

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 15.2-2242 of the Code of Virginia, relating to land subdivision and*
 3 *development; optional provisions of a subdivision ordinance; electric vehicle charging stations;*
 4 *Department of Energy; report.*

5 [H 833]

6 Approved

7 **Be it enacted by the General Assembly of Virginia:**8 **1. That § 15.2-2242 of the Code of Virginia is amended and reenacted as follows:**9 **§ 15.2-2242. Optional provisions of a subdivision ordinance.**

10 A subdivision ordinance may include:

11 1. Provisions for variations in or exceptions to the general regulations of the subdivision ordinance in
 12 cases of unusual situations or when strict adherence to the general regulations would result in substantial
 13 injustice or hardship.

14 2. A requirement (i) for the furnishing of a preliminary opinion from the applicable health official
 15 regarding the suitability of a subdivision for installation of subsurface sewage disposal systems where such
 16 method of sewage disposal is to be utilized in the development of a subdivision and (ii) that all buildings
 17 constructed on lots resulting from subdivision of a larger tract that abuts or adjoins a public water or sewer
 18 system or main shall be connected to that public water or sewer system or main subject to the provisions of
 19 § 15.2-2121.

20 3. A requirement that, in the event streets in a subdivision will not be constructed to meet the standards
 21 necessary for inclusion in the secondary system of state highways or for state street maintenance moneys paid
 22 to municipalities, the subdivision plat and all approved deeds of subdivision, or similar instruments, must
 23 contain a statement advising that the streets in the subdivision do not meet state standards and will not be
 24 maintained by the Department of Transportation or the localities enacting the ordinances. Grantors of any
 25 subdivision lots to which such statement applies must include the statement on each deed of conveyance
 26 thereof. However, localities in their ordinances may establish minimum standards for construction of streets
 27 that will not be built to state standards.

28 For streets constructed or to be constructed, as provided for in this subsection, a subdivision ordinance
 29 may require that the same procedure be followed as that set forth in provision 5 of § 15.2-2241. Further, the
 30 subdivision ordinance may provide that the developer's financial commitment shall continue until such time
 31 as the local government releases such financial commitment in accordance with provision 11 of § 15.2-2241.

32 4. Reasonable provision for the voluntary funding of off-site road improvements and reimbursements of
 33 advances by the governing body. If a subdivider or developer makes an advance of payments for or
 34 construction of reasonable and necessary road improvements located outside the property limits of the land
 35 owned or controlled by him, the need for which is substantially generated and reasonably required by the
 36 construction or improvement of his subdivision or development, and such advance is accepted, the governing
 37 body may agree to reimburse the subdivider or developer from such funds as the governing body may make
 38 available for such purpose from time to time for the cost of such advance together with interest, which shall
 39 be excludable from gross income for federal income tax purposes, at a rate equal to the rate of interest on
 40 bonds most recently issued by the governing body on the following terms and conditions:

41 a. The governing body shall determine or confirm that the road improvements were substantially
 42 generated and reasonably required by the construction or improvement of the subdivision or development and
 43 shall determine or confirm the cost thereof, on the basis of a study or studies conducted by qualified traffic
 44 engineers and approved and accepted by the subdivider or developer.

45 b. The governing body shall prepare, or cause to be prepared, a report accepted and approved by the
 46 subdivider or developer, indicating the governmental services required to be furnished to the subdivision or
 47 development and an estimate of the annual cost thereof for the period during which the reimbursement is to
 48 be made to the subdivider or developer.

49 c. The governing body may make annual reimbursements to the subdivider or developer from funds made
 50 available for such purpose from time to time, including but not limited to real estate taxes assessed and
 51 collected against the land and improvements on the property included in the subdivision or development in
 52 amounts equal to the amount by which such real estate taxes exceed the annual cost of providing reasonable
 53 and necessary governmental services to such subdivision or development.

54 5. In Arlington County, Fairfax County, Loudoun County, and Prince William County, in any town
 55 located within such counties, in Bedford County, Pittsylvania County, Spotsylvania County, and Stafford
 56 County, or in the Cities of Alexandria, Chesapeake, Fairfax, Falls Church, Hampton, Manassas, Manassas

57 Park, and Portsmouth, provisions for payment by a subdivider or developer of land of a pro rata share of the
 58 cost of reasonable and necessary road improvements, located outside the property limits of the land owned or
 59 controlled by him but serving an area having related traffic needs to which his subdivision or development
 60 will contribute, to reimburse an initial subdivider or developer who has advanced such costs or constructed
 61 such road improvements. Such ordinance may apply to road improvements constructed after July 1, 1988, in
 62 Fairfax County; in Arlington County, Loudoun County, and Prince William County, in any town located
 63 within such counties, in Bedford County, Pittsylvania County, Spotsylvania County, and Stafford County, or
 64 in the Cities of Alexandria, Chesapeake, Fairfax, Falls Church, Hampton, Manassas, Manassas Park, and
 65 Portsmouth, such ordinance may only apply to road improvements constructed after the effective date of such
 66 ordinance.

67 Such provisions shall provide for the adoption of a pro rata reimbursement plan which shall include
 68 reasonable standards to identify the area having related traffic needs, to determine the total estimated or
 69 actual cost of road improvements required to adequately serve the area when fully developed in accordance
 70 with the comprehensive plan or as required by proffered conditions, and to determine the proportionate share
 71 of such costs to be reimbursed by each subsequent subdivider or developer within the area, with interest (i) at
 72 the legal rate or (ii) at an inflation rate prescribed by a generally accepted index of road construction costs,
 73 whichever is less.

74 For any subdivision ordinance adopted pursuant to provision 5 of this section after February 1, 1993, no
 75 such payment shall be assessed or imposed upon a subsequent developer or subdivider if (i) prior to the
 76 adoption of a pro rata reimbursement plan the subsequent subdivider or developer has proffered conditions
 77 pursuant to § 15.2-2303 for offsite road improvements and such proffered conditions have been accepted by
 78 the locality, (ii) the locality has assessed or imposed an impact fee on the subsequent development or
 79 subdivision pursuant to Article 8 (§ 15.2-2317 et seq.) of Chapter 22, or (iii) the subsequent subdivider or
 80 developer has received final site plan, subdivision plan, or plan of development approval from the locality
 81 prior to the adoption of a pro rata reimbursement plan for the area having related traffic needs.

82 The amount of the costs to be reimbursed by a subsequent developer or subdivider shall be determined
 83 before or at the time the site plan or subdivision is approved. The ordinance shall specify that such costs are
 84 to be collected at the time of the issuance of a temporary or final certificate of occupancy or functional use
 85 and occupancy within the development, whichever shall come first. The ordinance also may provide that the
 86 required reimbursement may be paid (i) in lump sum, (ii) by agreement of the parties on installment at a
 87 reasonable rate of interest or rate of inflation, whichever is less, for a fixed number of years, or (iii) on such
 88 terms as otherwise agreed to by the initial and subsequent subdividers and developers.

89 Such ordinance provisions may provide that no certificate of occupancy shall be issued to a subsequent
 90 developer or subdivider until (i) the initial developer certifies to the locality that the subsequent developer has
 91 made the required reimbursement directly to him as provided above or (ii) the subsequent developer has
 92 deposited the reimbursement amount with the locality for transfer forthwith to the initial developer.

93 6. Provisions for establishing and maintaining access to solar energy to encourage the use of solar heating
 94 and cooling devices in new subdivisions. The provisions shall be applicable to a new subdivision only when
 95 so requested by the subdivider.

96 7. Provisions, in any town with a population between 14,500 and 15,000, granting authority to the
 97 governing body, in its discretion, to use funds escrowed pursuant to provision 5 of § 15.2-2241 for
 98 improvements similar to but other than those for which the funds were escrowed, if the governing body (i)
 99 obtains the written consent of the owner or developer who submitted the escrowed funds; (ii) finds that the
 100 facilities for which funds are escrowed are not immediately required; (iii) releases the owner or developer
 101 from liability for the construction or for the future cost of constructing those improvements for which the
 102 funds were escrowed; and (iv) accepts liability for future construction of these improvements. If such town
 103 fails to locate such owner or developer after making a reasonable attempt to do so, the town may proceed as if
 104 such consent had been granted. In addition, the escrowed funds to be used for such other improvement may
 105 only come from an escrow that does not exceed a principal amount of \$30,000 plus any accrued interest and
 106 shall have been escrowed for at least five years.

107 8. Provisions for clustering of single-family dwellings and preservation of open space developments,
 108 which provisions shall comply with the requirements and procedures set forth in § 15.2-2286.1.

109 9. Provisions requiring that where a lot being subdivided or developed fronts on an existing street, and
 110 adjacent property on either side has an existing sidewalk or when the provision of a sidewalk, the need for
 111 which is substantially generated and reasonably required by the proposed development, is in accordance with
 112 the locality's adopted comprehensive plan, a locality may require the dedication of land for, and construction
 113 of, a sidewalk on the property being subdivided or developed. Nothing in this paragraph shall alter in any
 114 way any authority of localities or the Department of Transportation to require sidewalks on any newly
 115 constructed street or highway.

116 10. Provisions for requiring and considering Phase I environmental site assessments based on the
 117 anticipated use of the property proposed for the subdivision or development that meet generally accepted
 118 national standards for such assessments, such as those developed by the American Society for Testing and

119 Materials, and Phase II environmental site assessments, that also meet accepted national standards, such as,
120 but not limited to, those developed by the American Society for Testing and Materials, if the locality deems
121 such to be reasonably necessary, based on findings in the Phase I assessment, and in accordance with
122 regulations of the United States Environmental Protection Agency and the American Society for Testing and
123 Materials. A reasonable fee may be charged for the review of such environmental assessments. Such fees
124 shall not exceed an amount commensurate with the services rendered, taking into consideration the time,
125 skill, and administrative expense involved in such review.

126 11. Provisions for requiring disclosure and remediation of contamination and other adverse environmental
127 conditions of the property prior to approval of subdivision and development plans.

128 12. Provisions, in any town located in the Northern Virginia Transportation District, granting authority to
129 the governing body to require the dedication of land for sidewalk, curb, and gutter improvements on the
130 property being subdivided or developed if the property is designated for such improvements on the locality's
131 adopted pedestrian plan.

132 13. *Requirements for electric vehicle (EV) supply equipment, EV-ready charging spaces, or EV-capable*
133 *parking spaces that provide infrastructure to facilitate future EV charging, including electrical capacity,*
134 *prewiring, and conduit, as part of subdivision or site plan approval for a development containing*
135 *commercial, industrial, or multifamily residential uses. The locality shall require that any provision adopted*
136 *pursuant to this subsection shall seek to minimize electrical distribution infrastructure costs. The locality*
137 *shall permit the use of an automatic load management system or other load management strategies to reduce*
138 *the maximum required electrical capacity to each charging space served by such load management strategy.*

139 **2. That the Department of Energy (the Department), with the technical assistance of the State**
140 **Corporation Commission and the Department of Housing and Community Development, shall evaluate**
141 **the design and deployment of the electrical distribution infrastructure necessary to support the**
142 **installation of electric vehicle charging facilities in new developments consisting of single-family and**
143 **multifamily residential units. Such evaluation shall include an assessment of (i) any design standards**
144 **and requirements utilized by investor-owned utilities in the planning, construction, or installation of**
145 **electrical distribution infrastructure for such developments; (ii) requirements and standards for the**
146 **siting and placement of electric vehicle charging infrastructure within such developments; (iii)**
147 **potential modifications to electrical distribution infrastructure design standards and requirements;**
148 **and (iv) other matters that the Department deems relevant to minimize impact on planned density and**
149 **layout of any new single-family or multifamily residential development. In addition, the Department**
150 **shall provide recommendations on the appropriate number and type of EV charging spaces for new**
151 **commercial and industrial developments. In conducting its evaluation, the Department shall engage**
152 **representatives from the residential and commercial development industries, electric utilities,**
153 **environmental advocacy organizations, and other stakeholders as determined by the Department. The**
154 **Department shall, in writing, report the findings and recommendations from such evaluation no later**
155 **than November 15, 2026, to the State Corporation Commission. The State Corporation Commission**
156 **shall take such action as may be necessary to implement such findings and recommendations no later**
157 **than July 1, 2027.**

158 **3. That the provisions of the first enactment of this act shall become effective on July 1, 2027, provided**
159 **that the findings by the Department of Energy (the Department) pursuant to the second enactment of**
160 **this act recommend such provisions. The Department shall certify in writing to the Virginia Code**
161 **Commission that such contingency has been met.**