

# **Joint Subcommittee on Recurrent Flooding Resilience Activity Update**

**January 9, 2023**

**Matthew Wells - Director, Department of Conservation and Recreation**



# Principles for a Resilient Virginia

Principle 1: We are committed to addressing challenges relating to flooding and resiliency

Principle 2: We must address these challenges with programs that work for all impacted parts of Virginia

Principle 3: The programs we implement must work together as parts of comprehensive, cohesive plans

Principle 4: These programs and plans must be developed and implemented with transparency and input from the public

# Planning Activity

- Second Coastal TAC Meeting Dec. 1, 2022
  - Live-streamed to allow for larger audience
  - Meeting covered: CRMP Status Update; Summary of Public Comments and TAC Feedback on the Framework and Phase I Documents; Establishment of Subcommittees.
  - Minutes posted on [Townhall website](#)
  - Next meeting will be scheduled for March 2023
- Community Outreach and Engagement Plan (COEP)
  - Designed to be a framework for a whole community approach to outreach that will allow the Department to involve a wide range of stakeholders and impacted parties in the development of the Coastal and Statewide Plans.
  - Describes overall goals, the type of outreach activities that will be conducted, and the general approach that the Department will take in conducting these outreach activities.
  - Posted for public comment on [Townhall website](#)
  - Email solicitation to broad range of stakeholders for comment, including groups specified in Enactment Clause 3 of HB516/SB551 (2022)
  - Comment deadline is Jan. 31, 2023

# Planning Activity - Continued

- Resilience Coordination Working Group (RCWG)
  - Charge from Sec. Voyles:
    - To consider and assess strategies and policies for the Commonwealth to improve intergovernmental and interagency coordination
    - To maximize the procurement of federal and private funding opportunities in planning for and implementing flood resilience throughout the Commonwealth.
    - The Working Group will focus on improving the flood resilience of both human and natural systems and infrastructures.
    - Additionally, recognizing Virginia's long-standing statutory and financial obligations to Chesapeake Bay restoration, Working Group recommendations will seek to prioritize strategies to protect and enhance the Commonwealth's water quality objectives, as well as natural systems.
  - Virginia Commonwealth University Performance Management Group will facilitate (thanks to ODU ICAR for funding support)
  - First meeting scheduled for January 31, 2023
  - RCWG will meet monthly with goal to report out end of November 2023

# Funding Support

- Community Flood Preparedness Fund (CFPF) Grant Round 3
  - Initially advertised for \$40 million, later expanded to \$70 million; DCR received 64 applications for nearly \$93 million
  - First group of awards announced end of September 2022: 27 Awards totaling \$13.6 million
  - 32 proposals totaling \$68 million in requests placed into supplemental review
  - DCR met with multiple applicants to refine applications and provide Department with additional information
  - 24 applications resubmitted for review by November 30 deadline
  - Department announced 22 additional awards for 51.7 million on December 30, 2022
  - Resubmitted applications and scoring [posted on DCR website](#)

# Funding Support - Continued

## Round 3 Supplemental Awards

- 22 Awards totaling \$51.7 million – 63% Low Income

Activity Type	Count	CFPF Award	Match	Total Project
LI - Planning and Capacity Building - Low Income Geographic	2	\$481,895	\$53,544	\$535,439
LI -Flood Prevention and Protection Studies - Low Income Geographic	0	-	-	-
LI - Projects that will result in nature-based solutions - Low Income Geographic	1	\$7,500,000	\$1,875,000	\$9,375,000
LI –Projects that will result in hybrid solutions	1	\$24,628,800	\$24,628,800	\$49,257,600
Planning and Capacity Building	3	\$111,721	\$37,247	\$148,968
Flood Prevention and Protection Studies	3	\$799,912.50	\$799,912.50	\$1,699,825
Projects that will result in nature-based solutions	5	\$9,639,943.50	\$4,131,404.50	\$13,771,348
Projects that will result in hybrid solutions	7	\$8,959,116.12	\$5,885,751.22	\$14,480,887.34
<b>Grand Total</b>	<b>22</b>	<b>\$51,757,388.12</b>	<b>\$37,411,659.22</b>	<b>\$81,169,067.34</b>

# Funding Support - Continued

## Round 3 Supplemental Awards

<u>Community</u>	<u>Project Description</u>	<u>Total Project</u>	<u>CFPF Award</u>	<u>Match</u>
DANVILLE, CITY OF	Resilience planning and staffing	368,600.00	331,740.00	36,860.00
NORTHAMPTON COUNTY	Staffing and planning assessments	166,839.00	150,155.00	16,684.00
NORFOLK, CITY OF	Ghent-Downtown-Harbor Park Flood Protection Barrier System	49,257,600.00	24,628,800.00	24,628,800.00
RICHMOND, CITY OF	Mayo Island acquisition	9,375,000.00	7,500,000.00	1,875,000.00
Rappahanock-Rapidan Regional Commission	Planning and Capacity Building	50,000.00	37,500.00	12,500.00
SALEM, CITY OF	Planning and Capacity Building	78,962.00	59,221.00	19,741.00
Hampton Roads Planning District Commission	Resilience planning and assessments	20,006.00	15,000.00	5,006.00
Hampton Roads Planning District Commission	Studies of regional significance to support the development and implementation of local and regional resilience plans, policies, and projects.	230,020.00	115,010.00	115,010.00
FAIRFAX COUNTY	27 Fairfax County Watershed Studies	1,200,000.00	600,000.00	600,000.00
OCCOQUAN, TOWN OF	Study that evaluates the town's stormwater and flood resilience	169,805.00	84,902.50	84,902.50
FAIRFAX COUNTY	Chowan Avenue Stormwater Improvement project	2,000,000.00	1,200,000.00	800,000.00
MATHEWS COUNTY	Davis Creek - Davis Creek – Channel Dredging and Novel Dredging Spoils Reuse	1,461,615.38	876,969.23	584,646.15
MIDDLESEX COUNTY	Whiting Creek Comprehensive Resilience Enhancements	107,692.31	70,000.00	37,692.31
MATHEWS COUNTY	East River Boat Yard Resilience Enhancements	618,812.42	371,287.45	247,524.97
MATHEWS COUNTY	Whites Creek Public Landing Resilience Enhancements	160,669.23	96,401.54	64,267.69
FAIRFAX COUNTY	Fairfax County Pummit Run Watershed - Tucker Avenue Neighborhood Stormwater Improvement	8,156,700.00	4,894,000.00	3,262,700.00
CHESAPEAKE, CITY OF	Structural floodwalls, storm water system upgrades.	1,975,398.00	1,086,457.90	888,920.10
GLOUCESTER COUNTY	Captain Sinclair's Recreation Area - Comprehensive Flood Mitigation	146,000.00	102,200.00	43,800.00
MIDDLE PENINSULA PLANNING DISTRICT COMMISSION	Mobjack Watershed - Individual property shoreline protection projects	519,843.00	363,890.00	155,953.00
MIDDLE PENINSULA PLANNING DISTRICT COMMISSION	York River Watershed - Individual property shoreline protection projects	192,880.00	135,016.00	57,864.00
MIDDLE PENINSULA PLANNING DISTRICT COMMISSION	Piankatank/Moore Creek - Individual property shoreline protection projects	76,625.00	53,637.50	22,987.50
FAIRFAX COUNTY	Tripps Run at Barrett Road Flood Mitigation	12,836,000.00	8,985,200.00	3,850,800.00

# Funding Support - Continued

- Grant Rounds 1-3
- Total of \$97,736,590 awarded to grantees
- Grantees have three years to draw down funds

	Round 1	Round 2	Round 3	Totals
<b>Funds Available</b>	\$ 18,000,000.00	\$ 17,000,000.00	\$ 70,000,000.00	\$ 105,000,000.00
<b>Number of Applications</b>	32	37	64	133
<b>CFPF Funds Requested</b>	\$ 14,532,740.00	\$ 29,725,495.00	\$ 92,472,050.14	\$ 136,730,285.14
<b>Funds Awarded</b>	\$ 7,796,040.00	\$ 24,551,923.30	\$ 65,388,627.49	\$ 97,736,590.79
<b>Low Income Awarded</b>	\$ 3,766,515.00	\$ 19,759,944.30	\$ 42,384,643.87	\$ 65,911,103.17
<b>Non-Low Income Awarded</b>	\$ 4,029,525.00	\$ 4,791,979.00	\$ 23,003,983.62	\$ 31,825,487.62

# Looking Ahead

- General Assembly Session 2023
  - Governor's proposed budget contains significant funding for resiliency
    - Additional \$211 million total
    - \$1 million—Resilience Coordination Across Commonwealth
    - \$11 million—Buchanan and Tazewell Flood Assistance
    - 3 New Dam Safety Engineer Positions (Non-general funded)
    - \$200 million deposit to the Resilient VA Revolving Fund (RVRF)
      - \$100 million contingent on FY2023 revenues meeting or exceeding estimates
      - Additional to current \$25 million in adopted budget
  - DCR State Floodplain Standard legislation – codifies requirement in EO45 for DCR to develop a statewide standard for development activities in a floodplain by state agencies or on state land
- CFPF Round 4 amount TBD
  - Draft manual for public comment CY2023Q1
  - Fund currently has approx. \$78 million in unallocated funds, several additional auction rounds before RGGI withdrawal
    - Revenue to date: \$235,290,570
    - Grant awards: \$97,736,590
    - RVRF Initial Funding: \$25,000,000
    - CRMP Phase I Contract: \$3,100,000
    - Staffing and Incidentals through end of FY22: \$832,150
    - Reserve for future planning/staffing/etc: \$30,000,000
      - Includes CRMP Phase II, Virginia Flood Protection Master Plan, Community Outreach and Engagement, Coastal TAC, CFPF staff support, Resilience database and web explorer, etc, through FY2026
- RVRF Round 1 amount TBD

# Looking Ahead

- CFPF and RVRF – working together

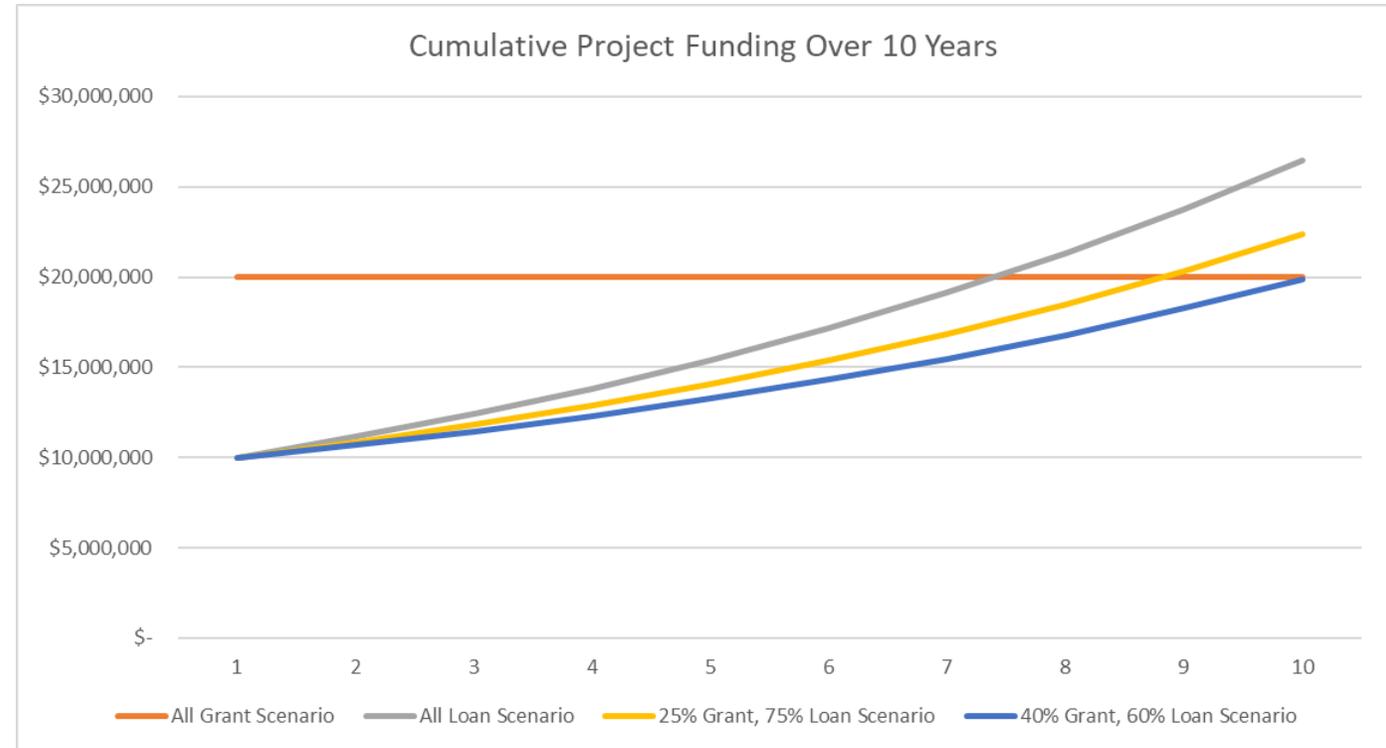
- CFPF Round 4 and initial RVRF Grant Manual(s) drafted for public comment 2023Q1, joint application period to follow
- Shift to an annual cycle, combination of grants and loans
- Goal is to have programs run together and compliment each other
- Both programs have tremendous flexibility for project types; both can offer grants and loans.
- Generally, the CFPF is geared towards larger, community-scale projects, while the RVRF is more directed towards individual property and buildings.
- CFPF prefers nature based; has 25% low-income requirement
- RVRF prefers projects that will utilize private industry and/or serve 2+ local gov'ts; has building hazard mitigation carve-out

CFPF	RVRF
<u>Community Scale</u> <ul style="list-style-type: none"><li>• Flood protection studies</li><li>• Capacity Building</li><li>• Flood Planning Activities</li><li>• Hazard mitigation projects</li><li>• Land acquisition</li><li>• Implementation of land use controls</li></ul>	<u>Property Scale</u> <ul style="list-style-type: none"><li>• Hazard mitigation of buildings</li><li>• Hazard mitigation of real property</li><li>• Home buyouts and relocation</li><li>• Loans and grants to persons for hazard mitigation and infrastructure improvement projects for resilience purposes</li><li>• Projects identified in the Virginia Flood Protection Master Plan or the Virginia Coastal Resilience Master Plan.</li></ul>

# Looking Ahead

Grants vs Loans: Basic revolving fund capacity example - \$10 million capitalization

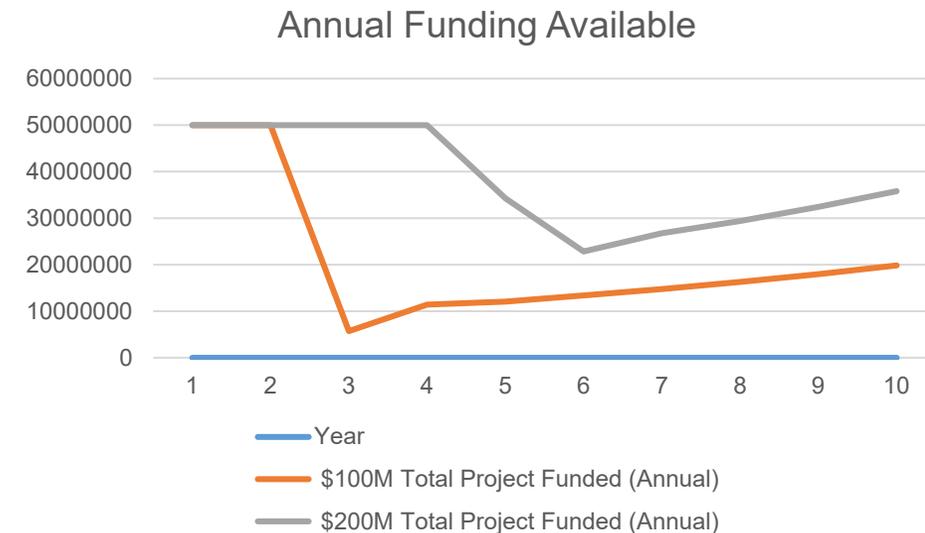
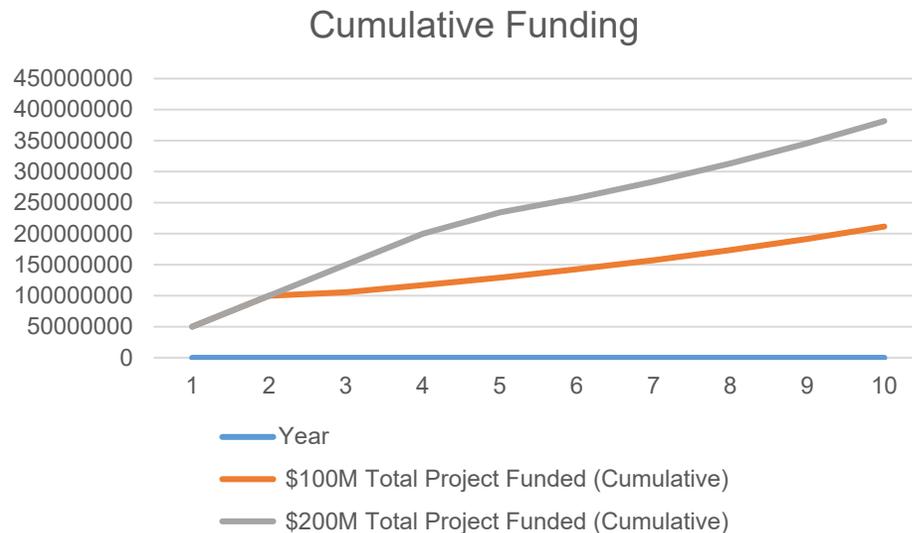
- Over a 10-year period, the loan (assumes 2.5%, 10-year loans) and grant combination funding approach meets or exceeds the project funding provided by a grant only scenario (assumes 50% match requirement for grant)
- Grant-only scenario provides highest level of funding in the early years, though funds are exhausted in year 1



# Looking Ahead

## Compounding effects: \$100M vs. \$200M initial capitalization

- Assumes \$50 million released from initial capitalization over initial years
- 10-year loans at 2.5% interest



- \$100M scenario - total projects funded after 10 years: \$211,481,802
- \$200M scenario - total projects funded after 10 years: \$381,509,368
- \$100M scenario – funds available in year 10: \$19,842,095
- \$200M scenario – funds available in year 10: \$35,794,635

# Looking Ahead

- Still to come...
  - Develop revised CFPF and RVERF structure
    - Appropriate combination of grants and loans
    - Loan terms, rates, etc
    - Project types to be funded, and funding amounts available (ie Building Hazard Mitigation Set-Aside)
    - Criteria for “community scale” that works for all communities
    - Requirements in RVERF for local government funding programs “to provide low-interest loans or grants to any persons of the Commonwealth eligible for projects for resilience purposes”
  - Issue new/revised manuals for public comment
  - Establish Advisory Grant/Loan Review Committee

# Questions?