

Office of Regulatory Management
Economic Review Form

Agency name	Department of Environmental Quality (“Department”)
Virginia Administrative Code (VAC) Chapter citation(s)	NA
VAC Chapter title(s)	NA
Action title	NA
Date this document prepared	November 10, 2025
Regulatory Stage (including Issuance of Guidance Documents)	Issuance of Guidance Document – GM25-2007, Clarification on Common Plan of Development or Sale

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>This action will issue Guidance Document GM25-2007 – Clarification on Common Plan of Development or Sale</p> <p>Background</p> <p>A “common plan of development or sale” (CPOD) is broadly defined in the Virginia Erosion and Stormwater Management Regulation 9VAC25-875 (“VESM Regulation”) as a “contiguous area where separate and distinct construction activities may be taking place at different times on different schedules.” This broad definition led to confusion within the regulated community over the past decade, where seemingly everything and nothing could be considered a CPOD.</p> <p>The purpose of this guidance memorandum is to 1) provide clarification where the Department of Environmental Quality is the Virginia Stormwater Management Program (VSMP) or Virginia Erosion and Stormwater Management Program (VESMP) Authority on the legal authority, application, and interpretation of “common plan of development or sale;” 2) to assist in the determination of when a Construction General Permit is required and when an agreement in lieu of a plan may be used; and 3) provide scenarios that demonstrate this information where DEQ is the VSMP or VESMP Authority.</p> <p>Direct Costs: As guidance that provides clarification for implementing CPOD and complying with state laws and the VESM Regulation, this guidance does not impose any direct costs on either stakeholders or the Department.</p> <p>Indirect Costs: The primary indirect costs associated with the new guidance are additional staff time required for local authority and Department staff to attend training and gain familiarity with the guidance. The Department is unable to quantify these costs but expects them to be minimal because the guidance is clear, concise, and helps staff understand when and how to apply CPOD requirements.</p> <p>Direct Benefits: As guidance that provides clarification for complying with state laws and the VESM Regulation, the guidance is expected to result in direct benefits to stakeholders, local governments, and the Department. They include:</p> <ul style="list-style-type: none"> - Reduced confusion since the guidance clarifies a topic that has not been clarified to date. - The guidance allows more consistent and transparent decision-making, leading to more efficient review of plans and permit applications since users and regulators will both have the same information and expectations.
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	<p>- Significant time savings for planners, applicants, and reviewers because clarification and scenarios provided reduce the need for case-specific decision making.</p> <p>The guidance will reduce confusion and uncertainty for stakeholders, Department staff, and local VESMP authorities about the implementation of CPOD, thereby lowering costs for site plans, plan review, and regulatory compliance. This will also allow faster plan development and review.</p> <p>Indirect Benefits: Providing clarifying guidance for the implementation of CPOD will allow projects to go to construction sooner, avoid compliance issues, and make Department decision-making more transparent.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) As guidance, there are no direct costs. Unable to monetize indirect costs associated with additional staff training to learn the guidance.	<p>(b) If a consulting firm saves an average of eight (8) hours developing a permit application for a land-disturbing activity because the guidance is clear, concise and executable, multiplying the 8 hours by a typical billable rate of \$120/hour, for the approximately 1,200 permits the Department issues annually for land-disturbing activities across the Commonwealth, the total savings for the regulated community would exceed approximately \$1.2 million/yr. In addition, local authorities and the Department will benefit from the amount of staff time saved working with consultants on issues due to the less complex and usable guidance.</p> <p>There are also indirect benefits from being able to bring projects to construction sooner, as well as completing and closing out projects faster, and having guidance that references laws and regulations that are in effect. The Department is unable to quantify these benefits.</p>
(3) Net Monetized Benefit	NA	

(4) Other Costs & Benefits (Non-Monetized)	Unknown (see discussion above).
(5) Information Sources	Department permit records; communications with Department staff who worked for consulting firms that prepare and work with stormwater plans.

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The “status quo” option would be to continue to use the VESM regulation definition as it is written, which is broad, unclear, and inconsistently applied across the Commonwealth.</p> <p>The existing regulation does not impose any direct costs on either stakeholders or the Department.</p> <p>Indirect Costs: The “status quo” option would be to continue to use the VESM regulation definition as it is written, which has led to confusion among stakeholders and Department staff, or local erosion and stormwater management program authorities that review and approve plans and permit applications for land-disturbing activities. The primary indirect costs with the “status quo” are the additional operator, consultant, Department, and local authority staff time to resolve plan review issues from inconsistencies in CPOD implementation due to the lack of clear guidance. The current process requires an independent review of each project for specific CPOD applicability. The Department is unable to quantify these costs.</p> <p>Direct Benefits: The primary direct benefit of maintaining the “status quo” is the continued interpretation and implementation of the VESM Regulation, which is familiar to the design community, developers, contractors, plan reviewers, and inspectors. The Department is unable to quantify these costs.</p> <p>Indirect Benefits: The primary indirect benefits of maintaining the “status quo” option are that it would save design consultants, operators, local authorities, and Department staff time and personnel costs associated with learning the guidance. With the “status quo” option, staff would continue to use, implement, and review projects as they have been for the past 10 years. The Department is unable to quantify these costs.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) As guidance, there are no direct costs. Unable to monetize indirect costs associated with the status quo.	(b) Unable to monetize direct and indirect benefits.
(3) Net Monetized Benefit	NA	
(4) Other Costs & Benefits (Non-Monetized)	NA	
(5) Information Sources	NA	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	DEQ is not aware of any alternatives to the current proposal other than operating under the current “status quo” and implementing the VESM Regulation without guidance to improve clarity and consistency in application of the CPOD requirements.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) As guidance, there are no direct costs. Unable to monetize indirect costs associated with the status quo.	(b) Unable to monetize direct and indirect benefits.
(3) Net Monetized Benefit	NA	
(4) Other Costs & Benefits (Non-Monetized)	NA	
(5) Information Sources	NA	

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs &	Guidance Memo No. 25-2007 is only applicable when the Department is the VSMP or VESMP authority where the land-disturbing activity is
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Benefits (Monetized)	<p>occurring. Localities and other entities that serve as VESMP or Virginia Erosion and Sediment Control Program (VESCP) authorities may, but are not required to, adopt comparable policies or requirements in their ordinances based on this guidance.</p> <p>Direct Costs: There are no direct costs to local partners because this guidance does not change the existing responsibilities of local governments to implement erosion and sediment control and stormwater management programs consistent with requirements in the Virginia Erosion and Stormwater Management Act and Erosion and Sediment Control Law (see Chapters 2.3 and 2.4 respectfully of the State Water Control Law, Article 3.1 of Title 62.1 of the Code of Virginia).</p> <p>Indirect Costs: The indirect costs associated with the guidance are additional time necessary for local staff to attend training – if a locality that operates a VESMP adopts comparable policies or requirements in their ordinances based on this guidance. The Department is unable to quantify these costs.</p> <p>Direct Benefits: The direct benefit to local partners is reduced confusion and inconsistent application of CPOD, which will result in less staff time in reviewing and working through project-specific issues independently before and during construction. The Department is unable to quantify these costs.</p> <p>Indirect Benefits: The indirect benefits associated with this change are that construction projects will be completed faster and with fewer delays caused by uncertainty, thus supporting economic growth within the locality. The Department is unable to quantify these costs.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) Unable to monetize direct and indirect costs.	(b) Unable to monetize direct and indirect benefits.
(3) Other Costs & Benefits (Non- Monetized)	NA	
(4) Assistance	NA	
(5) Information Sources	NA	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There are no direct costs that impact families associated with the guidance.</p> <p>Indirect Costs: There are no indirect costs that impact families associated with the guidance.</p> <p>Direct Benefits: There are no direct benefits that impact families associated with the guidance.</p> <p>Indirect Benefits: There are no indirect benefits that impact families associated with the guidance.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) NA	(b) NA
(3) Other Costs & Benefits (Non-Monetized)	NA	
(4) Information Sources	NA	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	Small businesses would have the same impact as described in Table 1a above. The Department is unable to identify the number of small businesses that would utilize this guidance document.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) As guidance, there are no direct costs. Unable to monetize indirect	(b) If a consulting firm saves an average of eight (8) hours developing a permit application for

	costs associated with additional staff training to learn the Guidance.	<p>a land-disturbing activity because the guidance is less complex and more usable than existing guidance, multiplying the 8 hours by a typical billable rate of \$120/hour per permit, the total savings for the regulated community is approximately \$960 per permit. The Department issues approximately 1,200 permits annually, resulting in savings to the regulated community, including small businesses, in excess of approximately \$1.2 million/yr.</p> <p>There is also an indirect benefit from projects initiating construction sooner. The Department is unable to quantify these benefits.</p>
(3) Other Costs & Benefits (Non-Monetized)	NA	
(4) Alternatives	NA	
(5) Information Sources	NA	

Changes to the Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
NA	(M/A):				
	(D/A):				
	(M/R):				
	(D/R):				
				Grand Total of Changes in Requirements:	(M/A):
					(D/A):
					(M/R):
					(D/R):

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
NA				

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden
The Virginia Erosion and Stormwater Management (VESM) Regulation, 9VAC25-875, has a total of 773 statutory	The guidance streamlines the process to develop plans for compliance with the VESM Regulation. It also reduces the overall amount of time required	If a consulting firm saves an average of eight (8) hours developing a permit application for a land-disturbing activity because the guidance is less

<p>requirements and 0 discretionary requirements.</p>	<p>for state and local approving authorities to review and approve submissions.</p>	<p>complex and more usable than existing guidance, multiplying the 8 hours by a typical billable rate of \$120/hour per permit, the total savings for the regulated community is approximately \$960 per permit. The Department issues approximately 1,200 permits annually, resulting in a savings to the regulated community of approximately \$1.2 million/yr.</p> <p>Implementation of the Guidance will allow faster plan development and review; which the Department estimates will result in at least a 30-day time savings. There is approximately \$28 billion/yr in construction activity in Virginia. With an estimated 10% cost of debt and equity, this results in a savings of \$233 million/yr.</p>

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Length	New Length	Net Change in Length
Guidance Memo No. 25-2007 – Clarification on Common Plan of Development or Sale	0	7	+7