

Virginia Enterprise Zone

GY23 Real Property Investment Grant Instruction Manual



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The Virginia Enterprise Zone (VEZ) program is partnership between state and local government that encourages job creation and private investment. VEZ accomplishes this by designating Enterprise Zones throughout the state and providing two grant-based incentives, the Job Creation Grant (JCG) and the Real Property Investment Grant (RPIG), to qualified investors and job creators within those zones, while the locality provides local incentives.

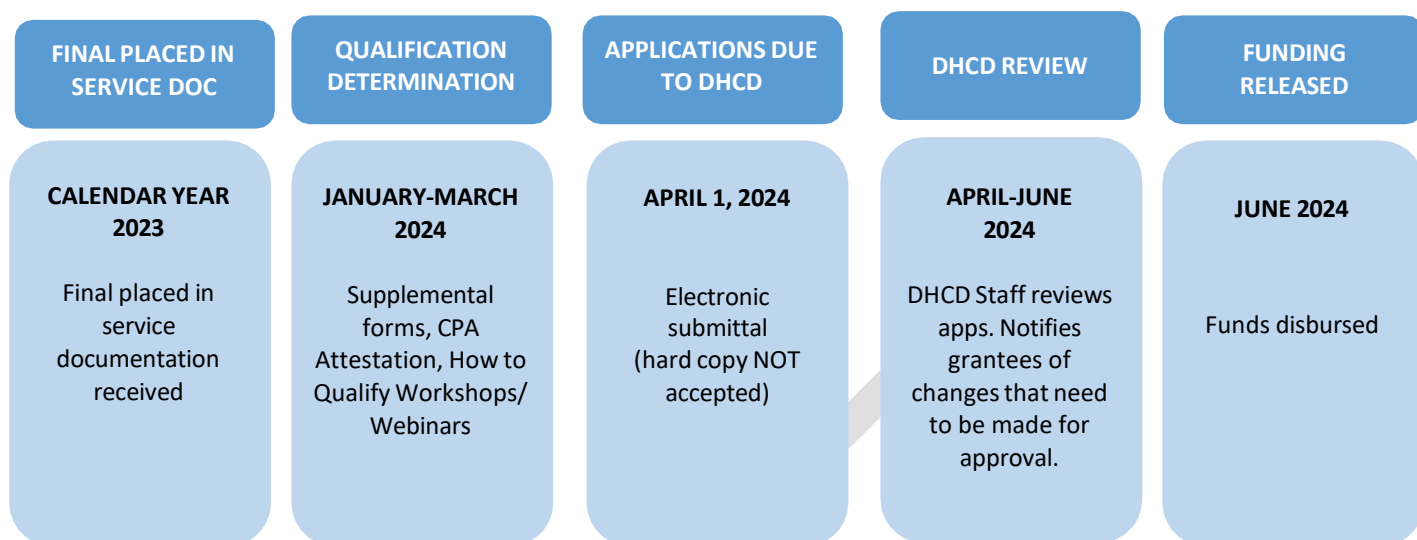
VEZ grants are subject to an annual appropriation by the General Assembly. By statute, the Job Creation Grants (JCGs) receive funding priority. After fully funding the JCGs, the remaining funds will be allocated to the Real Property Investment Grants (RPIGs) and the amount paid to each RPIG applicant will be prorated proportionally should grant requests exceed the remaining funds.

In Grant Year 2022, RPIGs were fully funded for the second consecutive year. GY2021 was the first time in over a decade that RPIGs were not prorated. Projects that secured funding in GY2021 and GY2022 initiated construction in 2020 or earlier, predating the onset of the COVID-19 pandemic. The surplus of funds in the last two grant years can likely be attributed to persistent pandemic-related rises in construction costs and disruptions in supply chains.

ANNUAL TIMELINE



GRANT YEAR 2023 TIMELINE



APPLICATION INFORMATION

APPLICANT | the person who capitalizes on the investment on their books or deducts the investment as a business expense under federal Treasury Regulations for tax purposes (units of local, state, or federal government are NOT eligible). The applicant is referred to in this manual as the qualified zone investor.

QUALIFIED ZONE INVESTOR | means an owner, tenant, or developer of real property located within an Enterprise Zone who expands, rehabilitates, or constructs such real property for commercial, industrial, or mixed use.

APPLICATION | In order to be eligible, the qualified zone investor must complete and submit all required application components. The application is submitted online through the EZ Application Submission System site: <https://dmz1.dhcd.virginia.gov/EZonePortal/>

- Commonwealth of Virginia W-9 Form
- Local Zone Administrator (LZA) Review Form
- Applicant Declaration Form
- Final Placed-in-Service Document
- CPA Attestation Report
- Supplemental Forms include Multiple Owner Form, Tenant Coordination Form, Tenant Owner Consent Form, and Mixed-Use Form.

*Hard copies are no longer accepted. All documents and required materials MUST be submitted electronically through the EZ Application Submission System.

SAMPLE APPLICATION PAGE | This document is new and is in place of Form EZ-RPIG and Form EZ-JCG/JCG-HUA/SWaM. It is NOT a required upload.

-Form EZ-RPIG & Form EZ-JCG/JCG-HUA/SWaM are no longer required documents to be uploaded.

-Information from these forms is entered directly into the EZ Application Submission System.

-It is not possible to open the application, fill in some information, and save the application. All information must be filled in and submitted at the same time.

-The Sample Application Page document is provided for zone investors to utilize to gather the necessary information for the application submission BEFORE submission.

-The Sample Application Page document is NOT required for submission and is NOT required to be uploaded.

-All required attachments/uploads, including the COV W-9, the LZA Review, the Application Declaration, the CPA Attestation Report, Final Placed-in-Service document, and all supplemental documents must be uploaded in the EZ Application Submission System in the appropriate "Uploaded Documents" Section.

CPA ATTESTATION REPORT | An independent (external of the zone investor) Certified Public Accountant (CPA), licensed in Virginia, must attest to the application materials and complete the CPA Attestation Report to be submitted with all RPIG applications. The Agreed Upon Procedures for CPA Attestations and Attestation Report Templates are available on the EZ Application Submission System (link on previous page).

SUBMITTAL REQUIREMENTS

APPLICATIONS MUST BE SUBMITTED THROUGH THE SYSTEM NO LATER THAN 11:59PM, APRIL 1, 2024 (EDT). Applicants will be prompted to save and print the completed application for their own records. DHCD is unable to pre-qualify any applicants.

LATE APPLICATIONS/APPLICATIONS WITHOUT CPA ATTESTATION REPORT | Any application submitted without the required CPA Attestation Report or submitted after the deadline will be considered late. Such applications are held until DHCD determines that funds remain after fully funding on-time applications. At such time, DHCD will review and process late applications on a first-come, first-served basis.

MULTIPLE APPLICATIONS | If submitting more than one application, each grant application and associated materials must be submitted separately via electronic submission.

APPLICATION CONFIRMATIONS | Email confirmations will be sent throughout the submittal process to keep the applicant informed of the status of the application and to bring any submittal issues to the applicant's attention prior to certain deadlines. Applicants will receive confirmations in the following order:

- 1. Successful submission of online application** - This email will indicate the date and time of the submittal. DHCD recommends applicants print the application at this time and retain confirmation emails with their grant records. If the applicant has submitted all required documents with required signatures, this notification is the only one that will be received.
- 2. Notification of deficiencies** - DHCD will notify applicants by May 15th in cases where any additional information is required due to application deficiencies. The email will be sent from the following address: ezone@dhcd.virginia.gov. Please reply directly to that address when responding.
- 3. Notification of resolution of deficiencies** - Applicants must resolve any identified deficiencies by June 1st. Once the applicant provides the requested information, a final email will be sent to the applicant confirming DHCD's receipt of the requested material.

SUMMARY | ELIGIBILITY REQUIREMENTS

To be eligible, properties must be located in the boundaries of an Enterprise Zone. To determine whether your property is located in an EZ, contact your locality's Economic Development Department.

ELIGIBLE INVESTORS/GRANTEES:

- Owns building (occupant)
- Owns building (non-occupant)
- Owns space in building (office condo)*
- Tenant*
- Developer

ELIGIBLE PROPERTY TYPES:

- Building
- Facility

ELIGIBLE PROPERTY USES:

- Industrial
- Commercial (includes office space)
- Mixed-use (at least 30% of the useable floor space must be industrial or commercial to be eligible)

ELIGIBLE INVESTMENTS:

- Rehabilitation or expansion
- New construction
- Solar-only (meaning solar is the only component added to the building or facility)
- Rehabilitation/expansion with solar
- New construction with solar

INVESTMENT THRESHOLDS:

- **Rehabilitation or expansion** - total amount of improvements must exceed \$100,000 in Qualified Real Property Investments (QRPI) to be eligible

- **New construction** - total amount of improvements must exceed \$500,000 in QRPI
- **Solar-only** - total amount of improvements must exceed \$50,000 to be eligible; if total amount of improvements is \$50,000 to \$100,000, the threshold is \$0
- **Rehabilitation/expansion with solar** - total amount of improvements must exceed \$50,000 in QRPI to be eligible
- **New construction with solar** - total amount of improvements must exceed \$450,000 in QRPI to be eligible

GRANT CAP:

- If the **total investment is less than \$5 million**, the maximum grant amount is \$100,000 in a five consecutive-year period
- If the **total investment is more than \$5 million**, the maximum grant amount is \$200,000 in a five consecutive-year period

GRANT CALCULATIONS:

- The dollar amount of an RPIG is determined by the amount spent on QRPIs.
- **Grants are available in amounts up to 20% of the QRPI OVER the respective eligibility threshold**, capped based on the limits indicated above.
- Real property investment expenditures funded by federal, state, or local grants are **NOT ELIGIBLE** for an RPIG and must be **excluded** from the application.



ELIGIBLE PROPERTIES

| MUST BE LOCATED IN AN EZ TO BE ELIGIBLE |

Contact your **Local Zone Administrator (LZA)** (usually a member of the locality's Economic Development staff) to confirm that the building or facility is within the boundaries of an Enterprise Zone. Contact information for Local Zone Administrators is available online at:

<https://dmz1.dhcd.virginia.gov/EZoneportal/ZoneAdminInfo.aspx>

| BUILDINGS & FACILITIES ARE ELIGIBLE |

A facility is a complex of buildings, co-located at a single physical location within an Enterprise Zone, all of which are necessary to facilitate the conduct of the same trade or business. A facility typically represents a group of buildings under common ownership, management, and operations. **Examples of facilities: mall, lumber mill plant, hotel with multiple buildings**

Common management and operations means that the group of buildings is designed to function as a unit, such that in the case of tenants, a management company dictates their hours of operations, etc. Clustered buildings that are not related operations but choose to co-locate for convenience or by coincidence do NOT constitute a facility. Clustered buildings that share operations, amenities, and employees DO constitute a facility.

| ELIGIBLE PROPERTY END-USES |

- Commercial (includes office space)
- Industrial
- Mixed-use—those incorporating residential uses in which a minimum of 30% of the useable floor space is devoted to commercial, office, or industrial use. (No more than 70% of the useable floor space in a mixed-use building or facility may be devoted to residential use to be eligible.)

| ELIGIBLE PROPERTY INVESTMENTS |

- Rehabilitation (with or without solar)
- Expansion (with or without solar)
- New construction (with or without solar)
- Solar-only (meaning solar is the only component added to the building or facility)



ELIGIBLE APPLICANTS

| APPLICANTS/ZONE INVESTORS |

The entity or individual capitalizing or expensing the costs associated with the real property investment is the applicant/zone investor and may apply for the RPIG and includes:

- Property owner (occupant or non-occupant)
- One of multiple owners within a building
- Tenant
- Developer

| MULTIPLE OWNERS IN A BUILDING/FACILITY |

The **applicant must coordinate qualification with all other owners** within the building/facility.

The qualified zone investor applying for an RPIG must have **adequate documentation (such as a deed of trust or an official property assessment)** to indicate the portion of the building (square footage) owned by the zone investor on the date of issued placed in service document.

The applicant must also request supporting documentation to **determine the portion of the building that is owned by the other individuals or entities.**

In cases where the required coordination does not take place, DHCD will determine the maximum grant amount available based on the proportion of the building the applicant owns.

1. The maximum grant amount available (either \$100,000 or \$200,000) will be determined by the cumulative qualified real property investments made to the building/facility within the consecutive five-year period.
2. DHCD will then multiply the applicable grant cap by the percent of the building's useable floor space for which the tenant has a lease or for which the owner has a deed of trust.
3. The grant cannot exceed the amount of 20% of the applicant's qualified real property investment made in excess of the applicable investment threshold (not to exceed the maximum investment cap), whichever is less.

*Qualified zone investors applying as an owner of space within a building **MUST** submit supplemental forms verifying coordination with the other owners. Coordination requires all owners to provide their notarized signatures and square footage owned as indication of their understanding that RPIG awards are capped per building or facility. This is to ensure that no more than the applicable grant cap is requested within a five-consecutive year period for the building or facility. All forms must be uploaded and submitted in the EZ Submission System at the same time as other application materials.

| TENANTS |

Tenants may apply for qualified real property investments made to the portion of the building for which they hold a valid lease, only if the improvements were made directly by the tenant and not the owner of the property.

Only leasehold improvements made directly by a tenant or improvements made under a capital lease are considered grant-eligible.

*Qualified zone investors applying as a tenant **MUST** submit supplemental forms verifying coordination with the owner of the property and/or other tenants. Coordination requires all owners and/or tenants to provide their notarized signatures and square footage owned as indication of their understanding that RPIG awards are capped per building or facility. This is to ensure that no more than the applicable grant cap is requested within a five-consecutive year period for the building or facility. All forms must be uploaded and submitted in the EZ Submission System at the same time as other application materials.

INVESTMENT	APPLICANT
Leasehold improvements made directly by tenant	Tenant
Improvements made by landlord/owner under a capital lease	Tenant
Improvements paid for by landlord/owner as part of an operating lease	Landlord and/or owner

| DEVELOPERS |

If a developer incurred expenditures for the real property investments but does not own the building at the time of application for RPIG, additional documentation must be submitted. Depending on the developer/owner situation, different forms of documentation will be required:

If the developer owned the building when placed-in-service documentation was issued (the name of the developer is listed as “owner” on placed-in-service document), the developer must provide documentation that verifies ownership at the time of issuance. This could be a parcel print out that provides transaction history or a sales document that proves the date of sale as AFTER the placed-in-service issuance.

If the developer sold the property before the issuance of the final placed-in-service documentation, the developer must prove that they have received consent from or coordinated with the current building owner(s) in one of two ways:

- Provide the sales contract with the new owner(s) that notifies them of the grant availability and the developer’s intent to apply.
- Provide a letter that notifies the current owners of the grant availability and the developer’s intent to apply. The letter must be signed by the current owners and notarized.

If the developer builds a new building and sells the office space within the building prior to receiving the final CO, then then the developer may be eligible for the maximum grant amount. The developer **MUST** stipulate that the intention to apply for the full grant amount was in the sales contract with the new owners (developer **MUST** provide this to DHCD). If there was no stipulation, the grant request must be coordinated with the other owners of the building as of the date of the issued Certificate of Occupancy or other applicable final placed-in-service documentation. A notarized letter signed by the current owners qualifies as coordination.

DETERMINATION OF GRANT YEAR

| GRANT YEAR = YEAR THAT THE PROPERTY WAS PLACED IN SERVICE |

An applicant must apply for the RPIG for the calendar year in which the building was placed in service. To be eligible for Grant Year 2023, the placed-in-service documentation must be approved within the 2023 calendar year (between January 1st and December 31st, 2023). **Grant Year 2023 RPIG applications are due by 11:59 p.m. on April 1, 2024.**

The RPIG application may only include qualified real property investments that were completed under the final placed-in-service document provided and capitalized or expensed by the qualified zone investor. The placed in service date is:

- the date in which the final, approved Certificate of Occupancy (CO) is issued
- the date in which a final inspection is approved for work done at the property, as long as no other trades permits are pending for the project and a CO was not required
- In cases where the locality did not require permits, the date of a licensed third party inspector's report which states that the project is complete (accompanied by a letter from the locality stating no permits were required for the scope of work)
- more details on placed-in-service documentation available on pages 16-18

Due to statutory restrictions, DHCD is unable to process applications with placed-in-service documentation from previous calendar years, such as a final building inspection or final CO issued in 2022. Also, properties placed-in-service during 2024 will need to wait until the next grant cycle to apply for funding.

QUALIFIED REAL PROPERTY INVESTMENTS

Prior to beginning an RPIG application, a Qualified Zone Investor should determine if they meet the basic qualification criteria. Applicants should first assess the applicable type of qualified real property investment—[rehabilitation, expansion](#), or [new construction](#). They should then determine if they meet the respective minimum investment threshold in qualified real property investments.

INVESTMENT TYPE	MINIMUM THRESHOLD
Rehabilitation & expansion	\$100,000 in QRPIs
New Construction	\$500,000 in QRPIs
Solar only (\$50,000 to \$100,000)	\$0 in QRPIs
Rehab/Expansion with solar	\$50,000 in QRPIs
New construction with solar	\$50,000 in QRPIs

Qualified real property investments include expenditures associated with any exterior, interior, structural, mechanical, or electrical improvements necessary to construct, expand or rehabilitate depreciable real property for commercial, industrial, or mixed use. Qualified real property investments include any such expenditure regardless of whether it is considered properly chargeable to a capital account or deductible as a business expense under federal Treasury Regulations.

For example, if a Zone Investor’s qualified real property investment (QRPI) in the rehabilitation of an existing building is \$500,000, the amount of RPIG they would be eligible to apply for is \$80,000 (\$500,000 - \$100,000 threshold = \$400,000 grant eligible QRPI; 20% of \$400,000 is \$80,000).

INVESTMENT TYPE	REHAB &/OR EXPANSION	NEW CONST	REHAB/EXP. CAPPED	NEW CONST. WITH SOLAR	REHAB/EXP. WITH SOLAR	SOLAR ONLY
TOTAL QRPI	\$500,000	\$900,000	\$2,000,000	\$1,000,000	\$100,000	\$75,000
SUBTRACT THRESHOLD	<u>-\$100,000</u>	<u>-\$500,000</u>	<u>-\$100,000</u>	<u>-\$450,000</u>	<u>-\$50,000</u>	<u>-\$0</u>
GRANT-ELIGIBLE QRPI	\$400,000	\$400,000	\$1,900,000	\$550,000	\$50,000	\$75,000
MULTIPLY BY 20 %	X <u>.20</u>	X <u>.20</u>	X <u>.20</u>	X <u>.20</u>	X <u>.20</u>	X <u>.20</u>
	\$80,000	\$80,000	\$380,000 (exceeds max)	\$110,000 (exceeds max)	\$10,000	\$15,000
GRANT REQUEST	\$80,000	\$80,000	\$100,000	\$100,000	\$10,000	\$15,000

| QUALIFIED |

Cabinetry (if taxed as real property)
Carpentry
Ceilings
Clean-up & dumpsters
Contractors
Doors & windows
Drainage systems
Driveways & paving (to property line)
Drywall & plaster
Electrical improvements*
Elevators
Excavation & grading
Exterior repair
Fencing & gates
Fire suppression systems & sprinkler systems
Fixtures
Gas station canopies (if taxed as real property)
HVAC
Landscaping (including retention ponds)
Lead & termite abatement
Loading docks
Management (superintendents, CM/PM)
Masonry
Mechanical improvements*
Painting
Plumbing
Roofing & flashing
Sidewalks (to property line) & patios
Solar panels**
Storm water management
Thermal/moisture protection
Wheelchair lift

***EQUIPMENT UNRELATED TO CONSTRUCTION & LABOR/
MATERIAL MAY NOT BE INCLUDED IN THIS CATEGORY**

****SOLAR PANELS IN EXCESS OF \$50,000 CAN QUALIFY
FOR LOWER THRESHOLDS**

| UNQUALIFIED |

Accounting & bookkeeping costs
Acquisition costs
Appraisals
Architectural, engineering & design fees
Bidding Process
Blinds or other window treatments
Bonding
Closing costs
Furnishings
Insurance
Kitchen & laundry appliances
Legal, marketing, or other
Machinery, tools, & equipment
Outbuildings
Permits, user fees, zoning fees, impact fees, inspection fees, or development fees
Professional services (soft costs)
Realtor, sales, & leasing fees
Real estate taxes
Rent loss
Signage or wayfinding signage
Soil testing
Surveying fees
Sweat equity
Temporary facilities
Public roads & sidewalks
Utility hook-up, extension, or access fees
Well, septic, or sewer systems
Workstations & cubicles (unless taxed as real property)

NO SOFT COSTS

NO MACHINERY & TOOLS

NO BUSINESS PERSONAL PROPERTY

All grants of public funds (federal, state, local) where the grant proceeds were used to fund QRPIs **SHOULD BE EXCLUDED** from the investment total. Grants received from private foundations may be used for QRPIs that can be included in the investment total.

| QUALIFIED INVESTMENTS |

How to know if something qualifies for RPIG:

1. Was it capitalized or expensed on the Qualified Zone Investor’s books? (If no, then ineligible.)
2. How is it taxed by the locality? (If not Real Property, then ineligible).
3. If the tenant moved out, could the item be removed? (If yes, then ineligible).

*These questions are not a clearinghouse for qualification. For questions regarding the eligibility of certain investments, please contact DHCD at ezone@dhcd.virginia.gov.

QUALIFIED	UNQUALIFIED
Clearing	Sewer tie-in fees
Concrete excavation or earthwork	Utilities
Construction overhead	Work extending beyond property line
Paving	Installation/removal of septic systems

QUALIFIED	UNQUALIFIED
Clean up	Utilities
General Labor	Travel
Hoisting	Professional Fees
Mobilization	Signage
Project Management	Rent/Income Loss
Project Superintendents	Off-site Space Rentals
Rental Equipment	

| SITE WORK & GENERAL CONDITIONS |

“Site work” and “general conditions” are common schedule items; however, not all items typically included under these categories constitute QRPIs. Often, unqualified items are inappropriately lumped into “site work” or “general conditions” and therefore, it is always best to break down and list all work included under the “site work” and “general conditions” categories.

| CONDITIONAL ITEMS |

The following items qualify as real property investments (i.e. their corresponding dollar amount can be included in the investment total) only if the described conditions are met.

Awning/canopy	Must be structurally part of building/roof to qualify. Awnings or canopies that are fabric or non-structural do NOT constitute a real property investment. If possible, submit a photo with hard-copy application.
Change orders	Needs to be broken down into more specific categories, such as “additional flooring work” in order to ensure that each item is a qualified real property investment.
Plumbing/piping	Can only include work that is structurally within the building/facility, not what runs from the building to the public utilities.
Kitchens	The improvements must be structurally part of the building (such as hood or walk-in freezer that is taxed as real property and not business personal property). Kitchen appliances and furniture are ineligible.

REQUIRED APPLICATION MATERIALS

| EZ APPLICATION SYSTEM |

Hard copies are no longer accepted. Applicants must submit their application and all required supporting documentation electronically through the EZ Online Submission System.

- Commonwealth of Virginia Form W-9 (federal IRS form NOT accepted)
- Local Zone Administrator (LZA) Review Form
- Applicant Declaration Form
- Final Placed-in-Service Document
- CPA Attestation Report Form
- Supplemental Forms: (*if applicable)
 - FORM EZ-RPIG Multiple Owner*
 - FORM EZ-RPIG Tenant-Owner Consent*
 - FORM EZ-RPIG Tenant Coordination*
 - FORM EZ-RPIG Mixed-Use*

Applicants should print and retain the application for their records. To print the application before submitting, the user may use the “print” function in their browser. For example, on Chrome, click the three vertical dots on the right-top corner, then select “print” from the pop-up menu. Applicants can also print after submission. Details and instructions regarding each of the listed application materials are included in the following sections. All supplemental forms are available on the EZ Online Submission System site at <https://dmz1.dhcd.virginia.gov/EZonePortal/Default.aspx>

| SUBMISSION DEADLINE |

All application materials are due by 11:59 p.m. on April 1, 2024.



| PLACED-IN-SERVICE DOCUMENTATION |

ALL RPIG applications must include an **APPROVED & FINAL** placed-in-service document for the qualified real property investments. Acceptable documents:

1. Certificate of Occupancy
2. Final building inspection
3. Licensed third-party inspection report-for projects that do not require any permits

Applicants must apply with the highest form of placed in service document required by the locality. If the nature of the project requires a Certificate of Occupancy, a qualified zone investor **CANNOT** apply with a final building inspection even if a final building inspection was issued prior to a Certificate of Occupancy. DHCD verifies placed-in-service documentation issued/required for each project with local building code departments.

When submitting the final placed-in-service documentation, please make note of the following:

- The name on the final Certificate of Occupancy, final building inspection, or licensed third-party inspector's report must match the Qualified Zone Investor's Legal Name on Part 1, #1 of the Sample Application Page document.
- The physical address on the final placed in service documentation must be within an Enterprise Zone and must match the physical address listed on Part 1, #4 of the Sample Application Page document.
- If the name or address on the documentation differs from what is listed on Part 1, #1 & 4 of the Sample Application Page document, the applicant must complete Part II, Box B to explain the differences.
- The date on the placed-in-service document must fall within the 2023 calendar year.

| CERTIFICATE OF OCCUPANCY |

The Certificate of Occupancy must be **FINAL**, meaning it is **NOT** temporary, conditional, or pending. For information regarding projects that require a Certificate of Occupancy, see Section 116 of the Virginia Uniform Statewide Building Code.



| FINAL INSPECTION |

When submitting a final building inspection as the placed-in-service documentation, the inspection must be **APPROVED** by the local jurisdiction in which the project was completed and final, meaning the final building inspection is completely passed and there are no associated trades permits still pending. There should be **NO** pending items or additional work (however minor they may be) remaining when such a document is submitted.

In some localities, final building inspections are issued prior to the finalization of associated trades inspections (mechanical, electrical, plumbing, etc.). DHCD does not consider a property fully placed-in-service until all building permits are finalized, including trades. In addition, DHCD does **NOT** accept letters from the locality as adequate final inspection placed-in-service documentation. For information regarding projects that require a final building inspection, see Section 113.8 of the Virginia Uniform Statewide Building Code.

EXAMPLE— During your inspection, the inspector noticed that the handrails along the stairway were loose and documented that the inspection was approved pending the installation of the new handrails. You ordered new handrails, had them installed, and received another final building inspection that was approved in January 2024. Can you still apply for the 2023 calendar year?

The final inspection wasn't fully approved until 2024, so the zone investor/applicant would need to wait and apply for the 2024 calendar year. This holds true even if the final inspection was originally conducted in 2023. The inspection has to be completely passed with no pending items.

| LICENSED THIRD-PARTY INSPECTOR'S REPORT |

A licensed third-party inspector's report (performed, signed, and dated within the 2023 calendar year) can be submitted as the placed-in-service document **only when a project does not require any permits**. The third-party inspector's report must meet the guidelines set forth by the local jurisdiction in which the project was completed. The inspection report should reference the Qualified Zone Investor, the Physical Address of the Zone Establishment, and shall list the qualified zone investments and the dates in which they were inspected for completion. The property is considered placed-in-service on the **date of the third-party inspection**, not the date of the report.



It is the responsibility of the applicant to provide **documentation from the locality** that no permits were required for the scope of work included in the application. The locality's building officials must provide a letter on official letterhead that references the physical address of the zone establishment and lists the qualified real property investments for which the applicant is seeking the grant.

Based on [Section 113.7.1](#) "Third-Party Inspectors" of the Virginia Uniform Statewide Building Code:

"Each building official charged with the enforcement of the USBC shall have a written policy establishing the minimum acceptable qualifications for third-party inspectors. The policy shall include the format and time frame required for submission of reports, any prequalification or preapproval requirements before conducting a third-party inspection and any other requirements and procedures established by the building official."

DRAFT

EZ APPLICATION SUBMISSION SYSTEM

| PART I—BACKGROUND INFORMATION |

PART I: BACKGROUND INFORMATION	
1. Qualified Zone Investor's Legal Name <input type="text"/>	2. Type of Zone Investor (check one) <input type="radio"/> Owns building - occupant <input type="radio"/> Owns building - non-occupant <input type="radio"/> Owns space in building (i.e. office condo) - <i>Supplemental multiple owner form required</i> <input type="radio"/> Tenant in building - <i>Supplemental tenant form required</i> <input type="radio"/> Developer (not owner) - <i>See page 9 of Instruction Manual</i>
3. Federal Employment ID# (FEIN) <input type="text"/>	
4. Physical Address of Zone Establishment <input type="text"/>	City/County/Town <input type="text"/> Zipcode <input type="text"/>

1. Qualified Zone Investor's Legal Name: *Indicate the applicant's legal name.*

If the zone investor is a disregarded entity for tax purposes, please utilize the Legal Name and FEIN of the parent/taxable entity, and note the name of the disregarded entity on the [COV W-9](#).

2. Type of Zone Investor: *A Qualified Zone Investor is the individual or entity that incurred the cost of the qualified real property investments. A description of each classification follows.*

- **“Owns building - Occupant”**: Owns and occupies the entire building/facility
- **“Owns building - Non-occupant”**: Owns the entire building or facility but does *not* occupy the building.
- **“Owns space in building”**: Qualified Zone Investor only owns a portion of the building. For example, owning a medical office condominium that spans one of eight floors of a building. This type of Qualified Zone Investor is required to submit the supplemental **Form EZ-RPIG Multiple Owner** and coordinate qualification with all other owners within the same building/facility.
- **“Tenant in building”**: Qualified Zone Investor occupies leased space in a building or facility. This type of Qualified Zone Investor is required to submit the supplemental **Form EZ-RPIG Tenant-Owner Consent** and may be required to coordinate qualification with other tenants using **Form EZ- RPIG Tenant Coordination**.
- **“Developer”**: Entity or individual that capitalizes or expenses the qualified real property investment but does not currently own or occupy the building. See Page 10 of this manual for more detail.

3. **FEIN/SSN:** The FEIN/SSN provided with the application is used to track the qualified investors and to disburse all grant funds.
- **“FEIN”:** If the applicant is an S Corp, LLC, Partnership, Corporation, Sole Proprietorship, or other business entity, indicate the applicant’s Federal Employment Identification Number (FEIN).
 - ***If the zone investor is a disregarded entity for tax purposes, please utilize the Legal Name and FEIN of the parent/taxable entity, and note the name of the disregarded entity on the W-9.**
 - **“SSN”:** If the applicant is an individual, indicate the applicant’s Social Security Number (SSN).

4. Physical Address of Building: *Indicate the physical location of the applicant’s property.*

5. Real Property Use Classification

- Industrial
- Commercial
- Mixed use - Supplemental mixed use form required

7. Type of real property investment that was made

- Rehabilitation of an existing building/facility
- Expansion of an existing building/facility
- New construction
- Solar Only (\$50,000 to \$100,000)
- Rehab/expansion with solar
- New construction with solar

6. Type of Real Property

- Building
- Facility

8. Amount of square footage of rehab/expansion or new construction completed

9. Property Identification Number

5. Real Property Use Classification: Indicate the use classification of the real property as industrial, commercial, or mixed-use.

- If the building/facility is mixed use, the supplemental form **EZ-RPIG Mixed-Use** must be submitted.

6. Type of Real Property: *Indicate whether the real property investments were made to a building or facility.*

- See Page 8 of this manual for more information on how to distinguish between a building and a facility.
- If the building for which an RPIG is being sought is part of a complex of buildings, it must be classified as a "facility" per the definition in the Program Regulations.

7. Type of Real Property Investment: *Indicate whether the investment was for new construction or the rehabilitation or expansion of an existing building/facility.*

- To determine whether or not the investment is classified as [rehabilitation](#), [expansion](#), or [new construction](#), refer to the definitions in the Glossary at the end of the manual.

8. Amount of square footage of rehab/expansion or new construction completed: *Provide an estimate of the total square footage that was part of the project for which you are applying for this grant.*

9. Property Identification Number: *List the property identification number(s) associated with the physical address listed in Part I, Box 4.*

- These unique identification numbers vary by locality. The Local Zone Administrator will provide the proper number to use for their zone. LZA Contact information is available at <https://dmz1.dhcd.virginia.gov/EZoneportal/ZoneAdminInfo.aspx>
- A building or facility can span multiple parcels. Additionally, a building with multiple owners or tenants, or even with multiple street fronts, may have multiple property identification numbers. In such cases, all property identification numbers corresponding to the building/facility must be identified in this space.

10. Zone Name [Select Zone Name] ▼	11. Zone #	12. Zone Designation Date	13. Name of Local Zone Administrator
14. Narrative Summary: See RPIG Manual for Instructions (*maximum characters allowed: 1500)			

10 - 12. Zone Name and Zone #, Zone Designation Date: *Indicate the Zone in which the property is located.*

- Contact the Local Zone Administrator to verify which Zone the property is located in (Box 10). Once the zone name is entered online, the corresponding zone number field (Box 11) and zone designation date (Box 12) will automatically populate.

13. Name of Local Zone Administrator: State the name of the Local Zone Administrator (LZA). LZA contact information is available at <https://dmz1.dhcd.virginia.gov/EZoneportal/ZoneAdminInfo.aspx>

14. Narrative Summary: Provide a summary paragraph explaining the building use and building owner, a summary of the work completed, and any other helpful background information on the project (limited to 1,500 characters).

15. Name of Grant Applicant Representative		Title	Daytime Phone #	E-mail Address
<input type="text" value="v"/> First: <input type="text"/>	Last: <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
16. Principal Mailing Address		City	State	Zip Code
<input type="text"/>		<input type="text"/>	VA <input type="text" value="v"/>	<input type="text"/>

15-16. The Qualified Zone Investor must provide contact information for the grant applicant representative. The email address of the applicant representative is required as applicants will receive email confirmations and updates throughout the application submission and review process. See Page 4 of this manual for more information.

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| PART II—PLACED IN SERVICE DOCUMENTATION |

PART II: PLACED-IN-SERVICE DOCUMENTATION

- A. Certificate of Occupancy Final Inspection Third Party Inspector's Report
- B. Please explain any differences in the name and address listed on the final Placed-in-Service documentation from the name and address listed in Part I, Boxes 1 and 4. Please contact us at ezone@dhcd.virginia.gov if additional space is required to explain discrepancies. A letter from the locality may not be provided in lieu of placed-in-service documentation if a Certificate of Occupancy or Final Building Inspection was required by the locality. Documentation should be dated within **the current application Grant Year**. (*maximum characters allowed: 1500)

A. Type of Placed-in-Service Documentation: *Check the box that corresponds with the type of Placed-in-Service documentation that you are submitting with your application.*

B. Explanation of Placed-in-Service Documentation: *Provide clarification on any differences between the name appearing as the Qualified Zone Investor's Legal Name and Physical Address of the Zone Property, and the name and address listed on the final Placed-in-Service Documentation.*

- If the documentation refers to multiple-addresses, a thorough explanation should be provided in this section. All inspections/certificates of occupancy must be dated within the calendar year.
- If there are multiple inspections/certificates of occupancy, an explanation of the scope of work included in each inspection/certificate can be included if not shown on the documentation. If the property was placed into service on more than one date in the calendar year, please enter the earlier date in Part IV, Box 1, but note all other dates in the explanation in Part II, Box B.
- The text box is limited to 1,000 characters. Applicants may upload additional information as an attachment in Part VIII of the online application.

| PART III—ITEMIZED LIST OF QUALIFIED REAL PROPERTY INVESTMENTS |

PART III: ITEMIZED LIST OF QUALIFIED REAL PROPERTY INVESTMENTS

	Type of Qualified Real Property Investment	\$ Amount
1.	<input type="text"/>	\$ <input type="text"/>
2.	<input type="text"/>	\$ <input type="text"/>
3.	<input type="text"/>	\$ <input type="text"/>
4.	<input type="text"/>	\$ <input type="text"/>
5.	<input type="text"/>	\$ <input type="text"/>
6.	<input type="text"/>	\$ <input type="text"/>
7.	<input type="text"/>	\$ <input type="text"/>
8.	<input type="text"/>	\$ <input type="text"/>
9.	<input type="text"/>	\$ <input type="text"/>
10.	<input type="text"/>	\$ <input type="text"/>
11.	<input type="text"/>	\$ <input type="text"/>
12.	<input type="text"/>	\$ <input type="text"/>
13.	<input type="text"/>	\$ <input type="text"/>
14.	<input type="text"/>	\$ <input type="text"/>
15.	<input type="text"/>	\$ <input type="text"/>
16.	<input type="text"/>	\$ <input type="text"/>
17.	<input type="text"/>	\$ <input type="text"/>
18.	<input type="text"/>	\$ <input type="text"/>
19.	<input type="text"/>	\$ <input type="text"/>
20.	<input type="text"/>	\$ <input type="text"/>
21.	Total Qualified Real Property Investment	\$ <input type="text"/> (amount to enter in line 3A)

This section has two columns; one column is for the type of qualified real property investment (ex. roofing, electrical, HVAC) and the second column for the amount for that specific investment. For projects that contain more than 20 qualified real property investments, list the sum of the remaining dollar amount in line 20 and label the category as “see attachment.” Upload a list of the remaining items and corresponding dollar amounts in Part VIII of the online application.

- See Page 13-14 of this manual for a list of qualified real property investment examples.
- Labor and material costs associated with a particular real property investment such as “painting” or “demolition” should be combined and listed as one category. For each item listed on the schedule, DHCD assumes that the labor, materials, and equipment necessary to perform such qualified real property investments are included in the total cost of each investment.
- Costs on the schedule should represent the actual dollar amount of investment. Investment amounts reflected in the schedule **should NOT be rounded**.
- The Qualified Zone Investor may only include QRPIs that correspond with the final placed in service documentation.

| PART IV—QUALIFICATION INFORMATION |

PART IV: QUALIFICATION INFORMATION

1. Date Real Property placed in service (MM/DD/YYYY)	1	<input type="text"/>
2. Qualification is requested for calendar year (YYYY)	2	<input type="text" value="2023"/>
3. Grant Calculation		
A. Actual dollar amount of qualified real property investments made by applicant.	3A \$	<input type="text"/>
B. Applicable investment threshold based on the type of real property investment.	3B \$	<input type="text"/>
C. Amount of public grant funds received and used to fund qualified real property investments.	3C \$	<input type="text"/>
D. Grant eligible dollar amount. (Line 3A minus Line 3B and Line 3C)	3D \$	<input type="text"/>
E. Multiply line D by 20%.	3E \$	<input type="text"/>
* For investments (line A) less than \$5 million, this amount cannot exceed \$100,000.		
* For investments (line A) of \$5 million or more, this amount cannot exceed \$200,000.		
<i>Note: Tenants or zone investors who own a space within a building cannot request the maximum grant amount if they did not coordinate qualification.</i>		
4. If Real Property Investment Grants have been previously issued to the building or facility in the last five years, enter that amount here. (If none, enter "0.") The sum of Line 3E and Line 4 shall not exceed the applicable \$100,000 or \$200,000 grant amount per the regulations in line 3E above.	4 \$	<input type="text"/>
5. Total requested grant amount	5 \$	<input type="text"/>

In Part IV the Qualified Zone Investor fills in information regarding the dollar amount of Qualified Real Property Investments and the resulting grant request based on the level of investment. For Qualified Zone Investors applying as owners of a space within a building/facility, such applicants can only request the full, applicable grant amount if they coordinated qualification. See the **Supplemental Forms** section for more details.

| PART V—CPA CONTACT INFORMATION |

PART V: CPA INFORMATION

Name of Certified Public Accountant	VA License #	Daytime Phone #	E-mail Address	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Accounting Firm	Address	City	State	Zip Code
<input type="text"/>	<input type="text"/>	<input type="text"/>	VA <input type="text"/>	<input type="text"/>

The Qualified Zone Investor must provide contact information for the CPA who prepared the Attestation Report in this section.

| PART VI—APPLICATION INFORMATION |

PART VI: APPLICATION INFORMATION

Check the boxes below that apply to your application submission.

1. Submission includes Supplemental EZ-RPIG Mixed-Use Form
2. Submission includes Supplemental EZ-RPIG Multiple-Owner Form
3. Submission includes Supplemental EZ-RPIG Tenant Coordination Form
4. Submission includes Supplemental EZ-RPIG Tenant Owner Consent Form
5. Submission includes CPA Attestation Report Form
6. Submission includes Final Placed-in-Service documentation
7. Submission includes Form W-9

This portion of the online submittal notifies DHCD that required and supplemental forms should accompany the online submission. Check the boxes that are applicable to check that the documents apply to your submission and have been uploaded in Part VIII.

| PART VII—COMMENTS |

PART VII: COMMENTS

Please enter your notes here:

The applicant may enter any additional information or notes in this section.

| PART VIII—UPLOAD DOCUMENTS |

PART VIII: UPLOAD DOCUMENTS

Password protected documents will NOT be accepted. All documents must be uploaded separately (one PDF with all the documents will NOT be accepted).

* Indicates a document that must be uploaded to submit application .

Placed in Service Documentation*

Choose File No file chosen

CPA Attestation Report Form*

Choose File No file chosen

COV Form W-9*

Choose File No file chosen

Applicant Declaration Form*

Choose File No file chosen

LZA Review*

Choose File No file chosen

Form EZ-RPIG Multiple Owner (If Applicable)

Choose File No file chosen

Form EZ-RPIG Tenant-Owner Consent (If Applicable)

Choose File No file chosen

Form EZ-RPIG Tenant Coordination (If Applicable)

Choose File No file chosen

Form EZ-Mixed-Use (If Applicable)

Choose File No file chosen

Additional Information

Choose File No file chosen

Additional Information

Choose File No file chosen

Additional Information

Choose File No file chosen

Additional Information

Choose File No file chosen

Additional Information

Choose File No file chosen

Check COV W-9 Remittance Address to be sure that this is the correct address to which the Department will send the company's grant check.

Reset

Submit

All required and supplemental documents must be uploaded in this section.

- Password protected documents will NOT be accepted.
- All documents must be uploaded separately. One PDF with all the documents will NOT be accepted.

The final field in this section requires the applicant to check the Commonwealth of Virginia W-9 to ensure that the correct FEIN was used and the Remittance Address field is the correct address to which the Department will send the company's grant check. The final step is to submit the application by clicking the "Submit" button.

| SUPPLEMENTAL FORMS—FORM EZ-RPIG MULTIPLE OWNER |

-For a Qualified Zone Investor that owns a space within a building, the supplemental form **EZ-RPIG Multiple-Owner** must be uploaded **in Part VIII of the portal submission system**. This form documents the amount of space within the building or facility owned by the applicant and enables the applicant to coordinate the qualification process with the other owners of the building/facility. Each owner within the building/facility must sign the coordination statement on Page 2 of the form.

-In the case where there has been no coordination with the other owners, DHCD will implement its proration procedures based on the [useable floor space](#) owned by the Qualified Zone Investor. The maximum grant amount available is determined by whichever is less of the following scenarios:

The square foot percentage owned by the Qualified Zone Investor (as documented in Part II of the supplemental form) multiplied by the applicable investment cap, \$100,000 or \$200,000.

- 20 percent of the Qualified Zone Investor's grant eligible investment, capped at the applicable limit or the cumulative level of investment; or
- The square foot percentage owned by the Qualified Zone Investor (as documented in Part II of the supplemental form) multiplied by the applicable investment cap, \$100,000 or \$200,000.

The purpose of coordination is to ensure that no more than the applicable grant cap is requested within a five-consecutive year period for the building or facility. This especially holds true in instances where there are multiple applicants from the same building that simultaneously apply for the RPIG for work completed in the same calendar year.

Irrespective of each applicant's level of investment, coordination entails that the Zone Investors agree upon the amount each owner will request such that no more than the applicable grant cap (\$100,000 or \$200,000) is requested within a five-consecutive-year period.

(See screenshot example on next page)

I am an authorized representative of the owner located within the building/facility located at Physical Address of Zone Establishment, Town/County/City, Virginia, Zip Code. I acknowledge that Qualified Zone Investor's Legal Name is applying for the Real Property Investment Grant.

As a representative of the owner listed below, I give my consent to Qualified Zone Investor's Legal Name, listed in Part I, Box 1, to apply for the Real Property Investment Grant in the amount of \$Grant Requested. I am aware that the Real Property Investment Grant is capped per building or facility within 5-consecutive-years and the filing of this application and subsequent disbursement of funds will be counted towards reaching the grant cap applicable to this property for 5 consecutive years.

A. Owner	B. Representative, Title	C. Square footage owned
D. Signature		E. Date
F. Notary		
Sworn and subscribed to before me, a Notary Public, in and for the Commonwealth of Virginia by _____,		
this ____ day of _____, 201__.		
Notary Public _____		Registration Number _____
My Commission Expires: _____		

Dollar amount indicated in Submission System Part IV, Box 3D.

Cells A - E must be completed by EACH owner in the building and be **notarized**.

| SUPPLEMENTAL FORMS—FORM EZ-RPIG TENANT-OWNER CONSENT |

Supplemental Form EZ-RPIG Tenant-Owner Consent must be completed and submitted in **Part VIII of the RPIG page of the Portal submission system** by all tenants in buildings applying for RPIG funds, regardless of whether the owner of the building requires further tenant coordination or not.

For **tenants** applying for the grant, the tenant is required to:

1. Disclose the total number of square feet in the building in addition to the amount of space they are leasing from the owner.

PART III: QUALIFICATION INFORMATION	
1. Square footage leased by Zone investor <i>As indicated on valid lease agreement.</i>	1. <input type="text"/> square feet
2. Total useable floor space in building	2. <input type="text"/> square feet
3. Total useable floor space occupied by zone investor <i>Divide line 1 by line 2 and multiply by 100.</i>	3. <input type="text"/> %

| FORM EZ-RPIG TENANT COORDINATION |

Form **EZ-RPIG Tenant Coordination** is required when tenants applying for RPIG funds receive owner consent contingent upon the notification and coordination of all other tenants in the building. For **tenants** applying for the grant, the tenant is required to:

1. Disclose the total number of square feet in the building in addition to the amount of space they are leasing from the owner.

PART II: QUALIFICATION INFORMATION	
1. Square footage leased by zone investor (for which grant is being sought) ▪ Square footage as indicated on valid lease agreement.	1. <input type="text"/> square feet
2. Total useable floor space in building ▪ For multi-tenanted buildings, this amount should equal the sum of the values entered Line 1 (above) and in Part III Cell C of the EZ-RPIG Tenant Coordination Form.	2. <input type="text"/> square feet
3. Total useable floor space occupied by zone investor ▪ Divide line 1 by line 2 and multiply by 100.	3. <input type="text"/> %

2. Coordinate with all other tenants in the building/facility, by having them fill out the Tenant Coordination Form which must be notarized.

PART III: COORDINATION		
I am an authorized representative of the tenant located within the building/facility located at <u>Physical Address of Zone Establishment, Town/County/City, Virginia, Zip Code</u> . I acknowledge that <u>Qualified Zone Investor's Legal Name</u> is applying for the Real Property Investment Grant.		
As a representative of the owner listed below, I give my consent to <u>Qualified Zone Investor's Legal Name</u> , listed in Part I, Box 1, to apply for the Real Property Investment Grant in the amount of <u>\$Grant Requested</u> . I am aware that the Real Property Investment Grant is capped per building or facility within 5-consecutive-years and the filing of this application and subsequent disbursement of funds will be counted towards reaching the grant cap applicable to this property for 5 consecutive years.		
A. Tenant	B. Representative, Title	C. Square footage leased
D. Signature	E. Date	
F. Notary Sworn and subscribed to before me, a Notary Public, in and for the Commonwealth of Virginia by _____, this ____ day of _____, 202__. Notary Public _____ Registration Number _____ My Commission Expires: _____		

3. Sign the declaration.

GRANT APPLICANT REPRESENTATIVE: I, the undersigned representative of the qualified zone investor, declare that the information has been prepared and examined by me and is, to the best of my knowledge, accurate. I also understand that I will disclose the lease or other applicable real estate documents to the CPA performing the agreed upon procedures established by DHCD and to DHCD at their request.			
Grant Applicant Representative	Title	Daytime Phone #	E-mail Address
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Signature			Date (MM/DD/YYYY)
<input type="text"/>			<input type="text"/>

4. Upload the document in Part VIII of the RPIG page of the EZ Submission System.

5. If the owner requires coordination (as indicated on the Tenant-Owner Consent Form) with other tenants and no coordination is provided, DHCD will apply its proration formula to the grant award as illustrated in the example below:

- **EXAMPLE-** A commercial building is occupied by two tenants. Each makes improvements to the portion for which they hold a valid lease but the two tenants do not coordinate their applications for the RPIG. The total useable floor space in the building is 100,000 square feet. Each of these tenants occupies one half of the building (50% each). Tenant A spent \$500,000 in qualified real property investments; Tenant B spent \$200,000 in QRPIs.
- Since the cumulative investment in 2023 (between tenants A and B) is less than \$5 million, the maximum grant amount for the entire building is capped at \$100,000. Because Investors A and B each occupy 50% of the building, the grant cap translates into a maximum of grant award of \$50,000 per tenant. While 20% of \$400,000 is \$80,000, Investor A would only be eligible to receive a maximum RPIG of \$50,000. Investor B, however, would receive the full \$20,000 (20% of \$100,000) because he is still under his individual cap of \$50,000. If the two investors had coordinated, both could have received their full request: \$80,000 for Investor A and \$20,000 for Investor B.

| FORM EZ-RPIG MIXED-USE |

The supplemental **Form EZ-RPIG Mixed-Use** must be uploaded in **Part VIII of the RPIG page of the Portal submission system** for Qualified Zone Investors applying for qualified investments to a mixed-use building. *Mixed-use* is defined in Section 59.1-548A of the Code of Virginia as “a building incorporating residential uses in which a minimum of 30 percent of the useable floor space will be devoted to commercial, office, or industrial use.” For a property that contains any residential or non-commercial uses, the applicant is required to:

1. Obtain a declaration from the preparer of the measure drawings or plans for the work done to the referenced building. The preparer of these plans may be the licensed architect, surveyor, or drafts person (or representative of the architect, surveyor, etc.) that created the approved plans

that were submitted to the locality to obtain the necessary permits for the real property investment. This individual will supply the [useable floor space](#) calculations as indicated on the measured drawings/plans.

PART II: QUALIFICATION INFORMATION		
1. Number of Useable Floors in Building	1.	■
2. Useable Floor Space By Use <i>* See the 2019 Real Property Investment Grant Instruction Manual for the definition of "useable floor space."</i>		
a. Useable square footage for office, commercial, or industrial use	2a.	■ square feet
b. Useable square footage for residential use	2b.	■ square feet
3. Total Useable Floor Space ▪ Add Part II, Boxes 2a + 2b	3.	■ square feet
4. Total useable floor space in building devoted to commercial, office, retail, or industrial use. ▪ Divide Box 2a by Box 3 and multiply by 100. ▪ Box 4 must be at least 30 percent of the useable floor space to meet the VEZ definition of mixed-use.	4.	■ %

2. Obtain an official AIA seal on the form. If the preparer of the plans is a **surveyor, draftsman, contractor**, etc., that individual must have his/her signature notarized on the form. If the preparer cannot be contacted, the applicant may obtain Third Party Verification by a licensed, independent third party as described below.

PART III: ARCHITECT VERIFICATION			
PREPARER OF MEASURED DRAWINGS/PLANS: I, the undersigned, declare that I have prepared the measured drawings/plans used to complete this form and that such plans were submitted to the locality and approved in order to obtain the necessary permits for the mixed-use building. In addition to my signature, I have included my professional seal (i.e. AIA) as the verification that the information on this form is accurate and based on the above mentioned measured drawings/plans. If an architect did not prepare the drawings, the preparer of the drawings (i.e. surveyor, draftsman) must sign and have this form notarized.			
Preparer of Drawings/Plans ■	Title ■	Daytime Phone # () ■	E-mail Address ■
Signature ■		Date (MM/DD/YYYY) ■	
AIA Seal	Notary <i>Sworn and subscribed to before me, a Notary Public, in and for the Commonwealth of Virginia by</i> _____, this ____ day of _____ 202__. <i>Notary Public</i> _____ <i>Registration Number</i> _____ <i>My Commission Expires:</i> _____		

3. **Third Party Verification:** If no plans were required by the local jurisdiction to obtain the necessary building permits for the project or if the applicant (or a member of the applicant’s firm) prepared his/her own drawings, EZ-RPIG Mixed-Use, Part II can be completed by the applicant and verified by a licensed, independent third-party. The licensed third-party will need to provide his/her signature on the form, verifying the accuracy of the information provided in Part II.

- A letter from the local jurisdiction’s Building Code Office verifying that no plans or drawings were required must be included with the application materials. A licensed third-party can be an architect (AIA seal required), surveyor, or draftsman (notarization required).

4. Sign the declaration.

GRANT APPLICANT REPRESENTATIVE: I, the undersigned representative of the qualified zone investor, declare that the information has been prepared and examined by me and is, to the best of my knowledge, accurate. I also understand that I will disclose the lease or other applicable real estate documents to the CPA performing the agreed upon procedures established by DHCD and to DHCD at their request.			
Grant Applicant Representative	Title	Daytime Phone # ()	E-mail Address
Signature			Date (MM/DD/YYYY)

5. Upload the document in **Part VIII of the RPIG page of the Portal submission system.**

| COMMONWEALTH OF VIRGINIA W-9 |

A **completed Commonwealth of Virginia W-9** form must be submitted with each grant application in **Part VIII of the RPIG page of the Portal Submission System**. The FEIN or SSN listed in PART I must match the FEIN or SSN on the W-9. A blank W-9 form can be found here: https://www.doa.virginia.gov/forms/CVG/W9_COVSubstitute.pdf.

| DISREGARDED ENTITIES & SUBSIDIARIES |

If the zone investor is a disregarded entity for tax purposes, please utilize the Legal Name and FEIN of the parent/taxable entity on Form EZ-RPIG, and fill out the Commonwealth of Virginia W-9 Form accordingly.

| CPA ATTESTATION REPORT |

As required by statute, a CPA must perform an attestation following the Agreed-Upon Procedures outlined by DHCD with every RPIG application. There are no exemptions from the attestation for RPIG applications. The CPA must be independent of the Qualified Zone Investor and licensed by the Commonwealth of Virginia. The CPA will test the documentation and calculations used to prepare the Real Property Investment Grant application and will report on these procedures and their findings in the Attestation Report. This report is to be signed by the CPA and uploaded into **Part VIII of the RPIG page of the Portal submission system** by **April 1st, 2024**.

Contact your CPA to find out if they can fulfill the attestation requirements for the Real Property Investment Grant application. All CPAs should know if they are able to perform agreed upon procedures. These procedures and additional information is available on the EZ Online Submission System site at:

<https://dmz1.dhcd.virginia.gov/EZonePortal/cpas.aspx>.

Can your CPA prepare the application and accompanying materials and attest? Professional standards (AICPA) provide that a CPA can offer assistance provided the CPA does not assume management responsibilities, such as making management decisions or performing management functions. The decision to follow any advice provided remains with management of the entity.

| TAXABILITY OF GRANTS |

Under IRS regulations, grant awards may be considered taxable income. A 1099-G will be issued to all grantees for the EZ awards received. For tax-related questions, please contact your tax professional for guidance. If a grant applicant has any type of outstanding liability to the State (such as an outstanding tax liability), the awarded grant amount will be reduced by the dollar amount of the liability. DHCD does not have records of potential liabilities as this process is handled outside the agency. **If you receive a grant award that is less than the amount noted in the qualification letter, please call the Department of Accounts at (804) 371-8383.**

| RECORD KEEPING REQUIREMENTS |

The Department may at any time review an applicant's records related to qualification under this section to assure that information provided in the application process is accurate. Qualified Zone Investors shall maintain all documentation regarding RPIG qualification for a minimum of three years following the receipt of the grant. Real Property Investment Grantees are annually monitored by DHCD at random. Grants that do not have adequate documentation regarding qualified real property investments may be subject to repayment.

| CONTACT INFORMATION |

If you have any questions about qualifying for the Enterprise Zone grants or other aspects of the program, please contact: Virginia Department of Housing and Community Development

(804) 773-1322
EZONE@dhcd.virginia.gov
www.dhcd.virginia.gov

DEFINITIONS FOR RPIGS

Agreed upon procedures engagement:

Means an engagement between an independent Certified Public Accountant licensed by the Commonwealth and the Qualified Zone Investor seeking to qualify for Enterprise Zone incentive grants whereby the independent Certified Public Accountant, using procedures specified by the Department, will test and report on the assertion of the Qualified Zone Investor as to their qualification to receive the Enterprise Zone incentive pursuant to 59.1-549 of the Code of Virginia.

Building:

Means any construction meeting the common ordinarily accepted meaning of the term (building, a usually roofed and walled structure built for permanent use) where 1) areas separated by interior floors or other horizontal assemblies and 2) areas separated by fire walls or vertical assemblies shall not be construed to constitute separate buildings, irrespective of having separate addresses, ownership or tax assessment configurations, unless there is a property line contiguous with the fire wall or vertical assembly.

Capital lease:

Means a lease that meets one or more of the following criteria and as such is classified as a purchase by the lessee: the lease term is greater than 75 percent of the property's estimated economic life; the lease contains an option to purchase the property for less than fair market value; ownership of the property is transferred to the lessee at the end of the lease term; or the present value of the lease payments exceed 90 percent of the fair market value of the property.

Common control:

Means those firms as defined by Internal Revenue Code § 52(b).

Expansion:

Means an increase in square footage or the footprint of an existing nonresidential building via a shared wall, or enlargement of an existing room or floor plan. Pursuant to Real Property Investment Grants this includes mixed-use buildings.

Facility:

Means a complex of buildings, co-located at a single physical location within an Enterprise Zone, all of which are necessary to facilitate the conduct of the same trade or business. This definition applies to new construction, as well as to the rehabilitation and expansion of existing structures.

Independent Certified Public Accountant:

Means a public accountant certified and licensed by the Commonwealth of Virginia who is not an employee of the business firm seeking to qualify for state tax incentives and grants under this program.

Local Zone Administrator:

Means the chief executive of the city or county, in which an enterprise zone is located, or his or her designee. Pursuant to Enterprise Zone designations made prior to July 1, 2005, this shall include towns.

Mixed-use:

Means a building incorporating residential uses in which a minimum of 30 percent of the useable floor space will be devoted to commercial, office or industrial use. Buildings where less than 30 percent of the useable floor space is devoted to commercial, office or industrial use shall be considered primarily residential in nature and shall not be eligible for the Real Property Investment Grant under 13 VAC 5-112-330. This definition applies only for the purpose of qualifying for Enterprise Zone incentives.

Mobilization:

Mobilization includes preparatory work and operations necessary for the movement of heavy equipment and supplies (construction supplies NOT office supplies) to the project site, necessary for work on the project.

New construction:

Means a single, nonresidential facility built on previously undeveloped land or a nonresidential structure built on the site/parcel of a previously razed structure with no remnants of the prior structure or physical connection to existing structures or outbuildings on the property. Pursuant to Real Property Investment Grants this shall include mixed-use buildings.

Placed in service:

Means the final Certificate of Occupancy has been issued or the final building inspection has been approved by the local jurisdiction for real property improvements or real property investments, or in cases where a project does not require permits, the licensed third-party inspector's report indicating that the project is complete.

Qualified real property investment:

Means the amount expended for improvements to rehabilitate, expand, or construct depreciable real property, regardless of whether it is considered properly chargeable to a capital account or deductible as a business expense under federal Treasury Regulations. The improvements must be placed in service during the calendar year within an Enterprise Zone provided that the total amount of such improvements equals or exceeds (i) \$100,000 with respect to a single building or a facility in the case of rehabilitation or expansion or (ii) \$500,000 with respect to a single building or a facility in the case of new construction. Qualified real property investments include expenditures associated with (a) any exterior, interior, structural, mechanical, or electrical improvements necessary to construct, expand or rehabilitate a building for commercial, industrial or mixed use; (b) excavations; (c) grading and paving; (d) installing driveways; and (e) landscaping or land improvements. Qualified real property investments shall include, but not be limited to, costs associated with demolition, carpentry, sheetrock, plaster, painting, ceilings, fixtures, doors, windows, fire suppression systems, roofing, flashing, exterior repair, solar panels, cleaning, and cleanup.

Consistent with the provisions of §13VAC5-112-340, Code of Virginia, beginning on January 1, 2020, the installation of solar panels shall be considered eligible investments for the purposes of the real property investment grants, provided that such solar installation investment is in an amount of at least \$50,000 and the grant shall be calculated at a rate of 20 percent of the amount of qualified real property investments in excess of \$450,000 in the case of construction of a new building or facility. Grants shall be calculated a rate of 20 percent of the amount of qualified real property investment in excess of \$50,000 in the case of the rehabilitation or expansion of an existing building or facility. In the case where the grant is awarded based solely on solar investment, the grant shall be calculated at a rate of 20 percent of the amount of total qualified real property investments made in solar installation. For such properties eligible for real property investment grants made solely on the basis of solar installation investments of at least \$50,000 but not more than \$100,000, awards shall not exceed \$1,000,000 in aggregate in any fiscal year.

Qualified real property investment shall not include: The cost of acquiring any real property or building; other costs including: (i) the cost of furnishings; (ii) any expenditure associated with appraisal, architectural, engineering, surveying, and interior design fees; (iii) loan fees, points, or capitalized interest; (iv) legal, accounting, realtor, sales and marketing, or other professional fees; (v) closing costs, permits, user fees, zoning fees, impact fees, and inspection fees; (vi) bids, insurance, signage, utilities, bonding, copying, rent loss, or temporary facilities incurred during construction; (vii) utility connection or access fees; (viii) outbuildings; (ix) the cost of any well or septic or sewer system; and (x) roads; the basis of any property: (i) for which a grant under this section was previously provided; (ii) for which a tax credit under § 59.1-280.1 of the Code of Virginia was previously granted; (iii) which was previously placed in service in Virginia by the Qualified Zone Investor, a related party as defined by Internal Revenue Code § 267 (b), or a trade or business under common control as defined by Internal Revenue Code § 52 (b); or (iv) which was previously in service in Virginia and has a basis in the hands of the person acquiring it, determined in whole or in part by reference to the basis of such property in the hands of the person from whom it was acquired or Internal Revenue Code §1014 (a).

Qualified Zone Investor:

Means an owner, tenant, or developer of real property located within an Enterprise Zone who expands, rehabilitates, or constructs such real property for commercial, industrial or mixed use. In the case of a tenant, the amounts of qualified zone investment specified in this section shall relate to the proportion of the property for which the tenant holds a valid lease. Units of local, state and federal government or political subdivisions shall not be considered Qualified Zone Investors.

Rehabilitation:

Means the alteration or renovation of all or part of an existing nonresidential building without an increase in square footage. Pursuant to Real Property Investment Grants this shall include mixed-use building.

Same trade or business:

Means the operations of a single company, related companies, or companies under common control.

Useable floor space:

Means all space in a building finished as appropriate to the use(s) of the building as represented in measured drawings. Unfinished basements, attics, and parking garages would not constitute useable floor space. Finished common areas such as stairwells and elevator shafts should be apportioned based on the majority use (i.e. 51%).