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January 27, 2021

Lisa McGee
Virginia Department of Conservation and Recreation
600 East Main Street, 24th Floor
Richmond, VA 23219

RE: Community Flood Preparedness Fund Draft Guidelines

Ms. McGee:

The Pew Charitable Trusts (Pew) appreciates the opportunity to comment on the Department of Conservation and Recreation's (DCR) draft guidelines for implementation of the Community Flood Preparedness Fund (Fund). Pew strongly supported the Fund's establishment pursuant to the Clean Energy and Community Flood Preparedness Act (Act) and remains grateful to Gov. Ralph Northam's leadership in championing its authorization and ongoing implementation.

In their current form, the draft guidelines provide a broad outline for the structure and mechanics of the Fund. The guidelines reinforce the statutory requirements set out in the Act, namely prioritization for nature-based and community-scale flood mitigation projects, as well as a commitment to assist low-income and under-resourced communities. Pew appreciates that those aspects are included; however, several threshold issues remain unaddressed in the Fund's draft guidelines which are essential for the public to meaningfully review and participate in the comment period. In particular, Pew encourages DCR to outline critical components such as how the Fund's guidelines will ensure statutory requirements for how low-income community grants are met, how the Fund will balance grant opportunities with loans, and how the Fund will establish loan underwriting requirements. As such, Pew concurs with and fully supports the joint comment submitted by Wetlands Watch and reinforces the request that DCR "modify the Fund guidelines to include as much specificity as possible... and seek additional comments on those modifications."

Additionally, Pew submits the following comments for specific consideration:

I. The Fund should address flood risk comprehensively and throughout the Commonwealth

It is imperative that Fund guidelines ensure inland and riverine localities outside of Virginia's Coastal Zone – and therefore are not contemplated in the Coastal Master Plan – have equitable opportunities to access the Fund as both an essential mechanism to comprehensively address the Commonwealth's flood risk, but also to secure long-term and widespread support for the Fund itself. Pew urges DCR to address this apparent disparity either within modified guidelines or within the proposed grant manual.

II. Planning is critical, but should not present an obstacle to immediate action

Pew fully supports Fund guidelines emphasizing the need for planning, particularly across watersheds and jurisdictional boundaries. Carefully considered plans will allow localities and the Commonwealth to make durable and effective investments in flood risk reduction and to avoid short-sighted solutions that fail to account for future flood risks. Planning based on scientific modeling of watersheds will also help to ensure that flooding solutions employed in one community do not simply transfer risk onto another area. In this regard, we wholeheartedly endorse expanding flood mitigation planning to inland communities beyond Virginia's Coastal Zone.

However, we believe planning and project investments can occur in tandem. We are specifically concerned that several localities in the Commonwealth with documented histories of flooding could benefit from modest investment in proven risk reduction solutions – such as improvements to drainage and stormwater systems, as well as nonstructural mitigation activities including buyouts – but may face unreasonable delays while comprehensive plans are developed. To address this concern, Fund guidelines should provide time-limited accommodations for communities where engagement and planning efforts are nascent or yet to commence.

Under one approach, the Commonwealth can create appropriate criteria and benchmarks to guide development of flood plans and offer technical assistance to localities in their planning process. It can concurrently allow units of local government access to funds addressing identified National Flood Insurance Program (NFIP) repetitive loss properties, if mitigation actions for those properties have been proposed in existing and approved hazard mitigation plans created in accordance with federal guidelines. In our view, these sorts of reasonable, though temporary, accommodations should be spelled out in Fund guidelines.

Pew further recommends Fund guidelines include explicit information on what portion of the Fund is anticipated to be used for studies, staffing, or technical support by the Commonwealth and how those budget line items will be determined. We recognize the Act allows for reasonable management costs associated with the Fund, but we are hopeful those costs will be limited. In supporting the Act, Pew envisioned the Fund as a complement to and enhancement of – rather than a replacement for – existing programs. Pew is hopeful the Fund's capacity to assist local communities is not curtailed by excessive program administration costs.

III. Project application requirements and evaluation criteria should be outlined in detail for public review

The Commonwealth should develop threshold requirements all applications must meet for project funding consideration. Threshold requirements should include, at minimum:

- a. Quantifiable flood risk reduction benefits provided by the project based on a scientific understanding of current flood risk, primary drivers of risk, and future risk projections
- b. Estimates of the life-cycle costs of the project, including anticipated operations and maintenance expenses, as well as documentation illustrating how costs will be addressed
- c. Meaningful engagement with impacted residents and businesses – including specific engagement with socially vulnerable and historically marginalized residents – illustrating public support for the project

Once an application meets threshold requirements, the Commonwealth should utilize scoring criteria to rank each proposed project. Scoring criteria should be transparent and easy to understand for units of local government as they prepare their applications.

Specifically, scoring criteria should incentivize the following:

- a. Consideration and prioritization of green and blue infrastructure – nature-based solutions – over hardened gray infrastructure
- b. Multi-jurisdiction collaboration within watersheds and river basins
- c. Strategic targeting of repetitively flooded properties and assets
- d. Benefits to low income, socially vulnerable, and historically marginalized communities
- e. Consistency with established Commonwealth priorities, including those outlined in the Virginia Coastal Master Planning Framework
- f. Equitable and meaningful public engagement
- g. Multiple project co-benefits (e.g. improvements to air and water quality, community recreation and quality of life, job creation, habitat restoration, greenhouse gas mitigation/sequestration)
- h. Risk reduction benefitting critical service facilities and economic and community lifelines (e.g. hospitals, schools, major employers, transit hubs)
- i. Financial leverage, including through nontraditional sources such as land and in-kind contributions
- j. Adoption and implementation of higher standards, including those governing land uses, building and construction codes, and stormwater management
- k. Development of thoughtful and creative metrics tracking long-term project impacts

Finally, Pew encourages the Commonwealth to consider holistic approaches that have been employed by other states, such as Washington’s Floodplains by Design program (FbD). FbD focuses on extensive outreach and engagement with residents and stakeholder groups based on common interests and shared bodies of water, facilitating a process to identify mutual concerns and priorities across sectors and political boundaries. The resultant projects are notable for their

diverse benefits (e.g. salmon habitat, agriculture, business continuity) and their ability to benefit multiple jurisdictions by addressing the drivers of risk and the ecological health of watersheds.

We appreciate the opportunity to provide these comments and look forward to future stakeholder discussions as DCR releases additional documentation for public comment. We are available to answer any questions or engage in future dialogue as requested.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Yaron Miller', with a stylized, cursive script.

Yaron Miller
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