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Exempt Action Final Regulation Agency Background Document

Agency name	Board of Housing and Community Development
Virginia Administrative Code (VAC) citation(s)	13 VAC5 – 112
Regulation title(s)	Enterprise Zone Grant Program
Action title	Amendments to conform to code and technical changes
Final agency action date	May 13, 2019
Date this document prepared	May 23, 2019

While a regulatory action may be exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the *Code of Virginia*, the agency is still encouraged to provide information to the public on the Regulatory Town Hall using this form. However, the agency may still be required to comply with the Virginia Register Act, Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1 VAC7-10), and the *Virginia Register Form, Style, and Procedure Manual for Publication of Virginia Regulations*.

Brief Summary

Please provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

The 2019 General Assembly passed legislation and budget language affecting the Enterprise Zone program. The changes alter zone renewal procedures and clarify procedures for inclusion of solar panel installation as an allowed activity within the Enterprise Zone program (Chapter 496, 2019 Acts of Assembly and 2019 Appropriations Act, Item 107). The first change allows all zones an additional five year renewal period for a maximum zone duration of 25 years. The second change adds language clarifying that solar panel installation is a permitted activity under the Real Property Investment Grant (RPIG) program; this includes stand-alone solar installation or as part of new construction or a rehabilitation project. The change also lowers the threshold at which solar projects are eligible to receive funding

This action includes three technical changes: updating a mailing address, correcting an incorrect reference, and fixing a typo.

Mandate and Impetus

Please identify the mandate for this regulatory change, and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, internal staff review, petition for rulemaking, periodic review, board decision, etc.). "Mandate" is defined as "a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part."

Chapter 496, Virginia Acts of Assembly 2019 and Item 107 of the 2019 Appropriations Act, change zone renewal procedures and make an allowance for inclusion of solar panels within the real property investment grant program.

Statement of Final Agency Action

Please provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

The Board of Housing and Community Development adopted the legislative updates and technical changes to the Enterprise Zone Grant Program Regulations on May 13, 2019.