district. The service district was to provide selected governmental services on a region-wide basis. However, no SDCs have been created since the VADA was enacted. Some suggest that, given the stringent statutory requirements, establishment of a service district is virtually impossible.

The VADA details the method by which a service district is to be created. The PDC is responsible for preparing a plan for the creation of a service district and its operation, including the services for which it will be responsible. The service district must encompass all local governments which are members of the PDC. The plan must first be approved by each local governing body in the district. Once all the local governing bodies approve the plan, a referendum must be held in each locality whereby a majority of voters in each locality must also approve the plan. If a majority of voters in any of the localities does not approve the plan, the service district cannot be formed. The PDC is terminated upon creation of a SDC, and all responsibilities of the PDC are transferred to the SDC.

PDC FUNDING SOURCES

There are three major funding streams available to PDCs: federal funding, State funding, and local funding. Federal grant funding is the largest single source of funding for PDCs. Federal grant funding areas include transportation, community development, economic development, and coastal resources management. State funding to PDCs includes both program specific grants and a general purpose appropriation to PDCs. State funds for grants were mainly from the Department of Environmental Quality in the form of assistance on environmental issues and from the Virginia Department of Transportation and the Virginia Department of Rail and Public Transportation on transportation issues. Local funding includes local contracts for projects and local dues. Local funding is the second largest source of funds to PDCs. PDCs also receive a small amount of funding from miscellaneous sources such as non-governmental grants, sales of materials, and interest on fund balances.

Several trends have been identified in overall funding. PDC funding has shifted from more than 70 percent federal funding in the mid 1970s to less than 40 percent of total PDC budgets in FY 1993. As the federal funding declined, local funding increased to offset some of the decline, but the decline had substantive impacts on PDC staffing and operations nonetheless.

In the early to mid 1970s, PDCs had relatively large staffs which were funded mainly through federal planning dollars. These federal planning funds virtually disappeared by the early 1980s. This decline in federal planning grants forced PDCs to shift to other funding sources, including the State and their member localities. However, the State and local funding streams often did not cover all of the revenue declines experienced by PDCs. Many PDCs, as a result of federal funding cuts, had substantial declines in staffing.

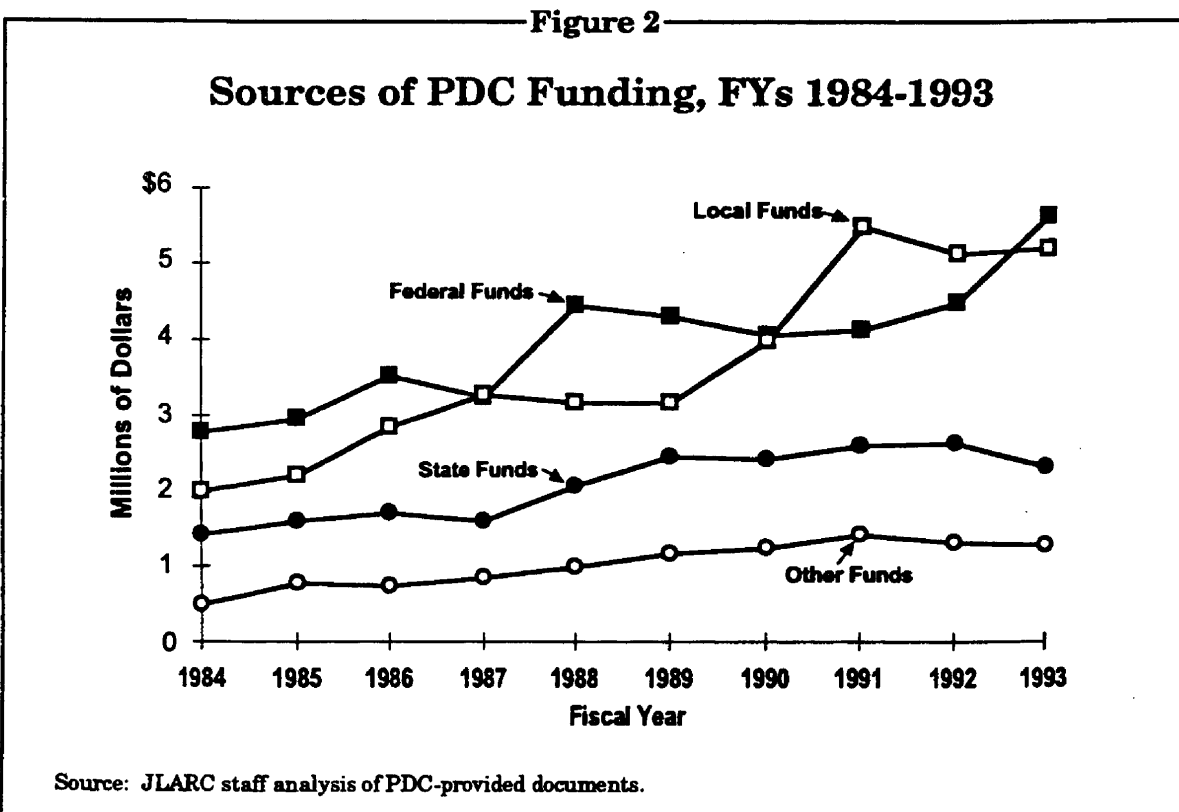
From the early 1980s to FY 1988, State funding was relatively stable. In FYs 1988 and 1989, the State made a concerted effort to increase the general purpose appropriation to PDCs, and funding increased by substantial amounts. However, since the State budget difficulties beginning in FY 1990, State funding has increased only in grant program areas. Funds from miscellaneous sources have increased substantially as PDCs seek to recover costs of operation.

Funding for all PDCs from FY 1984 to FY 1993 is shown in Figure 2. From FY 1984 to FY 1993, the total amount of funds budgeted by all 21 PDCs increased by \$7.7 million — from \$6.7 million to almost \$14.5 million. Percentage increases in PDC budgets ranged from 19 percent (\$88,417) in Mount Rogers to 347 percent (\$553,782) in Accomack-Northampton. The average increase in PDCs' budgets during that period was 114 percent. In comparison, the inflation rate during this period was approximately 49 percent.

Federal funds are the largest single source of revenue for PDCs with more than \$5.6 million or 38.9 percent of total FY 1993 funds to PDCs. Local funds are the second largest source of FY 1993 revenue with more than \$5.1 million or 35.8 percent of PDCs' funds. PDCs, in general, are not heavily reliant on State funding. In FY 1993, State funding of PDCs was \$2.4 million or 16.4 percent of total PDC revenues. The final source of PDC funds, derived from other miscellaneous revenues, was \$1.3 million or 8.9 percent of total FY 1993 funds.

PDC SERVICES

The 21 PDCs in Virginia offer a variety of services throughout the State to both local governments and their region as a whole. There is no standardized set of services provided by each PDC. Each PDC develops its own set of services based on the needs of its localities and the region.



For the purposes of analysis, JLARC staff categorized the 21 PDCs into the following three groups to account for their varying operations: urban, urbanizing, and rural:

- Urban PDCs include Northern Virginia (PDC 8), Richmond Regional (PDC 15), and Hampton Roads (PDC 23). These PDCs represent the most urban PDCs (sharing such characteristics as high population density).
- Urbanizing PDCs include the Fifth (PDC 5), Thomas Jefferson (PDC 10), Central Virginia (PDC 11), West Piedmont (PDC 12), RADCO (PDC 16), and Crater (PDC 19). These PDCs represent the urbanizing areas of the Commonwealth, such as Roanoke, Charlottesville, Lynchburg, Danville, Fredericksburg, and Petersburg.
- Rural PDCs include LENOWISCO (PDC 1), Cumberland Plateau (PDC 2), Mount Rogers (PDC 3), New River Valley (PDC 4), Central Shenandoah (PDC 6), Lord Fairfax (PDC 7), Rappahannock-Rapidan (PDC 9), Southside (PDC 13), Piedmont (PDC 14), Northern Neck (PDC 17), Middle Peninsula (PDC 18), and Accomack-Northampton (PDC 22).

The services that PDCs provide encompass economic development, physical infrastructure development, environmental resources planning, transportation plan-

ning, human services planning and coordination, and data dissemination and intergovernmental coordination, among others. In all, PDCs provide services within 11 functional areas and five services within specific activity areas. Table 2 identifies the services in which each PDC conducted work in FYs 1993 and/or 1994. It is important to note that the specific services conducted vary from one PDC to another. For example, some PDCs are involved in planning for service implementation, while others actually implement the services themselves. In addition, the number of staff hours devoted to each service varies significantly by PDC. Some PDCs devote under 100 staff hours to specific services, while others devote thousands of hours to certain services. This section presents a brief summary of the 16 services within which PDCs conduct their work.

Table 2
Services Offered by Planning District Commissions
in Virginia, FYs 1993 and 1994

PDC	LENOWISCO	Cumberland Plateau	Mount Rogers	New River Valley	Fifth	Central Shenandoah	Lord Fairfax	Northern Virginia	Rappahannock-Rapidan	Thomas Jefferson	Central Virginia	West Piedmont	Southside	Piedmont	Richmond Regional	RADCO	Northern Neck	Middle Peninsula	Crater	Accomack-Norhampton	Hampton Roads	
Functional Areas																						
Local Planning and Technical Assistance	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Transportation Planning	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Environmental Planning	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Waste Management/Landfill Planning	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Economic Development	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Housing		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Human Services Planning	●			●		●	●	●	●	●		●		●		●	●			●	●	●
Recreation Planning	●	●				●	●							●				●	●			●
Emergency Preparedness Planning	●		●	●							●				●		●					
Criminal Justice Planning				●		●	●															●
Public Works Program	●	●																				
Specific Activities																						
Information and Data Dissemination	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
State and Federal Grant Application Assistance	●	●	●	●	●	●	●		●	●	●	●	●	●	●	●	●	●	●	●	●	●
Grants Management	●	●	●	●	●	●			●	●	●			●	●	●				●	●	●
Intergovernmental Review Process	●	●	●	●	●	●			●	●	●	●	●	●	●	●	●	●	●	●	●	●
Legislative Liaison Activities	●	●	●			●	●	●	●	●	●	●		●	●			●	●			●

Source: JLARC staff analysis of Written Information Request responses, site visit responses, and board meeting minutes.

Local Planning and Technical Assistance

All the PDCs provide local planning and technical assistance to their member localities. Some provide these services to non-member localities as well. In particular, small towns and cities often receive substantial assistance from the PDCs. Local planning assistance includes assistance to localities in researching and/or writing their comprehensive plans, writing zoning and subdivision ordinances, and providing town management services. The time involved in providing local planning assistance can range from a few staff hours to the work of several full-time staff.

The range of technical assistance activities provided by PDCs varies substantially as well. All the PDCs review locality plans and studies and provide data which is needed for most types of planning efforts. Technical assistance activities are usually of short duration, and infrequently involve a significant amount of staff hours.

Transportation Planning

As of FY 1994, all of the PDCs engaged in transportation planning activities. Eight PDCs staff Metropolitan Planning Organizations (MPOs), which provide transportation planning to the urban areas of the State. MPOs are operated through the following PDCs: Fifth, Thomas Jefferson, Central Virginia, West Piedmont, Richmond Regional, RADCO, Crater, and Hampton Roads. The federal government in 1975 mandated that regional transportation planning organizations — MPOs — be created in order for states to receive highway funding. Since PDCs were regional planning organizations, the Virginia Department of Transportation (VDOT) used the PDCs to set up and staff the MPOs.

In response to provisions in the federal Intermodal Surface Transportation and Efficiency Act requiring rural transportation planning, VDOT created a rural transportation planning program through PDCs beginning in late FY 1993. For many of the rural PDCs, this was a new activity. All the PDCs except the Northern Virginia PDC receive funding from VDOT to operate rural transportation planning programs.

Activities conducted within the rural and urban transportation programs include development of traffic reduction strategies, traffic zone forecasts, planned transportation capital improvements, and transit feasibility studies. In addition to these programs, some PDCs offer ride share programs in cooperation with the Department of Rail and Public Transportation. One unique example of other transportation planning activities conducted is RADCO PDC's creation of a telecommuting center:

Early this year RADCO was selected as a lead agency by the U.S. General Services Administration as part of a federal pilot project to create telecommuting centers. The Fredericksburg area was chosen as one of the four areas that would participate in the project. RADCO opened the first center on April 28, 1994, which it will operate. This

center has 31 work stations and accessory facilities. Due to the commuting nature of the residents in the area, the effort potentially could reduce traffic, save a great deal of time for the residents, and save money for the federal government [due to lower office space costs].

Environmental Planning

PDCs provide a range of services in the environmental planning service area. Twenty PDCs provide services in this area. Service activities include stormwater management planning studies, Coastal Zone Management studies, river corridor studies, and water and air pollution studies. Some PDCs provide only technical assistance to localities for their studies, while other PDCs perform all aspects of the studies themselves. Yet some other PDCs provide monitoring services for their localities and assist regional water boards.

Coastal Zone Management studies are carried out by the following eight PDCs: Northern Virginia, Richmond Regional, RADCO, Northern Neck, Middle Peninsula, Crater, Accomack-Northampton, and Hampton Roads. Activities conducted include development of shoreline ordinances, watershed plans, and comprehensive plan updates.

Another example of environmental activities conducted by PDCs involves the Roanoke River Corridor Study, which was a regionally cooperative effort between the following PDCs: New River Valley, the Fifth, Central Virginia, and West Piedmont; the counties of Montgomery, Roanoke, Franklin, and Bedford; and the town of Vinton. As reported by the Fifth PDC:

In 1987, the Fifth PDC coordinated a joint meeting of the Roanoke City and County Planning Commissions, where they discussed the desire to undertake a joint project. The Roanoke River was chosen as the topic because it is a critical natural resource of mutual interest. Over time, five localities, three other PDCs, and over 50 representatives of other groups were added, as the study examined the river from its headwaters in Montgomery County, through the Roanoke Valley, to Smith Mountain Lake. Written products include 1) a three-volume *Roanoke River Corridor Study* (1990, partially funded by the Virginia Environmental Endowment), which inventoried the river and made recommendations for future action, 2) the 1990 *Roanoke River Corridor Study, Phase II*, which was partially funded by the Virginia Water Control Board for the purpose of examining the relationship of land use and water pollution along the river, and 3) *The Roanoke River Corridor: Managing A Strategic Resource*, (partially funded by VEE, 1993), which details a proposed regional advisory body for input on land use decisions affecting the river and provides a model conservation overlay zone for local adoption. The PDC continues to support this effort on an on-going basis.

One example of the monitoring services and assistance to regional water boards that some PDCs provide their localities was identified through the Northern Virginia PDC, which reported that:

NVPDC continues to provide an ongoing program to monitor the cumulative effects of development on the flood control channel of Four Mile Run. NVPDC administers this program on behalf of four jurisdictions (Arlington, Alexandria, Falls Church and Fairfax County) as a result of flooding that has occurred in this watershed because of development. NVPDC also staffs a Watershed Policy Board for the Occoquan Reservoir. This board, which is composed of a majority of NVPDC jurisdictions and water purveyors, coordinates information on development impacts to this critical drinking water supply system, and undertakes studies to research cost-effective measures to preserve the integrity of the system. The Occoquan activity has caused NVPDC to develop national pre-eminence in the area of monitoring and controlling non-point source pollution in a drinking water supply serving multiple jurisdictions.

Waste Management/Landfill Planning

Nineteen PDCs engaged in waste management or landfill planning activities in FYs 1993 and 1994. These activities included developing and updating regional solid waste management plans, providing assistance to localities on updating their own plans, and recycling efforts. The Crater PDC attempted during 1986 to 1987 to bring together localities to address solid waste issues, but landfill needs were different for each locality and agreement could not be reached. The State adoption of mandatory recycling rates and more stringent landfill requirements, however, induced localities to work together. As reported by the Crater PDC:

Joint efforts by the Richmond Regional and Crater PDCs resulted in the establishment of the Richmond/Tri-Cities Area Solid Waste Management Task Force. This joined the urbanized portion of the Crater PDC with the Richmond Regional PDC. That effort resulted in a consultant's study, The Richmond/Tri-Cities Area Regional Recycling Study, and a recommendation that an authority be formed to address solid waste management. The Central Virginia Waste Management Authority was formed with agreement by thirteen local governments, all of the localities in the Richmond Regional PDC, plus the cities of Colonial Heights, Hopewell and Petersburg and Prince George County in the Crater PDC. Local government officials, along with citizens from the member localities sit on the Authority, which meets periodically in both Richmond and Petersburg. The Authority has been very successful in various efforts to offer recycling programs . . . and a growing curbside collection program has been implemented. For calendar year 1991, the recycling rate for the Authority service area

was 24.7 percent [which is significantly higher than the State mandated rate of ten percent].

Other types of recycling efforts are also being conducted by a number of PDCs. The New River Valley PDC operates a tire shredding program in its region:

The New River Valley PDC is currently running a tire shredding program that involves five other PDCs (LENOWISCO, Cumberland Plateau, Mount Rogers, the Fifth, and Central Shenandoah). Funding from the Department of Environmental Quality allowed the PDCs to purchase the tire shredder, and pilot test this program in a portion of the Appalachian region of the State. It also provided the opportunity to develop markets for tire shredding and prepared information on other engineering uses of the shred material. The program will initially serve 15 localities with existing equipment. The shredder rotates between localities, and with two full-time employees can shred about 2,000 tires per day. Tire shred can be used for erosion control and daily cover for landfills. Commercial uses are possible as well, but have not as yet been fully developed.

In addition, some PDCs are responsible for compiling recycling information from their member local governments and submitting State required recycling reports to the Department of Environmental Quality.

Economic Development

Economic development activities are undertaken by 18 of the PDCs. They range from fostering the development of economic development groups and alliances to implementing significant economic development activities on their own. Although most PDCs engage in economic development activities, the staff time devoted in FYs 1993 and 1994 ranged from a few hundred to several thousand staff hours.

One of the major ways in which PDCs assist their localities is with the acquisition and maintenance of certification under the Virginia Community Certification Program. This technical assistance program, which has more than 70 localities as participants, is sponsored by the Virginia Department of Economic Development. Communities can be certified as economic development areas after meeting certain program requirements. Service emphasis focuses on jobs creation, industrial site development and marketing, and other infrastructure development. One type of PDC assistance includes development of industrial parks, for example:

LENOWISCO proposed a regional shell building program through the Coalfield Economic Development Authority. This project was in place in late 1992, and today construction is underway on a 56,000 square foot "spec" building in Wise County and a 40,000 square foot "spec" building in Lee County. The PDC served as a facilitator to bring these

projects to construction by providing technical and capital procurement assistance to member localities, and maintaining the PDC's data bank.

Lord Fairfax PDC also reported facilitating the creation of the Northern Shenandoah Valley Economic Development Network (EDN).

Lord Fairfax PDC held a series of meetings in the middle 1980s with local banks concerning the marketing of a small business administration loan program. After a few years local banks wanted to expand the group to include other economic interests. Lord Fairfax PDC then identified other concerned groups and established a framework for a regional economic marketing group. The EDN was then formed by Lord Fairfax PDC at the start of FY 1989 as a public-private cooperative venture to maintain and improve the economic viability of the region. According to the PDC, the networking concept has increased cooperation among many public and private entities which share the common goals of reasonable economic development for the Northern Shenandoah Valley.

In addition, the Lord Fairfax PDC reported one of the more unique activities in the economic development service area, which is a Civil War Heritage tourism planning program. This program was developed through the activities of the EDN:

In response to the National Park Service's designation of Civil War Battlefields as a resource with tourism potential, local governments used the PDC to pursue planning grant funds for the development of area Shenandoah Valley Battlefields. Two planning grants have been received by the PDC and a Civil War Heritage Tour Road Network has been identified as a regional action plan. The PDC took the lead on this effort with support from the State and federal governments.

Housing

Housing services are provided by 17 of the PDCs. In the housing service area, PDC activities include conducting housing needs assessment surveys for localities, coordinating the installation of indoor plumbing in housing units, helping administer HUD Section 8 rental assistance programs, and making applications for funds to construct homes for low-income families. The Accomack-Northampton PDC in particular provides extensive housing services to its region. As reported by the PDC director:

Since 1979, the Accomack-Northampton PDC (ANPDC) has been a primary agency to help ANPDC local governments meet their housing, community development, and infrastructure needs. In partnership with the 2 counties, 19 towns, the Accomack-Northampton Housing and Redevelopment Corporation (A-NHRC), and the Accomack-Northampton Regional Housing Authority (A-NRHA), over \$37 mil-

lion in federal and state funds have been received through ANPDC applications, including funds to repair or construct over 800 homes for low-income families. Since 1989, over \$13.6 million has been secured through ANPDC assistance, including funding for improvements to 482 homes. ANPDC leadership has largely accounted for the 43.9 percent reduction in ANPDC substandard housing from 1980 to 1990.

In addition, the Thomas Jefferson PDC is extensively involved in providing housing services.

The Thomas Jefferson PDC developed a regional Comprehensive Housing Affordability Strategy, which involved working with a regional advisory committee. This strategy was approved by all the PDC's member governments. This strategy led to the formation of the Thomas Jefferson Regional HOME Consortium, which has brought in approximately \$1.2 million of HUD funds to the region for housing programs. The HOME program is managed by PDC staff and implemented by local non-profit housing corporations chosen by the local governing body. In addition, the PDC contracts with a regional non-profit organization, the Thomas Jefferson Housing Improvement Corporation (TJHIC), to provide administrative services. The PDC director serves as the director of the TJHIC. The PDC director reported that "this reduces TJHIC's need for full-time administration, allowing the corporation to concentrate on seeking funding for regional housing programs." The PDC has written a successful Regional Loan Fund application and developed public/private partnerships with Jefferson National Bank, Virginia Housing Development Authority, Department of Housing and Community Development, and local non-profits.

Although other PDCs engage in housing activities, no other PDCs are as involved in housing activities as the Accomack-Northampton and Thomas Jefferson PDCs.

Human Services Planning

Human services planning activities were performed by 13 of the PDCs in FYs 1993 and/or FY 1994. The major services in this area include disabilities services board planning and HIV/AIDS services. In response to a State initiative, several PDCs were responsible for creating regional disabilities services boards. As reported by the Central Shenandoah PDC director:

Two years ago, the General Assembly passed legislation requiring all local governments to create [their] own or a regional disability services board. In October 1992, the [Central Shenandoah PDC] directed staff to offer all local governments the option to create a regional disability

services board. The Commission created the Central Shenandoah Disability Services Board in March 1993, having 15 members. In June, the Board adopted the required Needs Assessment which was prepared by the Commission and accepted by the Department of Rehabilitative Services.

The Northern Virginia PDC is the most involved with human services planning activities. Their most significant effort in this area involves HIV and AIDS services coordination. The Northern Virginia PDC reported:

Since 1989, NVPDC has convened the Northern Virginia HIV Consortium, a body that includes all the local health departments and a majority of the Community Services Boards in the region, as well as all the primary HIV and AIDS health and human service providers. As a result of regional leadership provided by the NVPDC and the Consortium, Northern Virginia is receiving approximately \$2 million annually for services to people with AIDS or HIV infection. Title I of the Ryan White CARE Act provides funding for urban jurisdictions with a high incidence of HIV. In Northern Virginia, none of the local jurisdictions individually would qualify for Title I funding; however, as a legally recognized political subdivision of the Commonwealth, NVPDC applied for the funds on behalf of its member jurisdictions, as part of a Washington Metropolitan area partnership. NVPDC currently is designated as the lead agency in the region for coordination and funding of services to low-income and indigent people with AIDS. NVPDC develops a regional plan annually to distribute the federal dollars, and provides technical assistance and training for AIDS services providers throughout the planning district.

Other human services planning activities include elderly daycare planning, providing information to localities on human service providers, and sponsoring conferences on the health status and needs of children.

Recreation Planning

Only ten PDCs directly engage in recreation planning activities. These types of activities generally involve the preparation and administration of recreation grants for localities. The primary purpose of these grants is to help localities conserve their natural environments and provide safe, accessible, and enjoyable recreational opportunities and resources.

Emergency Preparedness Planning

Six PDCs provide emergency preparedness planning services to their localities. These services include E-911 development and administration, flood hazard assessment

studies, development of a flood plain management referral service, and assistance to local emergency planning committees.

Criminal Justice Planning

Significant criminal justice planning services were carried out by four of the PDCs in FY 1993 and/or FY 1994. Most activities involved assisting localities with studies and needs assessments for regional jails. For example, the New River Valley PDC prepared a Regional Jail Community Based Corrections Plan for the localities within its region. As reported by this PDC:

Activity provided by the Commission in support of the localities interested in the construction of a regional jail began in November of 1991. Several localities, including the counties of Pulaski, Bland, Floyd, and Wythe had begun to evaluate the alternatives of jointly constructing a jail. The November meeting was called to discuss the requirements for preparation of a Needs Assessment and Planning Study. The Commission presented an approach to the project which was ultimately accepted and began work on the needs assessment. During the period, the localities involved in the study effort changed. The Community Based Corrections Plan and the Planning Study, for which the Commission served as contractor, were submitted in March for a facility estimated at \$31.7 million to serve the Counties of Floyd, Giles, Pulaski, Carroll, Grayson, and the City of Radford. The Governor and the General Assembly will be considering funding of this facility in the 1995 Session.

In the 1970s, many PDCs were involved in this area and had criminal justice planners on staff. These positions were supported by federal planning grants specifically for criminal justice. Available federal funding for this activity was curtailed in the late 1970s to early 1980s. As a result, criminal justice planning services have not been given much attention by the PDCs in recent years.

Public Works Program

The Cumberland Plateau PDC is the only PDC to fully operate a public works program. The PDC initiated its public works program in 1975, and described it as follows:

An ongoing program through which hundreds of projects have been completed using equipment owned and operated by the commission. These projects include: the construction of recreation and water and sewer facilities; industrial, housing, and educational building site preparation; sidewalk construction; landscaping; blasting services; and Americans With Disabilities Act (ADA) conversion services, just to name a few. The PDC also provides water delivery and sewer system

maintenance services. In 1993 alone, the Public Works Program delivered 6.9 million gallons of water and cleaned over 13,000 feet of sewer line. Staff also offers technical assistance, including: evaluation and estimates of ADA projects for public buildings; preparation of industrial, recreational, and grant application site plans; project cost estimates; evaluation of grading and project plans; and the preparation of preliminary building drawings for planning purposes. Since the inception of the Public Works Program, the Cumberland Plateau PDC counties have saved over \$2 million by purchasing services and/or leasing equipment through this program.

The LENOWISCO PDC used to be more involved in the public works area. However, the only public works services currently provided are street cleaning and emergency water.

Information and Data Dissemination

Information and data dissemination services are provided by all the PDCs. Every PDC is an affiliate of the Virginia Employment Commission's State Data Center. As an affiliate, PDCs provide data upon request to public and private entities. As a service to localities and businesses, PDCs provide all types of census data, technical assistance, and workshops and seminars. For example, the Richmond Regional PDC provides traffic count data at intersections to help businesses in their location decisions.

In addition to their operation as State Data Center Affiliates, all PDCs act as a liaison between their localities and the State and federal governments. This service involves keeping localities up-to-date on new State and federal government requirements, disseminating information to localities on these requirements, and notifying localities of the availability of new funding sources as they become available.

Many PDCs also operate Geographic Information System (GIS) programs. GIS maps are used by these PDCs to analyze and display demographic trends, economic patterns, and tax parcel information. This regional activity benefits both the localities and the region through information dissemination capabilities. GIS programs are also used in conjunction with other PDC programs as well. The Middle Peninsula PDC started its GIS program as a mechanism to assist its localities and the region with implementation of the Chesapeake Bay Preservation Act. As reported by the Middle Peninsula PDC:

With the adoption of regulations to implement the Chesapeake Bay Preservation Act, it became apparent that the task would benefit from a coordinated regional approach and implementation of an automated Geographic Information System. The Commission created a partnership including all nine local governments, the Chesapeake Bay Local Assistance Department, the Coastal Resources Management Program, and the Virginia Environmental Endowment. The partnership

procured necessary hardware and software, collected available geographic data, and produced analysis to determine the extent of Chesapeake Bay Preservation Area features. In a continuing effort, the GIS supports development and enforcement of local Chesapeake Bay Preservation Act programs.

State and Federal Grant Application Assistance

Twenty PDCs provide State and federal grant application assistance to their localities. The only PDC that did not provide this assistance to their localities is the Northern Virginia PDC. PDCs that provide grant application assistance perform activities such as researching issues, familiarizing their localities with various grant application procedures, and filling out the grant applications on behalf of local governments. These PDCs typically assist in writing, or write, grants to the following agencies: Department of Housing and Community Development, Department of Environmental Quality, Appalachian Regional Commission, Economic Development Administration, and Farmers Home Administration.

Grants Management

Although 20 PDCs provide assistance to localities for State and federal grant application assistance, only 15 PDCs actually manage and administer the grants. Grants management services are usually provided for small towns, cities, and counties with limited staff. Many of the rural PDCs spend a large portion of their total staff time on State and federal grant application assistance and management. In fact, the Southside PDC spent 50 percent of its total staff hours in FY 1993 on these two services to its localities.

Management of housing grant projects, for example, includes taking applications from individuals, checking their qualifications, and pre-qualifying contractors. To manage water and sewer grant projects, PDCs attend community meetings, provide research for property ownership and rights of way, and work with project contractors. When federal funds are involved, the PDC must ensure all federal requirements are met, such as provisions of the Davis-Bacon Act. PDCs are also responsible for all financial management activities with regard to the project, such as monitoring the budget, reporting to State and federal agencies who monitor the projects, and disbursing funds to localities for their signature and submission to the payee. As an example, the Thomas Jefferson PDC reported that:

The PDC is currently managing a \$2.2 million CDBG / FmHA community improvement project with a constructed wetland wastewater treatment facility in Nelson. The PDC wrote the grant applications for this project. The PDC is also managing a \$500,000 CDBG grant in Greene County to rehabilitate 20 homes.

The Piedmont PDC is very involved in grant application assistance and grants management. The Piedmont PDC reported:

[The PDC] has written and is managing a number of CDBG projects for various community improvements including the following projects just approved: Phenix Neighborhood Improvement Project (\$383,620), Charlotte Courthouse Northern Community Improvements Project (\$833,722), Lunenburg County Multi-Year Housing Preservation Project (\$1,130,450), and the Farmville/Longwood Avenue Housing Preservation Project (\$526,564). The Commission is currently completing projects for the Dillwyn Sewage Treatment Plant Upgrade and Sewer Line Extensions (\$1,328,435), Charlotte County Bacon Area Housing Rehabilitation Project (\$507,000), the Kenbridge Housing Rehabilitation Project (\$516,000), and the Nottoway County Route 631 Neighborhood Improvements Project (\$352,600).

State and federal grant application assistance and management is typically a time-consuming process for many of the PDCs, especially those that serve the rural areas of the State.

Intergovernmental Review Process

Beginning in the late 1960s, the federal government instituted an intergovernmental review (IGR) process — the A-95 process — for regional review of any local, State, and federal grant proposals. Though the federal and State governments are no longer involved in the process, the *Code of Virginia* still requires PDCs to review all local government funding applications to ensure they are consistent with regional plans and are not duplicative with other localities' proposals. Nineteen PDCs currently engage in some level of IGR, which is accomplished through either PDC Commission or executive committee meetings. The West Piedmont PDC reported:

Through the Intergovernmental Review Process, the PDC provides an opportunity for local governments, organizations, agencies, and interested individuals to comment on projects determined to have regional impact and that are proposed for federal and state funding in this area. The overall benefit of the process is to make localities more aware of federal/state sponsored activities and opportunities underway in their locality.

In contrast, other PDCs devote only a small amount of time and reported little value in the process since the federal government does not appear to consider the objections that may be raised by a PDC, and ultimately funds the local projects.

Legislative Liaison Activities

Legislative liaison activities are performed by 16 of the PDCs. Within this area, the range of activities vary by PDC. While some PDCs merely hold informal annual meetings with their legislators, other PDCs develop extensive legislative agendas that identify the area's highest legislative priorities. This information is used to keep State legislators informed of the PDC's position on legislative matters. One of the most extensive of these programs is performed by the Northern Virginia PDC. The Northern Virginia PDC stated:

One of the most important roles for NVPDC as identified by the Commission and reaffirmed in several Commission retreats is the regional legislative program. This coordinated effort provides for local governments in cooperation with the Northern Virginia delegation to speak with a collective voice to represent the region on major issues such as funding, transportation, education, the environment and human services. NVPDC staff monitors State legislative study committees and commissions and provides technical support in the development of a package of regional priorities for consideration in each session of the General Assembly. During the time the General Assembly is in session, NVPDC provides for a weekly legislative tracking report on issues that are important to Northern Virginia for members of the General Assembly, local government officials, and others interested in regional matters.

Other PDCs track legislation for their member localities but do not advocate any positions on behalf of their localities.

JLARC REVIEW

Passed during the 1991 Session of the General Assembly, Senate Joint Resolution 235 requested that JLARC examine the assignment of service responsibilities between State and local governments. In response, JLARC issued a report titled *State/Local Relations and Service Responsibilities: A Framework for Change*. This report identified options for realigning service responsibilities between State and local governments. Passed during the 1993 Session of the General Assembly, Senate Joint Resolution 310 requested that JLARC continue examining the assignment of State and local service responsibilities (Appendix A). A JLARC subcommittee was formed to provide direction as to specific study topics. At the request of members of the Population Growth and Development Commission, the subcommittee subsequently directed staff to conduct a review of the Commonwealth's regional PDCs.

Study Objectives

The primary objectives of this study were to:

- provide a base of descriptive information to the General Assembly about the programs of regional PDCs;
- assess the operations and performance of PDCs in meeting the legislative intent of the VADA;
- identify considerations that may be useful in assessing what the role of PDCs should be as well as the State's role with regard to PDCs.

Study Activities

Several research activities were undertaken to collect and analyze information about PDCs. Information was collected from PDC staff through written information requests and on-site interviews with the executive directors. In addition, the study team conducted surveys of local government administrators and planning district commissioners. Further, structured interviews were conducted with staff in selected State and federal agencies and with staff in other states. Finally, a variety of documents were reviewed.

PDC Written Information Requests. A written information request was sent to all PDCs in order to collect detailed programmatic and financial data. In addition, several PDC documents were requested, including: by-laws, mission statements, goals and objectives, annual audits, annual workplans, and minutes of PDC meetings.

On-Site Interviews with PDC Executive Directors. After reviewing the written information responses from each PDC, JLARC staff conducted site visits to all 21 PDCs. Topics addressed during the on-site interviews included: the role of the PDC vis-a-vis the State and local governments; PDC organizational structure; services and activities of the PDC, including follow-up questions concerning the written information submitted; monitoring and performance of PDC services; funding; and PDC board member responsibilities.

Mail Survey of Local Government Administrators. A mail survey was sent to all counties, cities, and towns which are members of PDCs. The survey requested the opinions of local administrators about the critical issues affecting their region of the State, their PDC's involvement with the critical regional issues, the greatest efforts of their PDC to promote regional cooperation, the appropriateness of PDC services, the performance of their PDC in carrying out services, and structural considerations. Responses were received from 115 of the 183 PDC member city, county, and town local governments.

Mail Survey of Planning District Commissioners. A mail survey was also sent to all planning district commissioners. Commissioners were asked their opinions about the structure, composition, service offerings, and performance of their PDC. Of the 497 planning district commissioners, 236 submitted responses to JLARC staff.

Interviews with Selected State and Federal Agencies. JLARC staff contacted State and federal agencies which were reported to frequently interact with PDCs. Staff in the following State agencies were contacted: Virginia Department of Transportation, Virginia Department of Rail and Public Transportation, Department of Environmental Quality, Chesapeake Bay Local Assistance Department, Virginia Employment Commission, Department of Economic Development, Department of Housing and Community Development, Department of Conservation and Recreation, and the Department of Rehabilitative Services. In addition to State agency staff, staff from the federal Economic Development Administration and Appalachian Regional Commission were interviewed. Topics addressed during these interviews included: the nature and extent of their involvement with PDCs, the performance of the PDCs in meeting federal and State program requirements, funding provided to PDCs, and additional services or issues that should be addressed on a regional basis.

Interviews with Staff in Other States. Staff in other southeastern states were contacted to find out how regional councils operate in those states. State agency and regional council staff were interviewed to obtain information on the structure and funding of councils as well as the types of services provided. In particular, the level of State involvement with the regional councils was explored. The states contacted were: Alabama, Florida, Georgia, Kentucky, North Carolina, South Carolina, Tennessee, and West Virginia.

Review of Documents. Numerous documents and reports were reviewed during the course of the study. The *Code of Virginia* was reviewed to identify requirements of PDCs. In addition, several legislative reports concerning PDCs were reviewed. Further, many documents obtained from the PDCs regarding their structure, programs, funding, and other pertinent information were examined and used in assessing the performance of PDCs.

REPORT ORGANIZATION

This chapter has contained an overview of the Commonwealth's regional PDCs. Chapter II examines PDC performance and operational concerns, particularly in the context of how their performance addresses regional issues. Chapter III discusses factors that currently affect PDC priorities. If there is a desire by policy-makers to change the priorities or performance of PDCs, then these factors would need to be addressed. Chapter IV concludes the report with an overview of three tiers or levels of State action or involvement that policy-makers may wish to consider based on the role they believe PDCs should perform.

II. Performance of Planning District Commissions

At the State level, PDC performance has not been examined in recent years, but certain events appear to make such an examination timely. The Virginia Commission on Population Growth and Development, in 1992 and 1993 legislative documents, stated that “regional cooperation and coordination is, at best inconsistent,” and that therefore “existing structures, such as the Planning District Commissions, need to be re-examined.” During the 1994 legislative session, bills were introduced to try to mandate regional cooperation in a major metropolitan area to a level not being facilitated through existing mechanisms (such as the PDC).

Several questions surrounding PDC performance were identified for this study. In part, these questions were developed within the context of concern about what PDCs are doing to actually promote regional activity, or activities extending beyond single-government boundaries. However, the questions were also developed to include a perspective on the services provided by PDCs to member localities. The questions include:

1. What priority do PDCs give to regional planning, the original purpose for which they were formed?
2. Do PDCs have the resources and take the initiative necessary to produce results?
3. Do PDC operations facilitate substantive results?

Essentially, the questions address what PDCs are doing, how much they are doing, and factors that may affect their performance.

The analysis indicates that less emphasis is being placed by PDCs on regional planning and a comprehensive view of regional needs—the initial purpose for which they were formed. The evidence suggests that key elements of the Virginia Area Development Act (VADA) relative to PDCs are being ignored, although ultimately the question of whether the VADA needs to change or PDCs need to change is a policy question. Consistent with a reported national trend, the focus of Virginia’s regional commissions has changed as their funding source has become increasingly local. Planning district work is directed to reflect where funding is available, which generally is from member localities and from an assortment of federal grants.

Many PDCs are performing services of a quality and quantity that meets the approval of local government officials in the region. There are a few PDCs that, due to a lack of staffing or leadership, are not providing an adequate number or volume of services. From a regional perspective, many PDCs have accomplishments that are noteworthy. However, if funding and priorities changed, it appears that more could be

accomplished in this area, because much of the resources and initiative in PDCs appears to be directed at shorter term projects of more localized significance.

PDC board operations do not necessarily facilitate regional results. A few PDCs meet infrequently, and some other PDCs have problems with board member attendance. Other PDCs do not complete annual work programs, allowing the work focus to be determined more by ad hoc local requests. Within the commissions of predominately locally-elected officials, there appears to be some reluctance to address controversial issues. Also, communication in some PDCs between local officials and staff does not appear adequate to keep staff informed of regional problems of interest to the local officials, or to keep local officials informed of the work being done in the district to address those problems.

The Priority Given to Regional Planning Has Been Reduced

The JLARC staff review included a review of the current status of regional planning development by PDCs, as well as an historical review of national trends regarding the focus of regional commissions on planning work. The review produced two findings. First, there has been a trend, at both the State and national levels, in which regional commissions have done less regional planning and more work of localized significance. This trend appears to reflect a decline in the extent of federal funding available for area-wide planning that occurred during the late 1970s and early 1980s, as well as an increase in the funding commitment of local governments. Second, in Virginia, the impact of this trend is evident today, as PDCs are not meeting the regional comprehensive plan requirements of the VADA. Also, regional strategic planning is not routinely performed.

VADA Establishes Framework with Regional Planning as an Important Component. The VADA provides the framework within which PDCs operate. At a broad level, the VADA states, in § 15.1-1401(b), that a purpose of the Act is “to provide a means of coherent articulation for community needs, problems, and potential for service in relation to state government.” The VADA also broadly provides that a major purpose of the Act is to “deter the fragmentation of governmental units and services.”

With regard to PDCs, the Act describes two specific activities that PDCs must perform for the benefit of the State and the region, and both are planning-related. The first is a requirement that PDCs “undertake to prepare a comprehensive plan for the guidance of the development of the district . . . to promote the orderly and efficient development of the physical, social and economic elements of the district.” The second is that PDCs review all applications for State and federal funds, made by the governmental subdivisions within their district, to determine whether they have district-wide significance and whether or not they are “in conflict with the district plan or policies.”

These four elements of the VADA framework set forth planning as an important component of the VADA and PDC responsibilities. PDC responsibilities for regional

comprehensive planning and aid reviews in the context of the plan are clearly stated. PDCs also have the potential to contribute to the broader purposes of the VADA through planning. They can address the need for a coherent articulation of the region's needs, problems, and potential for service through strategic planning, or a process used to identify critical issues. Further, the fragmentation of governmental units and services can be addressed through ensuring that the division of services is done in a way that is consistent with an overall vision or plan for the region, and by appropriate coordination between bodies that are or have the potential to be fragmented.

Trend to Increasing Localism by Regional Commissions in the 1980s.

Almost twenty years have passed since a 1975 legislative report on the VADA concluded that PDCs "are fulfilling the legislative intent of the Virginia Area Development Act by fostering intergovernmental cooperation through planning." Yet in a few years from the development of the report, a new trend for regional planning commissions was emerging, at both the national and State level. Federal funding, which had constituted the bulk of regional commission funding and which in large measure required the development of regional plans, eroded during the late 1970s and early 1980s. Local funding, which had been a relatively minor proportion of regional commission funding support, became a much larger percentage of PDC funding. Local funding growth from FYs 1985 to 1993 was more than twice as great as State funding growth, and nearly 50 percent greater than federal funding growth. (See Appendix B for more specific funding information.) With the change in regional commission funding, a shift in priorities occurred.

At the national level, the change has been described by an expert in intergovernmental relations as follows:

[changes in funding support] changed the regional organizations' view of the world; they moved from a comprehensive multi-program view to a much narrower, more pragmatic view directed toward doing whatever there is money for . . . the regional councils were thought of principally as comprehensive planning agencies. Few are thought of that way today . . . They have become very entrepreneurial and, in the process, they have shifted their programs from regional planning to services of the type they can get paid for, either by local governments or by a rag-tag set of miscellaneous federal services programs. [Director, Government Policy Research, U.S. Advisory Commission on Intergovernmental Relations, October 1993]

The status of State policies toward regional councils was indicated to generally be one of *laissez-faire* maintenance of existing levels of support.

In Virginia, a similar shift appeared to occur in the decade after the 1975 legislative report on the VADA. For example, a 1985 survey of PDC directors found that from 1976 to 1985, the estimated time spent by PDCs on "regional planning" had fallen almost in half, from 26.5 percent to 14.1 percent. According to that survey, the two categories with the greatest increases in time spent were "implementation assistance"

(from 3.3 to 12.9 percent) and "other" (from 12.8 percent to 16.1), much of which could be regarded as implementation or technical assistance to localities.

A 1987 article by a PDC director summarized the emerging focus: "PDCs – A Tool for Local Government." The article addressed the variability in what PDCs do, and the fact that PDCs had received "mixed reviews" in the years since the VADA. These mixed reviews from local governments were stated to range from some localities feeling that their PDC did not do anything, to some localities feeling that they "look to [their] PDC for continuous support" and receive it.

PDCs Are Not Complying with the Comprehensive Regional Planning Provisions of the VADA. The VADA requires that PDCs prepare a regional comprehensive plan and that such a plan be reviewed, and as needed, updated every five years. The goal of that requirement is "to promote the orderly and efficient development of the physical, social and economic elements of the district." The regional comprehensive plan is supposed to guide all the actions of the PDC and guide local governments in actions that affect the region. It was supposed to be the centerpiece of regional planning and cooperation promoted through the VADA.

However, two PDCs, specifically the Northern Virginia and Accomack-Northampton PDCs, have never prepared regional comprehensive plans. The failure of these PDCs to have a regional comprehensive plan displays a lack of initiative to fulfill a major requirement of the *Code*. In addition to these PDCs, most of the plans that were developed by the other PDCs were developed in the early 1970s, when federal funding for this type of activity was available. The plans were generally kept updated through the mid to late 1970s, but many have not been updated since. In six of the 19 PDCs which developed regional comprehensive plans (Mount Rogers, the Fifth, RADCO, Northern Neck, Middle Peninsula, and Crater PDCs), the plans were never adopted by the member local governments.

No PDC is in compliance with the section of the *Code* that requires plans be reviewed, and if necessary, updated every five years. The majority of PDCs have regional comprehensive plans which were last updated or developed in the mid to late 1970s. Five PDCs — the Fifth, Central Shenandoah, Thomas Jefferson, Piedmont, and Northern Neck PDCs — revised their regional comprehensive plans in the early 1980s. The Lord Fairfax PDC reported that their plan is in the process of being updated.

The majority of the existing plans are so outdated that the information contained within them would be useful for an historical perspective only. Timely information on the development within the region, changes in regional environmental concerns, and changes in population composition are needed in order to provide perspective and focus to the Commissions' activities.

Even though the majority of PDCs do not have up-to-date regional comprehensive plans, few PDC executive directors expressed any interest or desire to develop such a plan. For example:

It would take three planners, \$250,000 to \$500,000, and two years to do the update [of the plan] comprehensively No Commissioners have raised it as a concern or seen a void of information for making decisions.

* * *

Basically unless the plan supports local officials and the local officials need and want it, then there is no need for a plan.

* * *

A regional plan would not be all that helpful to prepare, since it would have no legal basis, as the PDC has no enforcement authority.

Most PDCs appear to believe that the preparation of regional special purpose plans more directly serves the needs of their local governments than the approach required by the *Code*. Plans of this type are devoted exclusively to areas such as water and sewer, transportation, solid waste management, open space, land use, and recreation. Many PDC executive directors report their belief that they are able to accomplish the same goals and objectives with these regional special purpose plans as they would with a regional comprehensive plan. In addition, since several PDCs have prepared local comprehensive plans for member local governments, directors reported that some consistency across local comprehensive plans is achieved.

However, preparation of these local and functional area plans do not comprise a regional comprehensive plan. The major reason for a regional plan is to make sure that the laws and ordinances covered in the plan are consistent with each other and that there is an overall theme of development of consistent policies and ordinances. The State required the preparation of regional comprehensive plans to get localities' agreement on the development or protection of resources of regional importance, such as watersheds. The process of developing a regional comprehensive plan was seen as being important since it would bring discussion of these important regional issues to the PDCs' tables. Failure to fully develop a regional comprehensive plan may yield a lack of overall policy direction and consistency.

Review of Aid Applications Relative to Regional Plans Is Not Performed or Perfunctorily Performed. The *Code* requires that PDCs review for district-wide significance all applications made for State or federal funds. The PDC is required to "certify that it [the aid application] is not in conflict with the district plan or policies."

Most PDCs are not following the requirements of the *Code* in conducting these reviews. The Northern Virginia and Crater PDCs do not conduct reviews of projects at all. The other PDCs appear to perform these intergovernmental reviews, but only in a perfunctory manner. Further, no PDC can be meeting the full requirements of the *Code*, since PDCs need to have a current regional comprehensive plan in order to fully gauge the regional impacts of grant applications.

Some PDC directors questioned the usefulness of the intergovernmental review process, however. One PDC director reported:

The intergovernmental review process is, at best, a bureaucratic paper exercise, and has no bearing upon any project or program being approved for funding. During the 1970s the PDC conducted formal reviews at each meeting. After a particularly controversial review, we subsequently learned that the project had already been reviewed and funded. At that point the commissioners decided that the intergovernmental review process was a waste of their time and any further reviews requested could be handled by commission staff.

It may be important though for PDCs to be involved in this function since it could help to inform other localities about the projects in the region and provide a forum for the development of projects of a regional nature. Also, it can help to avoid duplication of services among localities and promote regional cost savings via regional cooperation. The failure of some PDCs to fulfill this requirement may detrimentally affect their localities, and detrimentally affect the regional cooperation that may come from careful examination of the region's needs in the context of a regional comprehensive plan and State and federal grant programs.

Regional Strategic Planning Is Not Routinely Performed. One of the purposes of the VADA, as identified in § 15.1-1401(b), is:

To provide a means of coherent articulation for community needs, problems, and potential for service in relation to state government.

Such an articulation, accompanied by a vision for the future, can be the key to success for a PDC. A PDC commissioner, for example, has stated that one of the key elements of a successful PDC is a "clear vision for the region — what it wants to be and how it plans to get there."

To help meet this purpose, PDCs could use regional strategic planning processes to gauge the needs of localities and the region, and develop a clear vision. A strategic planning process takes into account all the critical planning issues of the region, such as planning for future needs in the areas of economic development, transportation, environment, land use, housing, criminal justice, utilities, and human and social services. Such a process would involve each PDC answering a number of questions:

- Where are we currently?
- Where is it that we want to be?
- How will we get to where we want to be?
- How do we measure our progress?

There are differing levels and types of efforts being undertaken by the PDCs to engage in regional strategic planning activities. JLARC staff analyzed where the various PDCs fall along a continuum, ranging from: (1) no regional strategic planning activities

in place, to (2) having an economic development strategic plan, to (3) having performed internal regional strategic planning, or strategic planning within the PDC itself, to (4) having performed external strategic planning, or a strategic planning process in which the PDC as well as outside groups are involved.

The analysis indicates that seven of the PDCs do not have regional strategic planning activities in place. These PDCs are Northern Virginia, Rappahannock-Rapidan, Thomas Jefferson, Central Virginia, Northern Neck, Middle Peninsula, and Accomack-Northampton.

Ten of the PDCs have a regional strategic economic plan. These PDCs are: Cumberland Plateau, Mount Rogers, Central Shenandoah, Lord Fairfax, West Piedmont, Southside, Piedmont, RADCO, Crater, and Hampton Roads. Most of the PDC efforts in this area involve the development of an Overall Economic Development Plan (OEDP), which is a required component of the economic development district program of the Economic Development Administration. These plans focus primarily on the economic development needs of the area. Although some discuss other types of regional planning needs, most every aspect of the plan is tied back to economic development. Although not designated as an economic development district, the Hampton Roads PDC and other organizations in that region jointly developed an economic development plan, *2007 Plan: For a Global Hampton Roads: Restructuring the Regional Economy*.

The Fifth PDC has an internal regional strategic plan, and the LENOWISCO PDC recently initiated some activity that could lead to one:

The Fifth PDC is the only planning district commission to have a fully developed internal strategic planning process. Begun in 1988, the Fifth PDC's strategic planning process involves the participation of local government administrators, Commission members, and Commission staff. A survey of local government administrators and Commission members was used by the PDC to identify changes to the region since the 1970s, list its strengths and weaknesses, develop future PDC activities, and identify where the most important planning issues would be through the next five years. The PDC held a Commission board retreat to discuss the results of the survey, then developed a mission statement and identified the critical issues for the future of the district. The final step involved compiling this information into a strategic plan in 1989. In 1991, the Fifth PDC updated its plan, and is currently in the process of doing so again.

The only PDC with a strategic plan that reflects external participation is the New River Valley PDC.

The New River Valley PDC is a co-sponsor of the "New River Valley Vision 2020." As described in project documents, this program is a strategic planning process which brings together leaders from across the region to establish annual goals. These goals are then passed to the

organizations and other programs in the region for their consideration and possible implementation. The New River Valley PDC co-sponsors this process along with the New River Valley Alliance, the New River Valley Environmental Coalition, New River Valley Community College, Virginia Tech, and Radford University.

The Richmond Regional PDC reported having initiated a strategic planning process that will involve both internal and external participation:

The Richmond Regional PDC held a board retreat for Commission members in the spring of this year to start a strategic planning process. The primary purpose of the retreat was to stimulate the discussion of regional trends and possible courses of action. A resolution was recently adopted to create a task force for the purpose of developing a regional strategic plan. The task force plans to solicit input from government officials, planning and economic development professionals, civic groups, and corporate leaders.

Those PDCs who do not routinely engage in a strategic planning process run the risk of not keeping in touch with the needs of their localities and those of the region. Such a process could greatly assist the PDC with consistent needs identification and the appropriate development of new programs to meet those needs.

More Could Be Done through Planning to Address Code Requirements Relating to Regional Fragmentation. One of the purposes of the VADA was "to deter the fragmentation of governmental units and services." There are a number of ways that this can be achieved, to varying degrees of effectiveness. One approach is the development of a special district, which reduces fragmentation over having the service provided by each locality. In Virginia, special service districts have increased from 58 to 135 between 1972 and 1992. However, the proliferation of special service districts does not provide the single consolidated service delivery system which was provided for in the Code.

Most PDCs have been involved in creating special purpose authorities to handle issues on a regional basis. These authorities, while potentially promoting cost efficiency and regional cooperation in specific areas, do not provide the form of consolidated service delivery that was envisioned by the VADA. There is a particular concern that, with the current status of regional strategic and comprehensive planning in PDCs, the degree of planning and coordination that might be useful between such bodies on certain issues may be lacking.

Resources and Initiative in Some PDCs Could Be More Regionally Directed

A review of PDC staffing levels and services indicates some substantial variation between PDCs. There are a few PDCs that currently do not appear to be providing an adequate number or volume of services of either a regional or local nature. On the

other hand, many PDCs are performing services of a quality and quantity that meet the approval of the local government officials in the region, and many PDCs have noteworthy regional accomplishments. In general, however, it appears clear that there is more regional work that could be accomplished. Many PDCs, particularly the rural PDCs, do not appear to be providing enough regional services. Further, some PDCs may not be addressing critical regional issues. PDC funding arrangements are tending to encourage more localized work.

Some PDCs Are Not Providing an Adequate Number or Volume of Services. Each PDC undertakes a distinct set of services to serve its member localities. The number and volume of services can be a reflection of many factors, including the degree to which the PDC focuses on providing services broadly or chooses to specialize, the resources (funding and staffing levels) that are available to the PDC, and the degree of initiative and effectiveness with which the resources are applied. For FYs 1993 and 1994, the number of services provided by PDCs ranged from nine (RADCO PDC) to 14 (LENOWISCO and Central Shenandoah PDCs). The number of full-time equivalent (FTE) staff members providing these services in FY 1993 ranged from three (Rappahannock-Rapidan PDC, which also reported using two unpaid volunteers) to 29.4 (Cumberland Plateau PDC).

A review of services, resource levels, and local government survey responses raises a concern that at least two PDCs, the Rappahannock-Rapidan PDC and the Central Virginia PDC, may not be adequately meeting the needs of their localities and those of the region. In the case of Rappahannock-Rapidan, a lack of staff resources appears to be a key factor. In the case of Central Virginia, the priorities of the PDC are a concern.

The Rappahannock-Rapidan PDC has the smallest staff size of any PDC — three paid staff members. One of the three staff members is the executive director, and another staff member is a bookkeeper/transportation coordinator. The third staff member has the title of regional planner. In addition, in FY 1993 the PDC reported using two unpaid volunteer positions.

The size of the population served by the Rappahannock-Rapidan PDC does not explain its small staff size. There are six PDCs that are smaller in population. Among the twelve rural PDCs, if Rappahannock-Rapidan were to achieve the staffing level of the next PDC that is least-staffed relative to population, then its staff size would increase from three to just over five FTE positions. If, relative to population, it were staffed to the level of the median rural PDC, then its staff size would be about 9.6 FTEs.

The small staff size appears to have an effect on the services it can provide. The level of services provided by the PDC was called into question by a number of its member localities. Localities expressed concern with the limited services that could be provided with a three-person staff. For instance:

This PDC seems to have so little staff available to do much of anything.
It would be of assistance . . . if they could augment the [statewide local

government associations] on the legislative work and strike out on their own regarding economic development and community improvement.

In response to a JLARC survey question regarding needed PDC improvements, one PDC Commissioner stated that the PDC's small staffing size was directly proportional to the amount of work output it was capable of generating. To be a viable organization, however, the Rappahannock-Rapidan PDC needs to develop staffing capabilities that will allow it to provide a level of services which is consistent with both the needs of its member localities and those of the region. Without a sufficient number of staff with the appropriate expertise, the PDC cannot fulfill its mission adequately.

Another PDC that does not appear to be providing an adequate volume of service is the Central Virginia PDC. This PDC serves a larger population base and has a larger core staff than some PDCs. However, it provides few services. The level of services provided by the Central Virginia PDC does not appear adequate to meet the needs of its localities and those of the region:

During FYs 1993 and 1994, the Central Virginia PDC performed services which included a regional radio study, urban transportation planning, E-911 implementation, special projects and grants, and administrative functions, including a monthly newsletter for all elected officials and legislative tracking for member localities. This is a limited set of services and projects when compared to the other PDCs.

Transportation planning and administrative functions accounted for 82 percent of the Central Virginia PDC's total staff hours for the past two fiscal years. The primary focus on these two functions precludes the PDC from spending much time on other needed local and regional services. As reported by one local government member, "They do not do anything that is of substantial assistance or that we cannot do in-house." One Commissioner stated that the PDC "should be the lead agency in fostering regional cooperation [but it is] not strong enough to assume that role."

Member localities of the Central Virginia PDC reported that the PDC needs to provide more mapping, grants assistance and management services, and better coordination of regional planning activities.

Some PDCs Do Not Receive Adequate Local Funding Support. PDCs reported that their primary purpose was to serve the local governments in the region. As such, one measure of effectiveness is the level of funding which they receive from their local governments. An important component of local funding is the amount of funds derived from the local dues. The local dues amount combined with the State general purpose appropriation yields the total unallocated revenues available to the PDC. This funding is usually the source for regional projects, particularly in rural areas. Thus,

limited local dues funding may limit PDCs' ability to address regional issues. Limited total local funding, given that PDCs reported primarily serving their local governments, calls into question local governments' commitment to or support of the PDCs.

JLARC staff analyzed local financial support to PDCs in terms of total local support and support from dues. As illustrated in Table 3, the level of local funding varies considerably from PDC to PDC. Four PDCs were identified as having limited local financial support: Rappahannock-Rapidan, Piedmont, Northern Neck, and Middle Peninsula PDCs. These PDCs had less than \$50,000 in total local financial support.

All four PDCs with limited local funding serve relatively low population bases. While it is possible to raise sufficient funding to operate a small rural PDC, such as Accomack-Northampton, a high local dues rate is necessary. This level of local funding commitment is not present in these four planning districts. Absent a high dues rate, the financial viability of these PDCs is questioned, raising the issue of whether PDC boundaries may need to be modified. This issue will be discussed in Chapter IV.

Many PDCs Provide Services of a Quality and Quantity that Satisfy Local Officials. As part of this review, JLARC staff surveyed local government administrators and planning district commissioners. The purpose of the surveys was to obtain their views on the performance of PDCs, both across PDCs and for particular PDCs. The statewide response rates to the surveys were 63 percent from the local government administrators, and 47 percent from the planning district commissioners. There was significant variation in the response rates across PDCs, somewhat limiting the usefulness of particular PDC comparisons. The variation in response rates did raise an issue as to the interest levels in the PDC among the PDCs with low response rates.

Across the survey respondents, satisfaction levels were high. For example, among local government administrators, 39 percent reported being "very satisfied" with the type and mix of services provided by their PDC, 42 percent reported being "satisfied," and only 17 and two percent reported being "dissatisfied" or "very dissatisfied," respectively. Ninety-one percent said that they could not identify any service requests from their local government to their PDC since July 1, 1992 that were denied or not addressed by the PDC. Thirty-three percent of the respondents did indicate that there are some services or activities that they believe the PDC should be performing but is not performing. Additional service needs identified by PDC member localities are provided in Appendix C. However, their assessments of the overall working relationship and the overall performance of the PDC were both high, with the rating of the working relationship somewhat exceeding the rating of performance (Table 4).

Planning district commissioners, most of whom are elected local government officials, also highly rated the PDCs of which they are a part. For example, with regard to the overall performance of their PDC, 45 percent "strongly agreed" that it was "excellent," 44 percent "agreed," ten percent "disagreed," and less than two percent "strongly disagreed."

Table 3

Local Funding Performance

<u>PDC Name</u>	<u>PDC Population (1990)</u>	<u>Total Local Support (FY 1993)</u>	<u>Local Dues (FY 1993)</u>
Cumberland Plateau	123,580	\$1,547,573	\$100,000
Hampton Roads *	1,448,040	\$760,043	\$539,703
Northern Virginia	1,466,350	\$709,391	\$469,251
Richmond Regional	739,735	\$493,201	\$376,830
Mount Rogers	178,210	\$185,208	\$87,322
Central Virginia	206,226	\$167,080	\$57,844
Lord Fairfax	159,239	\$157,373	\$63,696
Central Shenandoah	225,025	\$146,564	\$56,251
Accomack-Northampton	44,764	\$131,587	\$45,887
Crater **	365,681	\$122,396	\$122,100
Thomas Jefferson	164,476	\$110,276	\$85,436
West Piedmont	238,854	\$102,087	\$90,758
LENOWISCO	91,520	\$95,520	\$95,520
Fifth	253,810	\$92,961	\$92,961
RADCO	170,410	\$67,995	\$67,995
New River Valley	152,680	\$65,594	\$65,594
Southside	81,258	\$64,106	\$64,076
Middle Peninsula	73,023	\$45,501	\$45,501
Rappahannock-Rapidan	116,643	\$45,445	\$45,445
Northern Neck	44,173	\$38,000	\$18,000
Piedmont	84,905	\$34,761	\$33,961

*Hampton Roads PDC population includes Gloucester County.

**Crater PDC population includes Chesterfield County.

Source: JLARC staff analysis of PDC-provided documents and 1990 census data.

Across the local administrator and board member surveys, the LENOWISCO and Accomack-Northampton PDCs had the highest aggregate performance ratings. The following PDCs had ratings that were lower than the average across PDCs on both the local administrator and commissioner surveys, and a lower aggregate rating: Mount Rogers, Central Shenandoah, Rappahannock-Rapidan, Piedmont, Richmond Regional, and Northern Neck PDCs. However, even the PDCs with the lower relative ratings had ratings that were closer to the positive end than the negative end of the performance ranking scale.

An aspect of the survey data that needs to be considered in the overall interpretation of the survey results, however, is the response rate. For example, response rates from planning commissioners ranged from 75 percent (Thomas Jefferson PDC) to

Table 4

**Assessment of Working Relationship
and Performance of PDCs
by Local Government Administrators
(Percent of Respondents)**

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Unsatisfactory</u>
Overall working relationship with the PDC (N=112)	55%	26%	12%	7%
Overall performance of the PDC (N=112)	44%	32%	14%	10%

Source: JLARC staff analysis of local government administrator survey, summer 1994.

as low as 23 percent (Accomack-Northampton PDC). To consider whether or not the response rate might be reflective of a general apathy toward PDC activities by some commissioners in some of those PDCs, the commissioner response rates were compared with commissioner attendance levels at PDC board meetings during 1993.

There were a number of PDCs for which there did not appear to be a connection between attendance levels and the response rate. For example, average commissioner attendance levels during 1993 in Accomack-Northampton PDC were relatively high compared to many PDCs, at 81 percent. However, there were seven PDCs with commissioners whose board attendance levels and response rate were both below the average. These PDCs were Cumberland Plateau, Mount Rogers, the Fifth, Northern Virginia, Rappahannock-Rapidan, RADCO, and Middle Peninsula. Several of these PDCs, specifically Cumberland Plateau, Mount Rogers, and the Fifth, held substantially fewer PDC meetings during 1993 than the PDC average.

Many PDCs Have Noteworthy Regional Accomplishments. JLARC staff requested as part of the study that PDC staffs as well as local government administrators note the five greatest regional efforts undertaken by the PDC since 1989. This request resulted in the identification of a number of significant efforts. A summary of these efforts is provided in Appendix D. A few specific examples are cited as case examples.

The Crater PDC provides assistance to an industrial development corporation in the region. This private, nonprofit corporation at one point operated on its own, but sought PDC assistance to help further develop economic development goals for the region. Contracting with the Crater PDC for office space, staff, and administration has resulted in the development of professional marketing materials, a marketing strategy, advertising, a direct mail campaign, and access to the

Commission's expertise in land use, transportation planning, grant and loan packaging, mapping, and legislative information.

Through the work of this corporation and the PDC, a number of businesses have been located in the region. According to the PDC, during 1993, nine companies which established business locations in the region were assisted, resulting in a total investment of \$11,300,000 and 204 new jobs created in four different localities.

* * *

Cumberland Plateau PDC has a revolving loan fund. Created with grant money from the Economic Development Administration, the PDC administers the program with the objective of helping to create new manufacturing jobs in the PDC's four member localities: Buchanan, Dickenson, Russell, and Tazewell Counties. The loan limits for this fund range from a minimum of \$25,000 to a maximum of \$250,000. Begun in 1990, the PDC has made seven loans from this fund totaling about \$1,000,000, and reports that the loans helped create between 371 and 401 new jobs and save ten existing jobs.

* * *

The Hampton Roads PDC has administered a ground water program for its region since 1986, which is funded by fifteen localities. Water quality issues have been addressed through a study prepared by the PDC titled Groundwater Protection Handbook for Southeastern Virginia. Data produced through this cooperative venture was used as part of the basis for the 1992 Virginia Ground Water Act.

More Regional Work Could Be Accomplished. Despite the fact that planning commissions in Virginia and in other states have noteworthy accomplishments, there appears to be a recognition that more could be done to promote regionalism — in analyzing, planning, mediating, and implementing. Regional cooperation still remains a difficult objective, as fundamental issues of local preferences, interests, and control can run counter to the desire to work together.

At the national level, experts on regionalism have discussed a number of issues that appear to be potential targets of greater attention by regional commissions. These targets include infrastructure needs; strategies for the distribution of needed but potentially objectionable facilities (such as airports, power plants, prisons, and waste facilities); solutions to problems caused by suburban sprawl; ideas for addressing the problems of the poor and working-class neighborhoods of the inner city; and ideas for addressing issues or tensions, often cited as racial, between the inner cities and the suburbs. In general, mediation among member localities, one expert has stated, is a service that more regional commissions may wish to focus on and professionalize, because it "may well be the wave of the future."

In Virginia, there is a sense that regional efforts are still missing for some of the critical issues that face and cross-cut Virginia localities. The General Assembly's 1989 charge to the State Commission on Population Growth and Development included "developing initiatives to ensure that adequate planning, coordinating and sharing of information occurs at all levels of government in order to guide population growth and development," suggesting that current initiatives were not adequate. Recent reports of the Commission indicate that the Commonwealth's current path is leading it to "inefficient patterns of growth" and "missed opportunities in communities that are not growing."

The JLARC assessment of PDCs indicates that PDCs could do more regional work. As discussed, in two of the 21 PDCs, an inadequate scope of local or regional services is being performed. In addition, a JLARC survey of how PDC staff time is spent indicates that there are at least six other PDCs who spent 50 percent or more of their time in FY 1993 on local as compared to regional work: LENOWISCO, Mount Rogers, Central Shenandoah, West Piedmont, Southside, and Accomack-Northampton PDCs. All but the West Piedmont PDC serve a rural area of the State. The expenditure of substantial time on local work appears to be a significant change from the focus for PDCs that was envisioned by the Hahn Commission, which contemplated minimal work of a purely local nature, and the VADA.

The JLARC survey of planning commissioners, who by and large were very pleased with their PDC, found that a substantial portion of commissioners — 39 percent — think that their PDC needs to do a better job of focusing on critical regional issues. This result was further supported by the survey of local government administrators. This survey indicates that a number of regional issues considered critical by the administrators are not currently addressed by the PDCs.

Three PDCs (Rappahannock-Rapidan, Central Virginia, and Piedmont) were identified by their member localities as having at least three critical regional issues that were not currently being addressed by the PDC.

In Rappahannock-Rapidan PDC, five localities identified economic development as a critical regional issue not being addressed by the PDC. Four localities identified water/wastewater treatment as not being addressed. Also, federal defense conversion, infrastructure needs, and regional growth/land uses were identified.

* * *

In Central Virginia PDC, critical regional issues not being addressed by the PDC were identified to include: water and wastewater treatment, economic development, jail space, and federal defense conversion. A local administrator stated that "regional projects are usually accomplished outside the scope of the PDC due to its lack of leadership."

* * *

The Piedmont PDC was cited as not addressing the critical regional issues of land use, program planning, and education. Examples of regional program planning include E-911, business and tourism marketing, transportation (until recently), and legislative tracking. A local administrator stated that the PDC should provide "more of a forum for important regional issues instead of simply writing grants for individual members," and that the PDC "is not really responsive to promoting regional issues, but rather serves individual members in the region."

In addition, 11 of the other PDCs were identified to have at least one critical regional issue that was not being addressed. Other examples of unrealized regional opportunities include the Accomack-Northampton PDC efforts on the issues of solid waste management and jail space.

The former Department of Waste Management gave \$10,000 to the Accomack-Northampton PDC to develop a solid waste management plan for its region. Although a draft of the plan was developed and adopted by all its localities (two counties and 19 towns), one county withdrew from the plan in 1992. The PDC attempted to convince the county to rejoin the plan, but was unsuccessful. The PDC executive director reported that the State provided no assistance in trying to convince the county to work with the PDC. The Accomack-Northampton PDC does not currently have a regional solid waste management plan in place.

The jail space issue has been of concern to one of the Accomack-Northampton PDC's member localities, as their jail has been condemned. Other localities in the region do not currently see it as a concern. The PDC executive director reported that he is trying to get other localities interested in a regional jail study, so that the cost-effectiveness of such an approach can be shown to all the localities in the region.

The issue of jail space is a good general example of the opportunity for additional regional cooperation to achieve operating efficiencies. In 1982 the Piedmont PDC performed a regional jail feasibility study and in 1986 the Piedmont Regional Jail was built. Only four PDCs, however, provided services to their localities involving regional jails during FYs 1993 and/or 1994: New River Valley, Central Shenandoah, Northern Virginia, and Hampton Roads. Services generally took the form of either technical assistance on regional jail studies or developing needs assessments which are required to apply for State financial assistance for a new jail facility. The creation of more regional jails throughout the Commonwealth could potentially save the State a significant amount of expenditures, as the following case example illustrates.

The State funds the majority of the costs associated with operating many small jails throughout the Commonwealth. Due to fixed costs,

there are diseconomies of scale associated with operating a small jail facility. In FY 1994, Bath County — with an operating capacity of six prisoners — was budgeted to receive more than \$241 of State funding per prisoner day to operate its jail, while Highland County — with an operating capacity of eight prisoners — was budgeted almost \$200 for the same purpose. In comparison, the average FY 1994 State funding per prisoner day for all local jails in the State has been estimated to be about \$29. The Middle Peninsula regional jail serves five counties and is the smallest regional jail in the State, yet it was budgeted to receive only about \$33 of State funding per prisoner day in FY 1994. The economies of scale associated with operating a regional jail facility are due principally to the fewer number of correctional officers required to safely staff the facility and the efficiency obtained in providing medical treatment staff to a larger number of prisoners. Under a regional jail arrangement, localities also benefit from a higher capital cost contribution from the State.

The State could potentially benefit financially from developing more regional jails throughout the Commonwealth. Although four PDCs have recently been involved in the development of regional jails, the potential for more PDC involvement exists.

Improvements in PDC Operations Might Better Facilitate Results

In assessing PDC operations, several factors were considered because of their potential impact on PDC performance, and consequently, on the ability of the PDC to address issues of either regional or localized significance. These factors included: the use of work programs to set forth work priorities; the involvement level of the board and its members; the extent to which substantive issues get addressed; and whether or not operations are such that critical needs are known and addressed.

Some PDCs Do Not Complete Annual Work Programs. Work programs generally set out the PDCs' objectives and activities for the year, and are used to coordinate the internal activities of each PDC. Work programs contain elements such as general management, local planning assistance, regional planning, economic development assistance, and housing. Many work programs also identify staff and financial resources that will be devoted to each service or activity and which localities will receive each service.

The preparation of annual work programs helps facilitate internal PDC control processes, such as the appropriate allocation of staff time and costs associated with projects. Work programs also serve as one mechanism for keeping local governments informed as to what activities the PDC plans to engage in over the year.

PDC work planning documents had to meet two criteria to be counted as work programs for purposes of this review. First, the documents had to have descriptions of the full range of work elements, services and/or activities to be engaged in over the

upcoming year. Second, the work programs had to be approved by the full commission. Documents such as budgets and service listings were not counted as work programs.

Although most PDCs prepared annual work programs for FY 1993 and 1994, several did not or did so only one of the two years. Specifically, Rappahannock-Rapidan and Accomack-Northampton PDCs did not produce annual work programs in either year. New River Valley, Central Shenandoah, and Central Virginia PDCs produced annual work programs in one of the two years. Piedmont PDC did not produce work planning documents which met the criteria for inclusion as work programs.

Communication Needs to Be Adequate to Address Critical Needs. Communication between local governments and PDCs is very important. There are numerous vehicles for achieving this communication with local administrators (city/town managers and county administrators), including annual work programs, monthly or quarterly meetings, attendance at local governing body meetings (e.g. board of supervisors, town and city council), newsletters, and informal networking. Increasing PDCs' communication with local government officials and staff and increasing decision-makers' exposure to PDC activities should be a high priority for all PDCs.

Some PDCs lack systematized communication with their local governments. This has translated into a lack of communication or to miscommunication. For example, in the survey of local government administrators, JLARC staff requested that localities identify the critical regional issues and list whether or not the PDCs were addressing these issues. Many local administrators responded that the PDCs were not addressing some of their critical regional issues. When PDC directors were asked to respond to this, the directors indicated that many of the issues were already being addressed by the PDC and the localities were not aware of it. With respect to other issues, the directors responded that their member localities had never requested the PDC to investigate the problem. This indicates the need to systematically improve the communications between the localities and the PDCs.

Communication is invaluable to the operation of the PDC itself and invaluable to the promotion of regionalism. Enhanced communication between local governments and the PDCs would help keep local officials informed about what services the PDCs provide. In addition, PDCs need to stay more up-to-date on the critical regional issues affecting their localities and the region, and what service mix changes are needed to address future needs. One mechanism for assisting with this process would be for the PDC staff to meet with the local administrators in the district at least quarterly to discuss issues of greater than local significance.

The following case examples illustrate the Hampton Roads PDC's and the Northern Virginia PDC's approach to keeping these local officials informed:

The Hampton Roads PDC has quarterly commission meetings and executive committee meetings in intervening months. After the executive committee meetings, the PDC staff meets with city managers and county administrators to discuss common issues and concerns. The

PDC provides staff to this meeting and develops the agenda, handles logistics, and provides any research needed. The meetings provide an excellent forum for information exchange. In addition, all the local administrators in the district are members of the Commission. According to Hampton Roads PDC staff, the PDC's success with localities is its ability to keep city managers and county administrators informed on an on-going basis. According to the director, if the PDC can keep them informed, there is a significant probability that the localities will approve the proposed actions, as they are familiar with the State and federal policies involved and know how to get programs implemented. The PDC is seen as a neutral party in this exchange of information.

* * *

The Northern Virginia PDC has monthly meetings for city managers and county administrators, with full staffing and agenda prepared by the PDC with input from the local administrators. The PDC director reported that monthly meetings began about five years ago, and that regular input from the local administrators has become extremely important to the process. The PDC director also reported that the attendance by local administrators is very high.

Other PDCs, such as LENOWISCO, have a less formalized process of meetings with local administrators, and feel that the informal aspect of their meetings furthers regional cooperation to a greater degree than a more formalized system would. Whether formal or informal, periodic meetings between area local administrators and the PDC director help ensure that all the districts' critical regional issues are discussed routinely and that PDC service priority modifications are made accordingly. Such meetings would also increase the potential of each PDC to keep abreast of new regional issues and develop possible solutions.

Some PDC Boards Are Not Adequately Involved. Many PDCs operate with a strong executive committee and have this executive committee perform a great deal of the functions. However, full board involvement is still important. PDC directors reported that substantive decisions to begin or end projects are approved by the full boards.

All PDCs except one — Mount Rogers — have bylaws that require at least quarterly board meetings. The Mount Rogers PDC only meets twice a year at dinner meetings. However, in 1993 there was one additional PDC which did not meet at least quarterly. The Crater PDC had only two official board meetings. The infrequency of meetings diminishes the role of the commissioners and may mean that they have less of a stake in the activities of the PDC. The lack of at least quarterly meetings may circumvent the intent of the VADA to have the PDC board involved in substantive regional policy decisions.

Board member participation through attendance was also reviewed. If PDCs cannot gain the attendance of their members on a regular basis, then the PDC may not be doing an adequate job of promoting the importance of the PDC to its users. Having an involved and responsive board is often a function of having an involved and responsive organization that takes the time to make its board members part of the PDC process.

While a few boards were found to have average attendance levels during 1993 of over 80 percent (LENOWISCO, Piedmont, Richmond Regional, Crater, and Accomack-Northampton PDCs), the majority of boards did not have at least two-thirds of their board members attend their meetings. Mount Rogers, New River Valley, the Fifth, Lord Fairfax, Northern Virginia, Rappahannock-Rapidan, Thomas Jefferson, Central Virginia, West Piedmont, RADCO, and Middle Peninsula PDCs were found to have on average less than two-thirds attendance for their board meetings. The Lord Fairfax PDC and the Central Virginia PDC were found to have the lowest average attendance levels, at just under 50 percent.

PDCs Need to Strive for Substantive Meetings. Since PDC boards consist of many of the regions' decision-makers, it is essential that PDCs have the important regional topics discussed at the meetings so as to move toward consensus on issues of regional significance. JLARC staff analyzed the 1993 PDC board meeting minutes to determine if PDC board votes were focused predominantly on administrative or policy issues.

Many PDCs appear to have worthwhile commission meetings that have information exchange and provide a policy basis for the operation of the PDC. However, several PDCs could make more substantive use of their board meetings. Based on an analysis of PDC board meeting minutes, the following PDCs were found to be below the average in terms of the number of substantive votes per meeting (2.76), and the ratio of substantive to procedural votes (0.88 to 1.00): Cumberland Plateau, Mount Rogers, Rappahannock-Rapidan, Central Virginia, Southside, Richmond Regional, Northern Neck, Middle Peninsula, and Accomack-Northampton PDCs.

Since these PDCs have fewer substantive votes and greater numbers of procedural votes, decision-making may unduly focus on administrative matters. There is a concern that some PDCs may therefore be avoiding some of the difficult issues. Some examples of the concern follow.

In February 1994 a committee of the General Assembly held a major public hearing on creating a limited regional government for the metropolitan Richmond area. Two days following the hearing, the PDC had its monthly board meeting. The subject that received greatest discussion at the board meeting was whether or not the PDC should continue to participate in its statewide PDC association. The regional government issue was not on the agenda and was not discussed by the board.

* * *

Only two full board meetings of the Mount Rogers PDC were held during 1993. Each of these two meetings involved more than 20 of the region's decision-makers. However, the full board had no policy votes during either of these two meetings. During the meetings, the board elected officers, selected the executive committee, approved minutes, and amended the PDC bylaws.

Filling PDC board meetings with administrative matters leaves little time for discussion of the important issues that face each region. Planning district commissioners have limited amounts of time and tend to be important leaders in their regions. PDCs should use this resource wisely by promoting useful information exchange at the meetings.

Conclusions about PDC Performance

There is a great deal of diversity in the regions served by PDCs, as well as in PDC services and operations. Still, an assessment of trends in PDC priorities, differences in resource levels and service initiatives, and potential problems in PDC operations, can be made. PDC priorities, it has been found, have shifted away from the original regional planning focus of the VADA and moved increasingly to local services as well as some regional projects. Regional planning can encompass comprehensive planning and strategic planning, and both appear to be underdeveloped. Whether or not this is a positive or negative trend largely depends on the perspective taken. From the standpoint of promoting regionalism, it is a concern.

PDC resource and service initiatives are variable. Some PDCs appear to provide too few services, and some PDCs are rated less highly by their local officials on performance than others. However, all PDCs appear to be at least generally satisfying the local officials in their region. The extent of regional work, it appears, could be increased. Also, several PDCs have some operational concerns that may impact performance.

Figure 3 summarizes the areas in which potential concerns with PDC performance are raised in this chapter. Ultimately, however, the extent to which several of these concerns can be regarded as issues requiring change by the PDC depends on the goals of policy-makers at the State, regional, and local levels. For example, State policy-makers could determine that certain VADA goals may no longer be appropriate, or they could determine that those goals are essential.

Figure 3

PDC Performance Concerns		PDC →																						
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	22	23		
Type of Concern		LENOWISCO	Cumberland Plateau	Mount Rogers	New River Valley	Fifth	Central Shenandoah	Lord Fairfax	Northern Virginia	Rappahannock-Rapidan	Thomas Jefferson	Central Virginia	West Piedmont	Southside	Piedmont	Richmond Regional	RADCO	Northern Neck	Middle Peninsula	Crater	Accomack-Norhampton	Hampton Roads		
Never developed comprehensive plan									*													*		
No VADA-required updated plan*		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
No reviews of aid applications									*											*		*		
No regional strategic planning								*	*	*	*							*	*		*	*		
Partial strategic plan (economic plan)			*	*			*	*				*	*	*	*	*	*		*	*	*	*		
Inadequate amount of services									*		*	*										*		
Low local funding level									*		*	*		*	*	*	*	*	*		*	*		
Lower rating of performance by officials**				*			*		*		*	*		*	*	*	*	*	*		*	*		
Fifty percent or more local work		*	*	*			*		*		*	*	*	*	*	*	*	*	*		*	*		
At least three critical issues unaddressed									*		*	*		*	*	*	*	*	*		*	*		
Work program preparation sometimes lacking					*		*		*		*	*		*	*	*	*	*	*		*	*		
Board meets less than quarterly				*															*		*	*		
Board attendance less than 67%				*	*	*		*	*	*	*	*	*	*	*	*	*	*	*		*	*		
Meetings lack substantive focus		*	*					*	*	*	*	*	*	*	*	*	*	*	*		*	*		
<i>Number of concerns cited</i>		2	4	7	3	2	5	3	5	9	3	7	4	4	6	3	3	5	5	4	6	2		

*Lord Fairfax PDC is currently in the process of updating its plan.

**Concerns noted indicate a performance rating that is below the PDC average but is still generally positive.

Source: Summary of JLARC staff analysis.

III. Factors Affecting Planning District Commission Priorities

One of the key observations that can be made about Virginia's PDCs is the great diversity of their work. This diversity is a response, PDC by PDC, to conditions within each region. Some of these responses appear to be functional. Other responses — for example, where PDCs may focus too much on only a few issues, or fail to address regional issues for a variety of reasons — can be criticized as dysfunctional. But across the PDCs, there are a number of factors that have led to their existing set of priorities.

Chapter II of this report has discussed some of the issues that surround current PDC performance. It is a policy decision as to what role PDCs should perform. For example, they can be viewed as "associations of local governments," whose focus should be to perform whatever services their member local governments request. Or, they can be viewed as independent regional entities whose focus is to encourage and forge regional solutions to area-wide problems. Alternatively, they could serve a combined purpose. As described in Chapter II, over time PDCs have moved toward a more local-oriented role. Without making a determination as to the appropriate role of PDCs, the purpose of this chapter is to assess some of the conditions or factors that affect current PDC priorities. Depending on the goals of policy-makers at various levels of government, there may be a desire to make some adjustments in PDC priorities or performance to address these factors. Possible changes are discussed in the next chapter.

A number of factors have been identified that affect PDC priorities. There has been no coherent State policy on the use of PDCs, and relatedly, the role of PDCs as facilitators of cooperation has not been well-defined. The result has been that there is no true PDC system, in the sense that the activities and priorities of one PDC may have no relation to another, and not in ways totally explainable by differences in regional needs.

Funding problems, coupled with heavy resource demands and cumbersome provisions for the adoption of regional comprehensive plans, has meant that VADA provisions relating to regional comprehensive plans have had almost no priority. The level of State funding commitment to PDCs (on average, about 13 percent of PDC budgets) has not evidenced a strong State commitment to regionalism on the part of the State, and a focus by a number of PDCs on local services appears to have evolved. The State has done little to influence PDC priorities. Further, certain structural conditions affect PDCs' ability to undertake regional approaches to issues.

The key determinants of PDC priorities are local government officials and PDC directors, who generally appear to have a fairly high regard for existing PDC performance levels. This could potentially make any efforts at the State level to make adjustments to PDC priorities difficult, although additional State funding to promote regionalism might increase the receptivity of PDCs to change.

Little State Guidance Is Provided Regarding Role of PDCs

PDCs were created as regional organizations whose purpose was to address multi-jurisdictional problems and issues through regional planning and coordination. Since creating PDCs, however, the State has devoted little attention, and funding, to the PDCs to ensure that regional planning and problem-solving occurs. With PDC membership consisting of local elected officials and with a substantial portion of funding now provided by local governments, PDCs have, therefore, evolved into organizations whose primary purpose is seen as assisting local governments in whatever way the local governments see fit.

Lack of Coherent State Policy Concerning PDCs. Though several legislative studies have identified the importance of regional problem-solving, no overall framework in which regional approaches are encouraged has been developed by the State. The State lacks a vision whereby the State's goals and methods of achieving those goals are clearly stated. As such, there is little guidance as to the circumstances in which regional solutions should be sought. Likewise, there is no coherent plan or vision for how PDCs should be used and what benefits the State, and local governments, should be receiving from PDCs.

Role of PDCs as Regional Facilitator Not Well Defined. When PDCs were created, it was expected that available federal planning grants would be used to fund the State requirements for regional planning by the PDCs. Once many federal planning grants were eliminated, PDCs were left with State codified requirements that could not be met with available resources. The State did not come forward with additional funding to enable PDCs to meet the codified planning requirements, nor did it identify alternative roles or activities for which PDCs would be responsible and for which funding would be available. As a result, PDCs branched out into activities for which funds were available. Though many regional activities are currently being undertaken, in some cases there was a refocus toward narrowly defined activities such as grant writing and administration and specific local projects.

Part of the reason for the current focus of PDCs is due to the vague language of the VADA regarding the role of PDCs as regional facilitators. The provisions in the VADA do not explicitly identify a broad-based regional role for PDCs. Rather, the VADA identifies two regional activities that PDCs are supposed to perform. In addition, in 1986 PDCs were given implementation powers which allows them to provide whatever services their member local governments want them to provide. This lack of a clear regional problem-solving role defined in the *Code* has resulted in PDCs turning to local governments in an attempt to define their role. Local governments have, in turn, identified a role for PDCs which best meets the individual localities' needs.

PDC Use of State General Purpose Appropriation Not Reviewed. Though individual State agencies that provide grants to PDCs oversee those grants, there is currently no State oversight of PDCs regarding how each PDC's general purpose appropriation is used. As a result, the State is generally unaware of the activities of PDCs and whether those activities are of benefit to the State and its regions.

The State's general purpose appropriation funding for PDCs is routed through the Department of Housing and Community Development (DHCD). However, DHCD is not given any direct oversight responsibilities over PDCs. PDCs do typically provide DHCD with copies of their financial audits. However, the State has no consistent source of information on the types of activities performed by PDCs and whether the State funding is used for the benefit of the regions.

Virginia's level of oversight of PDCs appears consistent with that of southeastern states who view their regional councils as extensions of local government. For example, though North Carolina provides some general purpose appropriation funding to their regional councils, a representative reported that it would not be appropriate for the state to evaluate the councils' performance since the councils are essentially "associations of local governments."

In contrast, Virginia's oversight is well below the level of oversight conducted by states who view their regional councils as strong entities charged with addressing problems of area-wide significance. For example, Georgia requires that all the regional councils perform certain activities to receive a base funding grant. In addition, if the councils perform a series of additional regional activities (and all do), they will receive a supplemental grant from the state. The state requires quarterly progress reports from the councils. In addition, the state periodically conducts on-site monitoring visits to ensure the councils are performing the required services and the funds are used in the agreed upon manner. As discussed in the next chapter, if a strengthened regional role for PDCs is desirable, then enhanced oversight and guidance of PDCs appears warranted.

Regional Comprehensive Plan Adoption Is Difficult to Achieve

A problem associated with the VADA is that of regional comprehensive plan adoption by the localities. The *Code* envisioned that these regional comprehensive plans would be adopted by the member localities of a PDC. This has not been the case, as many localities have not adopted these plans. The *Code* requires that a majority of the member localities adopt the regional comprehensive plan in order for it to provide a basis for guiding the PDC's activities. A plan which was not adopted by a locality would have no impact on that locality.

There are no perceived benefits to a locality adopting a regional comprehensive plan except that it provides direction to the PDC. The regional comprehensive plan has no legal significance to localities, except to restrict their land use activities in regard to local activities which have a regional impact.

Not only does the plan have disincentives to adopt it, it has serious disincentives to amend it. In order to amend a regional comprehensive plan, the *Code* requires that each locality have a public hearing and adopt the changes. In the Hampton Roads PDC, an amendment process would be very lengthy, since 15 localities would each be required to have public hearings and adopt changes.

PDCs reported that the adoption of the plans led to difficulties with localities desiring to change the plan without going through the process required by the *Code*. The following case example is illustrative of the problems encountered:

The localities of one PDC adopted a regional comprehensive plan, but when one member locality wished, in conflict with the regional plan, to provide water and sewer to a certain entity, it ignored the plan and provided the services without attempting to go through the amendment process. When the PDC pointed out that the locality was not complying with the regional plan, the locality said that the plan had no legal standing, the process to work through the problem was too laborious, and the activity was local in nature and covered only by the local comprehensive plan.

The VADA does not provide PDCs with any enforcement powers in regard to the regional comprehensive plan.

Lack of Funding for Regional Activities

One of the factors that affects PDC priorities is the source of funding. As previously discussed, federal funding to PDCs declined in the early 1980s, and there was an accompanying decrease in PDC emphasis on regional planning. Increasingly, PDCs became reliant on local funds. Local funds have been used by PDCs for a number of regional accomplishments. However, in a number of PDCs, local funding appears to have fairly strong strings attached, in terms of the demand for individual locality projects. As one PDC director noted to JLARC staff, "my localities expect tangible projects — bricks and mortar — for their funding."

There is a particular focus on individual local government work by some of the PDCs operating in rural areas. There appears to be two primary reasons for this focus. First, many of the local governments in these areas, such as small towns and cities, have limited staffing capabilities. PDCs are therefore viewed as low cost alternatives to hiring their own staff, given limited financial resources:

[Our locality] does not possess the necessary expertise, computer equipment, nor technical assistance personnel to meet all the demands for information and services that come with serving an ever-demanding public.

* * *

With many of our communities having limited staff, the PDC needs to be able to do both planning and service implementation.

* * *

[The PDC is particularly useful] for small governments . . . that might not have the level of professional staff to meet mandates and federal/state programs of compliance.

Second, from the viewpoint of the PDC, the local services are providing a needed service to their members and are a source of revenue for the PDC. The tradeoff, of course, in using the PDCs to make up for local government staffing deficiencies or in providing such locality-specific services, is that less can be done for the benefit of the region as a whole.

Some survey comments by some planning commissioners indicated a view that services to individual localities should be a priority, or a view that regional service is the sum of assistance to individual localities. The responsiveness of PDCs to their funding source was also noted:

The mission should be to assist localities to identify their problem, offer solutions and assist with applications.

* * *

Much of the help the PDC offers is to the specific localities and is given evenly so the whole region benefits from this specific help.

* * *

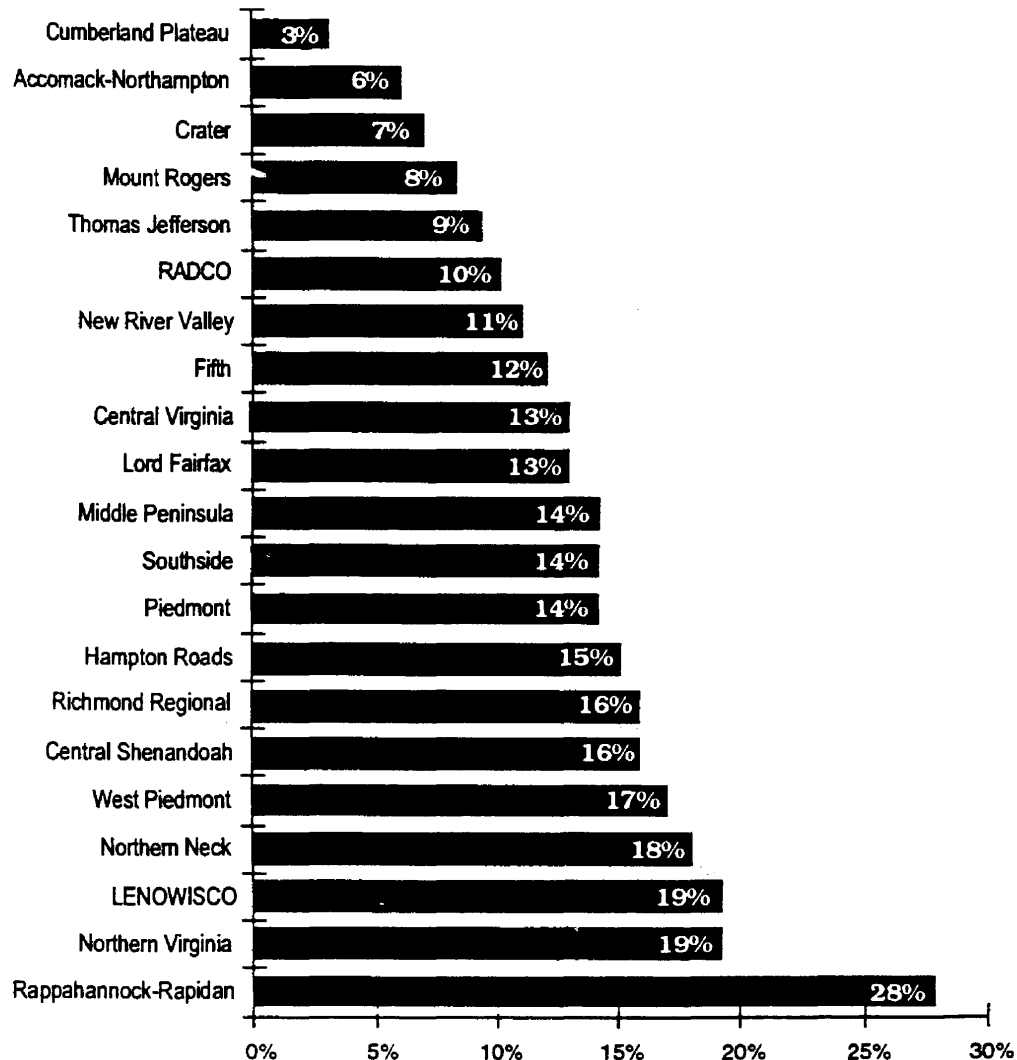
Our PDC will provide any service or activity we [the localities] request and are willing to pay for!

It appears that most planning commissioners recognize the use of local funding to achieve regional purposes as legitimate. However, if there is a concern at the State level that more could be done for the State or at a regional level by the PDCs, then there appears to be little question that the State's level of support would be an issue. State funding for PDCs has been fairly limited, and there are few PDCs in which State funding is a substantial portion of the PDC budget. This may limit the State's ability to have an impact on PDC priorities.

Figure 4, for example, shows that the percentage of PDC reliance on State general purpose appropriations (available for use to achieve regional purposes) ranges from just 3.1 to 28 percent. The average proportion was under 13 percent. Most PDCs received between \$40,000 and \$60,000 in State general purpose funds, although there were a few PDCs that received substantially more (Northern Virginia, Hampton Roads, and Richmond received about \$342,000, \$330,000, and \$172,000 respectively). Effecting a change in PDC priorities toward additional regional work may require more of a State funding commitment.

Figure 4

Percentage Dependence of PDCs on the State General Purpose Appropriation, FY 1993



Source: JLARC staff analysis of documents provided by PDCs and the Department of Housing and Community Development.

Structural Difficulties Affect Regional Efforts

The ability of PDCs to develop regional plans and explore regional approaches to problems is affected by certain structural conditions. Under the current governmental framework, regional problem-solving is encouraged but not generally required by the State. Rather, it has been left up to local governments and PDCs to initiate regional dialogues. However, local governments and PDCs face certain impediments, such as annexation, competition over economic development, and unequal taxing and bonding

authority of counties and cities, that can make facilitation of regional arrangements more difficult. In addition, the perceived long-term benefits to regional approaches have not outweighed local government officials' concerns over the perceived loss of control of a service.

In particular, the annexation process in Virginia has had disruptive effects on regionalism. Inter-local disputes about annexation have tended to lessen the willingness of localities to cooperate with each other. Local government relationships strained by annexation proceedings may take years to heal. As reported by the executive director of one PDC, representatives from two member localities of the PDC would not speak to each other for almost two years after a bitter annexation battle between the two localities. Revenue-sharing agreements may be used as a preferred alternative to annexation, but they have been used very infrequently.

Further, the governmental framework necessarily results in local government competition. Economic development is often a win-lose proposition for neighboring localities. In the absence of a revenue-sharing agreement, each locality in a region competes against the others to attract new businesses to the locality. Only the locality where a business is sited receives a tax benefit. However, the business may impact neighboring localities, for example by decreasing air quality levels across the region. The decreased air quality would make it more difficult for other localities to attract new business to the area. Also, these other localities would have added non-point source environmental management costs, but no additional revenues to deal with the problem.

The differing authority granted counties and cities also impacts regional cooperation. The abilities of cities to issue bonds for infrastructure projects without needing a referendum has been cited as a particular problem.

A PDC director reported that some of the localities in the PDC have been considering building a regional jail for several years. A PDC feasibility study of a regional jail found that it would be cost effective to do so. However, differing bonding authority between the city involved and the surrounding counties has been a stumbling block. The city has been unwilling to issue bonds to support construction of the jail in the absence of the counties doing the same. However, the counties are required by the Virginia Constitution to obtain approval to issue bonds through a public referendum. The counties have felt that a public referendum was infeasible. Hence, an alternative, less desirable approach from the standpoint of the local governments had to be taken.

Past JLARC studies have recommended equalizing city and county authority, given that they face many of the same or related problems today. For example, the second most densely populated locality in the State is a county — Arlington County. Several other study groups have also examined interlocal relations, though many of the proposed solutions have not been implemented.

Local Government Officials and PDC Directors Are Key to PDC Priorities

Proposed initiatives to shift the direction of PDCs are unlikely to be successful if they do not have the active support, or at least the general acceptance of, PDC boards and staff directors. Proponents of adjustments to PDC priorities (for example, advocates of greater regionalism) may have opportunities for successfully making that argument, as there are a wide range of attitudes toward regionalism on various PDC boards, including strong support of it. However, it needs to be understood that in the existing environment, PDC board members, local government administrators, and PDC directors report a high opinion of their PDC performance. This could contribute to a reluctance to make changes.

Prevailing Belief by Local Officials that the PDC Mechanism is Working. The JLARC surveys of PDC board members and local government administrators provides substantial evidence of the extent to which local officials believe the PDC mechanism is working. Some of the key results from the board member surveys, for example, are shown in Table 5. The board members provide high ratings in terms of local benefits provided by the PDC, the need for the PDC, and the degree of cooperation in the PDC. Particularly striking is the fact, that while there are variations in the response between some PDCs, across the PDCs 72 percent of the board member respondents felt there were no aspects of service provision or internal operation in which the PDC needs to improve. The one caveat to the information, however, is that slightly over one-half of the commissioners chose not to respond to the survey.

Some PDC participants argue that their chief problem is the failure of others to understand what they do. For example, at a JLARC public hearing on PDCs, a PDC commissioner stated:

If there is a weakness in the structure of the statewide system of Planning District Commissions, it is the lack of understanding by state government of the diversity of services and programs provided by PDCs to local governments and State agencies.

Some planning commissioners also noted the following on the JLARC survey:

Sometimes I think our delegates and senators and I know the governors don't understand the outstanding work, and importance of the PDCs.

* * *

I believe the [PDC] is working well. We need to communicate better as to what we do and how we do it. In short, I don't believe we're 'broke', so please don't 'fix' us.

* * *

I would strongly oppose any change since so much positive has resulted in our area as a result of [the PDC].

Table 5

PDC Board Member Attitudes about Their PDCs

<u>Survey Statement</u>	<u>Agree %</u>	<u>Disagree %</u>	
The PDC has done many things that have specifically benefited my locality.	91	9	(N=232)
My PDC's services result in staffing economies of scale at the local level.	83	17	(N=218)
I believe that our locality's ability to plan and/or provide services would be seriously diminished if there were no PDC.	80	20	(N=231)
I think that there is a great deal of regional cooperation in our PDC.	85	15	(N=231)
I believe that cooperation between localities in our region would be seriously diminished if there were no PDC.	87	13	(N=233)
There are aspects of service provision or internal operation in which the PDC needs to improve.	28	72	(N=207)

Source: JLARC staff analysis of PDC board member survey, summer 1994.

Lack of a Consensus that Regionalism is Positive. One of the potential factors that affects PDC priorities is that there appears to be a lack of consensus that promoting regional solutions is a desirable objective. A JLARC survey question on whether the promotion of regionalism should be used as a factor in the distribution of State funds evoked responses from planning commissioners that illustrate the wide variation in attitudes about regional cooperation on PDC boards:

Regionalism is the future to our area with limited money and expensive mandates; counties need to realize they must work together to move forward.

* * *

Each county needs to decide what they want to do. What is good for [my locality] may not be what [a neighboring county] wants. Local governments want to decide what each county needs!

* * *

I feel a regional approach prevents duplication of services which should result in the savings of tax dollars.

* * *

Not all local governments agree on priorities, needs or desires . . . Regionalism takes away from local initiatives.

* * *

I feel state general appropriations to localities in important regional concerns should be based on compliance with planning district guidelines. I believe strongly that delivery of essential services to the citizens should be depoliticized.

* * *

The local governments should decide when regionalism should be considered. The PDC should react to the decisions of the local governments and should not "promote" regional solutions.

Lack of a Constituency for Change in PDC Priorities. Planning commissioners are generally locally-elected officials. Currently, there is no State representation on the commissions. There are no officials that are elected on a regional basis. PDCs do have citizen members. However, in most districts, there does not appear to be a natural "regionally-oriented" constituency to subject the PDC priorities to tough scrutiny, and serve as a vehicle for advocating changes in priority or focus. On the JLARC survey, few planning commissioners noted interaction between the public and the PDC as a factor in PDC operations or even mentioned it. One planning commissioner did state:

This is a level of government that is virtually invisible to the average citizen. This is not necessarily bad. Most items dealt with are rather dry in nature, in terms of public interest.

There is a question as to whether, without more citizen interest in what PDCs do, elected officials have many incentives for cooperation in the PDC. A retired, appointed citizen member of one PDC board observed:

I have fully supported regional planning in Virginia, but I must say that many elected officials of our [region] are slow and/or reluctant to publicly push for regional planning.

Given generally high planning commissioner levels of satisfaction with the PDC as an entity — and with a lack of consensus as to the desirable scope of regionalism and a lack of a natural constituency for change — there may be a reluctance in many PDCs to consider changes or adjustments in current PDC priorities and modes of operation.

IV. Future Directions for Planning District Commissions in Virginia

Despite the problems with some PDCs, PDCs as a whole are providing useful services to the State and particularly local governments. PDCs see their primary role as serving their member local governments. They serve their members through a combination of local and regional efforts. PDC funding is consistent with this local-oriented role. However, concerns have periodically arisen as to whether PDCs are being utilized to their fullest potential to address regional problems. To the extent the concerns are legitimate, the State may not be benefiting to the level it could from a more broad-based regional approach by PDCs.

It is a policy choice as to whether the State should proactively encourage PDCs to have more of a regional focus. There are three tiers or levels of involvement with PDCs that the State could pursue. First, it could seek to reduce the scope of PDCs, through changes in statutory requirements or the cutback or elimination of State funds. However, given the successes that most PDCs have had, their perceived usefulness to local governments and State agencies who work with them, and the State's long-standing commitment to the VADA and achieving regional efficiency where feasible, this does not appear to represent a sound decision.

Second, the State could seek to generally maintain current levels of support for PDCs and seek a strengthening of PDC operations. For example, the State could strengthen its tie with PDCs by providing the State's Commission on Local Government (COLG) with broad responsibility for overseeing PDCs. This type of relationship between the COLG and PDCs was first envisioned by the Hahn Commission. The COLG could also be provided with responsibility for periodically reviewing PDC boundaries, to ensure their appropriateness over time. Also, the State could ensure that the PDCs have a role in the State strategic planning process. Further, all PDCs could be required to prepare annual work programs, to clearly set forth their work objectives and activities for each year. PDCs could also be involved more in piloting programs, the statewide geographic information system (GIS), and other activities. State funding practices could be adjusted to provide for a higher minimum funding of PDCs that have resource problems due to conditions beyond PDC control.

Third, the State could seek to aggressively redirect PDC priorities to more extensively focus on regional work. Changes the State could consider to implement this higher level of involvement include: revising the VADA to clearly define the purpose of PDCs as promoting regionalism; insisting on the preparation of regional comprehensive plans, with the provision of adequate resources to do this; amending the VADA to require regional strategic plans; requiring that State general purpose appropriations be used for regional activities; providing additional State funding for PDCs; considering changes in PDCs' composition; redirecting selected State aid to cooperative regional activities; and creating a regional incentive fund.

The second and third tiers or levels of strengthening PDCs and promoting regionalism are not mutually exclusive. Policy-makers may choose to implement elements of both approaches. The selection of the elements depends on the philosophy and policy goals of the policy-makers toward PDCs and regionalism in Virginia.

LEVEL ONE: REDUCE OR END THE STATE'S COMMITMENT

One of the alternatives the State could pursue would be to reduce or even end its relationship with PDCs. The State does not provide a substantial share of PDC funding, as State funding to PDCs is about \$2.4 million or 16 percent of total funds. Still, the State could reduce its funding and its commitment.

If the General Assembly decided not to pursue regional problem-solving and coordination, particularly through the vehicle of PDCs, then several provisions in the VADA could be eliminated. First, the General Assembly could eliminate the regional comprehensive plan and intergovernmental aid application reviews required of PDCs through the VADA. In addition, lacking involvement with PDCs the Legislature would no longer need to make decisions about dual membership in PDCs. PDC boundary decisions would become the sole prerogative of local governments.

Further, the General Assembly may wish to eliminate the provisions in the VADA for service district commissions (SDCs). No SDCs have been formed or even attempted since the VADA was enacted in 1968. Since the VADA calls for SDCs to be formed by local governments and strong opposition to SDCs has been voiced by many local officials, SDCs are not likely to ever be formed. Instead of SDCs, local governments have many other options, such as PDCs and the joint exercise of powers *Code* provisions, through which regional service delivery approaches may be implemented. Some PDC directors have noted that the elimination of the service district provisions would reduce the perceived threat of PDCs as regional governments. Through these legislative changes, the VADA would become purely enabling legislation for PDC structures.

The General Assembly may wish to pursue the alternative of reducing or eliminating its commitment to certain provisions of the VADA and/or PDCs, if it is decided that: (1) certain elements of the VADA are not working, or (2) regional approaches are not a priority, or (3) PDCs are not the avenue through which the State wants to pursue regional problem-solving. At the State level, frustrations with PDCs are sometimes expressed due to the fact that their variability in service capabilities makes it difficult to use them for a systematic purpose. Frequently the State uses alternative means to further statewide or regional initiatives. For example, the General Assembly has created three economic development authorities — the Coalfield, Alleghany-Highlands, and Southside economic development authorities — to address concerns in selected regions of the State, rather than using the PDCs. The Governor has recently bypassed PDCs in creating 18 regional councils charged with developing regional strategic plans for economic development. Further, the Northern Virginia PDC is not recognized by the State as being responsible for that area's transportation issues.

Instead, the Transportation Coordinating Council and Washington Council of Governments perform this role. Given that the State turns elsewhere in implementing many regional and statewide initiatives, the benefit of PDCs to the State remains somewhat limited.

At the local level, even some PDC board members and local administrators have questioned the utility of the PDCs. For example, on the JLARC survey, the following responses were received from some respondents:

PDCs probably provide a valuable service to many localities. However, the PDCs are another level of government programs that may be needed but could probably be eliminated without the world coming to an end.

* * *

In my [time of service] on the Commission the one regional success which has occurred is the creation of the waste management authority. This occurred because the localities were under a state mandate! Head way is being made in the regional regulation of the taxi-cab industry. Is this a record that we can brag about? I think not!

On the other hand, this viewpoint was expressed by what was clearly a small minority of the overall respondents. As overviewed previously in this report, most PDC board members as well as local government officials expressed substantial satisfaction and in some cases stated their pride in the accomplishments by their PDC. Many PDCs were able to show a reasonably impressive record of accomplishment, including regional accomplishment, as part of the written information they submitted for this study effort.

Further, it must be recognized that PDCs do perform services which carry out State policies at the regional level. For example, all PDCs are involved to some extent in transportation planning programs. Some PDCs act as staff for metropolitan planning organizations and are heavily involved in transportation planning. These programs enable the State to meet federal requirements to receive transportation funding. In addition, PDCs have prepared solid waste management plans, created disabilities services boards, and conducted regional jail feasibility studies in response to State initiatives. Further, all PDCs serve as State Data Center affiliates. The following State agencies work with PDCs the most frequently: Virginia Department of Transportation, Department of Rail and Public Transportation, Virginia Employment Commission, Chesapeake Bay Local Assistance Department, Department of Environmental Quality, and Department of Housing and Community Development. As with most local governments, the State agencies that have worked with PDCs on various programs and activities generally reported satisfaction with their performance.

With the State's desire, as indicated by the VADA, to achieve regional efficiency where it is feasible, there appears to be some sound reasons for not reducing the State's currently small financial investment in promoting regionalism through PDCs. However,

the State may still wish to consider whether to maintain the provisions of the VADA related to service districts.

LEVEL TWO: MAINTAIN AND STRENGTHEN PDC OPERATIONS

The activities undertaken by PDCs are largely determined by their member local governments. There is no clear guidance from the State as to the types of activities that PDCs should be performing. Further, the State does not impose any service requirements on PDCs as a condition of the general purpose appropriation funding. Most State involvement with PDCs is through grant programs that PDCs choose to pursue. Therefore, PDCs are generally focused on regional activities to the extent that the local elected officials want them to be. In practice, the level of involvement in regional versus local activities varies from one PDC to another.

Under the current PDC structure, both localities and the State benefit to varying degrees by PDC activities. As already noted, PDCs assist the State in successfully carrying out a variety of activities and policies. These include conducting coastal resources studies, serving as State data center affiliates, and conducting transportation planning. With some exceptions, most local governments also reported satisfaction with the PDCs. Local satisfaction stems in part from the fact that PDCs perform services directly for their member local governments. For example, many PDCs write grant proposals on behalf of their smaller members. Numerous examples can be cited regarding local cost savings that have occurred as a result of PDC involvement in an activity.

The Fifth PDC reported that their services result in a number of significant local staffing economies of scale. First, the Alleghany County circuit rider program involves one PDC staff person spending about ten hours per week as the Alleghany County Planner on-site at the Alleghany County Department of Public Works. Without this program the county would have to hire their own planner. Second, since none of their member localities have any transportation planners on staff, the PDC provides all the services they require through its urban and rural transportation programs. Third, the Fifth PDC provides geographic information system (GIS) training, digitizing services, and technical assistance as needed to its member localities. Fourth, as the State Data Center Affiliate for their area, the PDC responds to numerous data requests from both the public and private sectors. Fifth, the PDC provides grant writing expertise that many of their member localities do not currently have.

* * *

The West Piedmont PDC area was certified in 1992 as an Economic Development District (EDD) through the Economic Development Ad-

ministration. A major requirement of this designation is that the PDC prepare an Overall Economic Development Plan for their region and update the document each year. This process brings together economic development objectives from the PDC's seven member localities. Prior to designation as an EDD in 1992, each member locality had to prepare their own economic development program. The West Piedmont PDC's handling of the economic plan preparation has saved local staff time and generated economies of scale.

* * *

The Southside PDC is involved in grant writing, administration, and management for its five member and 11 non-member localities. The PDC specializes in this as a service to its localities. If it were not for the PDC's efforts in this area, the PDC estimates that the localities would need a total of 11 staff members to perform these services. Currently, the PDC has three staff members who provide these services to their entire region.

Further, based on information reported by PDCs, for every \$1 of local dues and State general purpose appropriations spent by the PDCs, they generate on average \$12 in funding for their regions. PDC directors reported that the State general purpose appropriation is often used to leverage additional funds for the region. In addition, the PDCs provide a mechanism for bringing local government officials together to discuss problems and share information.

As previously identified, the use and benefit of PDCs appear to be correlated with funding of PDCs. Local governments fund PDCs significantly more than the State, and as a result, receive substantially more benefit from PDCs than the State. Since the current benefit of PDCs appears consistent with the level of funding, the State may wish to generally maintain current levels of support for PDCs and seek a strengthening of PDC operations. The following is a discussion of methods and some recommendations for achieving this objective.

Require Greater Accountability in Return for State General Purpose Appropriation

In return for State funding, the General Assembly may consider increasing the level of State oversight of PDCs. Currently, there is no oversight regarding how PDCs spend the State's general purpose appropriation to them. Therefore, the benefit to the State of PDC activities is not readily known.

To address this concern, the General Assembly could assign PDC oversight responsibility to a State agency. The DHCD is currently responsible for distributing the State general purpose funding to PDCs, but has no direct oversight responsibilities regarding the funding. DHCD could be given oversight responsibilities. Or, the General

Assembly could consider giving the oversight and funding responsibilities to the COLG. In first proposing the creation of a Commission on Local Government and PDCs, the Hahn Commission envisioned a link between the two.

COLG is responsible for presiding over annexation agreements between localities as well as certain other inter-local arrangements. In addition, they are responsible for cataloging all mandates imposed on local governments and monitoring local fiscal conditions. Generally, they are charged with preparing reports on topics related to inter-local relations. For example, they have periodically cataloged all inter-jurisdictional arrangements authorized by the *Code of Virginia*. In addition, they are in the process of identifying all regional structures used throughout the United States.

Since the COLG has expertise on inter-local arrangements, it would appear appropriate for them to oversee organizations which would be focused on regional problem-solving. The expertise of COLG in inter-local cooperation could be used by PDCs in facilitating regional approaches to service needs. COLG in turn should share the regional solutions derived in a particular planning district with other PDCs who face similar regional problems. To adequately carry out such an oversight role, however, the COLG would need additional staffing resources.

As part of the State's oversight, PDCs could be required to report to the COLG annually to identify their activities undertaken during the year. The COLG could provide a summary report on PDC activities to the standing local government committees of the General Assembly. Such an approach would allow the State to monitor PDCs on an ongoing basis to ensure State funds were being used in the best interest of the State and its regions.

Recommendation (1). The General Assembly may wish to amend the *Code of Virginia* to give the COLG broad responsibility for overseeing PDCs. As part of their oversight responsibilities, COLG could provide input to PDCs as to areas in which regional solutions should be explored. If regional strategic plans were developed, COLG could use the plans as a guide in suggesting regional approaches to identified problems.

Further, PDCs could be required to report to the COLG annually concerning the activities performed during the year and, in particular, how they have complied with the provisions of the VADA. The COLG should develop a format for the annual report for use by the PDCs. In turn, COLG could be required to report annually to the standing local government committees of the General Assembly concerning the activities of PDCs, including findings as to PDCs which are not complying with the VADA. Resources from the Department of Housing and Community Development could be transferred to COLG to carry out this new oversight role.

Provide for Review of PDC Boundaries Following Decennial Census

In delineating PDC boundaries in 1969, the State Department of Planning and Community Affairs used several guiding criteria. The following criteria were identified as important in determining planning district boundaries.

- Localities within standard metropolitan statistical areas should not be separated into different planning districts.
- A planning district should contain at least 100,000 in population.
- There should be a “community of interest” among the local governments within a planning district. Localities that form an “identifiable socio-economic unit tied together as an employment, trade, and communication center with common economic interests” should be grouped together.
- Localities within a planning district should be politically compatible.
- Travel time to PDC meetings should be no greater than one hour.
- Natural landforms and barriers should be considered.

PDC boundaries have not been reviewed since they were established in 1969. Concerns have been raised that the PDC boundaries should be changed to reflect shifting demographic and economic conditions.

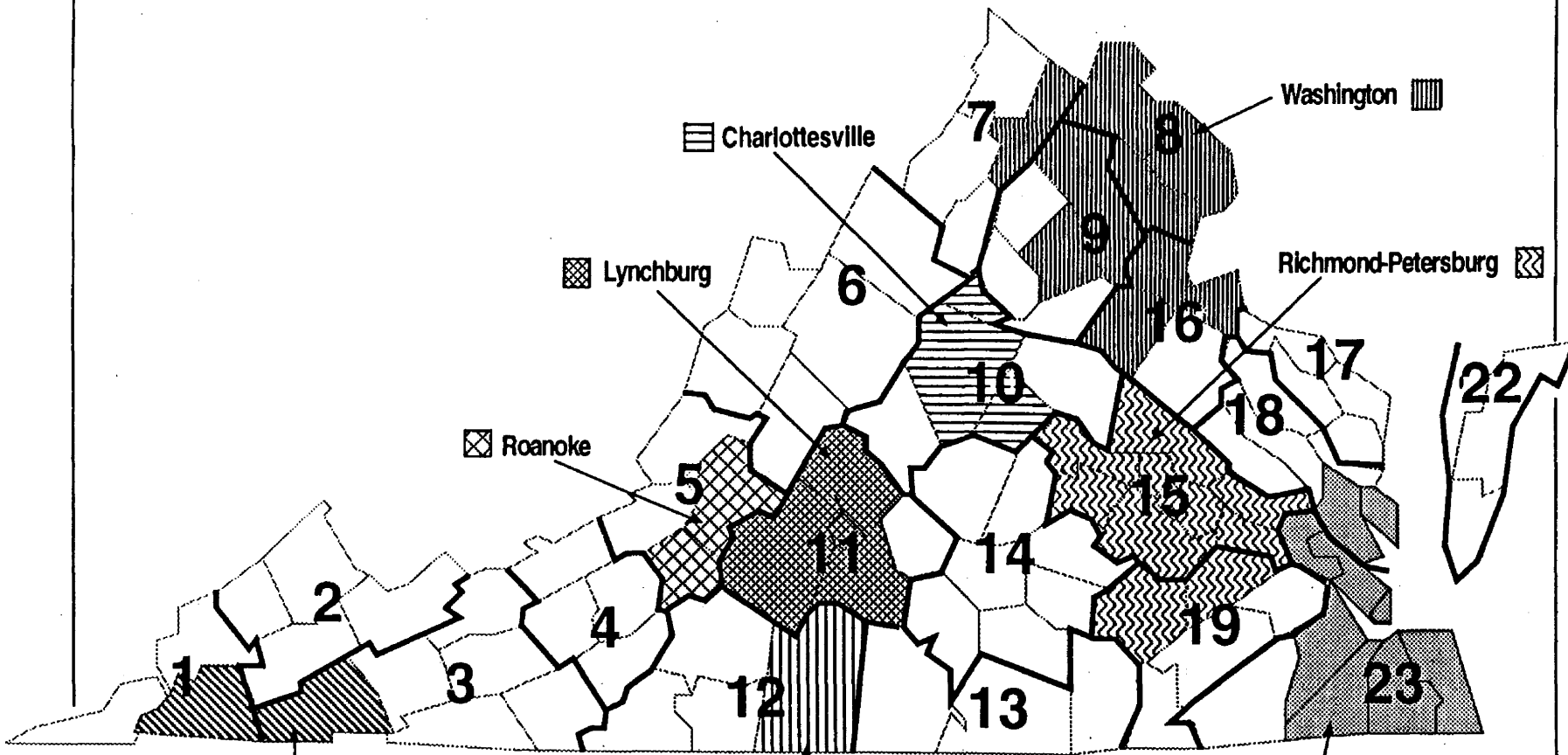
Currently, the PDC boundaries do not fully conform to metropolitan statistical areas (Figure 5). In addition, six PDCs do not contain at least 100,000 in population. These include: LENOWISCO, Southside, Piedmont, Northern Neck, Middle Peninsula, and Accomack-Northampton PDCs.

Research has not been conducted to determine socio-economic compatibility of planning districts. However, the Governor recently established 18 regional economic development councils. The purpose of the councils is to develop regional economic development plans that will be used in developing the State’s economic development plan. According to staff of the Secretary of Commerce and Trade, the primary criterion used to draw the boundaries was capturing regional communities of interest. As shown in Figure 6, the economic development council boundaries are the same as some PDC boundaries, are combinations of other PDC boundaries, and do not conform at all to other PDC boundaries. With the exception of all but the Eastern Shore council, all contain populations of at least 100,000.

Most other states in the southeast have regional councils that encompass at least 100,000 population (Table 6). This population threshold was typically used by the states in delineating regional council boundaries. In Georgia, all but one regional council serves over 100,000 population. In Kentucky, two regional councils cover less than 100,000 in population. In West Virginia, which has a very small statewide population,

Figure 5

Comparison of Virginia Metropolitan Statistical Areas and Planning District Commission Boundaries

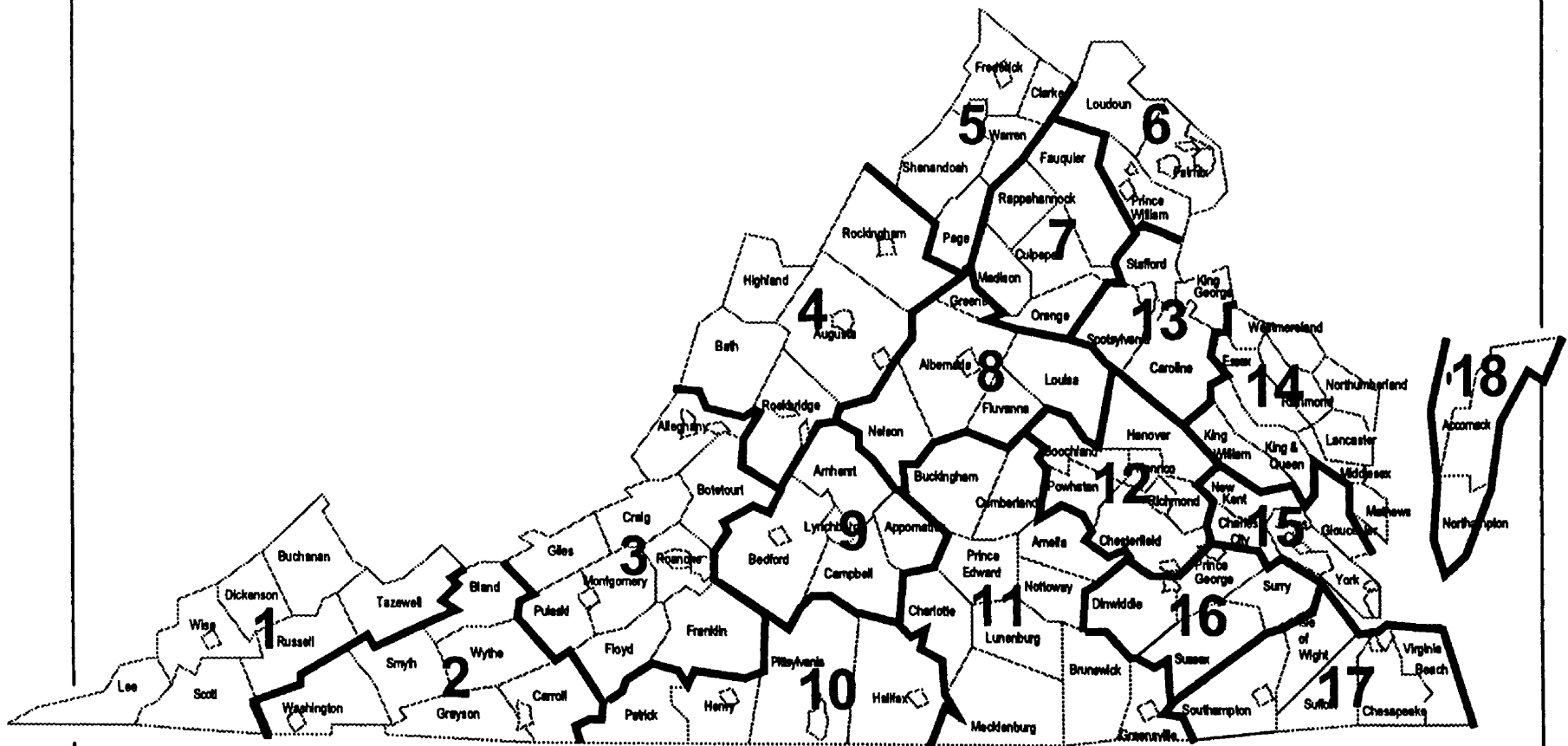


Johnson City-Kingsport-Bristol Darville Norfolk-Virginia Beach-Newport News

Source: Virginia Statistical Abstract, 1994-95, Center for Public Service.

Figure 6

Governor's Regional Economic Development Advisory Councils



Source: Office of the Secretary of Commerce and Trade.

Table 6

Population Bases Represented by Regional Councils in Southeastern States

<u>State</u>	<u>State Population</u>	<u>Total Number of Councils</u>	<u>Smallest Population Base</u>	<u>Largest Population Base</u>
Virginia	6,187,358	21	44,173	1,466,409
Alabama	4,040,587	12	110,800	930,800
Florida	12,937,926	11	300,000*	3,000,000*
Georgia	6,478,216	17	92,337	2,692,000
Kentucky	3,685,296	15	51,877	796,305
North Carolina	6,628,637	18	130,780	1,200,482
South Carolina	3,486,703	10	154,400	888,057
Tennessee	4,877,185	9	210,986	1,123,736
West Virginia	1,793,477	11	62,225	286,307

*Estimates

Source: JLARC staff telephone contacts with selected other states and written information submitted by the states.

only two councils cover less than 100,000 population. In comparison, six of Virginia's PDCs encompass less than 100,000 population. An additional two PDCs serve less than 125,000 population.

As discussed previously, there is a concern with the financial viability of some of the PDCs with relatively small population bases — Rappahannock-Rapidan, Piedmont, Northern Neck, and Middle Peninsula PDCs. The local governments in those regions have not provided an adequate base of support for the operation of the PDCs. Given their relatively small population bases, it may not be feasible for the local governments to provide substantial additional funding. Consolidating these PDCs with other PDCs may allow them to have an adequate base of financial support to maintain staff for both local and regional projects.

The Hahn Commission recommendations made provisions for the periodic review of PDC boundaries. In recommending the creation of a Commission on Local Government, the Hahn Commission envisioned that one of its duties would be the review of PDC boundaries. At the time, the General Assembly did not enact the Hahn Commission's recommendation for creation of the COLG, and thus the provisions for their review of boundaries were not enacted. However, § 36-140 of the *Code* was later added, which directed the Department of Housing and Community Development to "make studies and surveys of the boundaries of planning districts on a continuing basis," and upon the request of a member local government, make changes as deemed appropriate. This activity has not been conducted.

As previously noted, when the COLG was eventually created, it was given responsibility to oversee interlocal agreements and boundary adjustments. Given these roles, it may also be appropriate for COLG to have responsibility for reviewing PDC boundaries. Specifically, COLG could review PDC boundaries, following every U.S. decennial census. Criteria that should be considered in reviewing boundaries would include: recognition of "communities of interest," including the socio-economic characteristics of local governments and patterns of interlocal cooperation; designated metropolitan statistical areas; a population base adequate to ensure financial viability; and minimal travel time.

Recommendation (2). The General Assembly may wish to request the COLG to review planning district boundaries. COLG could be required to submit a report on planning district boundaries and any proposed boundary changes to the 1996 Session of the General Assembly. For the long-term, the General Assembly may also wish to amend the *Code of Virginia* to require the COLG to review planning district boundaries every ten years, to follow the U.S. decennial census. Upon concluding its review, COLG should report its findings, including any recommendations for boundary changes, to the General Assembly for consideration.

Develop Coherent State Policy toward PDCs

In the 1992 JLARC study of State and local service responsibilities, both State and local officials repeatedly cited the need for a State vision. They also cited the need for more long-term planning and the increased use of regional approaches to addressing the Commonwealth's needs. Upon request of the General Assembly, the executive branch is currently working on a process to develop a State strategic plan which would identify a vision for the Commonwealth, including goals, objectives, and strategies to meet those goals and objectives.

In developing the State's strategic plan, attention could be given to the appropriateness of regional approaches addressing the goals of the Commonwealth. Strategies for using PDCs to promote regional problem-solving and more efficient governmental operations could be clearly identified in the plan. This plan would guide the development or modification of State agency programs directed toward regional solutions. Functional areas that may benefit from regional approaches include: environmental protection, economic development, jails, education, human services, transit, water and sewer, and parks.

In addition, PDCs could play a role in the process of developing and maintaining a statewide strategic plan. For example, PDCs could help in identifying regional needs, goals, and objectives; developing strategies for addressing those regional needs; developing measures, or benchmarks, of achievement toward objectives; and collecting data on those benchmarks. These regional strategies could then be incorporated into the statewide plan. In addition, PDCs could help coordinate local government and public participation into the State plan.

Recommendation (3). In developing a State strategic planning process, the Department of Planning and Budget should identify what role PDCs should play in the process. DPB should consider using PDCs to coordinate local government and other public participation in development of the State plan. PDCs could also identify issues that should be addressed regionally, current critical regional needs, strategies for addressing those needs, and benchmarks for measuring achievement of identified objectives. In addition, PDCs could play a role in collecting the information needed to measure achievement for their region. Much of this information could be compiled through regional strategic plans that could then be incorporated into the State strategic plan.

Require Preparation of Annual Work Programs

As noted, while many PDCs currently prepare annual work programs, there are some PDCs who do not appear to do so or do so inconsistently. Specifically, a review of FY 1993 and FY 1994 indicated that three PDCs did not produce an annual work program in either year, and three PDCs produced work programs in one of the two years. Work programs help set forth the PDC objectives and activities for the year, and may help make the PDC less vulnerable to ad hoc requests that may detract from the achievement of its overall regional objectives. They also serve to keep the lines of communication open by informing local governments about the projects that the PDC is performing. Therefore, it may be desirable to require that PDCs consistently prepare work programs.

Recommendation (4). PDCs should be required to prepare annual work programs, and submit copies of these programs to their member local governments and appropriate State agencies.

Involve PDCs More in Piloting Programs, the Statewide GIS, and Other Activities

The State currently uses PDCs in carrying out selected programs. For example, VDOT funds both rural and urban transportation planning programs operated through PDCs. In addition, PDCs serve as State data center affiliates in cooperation with the Virginia Employment Commission. However, there are many more ways in which the State could use PDCs in carrying out its policies and programs. The General Assembly may wish to codify additional activities that it determines PDCs should provide.

Additional Avenues for State and PDC Interaction. There are a number of State and local activities in which PDCs could play a valuable role. For example, State agencies could use PDCs to disseminate information about programs to local governments. This could result in administrative savings to agencies since they would have only 21 entities to notify rather than at least 136 local governments. Also, as previously mentioned, PDCs can assist in the development and implementation of the State's strategic plan.

PDCs can also be used by State agencies in their development of sub-state plans for various functional areas. For example, the Department of Conservation and Recreation periodically prepares an outdoor recreation plan which is prepared on a regional basis. PDCs could either contract with State agencies to prepare the regional plans or assist the State agencies in their preparation of the plans.

In addition, PDCs can be used to pilot-test State programs before implementing them statewide. For example, there has been some discussion between the Department of Emergency Services and PDCs regarding pilot-testing the development of regional emergency management plans. Pilot-testing programs before statewide implementation can help agencies refine programs to achieve the stated objectives as well as more completely understand their impact and value before substantial costs are borne by the agency or local governments.

Further, the State is currently developing a coordinated geographic information system (GIS). PDCs should be part of this statewide GIS system, which could be used, for example, for transportation planning, emergency management planning, and economic and community development and planning. This system would allow for an increased level of planning coordination and cooperation between State agencies and PDCs. For example, through a statewide GIS the Department of Economic Development could quickly obtain economic information about a region, including the location of various infrastructure and available industrial land, which could be provided to an industrial prospect. PDCs would be responsible for maintaining updated information for their region. According to the Department of Economic Development director, a similar statewide system has been implemented successfully in South Carolina.

PDCs could also be used more fully by local governments to develop more cost-effective and "user friendly" programs. For example, PDCs could be used to identify the most cost-effective ways for localities to meet State and federal mandates. Developing cost-effective regional responses to mandated programs helps both localities and the State. The programs are implemented at less cost to the localities and there is more consistent implementation of State policy. Programs that could benefit from such an approach include, for example, wetlands management and building code enforcement.

In addition, PDCs could be used more to develop coordinated local ordinances and regulations. This can assist companies that conduct business in multiple localities and can result in cost savings through increased competition to local governments. As cited in "PDCs – A Tool for Local Government,"

Construction regulations in one PDC were different from locality to locality, making it difficult for contractors to work efficiently and limiting competition. According to the article, "what this meant was that because of the equipment owned by the contractors and cost of carrying a large inventory, as well as the training of their work force, a contractor would concentrate on meeting the requirements of one jurisdiction or the other." The result was less competition and higher

prices. The PDC worked with local staff to increase consistency between each locality's regulations, resulting in benefits to both the contractors and the local governments.

On the JLARC survey, local governments reported a number of areas in which PDC coordination of local ordinances and administrative practices would be beneficial. These avenues for potential cost savings and improved efficiencies should be pursued by PDCs.

Systematic Identification of Opportunities for PDC Involvement. During the General Assembly Session, the COLG is responsible for reviewing legislation which may have a financial impact on local governments. The COLG sends the legislation to selected local governments for their review and identification of the potential impacts on local governments. This information is then compiled and submitted to the relevant legislative committees.

In addition to identifying the potential cost of proposed legislation on local governments, the COLG could be responsible for identifying which of the local government legislation may benefit from a regional approach to implementation. Specifically, the COLG could identify and suggest opportunities for use of PDCs by State agencies or local governments in carrying out the activity proposed in the legislation. The COLG could obtain PDC input in making these determinations. The legislative committees could take the suggestions under advisement and make amendments to the legislation as appropriate.

Recommendation (5). The General Assembly may wish to codify specific activities on which it wants State agencies and PDCs to cooperate. For example, State agencies could be encouraged to use PDCs in disseminating information to local governments about various programs, whenever feasible. State agencies could also be encouraged to use PDCs to develop sub-state plans and to implement programs on a pilot basis before implementing the programs statewide. Further, PDCs could be responsible for maintaining certain data as part of a statewide GIS. Local governments could be encouraged to use PDCs to identify the most cost-effective way to implement State and federal mandates on local governments.

Recommendation (6). The General Assembly may wish to modify the *Code of Virginia* to expand the local fiscal impact review process performed by the COLG. In reviewing legislation affecting local governments, the COLG could identify potential opportunities for PDC involvement in proposed activities. In addition to reporting on the fiscal impact on localities of the proposed legislation, COLG could also identify which of the legislation may be beneficial to implement regionally.

Modify Distribution of the State General Purpose Appropriation

The existing distribution method of the State general purpose appropriation to PDCs is heavily weighted toward areas with high populations. Distribution is population based, although there is a floor level of funding for PDCs serving less than 180,000 population. The FY 1993 minimum level of funding to a PDC was \$43,000, while two urban PDCs received in excess of \$300,000. The existing funding formula and the resulting funding disparity between PDCs has caused a great deal of concern on the part of many PDC directors.

There needs to be a base [level of funding] to keep the doors open. The three largest PDCs have a large per-capita [appropriation from the State], the smaller ones have a small base, and the ones in the middle have a small per capita and get squeezed. All PDCs should get a base and a per capita.

* * *

There is not necessarily a relationship between regionalism and population.

If the General Assembly decides to use PDCs on a more consistent basis for regional activities, the method of distributing PDC funds may need to be revised.

An analysis of actual PDC staffing practices indicates that PDCs typically utilize a minimum base of about six positions, before taking population levels into account, in order to provide the breadth of services which are demanded of them. Population helps explain the use of additional staff in the larger PDCs. However, there appears to be a substantial economy of scale effect that the three urban PDCs can achieve that may not be possible in most rural PDCs, even with boundary adjustments. As a result, the urban PDCs currently receive State general purpose appropriations relative to their staff size that are about twice the amount received by the rural PDCs, relative to their staff size. The urban PDC appropriation levels relative to staff size are also about twice that of the urbanizing PDCs.

Table 7 shows levels of funding that other states have for their regional councils compared to that of Virginia. Virginia has a relatively high state average per capita contribution, but the variation between the minimum appropriation and the maximum appropriation is the greatest of all states shown. Five of the states — Alabama, Georgia, North Carolina, Tennessee, and West Virginia — utilize a funding formula with a flat base rate for each PDC. Alabama, Georgia, and Tennessee add additional funding to their base level according to other factors such as population and number of localities involved in the regional council.

Virginia's appropriation method introduces greater levels of funding variance than any other state. Overall, Virginia depends more heavily upon a population formula than other states. This leads to a nearly 700 percent difference in funding between PDCs.

Table 7

Funding of Regional Councils in Southeastern States FY 1994

<u>State</u>	<u>General Appropriation</u>	<u>Average Per Capita Appropriation</u>	<u>Minimum Appropriation</u>	<u>Maximum Appropriation</u>
Virginia	\$1,740,156	\$0.28	\$43,000	\$342,266
Alabama	600,000	0.15	34,511	75,628
Florida	2,300,000	0.18	170,000	400,000
Georgia	2,272,000	0.35	103,382	258,056
Kentucky	2,125,000	0.58	98,330	297,990
North Carolina	864,270	0.13	48,015	48,015
South Carolina	885,360	0.25	63,881	157,018
Tennessee	1,100,000	0.23	90,000	170,000
West Virginia	<u>220,000</u>	<u>0.12</u>	<u>20,000</u>	<u>20,000</u>
Average	\$1,345,198	\$0.25	\$74,569	\$196,553

Source: JLARC staff analysis of telephone interviews with other states.

The state with the next highest level of funding variance is Kentucky with slightly more than a 200 percent difference, but Kentucky has a minimum level of funding of more than twice that of Virginia. Introducing a funding formula with a higher minimum base level of funding may contribute to a strengthening of Virginia's PDC system. Additional base funding to the more rural PDCs may allow them greater flexibility to address regional issues.

Recommendation (7). The General Assembly may wish to consider increasing the minimum funding amount to a PDC to reduce the level of variance among PDCs in their capability to provide services and function effectively.

LEVEL THREE: REDIRECT PDC PRIORITIES TO FOCUS ON REGIONAL WORK

Many studies over the last several decades have identified the importance of regional approaches to addressing certain issues. Issues such as environmental management typically impact multiple localities. Since watersheds, air quality, and other natural resources do not recognize locality boundaries, the success of an environmental

action taken in one locality is dependent on the actions taken, or not taken, in the surrounding jurisdictions. PDCs were created to address issues that crossed jurisdictional boundaries. As noted by the Hahn Commission:

The Planning District Commission is envisioned as a strong and effective agency for area-wide planning. In addition, it should establish a forum for review of the mutual concerns of local governments and provide a means of coordinating Federal, State, and local efforts to resolve problems affecting an entire area. The Planning District Commission alone cannot be expected to solve the major problems of metropolitan areas, but it should provide the foundation for implementing such solutions.

As noted, PDCs are not as focused on regional planning as originally envisioned by the Hahn Commission. There are a number of factors that have impacted the direction that PDCs have taken, including the lack of funding for regional planning, lack of direction from the State, and problems with the roles of PDCs as set out in the VADA.

Some believe that the State needs to take a more forceful role in requiring or strongly encouraging regional approaches to problem-solving. However, based on surveys of local officials, stronger State involvement in regional affairs would be controversial. If the General Assembly determines that regional approaches to problems faced by the Commonwealth and its localities should be more fully explored than they currently are, then PDCs provide an existing avenue for such enhanced regional efforts. The remaining considerations discussed in this chapter address ways the General Assembly could more clearly focus PDCs on regional efforts.

Clearly Define the Role of PDCs as Regional Catalyst

In the Hahn Commission report, the role of PDCs as regional facilitator and planner was to be the focus of PDCs. However, the provisions in the VADA do not explicitly identify a broad-based regional role for PDCs. In practice, the general purpose of PDCs is typically interpreted as one of performing whatever activities their member local governments request. As previously identified, many PDCs are focusing on services to individual local governments at the expense of their role as regional coordinators.

To address this problem, the VADA could be revised to more clearly state that the primary role of PDCs is to identify regional needs and coordinate interlocal actions to address those needs. PDCs are the only operating general purpose regional structure authorized in the *Code of Virginia*. PDCs, therefore, should be expected to play a central role in regional problem-solving. Section 15.1-1405 of the *Code*, which identifies the purpose of the Commission, could explicitly state that commissioners are responsible for focusing on regional issues. This would clearly prioritize regional activities over services to individual local governments as the focus of PDCs.

Require PDCs to Develop Regional Comprehensive Plans and/or Strategic Plans

The Commission on Population Growth and Development has identified mechanisms for strengthening the regional comprehensive plan requirements in the VADA and PDCs' role with regard to reviewing local comprehensive plans. These mechanisms are described in their 1993 annual report to the General Assembly. If the General Assembly believes that certain land use issues, such as developments of regional impact, should be addressed regionally, then strengthening the regional comprehensive plan requirements in the VADA would be appropriate. Enforcement of these requirements would need to play an integral part of the VADA. There are currently no disincentives to PDCs or local governments for not preparing the plans, and no plans have been maintained. If the preparation of regional comprehensive plans was enforced, additional funding to accomplish this task would be needed due to the resource-intensive nature of comprehensive plan development.

Alternatively or in addition to regional comprehensive plans, the General Assembly might wish to require PDCs to develop regional strategic plans. The Growth Commission has cited the importance of strategic planning for effective decision-making. In addition, localities and PDCs have identified a need to have some planning for the future of each region and a need to identify the common goals and interests of the State and its regions. These issues could be addressed through an ongoing regional strategic planning process. This form of planning stresses commonality of interests and avoids the divisive issue of local land use restrictions inherent in regional comprehensive plans.

Provide Additional General Purpose Appropriation Funding to PDCs

PDCs depend on grant and local contract funding for nearly 70 percent of their budgets. This grant and local contract work tends to be program specific and, in the case of grants, often requires matching funds to be provided by the PDC. Commissions are limited in their ability to respond to critical regional needs by the extent to which they are tied to funding which has special purpose requirements that do not address these needs. The staffing and programming required to perform and administer grants and special projects may not be consistent with performing regional coordination and planning.

The State general purpose appropriation is one of the primary sources of funding used by PDCs for regional planning and problem-solving. However, this source of funds has declined in recent years. In FY 1989, the State general purpose appropriation was \$2,034,200. By FY 1994, the appropriation had declined to \$1,740,156.

According to some PDC directors, the decline in State funding has had a detrimental effect on the ability of their PDCs to focus on regional problem-solving. It is likely that in rural and urbanizing areas in particular, economies of scale through regional approaches have the potential for significant cost savings. However, these same areas are typically receiving the least amount of funding for regional problem-solving.

Since PDCs are an established regional resource with broad implementation powers, they are an appropriate resource to use when seeking to perform activities or studies on a regional basis. However, in order for the State to effectively use PDCs as regional coordination and planning organizations, funding must be provided at a level sufficient to support these activities. If the General Assembly wants to enhance the incidence of regional planning, it may wish to consider providing additional State funding to PDCs.

Address PDC Structural Issues

There are two structural issues pertaining to PDCs that have been raised by various entities. First, there has been some interest in changing the board composition of PDCs. Second, the nature of membership in planning districts — whether mandatory or voluntary — has been debated. The General Assembly may wish to address these policy issues in considering ways to enhance regional decision-making.

Composition of PDCs. During the course of the study, concerns about the composition of the planning district commissions were raised. As discussed earlier in the report, PDCs vary in their board member composition. The percentage of local elected officials on the commissions range from 53 to 75 percent. Some local governments appoint their chief administrative officer to the board as their citizen representative. Others appoint local planning commission members to the board. In calling for a change in the composition of one PDC, a commissioner responded that:

If anything would make the system better, I think it would be to include our county administrator, planning director, and perhaps a member of the planning commission. This would provide more input from the working level.

Still others include only private citizens and local elected officials on their commissions.

When the VADA was first enacted, a majority of the commissioners, but not substantially more than a majority, had to be local elected officials. In 1982 the VADA was changed to eliminate the “cap” placed on membership by elected officials. Now, as long as the PDCs have a majority of local elected officials, they are in compliance with the *Code*. In effect, the *Code* gives PDCs the ability to be composed of only local elected officials.

Some legislators have reported that PDCs should consist only of local elected officials to ensure that the local decision-makers are “at the table” to discuss the important issues. Since local officials are typically responsible for implementing PDC decisions, it is felt that these officials must be included in and take responsibility for the PDC decisions. The aim is greater implementation of PDCs’ policies. However, others argue that local officials are necessarily narrow in their focus since they are elected locally. Citizen members are thought to bring a more regional perspective to the PDC.

Though some commissioners felt that the policy board should consist of only elected officials, no PDC has chosen to move to an all-local elected membership. Based on the JLARC survey of planning district commissioners there does not appear to be overwhelming support for all elected commissions. Only 18 percent of the commissioners felt that changes to board member composition were warranted.

The issue of including State representatives on the commissions was also explored. When asked whether required membership should include State legislators, only 16 percent of the local government administrators favored this change. However, some have suggested that State involvement in the appointment of commissioners could serve to emphasize regional rather than local perspectives on the PDC.

Some other states have board structures which include state involvement. In Kentucky, at least one state senator and one state delegate are members of each regional council. Representatives from these councils noted that this structure allowed for closer ties to the state and an increased use of the councils by the state. In Florida, the Governor appoints one-third of each regional council's members. This is done in an attempt to ensure a greater-than-local perspective on the councils. Some believe that this type of perspective is needed in Virginia also. As reported by one commissioner:

changes to [the] representative structure may be needed to get away from parochial self interests.

Changes that may be needed to PDC composition are dependent on what primary role or purpose PDCs should serve. If the General Assembly is exploring ways to increase the regional efforts of PDCs, then changes such as including State representation on the PDCs should be considered. If the General Assembly instead determines that the role of PDCs is to serve local governments in whatever capacity the local governments chose, then changing membership to require only local elected representation should be considered. Alternatively, no changes may be needed. Any changes, however, must take into account federal requirements, such as civil rights guidelines that must be met to participate in certain programs.

Membership in Planning Districts. As set out in the VADA, local government membership on PDCs is voluntary. Some argue that the General Assembly should require mandatory membership by all local governments. Local government administrators and planning district commissioners were asked their opinions as to whether membership should be voluntary or mandatory. Both groups were almost evenly divided on this issue, with 50.5 percent of local government administrators and 49 percent of commissioners favoring mandatory membership. The remainder favored voluntary participation.

Currently, all eligible local governments are members of PDCs. From time to time a few PDCs have had problems with local government participation. In these instances a local government may withdraw from a PDC and then rejoin it a couple of years later. Local government non-participation on PDCs does not appear to be a problem, as PDC directors reported that it infrequently occurs.

Arguments can be made in favor and against voluntary membership. Some planning district commissioners and directors reported that voluntary membership results in a reluctance by PDCs to address the more controversial but important issues in their regions. PDCs may avoid certain issues for fear that local governments will threaten to withdraw membership if the issue is addressed. For example, a planning district commissioner stated on the JLARC survey:

Perhaps if jurisdictions began to pull out, the PDC would be more driven to meet a locality's need.

In contrast, others note that mandatory membership does not ensure that a locality will participate and/or cooperate in regional problem-solving. Exhibit 1 identifies some of the comments by local administrators and planning district commissioners regarding whether membership should be voluntary or mandatory.

If the General Assembly determines that an enhanced role in regional problem-solving should be played by the PDCs, then the implications of the current membership policy for regional cooperation and problem-solving must be explored. In addition, the impact of other actions the General Assembly may take to encourage regionalism, such as providing financial incentives, must be considered in determining whether a change is needed.

Overcome Resistance to Regional Approaches through Financial Incentives

A major hindrance to regional problem-solving in the State has been funding. State funding has not traditionally been directed toward regions, but rather has been directed to local governments. Hence, in most cases there are no immediate financial incentives to taking a regional approach which would offset the perceived loss of local government control over an activity. Also, regional approaches often have long-term benefits but short-term costs. Therefore, it may be difficult for elected officials to obtain support for such approaches from local constituents. And local elected officials are elected by their communities, not the region.

Two primary options would be available to the General Assembly if it wished to encourage regional efforts through financial means. First, selected aid to locality programs could be redirected toward regions. Second, a regional incentive fund could be established for use in cooperative ventures.

State Could Redirect Current Local Aid Programs from Localities to Regions. Based on information from the Department of Planning and Budget, there are currently 135 State aid to locality programs. Very few of these programs are directed exclusively to regional entities, such as area agencies on aging, community services boards, and PDCs. However, some local aid programs have regional components. For example, the Chesapeake Bay Local Assistance Department gives preference in its grant award decisions to regional projects. The vast majority of aid programs, though, are directed solely at local governments.

Exhibit 1

**PDC Board Member and
Local Government Administrator Responses:
Perceptions of Whether Local Government Participation
On Regional PDCs Should Be Voluntary or Mandatory**

Arguments Favoring Voluntary Membership	Arguments Favoring Mandatory Membership
<p>“The diverse and sometimes competitive needs of local governments often cause conflicts that impede regional cooperation. PDC localities that participate voluntarily usually find regional cooperation more acceptable.”</p> <p>“Local governments should never be forced to join in a regional group due to the fact that conflict could occur later that could have a negative impact on future projects.”</p> <p>“Regional cooperation cannot be mandated. It surfaces when local and State officials recognize a need.”</p> <p>“Simply making a jurisdiction belong to a PDC does not guarantee participation.”</p> <p>“I do not want to deal with another county which (A) is in the PDC against its will and/or (B) does not support [the] PDC financially.”</p>	<p>“While I don’t like the idea of forcing localities to act regionally (or at least consider acting regionally), PDCs are not as forceful about regional efforts due to the risk of alienating and losing their constituent localities.”</p> <p>“It is harder for PDCs to promote controversial positions of great regional benefit or importance where there is concern that individual localities might withdraw funding.”</p> <p>“Regional cooperation is meaningless unless all local governments are required to support the regional organization.”</p> <p>“The PDC needs some guarantee of participation to have regional relevance and certainty of on-going existence.”</p> <p>“How can you have regional cooperation between local governments if not all participate.”</p>
<p>Source: JLARC staff analysis of PDC board member and local government administrator surveys, summer 1994.</p>	

Many of these aid programs may potentially be beneficial and cost effective to provide on a regional rather than local basis. Examples include: rideshare, juvenile delinquency prevention, drug enforcement services, jail construction, criminal justice planning, transportation safety programs, mass transit, air transportation development and planning, emergency management and response preparation, special education, and administration of social services.

For example, the State currently provides funding for Rideshare programs to both regional entities and local governments. Specifically, five localities in the northern Virginia area receive funding under this program. Since commuters frequently cross jurisdictional lines when commuting, the appropriateness of local Rideshare programs is questionable. In addition, a regional organization — the Washington Council of Governments — receives State Rideshare funds to cover an area which encompasses the northern Virginia localities.

Additional research would be needed by the relevant State agencies to determine the feasibility of providing all or a portion of the funding for the identified programs to regional entities. If regional service approaches were deemed feasible and appropriate, State agencies responsible for the targeted programs would need to develop guidelines through which appropriate combinations of local governments would be designated as regional programs and therefore eligible for funding. Through their planning activities PDCs could be responsible for developing appropriate regions for service delivery, obtaining program eligibility designations on behalf of those regions, and designing program structures.

Regional Incentive Fund. Previous study groups, such as the Commission on Local Government Structures and Relationships, or Grayson Commission, have recommended financial incentives to encourage local governments to cooperatively address issues. One of the responsibilities of the Grayson Commission was to identify ways to “maximize the return from state and local tax dollars through economies of scale in local government.” The Commission recognized that a redrawing of local government boundaries was unfeasible, and instead focused its attention on developing mechanisms for increasing the use of regional approaches to service delivery. A regional incentive fund, using lottery proceeds, was subsequently recommended by the Commission.

During site visits to each PDC, PDC directors were asked what regional projects they would seek to have funded if a significant regional incentive fund existed. The directors reported a wide range of projects for which they would seek funding. They included: ways to link water and sewer systems, cooperative education programs, regional solid waste management, regional planning for jails and schools as well as comprehensive and strategic planning, economic development projects with revenue sharing proposals, and implementation of a regional geographic information system.

If the General Assembly determines that additional financial incentives for cooperative efforts are warranted, then a regional incentive fund could be considered. As provided in the Grayson Commission recommendation, the COLG could oversee the administration of a regional incentive fund, whereby innovative regional projects having substantial impacts, in terms of cost savings and improved services, could be funded on a pilot basis. COLG would need to obtain input from various State agencies, such as the Department of Environmental Quality, in identifying the benefit of proposed regional projects. In turn, in the course of their work State agencies may identify needs in an area that could benefit from regional efforts. The State agencies would notify COLG of these potential targets of opportunity. COLG could then approach the localities involved to

propose such a regional approach. With the existence of an incentive fund, such overtures by the State could be backed up with a financial incentive.

The COLG could be given responsibility for reviewing grant applications and awarding grants, within certain parameters determined by the General Assembly. Alternatively, COLG could review applications and make recommendations to the General Assembly as to grant awards. Under the alternate approach, the General Assembly would be responsible for approving all awards.

Summary of Additional Actions for General Assembly Consideration

This section on a third level or tier for potential State action has discussed several approaches that could be taken if the State wishes to proactively redirect PDC priorities to more exclusively focus on regional work. This course of action could require a dramatic shift away from certain activities that PDCs currently perform, or the commitment of additional resources to the PDCs. For example, the preparation and maintenance of up-to-date regional comprehensive plans is a resource-intensive activity that is currently not undertaken by PDCs. The following is a summary of the potential options discussed in this chapter for redirecting PDC priorities:

- **revise the Virginia Area Development Act to define the primary purpose of PDCs as the identification of regional problems and facilitation of regional solutions to those problems,**
- **amend the VADA to require PDCs to prepare regional strategic plans in lieu of or in addition to regional comprehensive plans,**
- **require in the Appropriation Act that the general purpose appropriation provided to each PDC is to be used on activities benefiting the region,**
- **provide additional State funding to PDCs, to the extent that additional services are demanded from them and cannot be met with the shifting of priorities alone,**
- **consider whether changes to planning district commission membership are desirable and might promote regionalism, such as including State representatives on the PDCs, or changing the State's policy governing local government participation in PDCs,**
- **consider redirecting selected current local financial aid programs to regions, such that only local governments which conducted elected activities cooperatively with other local governments would receive funding, and**
- **consider creating a regional incentive fund, with grants awarded based on the merits of the proposals, specifically their potential for cost savings and improved services through regional cooperation.**

Appendixes

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Appendix A:

**Senate Joint Resolution No. 310
1993 Session**

Continuing the Senate Joint Resolution 235 study which requests the Joint Legislative Audit and Review Commission to examine the assignment of state and local service responsibilities.

WHEREAS, Senate Joint Resolution 235 from the 1991 Session of the General Assembly requested the Joint Legislative Audit and Review Commission to examine the assignment of service responsibilities between the state and local governments; and

WHEREAS, in response to SJR 235, the Joint Legislative Audit and Review Commission issued a report, *State/Local Relations and Service Responsibilities: A Framework for Change in the 1990s and Beyond*, which identified options for realigning service responsibilities between state and local governments; and

WHEREAS, it is recognized that more detailed research is needed in areas identified in the SJR 235 study; and

WHEREAS, it is desirable that services be provided, whether by the state or local governments, in the most efficient manner possible so as to make effective use of existing financial resources; and

WHEREAS, it is possible that services that have traditionally been performed by one level of government might be more efficiently provided by another; and

WHEREAS, there is a need to continue studying the many complex issues concerning state and local relations, including, but not limited to, the division of responsibilities between state and local governments, with a particular emphasis on funding capability and obligations; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Legislative Audit and Review Commission be requested to continue its SJR 235 study, focusing on the development and examination of options necessary to effect reallocations of state and local service responsibilities and the fiscal implications to the state and local governments of such options. The reallocation options should be linked to the adequacy of financial resources. The options to be examined should include, but not be limited to, previous research by the Joint Legislative Audit and Review Commission for SJR 235.

The Division of Legislative Services, Department of Taxation, Center for Public Service, Commission on Local Government, Department of Housing and Community Development, Auditor of Public Accounts, and other state and local government agencies are requested to cooperate by providing any information that the Joint

Legislative Audit and Review Commission deems necessary for the purpose of completing its study.

The Commission shall submit an interim report of its progress to the Governor and the 1994 Session of the General Assembly and shall complete its work in time to submit its recommendations and final report to the Governor and the 1995 General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Appendix B

Federal Government PDC Funding

PDC Name	1990										
	Population	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993
Northern Virginia	1,466,350	\$122,025	\$142,573	\$218,058	\$126,201	\$143,597	\$167,826	\$179,647	\$88,250	\$201,326	\$510,769
Richmond Regional	739,735	350,014	393,346	430,374	298,902	385,563	404,443	284,436	295,207	252,819	430,497
Hampton Roads	1,417,909	434,739	429,263	401,089	361,669	407,373	429,773	449,684	635,083	676,432	827,649
Fifth	253,810	113,350	103,776	104,680	166,342	149,946	129,369	163,932	151,765	215,655	258,132
Thomas Jefferson	164,476	48,488	16,396	74,015	55,010	28,990	45,497	92,613	90,169	155,185	106,393
Central Virginia	206,226	125,468	142,058	118,982	127,326	133,327	343,799	105,000	77,534	47,724	140,435
West Piedmont	238,854	25,359	34,256	97,750	87,423	30,469	34,736	41,791	102,244	53,142	138,040
RADCO	170,410	110,335	180,088	169,403	108,423	174,916	250,747	167,102	192,020	245,444	239,890
Crater	156,407	128,280	165,744	196,529	230,554	292,553	309,901	285,071	311,429	295,320	332,222
LENOWISCO	91,520	160,597	159,428	233,650	244,162	209,977	211,316	216,169	206,500	194,294	240,322
Cumberland Plateau	123,580	473,039	457,327	699,375	767,426	1,558,536	862,645	1,134,268	931,323	1,025,765	958,887
Mount Rogers	178,210	316,366	227,476	244,089	212,382	258,690	277,850	287,802	249,855	357,081	316,964
New River Valley	152,680	40,442	41,258	42,403	41,739	32,578	33,290	31,008	31,147	36,857	108,352
Central Shenandoah	225,025	59,261	107,500	107,611	98,525	77,799	82,600	84,566	59,451	81,574	109,915
Lord Fairfax	159,239	27,811	12,500	12,230	22,670	10,000	5,672	36,828	4,812	24,075	72,700
Rappahannock-Rapidan	116,643	N/A	0	0	0	36,154	16,358	18,242	3,937	0	16,644
Southside	81,258	114,391	126,493	192,570	142,894	190,617	213,912	192,393	294,373	177,698	174,558
Piedmont	84,905	73,091	70,619	89,997	50,000	75,775	144,990	51,112	87,389	77,452	147,390
Northern Neck	44,173	22,089	41,107	44,987	50,422	96,539	139,973	72,554	60,961	39,728	65,583
Middle Peninsula	73,023	18,532	40,929	23,560	17,827	123,313	93,460	119,726	75,835	65,363	87,316
Accomack-Northampton	44,764	34,293	62,730	31,579	34,793	35,985	119,455	63,293	191,172	269,048	346,117
Total	6,189,197	\$2,797,970	\$2,954,867	\$3,532,931	\$3,244,690	\$4,452,697	\$4,317,612	\$4,077,237	\$4,140,456	\$4,491,982	\$5,628,775

Appendix B: (continued)

State Government Funds

<u>PDC Name</u>	1990										
	<u>Population</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>FY 1992</u>	<u>FY 1993</u>
Northern Virginia	1,466,350	\$294,855	\$342,897	\$344,959	\$353,038	\$467,063	\$481,999	\$468,201	\$490,003	\$421,651	\$420,866
Richmond Regional	739,735	147,220	158,000	158,000	158,000	201,720	201,720	201,720	182,052	181,548	172,660
Hampton Roads	1,417,909	231,032	254,458	251,286	243,529	312,949	363,170	315,382	456,299	441,365	444,764
Fifth	253,810	82,733	82,278	69,584	73,616	90,894	83,647	85,222	77,884	77,796	80,421
Thomas Jefferson	164,476	34,379	37,392	41,618	41,599	48,285	63,775	71,004	78,068	103,347	78,502
Central Virginia	206,226	53,616	59,010	55,713	54,719	67,223	63,953	67,778	56,746	54,654	52,528
West Piedmont	238,854	63,606	74,278	76,837	74,992	84,853	93,520	82,554	74,719	72,675	71,346
RADCO	170,410	29,675	29,675	29,675	29,675	40,650	50,000	50,000	45,125	45,000	43,000
Crafer	156,407	47,034	58,505	55,292	51,266	54,875	56,776	58,619	62,332	57,964	60,138
LENOWISCO	91,520	35,220	37,815	37,815	37,815	77,900	92,900	92,900	88,255	83,610	79,700
Cumberland Plateau	123,580	70,578	52,120	52,120	52,120	84,040	200,668	171,229	98,411	87,390	106,526
Mount Rogers	178,210	42,190	40,791	45,290	45,290	54,330	54,330	54,330	40,033	46,453	43,000
New River Valley	152,680	32,920	35,340	35,340	35,340	42,870	57,500	55,407	45,125	63,273	43,000
Central Shenandoah	225,025	68,520	61,192	52,085	52,085	63,210	77,084	77,809	61,541	56,889	52,524
Lord Fairfax	159,239	40,992	46,374	75,586	55,187	64,200	84,800	96,000	71,125	71,780	74,755
Rappahannock-Rapidan	116,643	N/A	60,247	88,577	86,656	99,038	88,530	117,549	65,731	84,053	104,712
Southside	81,258	20,000	20,650	58,063	20,650	40,000	50,000	50,000	47,500	45,000	43,000
Piedmont	84,905	20,000	20,890	60,974	20,890	40,000	60,000	47,500	215,301	382,730	106,940
Northern Neck	44,173	20,000	35,063	33,832	30,875	51,325	50,000	63,251	81,100	96,620	117,752
Middle Peninsula	73,023	31,977	39,264	41,216	40,797	40,000	84,200	162,502	151,743	108,697	89,109
Accomack-Northampton	<u>44,764</u>	<u>59,649</u>	<u>73,124</u>	<u>53,458</u>	<u>43,690</u>	<u>63,917</u>	<u>89,700</u>	<u>50,000</u>	<u>108,458</u>	<u>70,417</u>	<u>96,768</u>
Total	6,189,197	\$1,426,196	\$1,619,363	\$1,717,320	\$1,601,829	\$2,089,342	\$2,448,272	\$2,438,957	\$2,597,551	\$2,652,912	\$2,382,011

Appendix B: (continued)

Local Government Funds

<u>PDC Name</u>	1990										
	<u>Population</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>FY 1992</u>	<u>FY 1993</u>
Northern Virginia	1,466,350	\$303,477	\$342,943	\$399,363	\$457,561	\$478,637	\$613,504	\$658,572	\$743,033	\$750,683	\$709,391
Richmond Regional	739,735	188,829	204,481	358,342	314,596	312,269	318,600	455,802	691,065	603,609	493,201
Hampton Roads	1,417,909	263,907	273,255	407,434	741,864	334,716	439,912	504,909	762,176	611,109	760,043
Fifth	253,810	49,942	64,606	65,179	55,394	65,340	104,999	105,504	94,514	92,649	92,961
Thomas Jefferson	164,476	45,567	47,436	51,305	58,445	72,720	74,872	77,850	82,628	102,112	110,276
Central Virginia	206,226	46,987	46,064	50,318	80,042	103,810	95,111	53,781	54,157	257,041	167,080
West Piedmont	238,854	66,269	66,269	104,196	99,285	94,259	95,523	97,760	119,429	99,606	102,087
RADCO	170,410	48,840	49,760	49,760	52,520	54,160	56,000	58,400	58,520	59,269	67,995
Crater	156,407	98,047	96,332	122,867	127,790	122,237	135,016	136,708	162,588	115,738	122,396
LENOWISCO	91,520	70,198	70,594	85,729	86,863	86,863	86,296	84,838	97,984	95,520	95,520
Cumberland Plateau	123,580	405,080	443,880	652,650	611,687	839,169	584,373	1,046,013	1,708,709	1,521,709	1,547,573
Mount Rogers	178,210	75,193	103,552	90,800	118,230	101,453	134,772	156,024	229,181	147,121	185,208
New River Valley	152,680	42,404	42,403	42,403	54,301	56,997	60,044	62,905	66,897	69,518	65,594
Central Shenandoah	225,025	94,565	84,989	96,438	131,799	124,662	116,353	139,455	170,547	125,379	146,564
Lord Fairfax	159,239	35,649	80,853	63,674	83,010	110,959	100,696	138,394	137,166	125,892	157,373
Rappahannock-Rapidan	116,643	N/A	23,675	36,286	42,514	30,108	30,774	58,291	96,918	45,445	45,445
Southside	81,258	43,467	43,581	43,034	43,424	43,624	43,624	43,360	42,738	42,738	64,106
Piedmont	84,905	25,065	25,065	29,142	29,142	29,400	30,935	34,270	34,420	33,961	34,761
Northern Neck	44,173	18,000	18,000	18,000	18,000	18,000	18,000	21,555	30,500	37,799	38,000
Middle Peninsula	73,023	27,259	28,452	30,504	21,226	38,725	36,820	37,270	42,831	77,235	45,501
Accomack-Northampton	<u>44,764</u>	<u>59,649</u>	<u>73,124</u>	<u>53,458</u>	<u>43,690</u>	<u>63,917</u>	<u>19,617</u>	<u>38,075</u>	<u>63,554</u>	<u>124,337</u>	<u>131,587</u>
Total	6,189,197	\$2,008,394	\$2,229,314	\$2,850,882	\$3,271,382	\$3,182,025	\$3,195,841	\$4,009,736	\$5,489,555	\$5,138,470	\$5,182,662

Appendix B: (continued)

Other Funds

PDC Name	1990	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993
	Population										
Northern Virginia	1,466,350	\$63,585	\$80,773	\$67,575	\$55,442	\$56,564	\$60,400	\$71,264	\$93,289	\$127,447	\$149,336
Richmond Regional	739,735	16,184	17,975	30,134	11,610	18,492	19,100	43,209	27,941	18,270	9,683
Hampton Roads	1,417,909	102,479	218,444	165,676	176,860	234,205	144,721	116,212	164,452	91,629	110,794
Fifth	253,810	64,975	85,527	94,094	75,242	71,601	209,173	141,002	63,483	30,207	50,563
Thomas Jefferson	164,476	5,388	5,896	8,813	19,345	31,729	56,509	65,688	94,579	90,946	163,554
Central Virginia	206,226	2,086	6,269	1,872	6,185	909	703	1,269	48,425	21,151	21,516
West Piedmont	238,854	19,917	20,750	20,001	18,030	20,245	22,582	25,196	22,891	17,234	14,032
RADCO	170,410	52,075	57,078	72,573	94,694	54,364	90,742	89,191	111,877	101,680	91,761
Crater	156,407	8,722	34,096	71,024	51,936	93,066	114,336	87,603	88,245	184,953	141,457
LENOWISCO	91,520	6,761	2,952	0	0	4,141	8,765	9,570	21,061	19,876	4,734
Cumberland Plateau	123,580	12,716	31,877	38,229	45,262	52,804	50,560	63,686	50,195	83,117	63,854
Mount Rogers	178,210	24,503	18,909	14,156	13,913	19,932	20,791	20,252	0	3,212	1,497
New River Valley	152,680	34,933	86,492	97,156	114,106	129,971	104,336	129,685	208,264	203,557	161,436
Central Shenandoah	225,025	23,288	28,613	27,874	24,604	28,378	37,675	40,880	45,174	28,500	19,682
Lord Fairfax	159,239	8,769	8,763	12,798	12,142	14,287	17,075	17,020	17,778	19,578	14,308
Rappahannock-Rapidan	116,643	N/A	5,021	2,676	2,138	1,966	16,013	12,125	10,945	8,003	4,138
Southside	81,258	9,634	12,572	13,298	9,998	12,911	16,152	18,344	16,071	18,508	15,578
Piedmont	84,905	8,363	8,018	2,911	5,562	6,087	10,000	12,000	10,214	4,662	5,824
Northern Neck	44,173	11,038	10,387	19,885	10,857	9,742	10,823	15,204	37,799	20,928	18,270
Middle Peninsula	73,023	5,731	4,760	3,029	1,122	30,169	56,896	53,687	74,695	65,892	84,340
Accomack-Northampton	<u>44,764</u>	<u>5,796</u>	<u>26,098</u>	<u>3,127</u>	<u>128,109</u>	<u>110,291</u>	<u>126,712</u>	<u>230,590</u>	<u>212,454</u>	<u>161,110</u>	<u>138,697</u>
Total	6,189,197	\$486,943	\$771,269	\$766,901	\$877,157	\$1,001,853	\$1,194,065	\$1,263,677	\$1,419,832	\$1,320,460	\$1,285,054

Appendix B: (continued)

Total PDC Revenues

PDC Name	1990										
	Population	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993
Northern Virginia	1,466,350	\$783,942	\$909,186	\$1,029,955	\$992,242	\$1,145,861	\$1,323,729	\$1,377,684	\$1,414,575	\$1,501,107	\$1,790,362
Richmond Regional	739,735	702,247	773,802	976,850	783,108	918,044	943,863	985,167	1,196,265	1,056,246	1,106,041
Hampton Roads	1,417,909	1,032,157	1,175,420	1,225,485	1,523,922	1,289,243	1,377,576	1,386,187	2,018,010	1,820,535	2,143,250
Fifth	253,810	311,000	336,187	333,537	370,594	377,781	527,188	495,660	387,646	416,307	482,077
Thomas Jefferson	164,476	133,822	107,120	175,751	174,399	181,724	240,653	307,155	345,444	451,590	458,725
Central Virginia	206,226	228,157	253,401	226,885	268,272	305,269	503,566	227,828	236,862	380,570	381,559
West Piedmont	238,854	175,151	195,553	298,784	279,730	229,826	246,361	247,301	319,283	242,657	325,505
RADCO	170,410	240,925	316,601	321,411	285,312	324,090	447,489	364,693	407,542	451,393	442,646
Crater	156,407	282,083	354,677	445,712	461,546	562,731	616,029	568,001	624,594	653,975	656,213
LENOWISCO	91,520	272,776	270,789	357,194	368,840	378,881	399,277	403,477	413,800	393,300	420,276
Cumberland Plateau	123,580	961,413	985,204	1,442,374	1,476,495	2,534,549	1,698,246	2,415,196	2,788,638	2,717,981	2,676,840
Mount Rogers	178,210	458,252	390,728	394,335	389,815	434,405	487,743	518,408	519,069	553,867	546,669
New River Valley	152,680	150,699	205,492	217,302	245,485	262,416	255,170	279,005	351,433	373,205	378,382
Central Shenandoah	225,025	245,634	282,294	284,008	307,013	294,049	313,712	342,710	336,713	292,342	328,685
Lord Fairfax	159,239	113,221	148,490	164,288	173,009	199,446	208,243	288,242	230,881	241,325	319,136
Rappahannock-Rapidan	116,643	N/A	88,943	127,539	131,308	167,266	151,675	206,207	177,531	137,501	154,295
Southside	81,258	187,492	203,296	306,965	216,966	287,151	323,688	304,097	400,681	283,943	297,242
Piedmont	84,905	126,519	124,592	183,024	105,594	151,262	245,925	144,882	347,324	498,805	294,915
Northern Neck	44,173	71,127	104,557	116,704	110,154	175,606	218,796	172,564	210,360	195,075	239,605
Middle Peninsula	73,023	83,499	113,405	98,309	80,972	232,207	271,376	373,185	345,104	317,187	306,266
Accomack-Northampton	<u>44,764</u>	<u>159,387</u>	<u>235,076</u>	<u>141,622</u>	<u>250,282</u>	<u>274,110</u>	<u>355,484</u>	<u>381,958</u>	<u>575,638</u>	<u>624,912</u>	<u>713,169</u>
Total	6,189,197	\$6,719,503	\$7,574,813	\$8,868,034	\$8,995,058	\$10,725,917	\$11,155,789	\$11,789,607	\$13,647,394	\$13,603,823	\$14,461,858

Appendix B: (continued)

State General Appropriation

PDC Name	1990										
	Population	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993
Northern Virginia	1,466,350	\$257,605	\$276,430	\$276,430	\$276,430	\$372,570	\$372,570	\$353,940	\$336,244	\$335,313	\$342,266
Richmond Regional	739,735	147,220	158,005	158,005	158,005	201,720	201,720	191,634	182,053	181,548	172,660
Hampton Roads	1,417,909	276,630	296,890	296,890	296,890	393,600	393,600	373,919	355,224	354,240	330,604
Fifth	253,810	75,910	76,370	63,245	63,245	76,230	76,230	72,418	68,798	68,607	59,216
Thomas Jefferson	164,476	33,440	35,900	35,900	35,900	45,450	50,000	47,500	45,125	45,000	43,000
Central Virginia	206,226	45,230	48,550	48,550	48,550	60,210	60,210	57,200	54,340	54,189	48,115
West Piedmont	238,854	56,110	60,230	60,230	60,230	72,330	72,330	68,713	65,278	65,097	55,778
RADCO	170,410	27,640	29,675	29,675	29,675	40,650	50,000	47,500	45,125	45,000	43,000
Crater	156,407	37,720	40,490	40,490	40,490	47,940	50,000	47,500	45,126	45,000	43,000
LENOWISCO	91,520	35,220	37,815	37,815	37,815	77,900	92,900	88,255	83,843	83,610	79,700
Cumberland Plateau	123,580	48,570	52,120	52,120	52,120	84,040	97,100	92,245	87,633	87,390	83,293
Mount Rogers	178,210	42,190	45,290	45,290	45,290	54,330	54,330	51,613	49,033	48,897	43,000
New River Valley	152,680	32,920	35,340	35,340	35,340	42,870	50,000	47,500	45,125	45,000	43,000
Central Shenandoah	225,025	48,520	52,085	52,085	52,085	63,210	63,210	60,050	57,048	56,889	52,524
Lord Fairfax	159,239	20,000	20,000	20,000	33,125	41,100	50,000	47,500	45,125	45,000	43,000
Rappahannock-Rapidan	116,643	21,580	23,170	23,170	23,170	40,000	50,000	47,500	45,125	45,000	43,000
Southside	81,258	20,000	20,650	20,650	20,650	40,000	50,000	47,500	45,125	45,000	43,000
Piedmont	84,905	20,000	20,890	20,890	20,890	40,000	50,000	47,500	45,125	45,000	43,000
Northern Neck	44,173	20,000	20,000	20,000	20,000	40,000	50,000	47,500	45,125	45,000	43,000
Middle Peninsula	73,023	20,000	20,000	20,000	20,000	40,000	50,000	47,500	45,125	45,000	43,000
Accomack-Northampton	<u>44,764</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>40,000</u>	<u>50,000</u>	<u>47,500</u>	<u>45,125</u>	<u>45,000</u>	<u>43,000</u>
Total	6,189,197	\$1,306,505	\$1,389,900	\$1,376,775	\$1,389,900	\$1,914,150	\$2,034,200	\$1,932,487	\$1,835,870	\$1,830,780	\$1,740,156

Appendix B: (continued)

Local Dues

PDC Name	1990				
	Population	FY 1990	FY 1991	FY 1992	FY 1993
Northern Virginia	1,466,350	\$396,330	\$434,612	\$467,979	\$469,251
Richmond Regional	739,735	249,589	376,830	376,830	376,830
Hampton Roads	1,417,909	384,840	490,393	511,788	539,703
Fifth	253,810	92,938	96,150	85,191	92,961
Thomas Jefferson	164,476	77,850	82,628	84,188	85,436
Central Virginia	206,226	53,781	54,157	55,967	57,844
West Piedmont	238,854	91,572	91,572	89,289	90,758
RADCO	170,410	58,400	58,529	59,269	67,995
Crater	156,407	116,776	117,113	115,738	122,100
LENOWISCO	91,520	84,838	97,984	95,520	95,520
Cumberland Plateau	123,580	100,000	100,000	100,000	100,000
Mount Rogers	178,210	72,320	84,309	86,890	87,322
New River Valley	152,680	62,605	66,897	69,518	65,594
Central Shenandoah	225,025	53,500	54,125	55,262	56,251
Lord Fairfax	159,239	54,195	58,240	54,917	63,696
Rappahannock-Rapidan	116,643	40,326	42,814	45,445	45,445
Southside	81,258	43,360	43,260	42,738	64,076
Piedmont	84,905	29,136	33,420	33,961	33,961
Northern Neck	44,173	18,000	18,000	18,000	18,000
Middle Peninsula	73,023	37,270	39,000	45,501	45,501
<u>Accomack-Northampton</u>	<u>44,764</u>	<u>17,325</u>	<u>44,000</u>	<u>45,887</u>	<u>45,887</u>
Total	6,189,197	\$2,134,951	\$2,484,033	\$2,539,878	\$2,624,131

Appendix C

Additional Service Needs Identified By PDC Member Localities

PDC	
1	None
2	None
3	Geographic Information Services (GIS) mapping; more comprehensive planning; enhanced assistance in land-use and zoning issues; financial management services; greater role in meeting regional housing needs; regional solid waste management.
4	Reliable and accurate data base referencing all aspects of physical and human planning; regional human service agency budgeting and cost accounting; civil engineer consulting work; FmHA loan administration; regional visioning; producing an annual planning document which provides current information on population, land use, transportation patterns, employment, water and sewer demands, and housing statistics.
5	None
6	More analysis of where localities sit in context of region and State; stronger emphasis on establishing regional perspectives and facilitating regional cooperation and solutions; general research and analysis on a cross section of regional issues; more effectively pursue regional efforts in all phases of locality operations.
7	Regional environmental and resource inventory to support economic development, tourism, and environmental protection.
8	Perform all transportation coordination activities.
9	More regional information, planning coordination, and planning efforts; direct and regular interaction with localities; augment the statewide local government associations on legislative work; perform economic development and community improvement activities.
10	Undertake a yearly planning project.
11	More mapping and grant assistance services; better leadership and coordination of regional planning activities.
12	Localities would benefit from sharing professional staff through the PDC, such as county engineer, purchasing officer, transportation planner, and other specialized positions.
13	Land use planning and use of GIS system.
14	Create a forum for important regional issues through development of a plan which sets regional priorities; a better and more current solid waste management plan; GIS service to jurisdictions; legislative program for region.
15	None
16	Stormwater management.
17	Improve communications between localities to enhance its role as the catalyst in making regional efforts work.
18	Various regional programs, such as regional reassessments and planning for the future.
19	Implement regionally based administration of State mandated ordinances, such as Chesapeake Bay and wetlands Acts; development and maintenance of a GIS system.
22	Investigation of a regional jail to serve the district; develop and maintain a computerized GIS system.
23	Housing assistance services.
Source: JLARC staff analysis of local government administrator surveys, summer 1994.	

Appendix D

Five Greatest PDC Efforts Undertaken Since 1989 to Promote Regional Cooperation (Based on Information Reported By PDC Staff)

LENOWISCO PDC identified its greatest effort to be utility project coordination and development. The PDC reported that "the culmination of 15 years of planning efforts to replace old or inadequate sewage collection and treatment facilities with regional facilities" has been completed on some projects and is nearing completion on others. Additional regional efforts cited by the PDC include: creating the Virginia Coalfield Economic Development Authority and proposing a successful shell building program; developing the Abandoned Mined Land Fund Program project review manual, application, and project rating guidelines; implementing a regional Geographic Information System (GIS); and developing a regional solid waste program in 1993.

The greatest effort identified by the **Cumberland Plateau PDC** to promote regional cooperation involved developing the Cumberland Plateau Regional Industrial Park. The PDC reported that they "embarked on a cooperative effort in 1989 to develop a regional industrial park with the capability to directly employ 1,200 workers, with an additional 500 jobs to be created in the service industry." The industrial park is now home to automotive industries, which employ 212 persons. Other regional efforts reported by the PDC include: creating the Cumberland Plateau Regional Waste Management Authority; developing a speculative shell building program; implementing and operating a regional GIS; and project development through the public works program.

Mount Rogers PDC reported as its greatest effort the Circuit Rider Manager Program. The PDC received a demonstration grant from the Appalachian Regional Commission to establish this program, which provides management services for five towns and one private non-profit water company. Other regional accomplishments reported by the PDC include: promoting the idea of legislative liaison activities for the Route 58 legislation; temporarily serving as staff to perform regional marketing of industrial sites; providing staff to produce regional marketing materials for tourism; and promoting the concept of a marketing program to dispose of recyclable materials (tire shredding program).

The **New River Valley PDC** cited its greatest accomplishment as the PDC's assistance in creating the New River Valley Economic Development Alliance. The PDC worked with local chambers of commerce to create the alliance, which is responsible for a regional marketing program. The alliance relies on the PDC for data and other economic information for the region. Industry location decisions due to the work of the alliance resulted in the creation of 346 new jobs during 1993. Other regional efforts reported by the PDC include: preparing defense conversion and economic adjustment strategies; preparing the New River Valley Regional Jail Community Based Corrections Plan; providing assistance to the Interstate 81 Corridor Council; and engaging in rural transportation planning.

From 1987 to the present the **Fifth PDC** has been heavily involved in Roanoke River Corridor Studies, which includes work on a model zoning overlay and assistance to an advisory board. The Fifth PDC cited their work in this area as their most significant regional effort. A number of written products have been generated by the PDC in this area. The PDC reported a number of other regional efforts, which include: organizing and creating the Interstate 81 Corridor Council; coordinating a comprehensive regional stormwater management program for the Roanoke Valley; assisting with the creation of the Appalachian Railroad Heritage

Partnership; and initiating efforts which led to the creation of the Coalition for the Blue Ridge Parkway.

As its greatest regional effort the **Central Shenandoah PDC** identified developing its Census and Information Mapping System (CENMIS) through its GIS program. Automation through the CENMIS system has allowed the PDC to respond to 1,500 data requests per year. The PDC also assists its member localities with GIS start-up information and offers training to localities on its use. Other regional efforts reported by the PDC include: preparing solid waste management and recycling plans; participating on the Interstate 81 Corridor Council; activities to preserve the CSX mountain railroad subdivision line between Charlottesville and Clifton Forge; and creating the Central Shenandoah Disability Services Board.

The **Lord Fairfax PDC** cited its greatest regional effort as preparing the region's solid waste management plan. Adopted by all the 20 localities in its region, this effort has led to other cooperative ventures in the solid waste area, such as the implementation of a regional tire shredder. Other regional efforts cited by the PDC include: developing a rural transportation planning program; forming the Northern Shenandoah Valley Economic Development Network, which is a public-private cooperative venture to maintain and improve the economic viability of the region; preparing and obtaining grants for Civil War heritage tourism planning; and numerous water planning program studies, which include ground water protection, wastewater treatment, and public wellhead protection.

The greatest regional effort cited by the **Northern Virginia PDC** is its ability to be a catalyst and an enabler for regional action. The PDC convenes numerous regional groups and committees. Some of the accomplishments of these groups include organizing a regional jail, establishing a regional dental clinic, sponsoring regional training programs, and coordinating data collection for information and referral providers. The Northern Virginia PDC cited other regional efforts it performs, which include: sponsoring HIV and AIDS services; acting as the Northern Virginia Data Center; performing water and waste management studies; and conducting a legislative program for the region.

The **Rappahannock-Rapidan PDC** cited five of their greatest efforts to promote regional cooperation, but did not prioritize these efforts. One of their regional efforts involves transportation and ride share commuter services. These services have been a long-term project for the PDC, as the region has a number of commuters. Other regional efforts reported by the PDC include: conducting water quality and watershed comprehensive studies; preparing solid waste management and recycling plans; conducting a housing rehabilitation program for low income residents; and State and federal grant application assistance and management.

The greatest effort reported by the **Thomas Jefferson PDC** is their local planning assistance. Working with citizen advisory groups, planning commissions, and elected governing bodies, the PDC prepared comprehensive plans for Fluvanna and Nelson Counties and the town of Scottsville. Other regional efforts cited by the PDC include: developing housing improvement programs, such as the regional Comprehensive Housing Affordability Strategy and two local non-profit housing foundations; developing a regional economic development partnership; initiating a sustainable development project known as the Thomas Jefferson Study to Preserve and Assess the Regional Environment; and solid waste planning activities.

The **Central Virginia PDC** reported its most significant regional effort as its regional radio study. The PDC is using a consultant to review the total communication needs for five localities and make possible recommendations on the feasibility of retaining the current system with upgrades or going to an entirely new system. Other regional efforts cited by the PDC include: working with the Department of Environmental Quality on a waste tire disposal project; developing data bases to support GIS and E-911 development in its jurisdictions; developing and

administering E-911 systems for member localities, which includes a street naming and numbering system service; and providing assistance to the Lynchburg Neighborhood Development Foundation for a grant proposal for a regional housing loan fund, which resulted in loans of \$1.6 million for first-time home buyers as a pilot program.

The **West Piedmont PDC** achieved Economic Development Administration (EDA) designation as an economic development district (EDD) in 1992. This effort, along with its efforts with the Virginia Community Certification Program, was cited by the PDC as their most significant regional effort since 1989. As a result of EDD designation the PDC has brought in more than \$2 million in federal funds to assist in economic development growth opportunities in the region. Other regional efforts cited by the PDC include: updating comprehensive plans for localities in their region; both rural and urban transportation planning activities; water quality management planning activities for localities in their region; and installing and developing the basic components of a GIS program.

The greatest regional effort cited by the **Southside PDC** involves developing the South Hill Regional Sewer System, which includes the towns of Brodnax, LaCrosse, and South Hill. The PDC reported that the project has resulted in the development of a 120-acre industrial park, which is currently in the process of locating industry. Other regional efforts reported by the PDC include: operating a revolving loan fund through the Lake Country Development Corporation; initiating efforts to organize a regional tourism committee to promote the natural beauty and assets of the area; participating in a prospective industry outreach program; and regional solid waste planning activities.

Cited by the **Piedmont PDC** as its greatest regional effort is providing technical assistance to its localities. The PDC provides technical assistance to the localities participating in the Prince Edward Industrial Park, Lunenburg Commercentre, and a regional sheltered workshop. Other regional efforts reported by the PDC include: designing and operating housing program activities, which involves the Virginia Indoor Plumbing Program; preparing a solid waste management plan; developing a rural transportation planning program for the seven-county area; and designing and administering a septage handling and disposal feasibility study in response to a State mandate.

The **Richmond Regional PDC** reported its greatest regional effort to be its work in solid waste activities. In order to address waste management issues, the PDC created the Central Virginia Waste Management Authority in December, 1991. In conjunction with the Crater PDC, the Richmond Regional PDC also developed a solid waste management plan for the localities which belong to these two PDCs. Other regional efforts cited by the Richmond Regional PDC include: preparing a water resources plan for their area in conjunction with the Regional Water Resources Task Force; developing environmental policies for their region; preparing a Metropolitan Planning Organization (MPO) transportation improvement plan; and developing and operating a GIS program.

Cited as its greatest regional effort by the **RADCO PDC** is their development of a public/private partnership for economic development, known as the Greater Fredericksburg Regional Partnership. Obtaining private and public input into economic development objectives is the primary function of the partnership. The PDC provides staff to the partnership and directs its processes. Other regional efforts reported by the PDC include: developing a transportation planning program and activities to support the program; creating and operating a telecommuting center as a federal pilot program under the U.S. General Services Administration; sponsoring and assisting with the creation of a welcome center in King George County; and RADCO's availability in bringing together localities to discuss and resolve multi-jurisdictional issues.

The **Northern Neck PDC** cited its greatest regional effort to be the development of a waste management plan. The plan involved all four member counties and the six towns in these counties. Under the plan terms, the PDC is responsible for surveying, evaluating, and reporting the total waste generated and the amount recycled during the years 1991, 1993, and 1995. Other regional efforts reported by the PDC include: developing and revising a software package known as a Landuse Tracking Program (LUTS), which is used to track permit data for locality land use studies and plans; designing and operating a GIS program; providing information to their four member counties on the development of a regional animal facility; and exploring the feasibility of a tire shredding facility, which involved developing a project proposal.

Cited as its greatest regional effort conducted since 1989, the **Middle Peninsula PDC** operates a GIS program to assist the region in complying with regulations involving the Chesapeake Bay Preservation Act. The GIS program was developed in cooperation with all nine member localities, the Chesapeake Bay Local Assistance Department, the Coastal Resources Management Program, and the Virginia Environmental Endowment. Other regional efforts reported by the PDC include: organizing the Virginia Peninsula Public Service Authority to provide solid waste management planning; developing a comprehensive water quality management plan; providing technical assistance to localities on land use planning and development issues through the Middle Peninsula Coastal Resources Management Program; and operating the Middle Peninsula Ride Share Program, which provides transportation management services to commuters and local governments.

The **Crater PDC** reported its establishment of a comprehensive economic development marketing and service program as its greatest regional effort. As part of this effort the PDC acquired designation as an economic development district from the Economic Development Administration. The PDC also operates three other economic development operations in-house: the Appomattox Basin Industrial Development Corporation, the Crater Development Company, and the Procurement Assistance Center. Other regional efforts cited by the PDC include: forming the Central Virginia Waste Management Authority; the James River/Appomattox River Monitoring and Modeling Effort; efforts to remove Fort Lee from the list of base closings in 1993; and a regional airport system study for Eastern Virginia, which involves identifying the long-term aviation needs of the area and potential recommendations to meet those needs.

The **Accomack-Northampton PDC** housing and community development program was cited as its greatest regional effort. The PDC prepares grant applications for State and federal funds, in conjunction with the Accomack-Northampton Housing and Redevelopment Corporation and the Accomack-Northampton Regional Housing Authority. The PDC reported that "since 1989, over \$13.6 million has been secured through [the PDC's] assistance, including funding for improvements to 482 homes." Other regional efforts reported by the PDC include: achieving community certification through the Virginia Community Certification Program; developing a Ground Water Supply Protection Plan for the eastern shore of Virginia; providing assistance to 14 towns on comprehensive planning activities required as a result of the Chesapeake Bay Preservation Act; and facilitating the development of two regional sewer planning projects.

The greatest regional effort reported by the **Hampton Roads PDC** involves the 1990 merger of the Southeastern Virginia PDC and the Peninsula PDC. Driven by the requests of member localities, the Hampton Roads PDC reported that "the merger combined the eight southeastern localities and the six Peninsula localities into one 'quasi' political unit thereby strengthening the Hampton Roads region." Other regional efforts cited by the Hampton Roads PDC include: maintaining and developing an annual transportation improvement program in conjunction with its designation as a Metropolitan Planning Organization; assisting with the development of a regional economic development plan; administering a cooperative ground

water program, which includes producing studies and reports; and acting as the organization for regional decision making, which involves the PDC associating with numerous committees and local staffs to address a variety of area wide problems.

Appendix E

Agency Responses

As part of an extensive data validation process, State agencies involved in a JLARC assessment effort are given the opportunity to comment on an exposure draft of the report. Appropriate technical corrections resulting from the written comments have been made in this final version of the report. Page references in the agency responses relate to an earlier exposure draft and may not correspond to page numbers in this version.

This appendix contains the responses of the Department of Housing and Community Development and the Department of Planning and Budget. Comments received from the Planning District Commissions may be viewed at the JLARC offices upon request.



COMMONWEALTH of VIRGINIA

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

George Allen
Governor

Robert T. Skunda
Secretary of
Commerce and Trade

David L. Caprara
Director

October 21, 1994

Mr. Philip A. Leone, Director
Joint Legislative Audit and Review
Commission
Suite 1100, General Assembly Building
Richmond, Virginia 23219

Dear Mr. Leone:

Thank you for providing me a copy of your draft report Review of Regional Planning District Commissions in Virginia. I want to compliment the JLARC staff for the in depth research and thorough analysis of PDC activities to produce the report. Following are my comments on the report.

As you have pointed out in the report, "PDC's as a whole are providing useful services to the state and particularly to local governments". And just like with any group of organizations, some are performing at a higher level than others. Given the constraints that PDC's operate under such as limited resources and the appropriate voluntary participation of local governments who can withdraw membership and funding for non-performance, I believe the PDC's have made notable gains in addressing regional issues, serving local government needs and assisting state agencies on a variety of projects.

PDC efforts to support and implement a statewide Geographic Information System (GIS) network is an example of their willingness and ability to provide leadership in gathering, interpreting and using information. In our agency's joint collaborative efforts to date with the Department of Economic Development, Director Wayne Sterling has strongly underscored the value of PDCs in performing important local and regional groundwork for economic projects. Director Sterling also commented on the positive information gathering role PDCs can play in the Commonwealth's efforts to gather local and regional information for industrial prospects considering locations in Virginia.

Much of the information gathered by PDCs is required for localities to apply for various state and federal grant programs to address problems in our communities. For example, the Hampton Roads Planning District Commission has used this information to

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prepare grant requests and receive federal and state funding to address the issues of military downsizing and base closings in the Tidewater area.

The LENOWISCO Planning District Commission played a major role in coordinating the three state application for a federal Empowerment Zone designation for Lee County, Virginia, Harland County, Tennessee, and Bell County, Kentucky. If approved, this would provide over \$40 million in new federal funding to this area of Appalachia. The Southside Planning District Commission has played a major role in industrial recruitment by applying for and receiving federal funds to create the Lake Country Development Corporation to provide infrastructure and business financing for companies to locate in this area of Virginia. Many more examples could be cited but you have already done this in the report.

The Department of Housing and Community Development works closely with PDC's in providing grant assistance and planning support to their localities and in assisting them in accessing various federal grant programs. This Department does not believe the state funding and coordination activities with PDCs should be moved to the Commission on Local Government in view of the current programming coordination that would be diminished by such a move.

If PDC oversight and support remains in the Commerce and Trade Secretariat, it will provide a better opportunity to coordinate economic development activities and initiatives with localities and other agencies. This will also enhance PDC networking capabilities with the Governor's Regional Economic Development Councils that were formed around regions of similar economic interest.

Following are specific recommendations of this Department to further enhance the role of PDCs in local planning initiatives:

- 1) The report points out that state funding to PDC's is passed through the Department of Housing and Community Development budget without oversight responsibility for the funding. At one time, DHCD provided some minimum staff support to PDC's to assist them in preparing and printing a newsletter to help in sharing information between PDC's and to assist in arrangements for meetings and conferences. I have spoken with the Virginia Association of PDCs about renewing a minimum logistical support role to the VAPDC, with the belief that the state's only "trade association" for PDCs should play a pivotal leadership role in defining a more dynamic role for the entities.

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At a minimum, PDCs should be required to submit a work plan at the onset of the fiscal year which would include performance benchmarks, and a closeout fiscal and program report which should be made available to this agency, the Department of Planning and Budget, the Department of Economic Development, the Commission on Local Government, the Department of Transportation, and the Department of Environmental Quality. DHCD is prepared to oversee this renewed level of oversight with no additional General Assembly administrative resources. However, any more substantial authority would require additional resource support.

I would like to add that we do not favor new unfunded state mandates for PDCs or any other entities of local government.

2. It is obvious from the JLARC analysis and our Department's experience that there are well performing PDCs and PDCs that are not performing optimally. I have discussed with the Virginia Association of Planning District Commissions the need for PDC's to be held accountable for the services provided in relation to the state funding provided. It is prudent that a new system of incentives be established which would reward high performing PDCs and provide sanctions or funding termination for non-performers. JLARC's suggestion of consolidating jurisdictions by incorporating several of the lesser performing PDCs into larger, better performing areas is one option, with concurrence of the local jurisdictions.

3. I believe PDC's can play a valuable support role in the Administration's present efforts to develop a statewide strategic plan. They have the ability to gather and compile information on a regional basis and they can bring local governments, private organizations and citizens together in a forum to discuss issues of importance to the state and their particular region.

Leadership and coordination of this intra-departmental coordination effort should be retained in the Department of Planning and Budget. I have discussed this collaborative partnership with DPB in preparing these comments, and intend to strengthen this working partnership with PDCs.

4. A number of PDCs are providing important staffing support for the Governor's Regional Economic Development Councils. Under the leadership of the Secretary of Commerce and Trade, PDCs should continue to be encouraged to play a supportive role to the Regional Economic Development Councils. I have observed first hand the vital role that RADCO has played in helping the Fredericksburg Council in forging a new economic identity and regional partnership.

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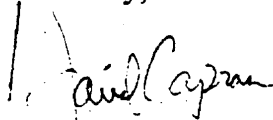
5. As noted above and in the JLARC report, PDCs can play an invaluable role in the development of a statewide GIS system. State support should be considered in the area of getting compatible software programs and information dissemination networks established across Virginia, which could be accessed by private enterprises, local and state agencies, and the citizenry.

6. PDC's should be encouraged to continue their efforts with localities in addressing and solving issues of regional and statewide significance, on a strictly voluntary, cooperative basis. This enhanced voluntary regional collaboration is entirely preferable to creation of new layers of government at the state or regional level.

In conclusion, Planning District Commissions as a whole have served the Commonwealth well. Many of our smaller communities would not be able to access various state and federal grant programs without their assistance. They have been leaders in bringing together local governments and the private sector in urban areas to address such issues as military downsizing, water quality management, transportation planning and a host of other issues.

We look forward to working with you, the legislature, other state agencies and PDC's in this effort.

Sincerely,



David L. Caprara

cc: Secretary Robert Skunda
Secretary Paul Timmreck
Robert Lauterberg, DPB
Wayne Sterling, DED
Hon. Robert Dix, President, VAPDC



00728 1994

COMMONWEALTH of VIRGINIA

Robert W. Lauterberg
Director

Department of Planning and Budget

P.O. Box 1422
Richmond, VA 23211

October 13, 1994

Mr. Philip A. Leone, Director
Joint Legislative Audit and Review
Commission
Suite 1100 General Assembly Building
Richmond, Virginia 23219

Dear Phil:

Thank you for sharing a copy of JLARC's draft of the *Review of Regional Planning District Commissions in Virginia*. The document is well-researched and well-written and we are in general agreement with its contents. I would, however, like to submit the following comments:

- Placement of oversight responsibility for the Planning District Commissions with the Department of Housing and Community Development or the Commission on Local Government would appear to be logical.
- The first paragraph on page 93 should be deleted.
- The second and third sentences contained in Recommendation (3) on page 93 should be deleted.
- Consideration should be given to linking future Planning District funding (perhaps above a certain base) to specific results such as participation in Geographic Information System efforts.

Sincerely,

A handwritten signature in cursive script that reads 'Bob Lauterberg'.

Robert W. Lauterberg

c:\vid\hhh\leone.doc

cc: Barbara A. Newlin
Manju S. Ganeriwala
Herb H. Hill

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