

**Virginia Coastal Resilience Technical Advisory Committee (TAC)
Funding Q2 Subcommittee Meeting Minutes**

Subject	TAC Funding Subcommittee Meeting 2024-Q2	Date	05/23/2024
Chair	Shawn Crumlish, VRA	Time – START/ADJOURN	10:03am/11:47am
Location	Virtual Zoom Meeting	Scribe	Addie Alexander VCU CPP

Subcommittee Members		
Title [Alternate Title] Organization (Abbreviation)	Name [Alternate Name]	Attended?
Executive Director [Director of Program Management] Virginia Resources Authority (VRA)	Shawn Crumlish, Chair [Peter D'Alema], Co-Chair	Y [Y]
Chief Resilience Officer [Principal Water Resources Engineer] Hampton Roads Planning District Commission (HRPDC)	Ben McFarlane [Whitney Katchmark]	Y [Y]
Executive Director [Deputy Director] Middle Peninsula Planning District Commission (MPPDC)	Lewis L. Lawrence, III [Curtis Smith]	Y [Y]
Director, Grant Management and Recovery Division [State Hazard Mitigation Officer] Virginia Department of Emergency Management (VDEM)	Robert Coates [Debra Messmer]	Y
Executive Vice President, Public Policy and Government Relations [Vice President for Public Policy and Legislative Affairs, Virginia Chamber of Commerce] [Director of Public Policy] Virginia Chamber of Commerce (VA Chamber of Commerce)	Keith Martin	
	[Kristin Burhop]	
	[Ethan Betterton]	[Y]
Director [Chief Deputy Director] Virginia Department of Conservation and Recreation (DCR)	Matt Wells [Andrew Smith]	
Assistant Director Virginia Department of Housing and Community Development (VDHCD)	William Curtis	Y
Environmental Division Director [Assistant Division Director] Virginia Department of Transportation (VDOT)	Chris Swanson [Christopher Berg]	
Environmental Specialist Virginia Marine Resources Commission (VRMC)	Claire Gorman	
Director Virginia Sea Grant (Sea Grant)	Troy Hartley	Y

TAC Staff and Contractors		
Name	Title (Organization Abbreviation)	Attended?
Matt Dalon	Resilience Planning Program Manager, DCR	Y
Carolyn Heaps-Pecaro	Resilience Planner, DCR	Y
Arthur Kay	Resilience Planner, DCR	Y
Adelaide Alexander	Consultant, VCU Center for Public Policy (CPP)	Y
Wheeler Wood	Consultant, VCU Center for Public Policy (CPP)	Y
Caitlin Morris	Consultant, Launch! Consulting	Y
Linda Warren	Consultant, Launch! Consulting	Y
Cece Atkinson	Consultant, Launch! Consulting	Y
Rebekah Cazares	Consultant, Launch! Consulting	Y
Ashley Hall (S)	Consultant, Stantec	Y
Morgan Abbett (L)	Consultant, Launch! Consulting	Y

Members of the Public		
Name	Attended?	Speak During Public Comments?
Anna Salzberg	Y	
Grace Rogers	Y	Y
M. Moore	Y	
Emily Steinhilber	Y	
Brian Batten	Y	

Reference Links	
Item	Link
Meeting Agenda	https://www.dcr.virginia.gov/crmp/meeting/document/2024q2-tac-funding-subcommittee-agenda.pdf
Meeting Handouts/Presentation Slides	https://www.dcr.virginia.gov/crmp/meeting/document/2024q2-funding-subcommittee-presentation.pdf
Video Recording of the Meeting	

Agenda Item	Minutes
<p>1. Call to Order, Roll Call, Introductions</p>	<p>Shawn Crumlish (VRA, Chair) called the meeting to order at 10:03am. Wheeler Wood read the roll call.</p> <p>Matt Dalon (DCR) introduced Stantec and Launch! team who have come on board to help drive the CRMP Phase II. They are facilitating subcommittee recommendations.</p> <p>Bill Curtis (VDHCD) moved to adopt the agenda and members voted to adopt it.</p> <p>Troy Hartley (Sea Grant) moved to adopt the meeting minutes, Bill Curtis seconded, and members voted to adopt.</p> <p>Matt Dalon (DCR) reviewed the funding subcommittee objectives, the plan development timeline, and an update on the plan.</p> <ul style="list-style-type: none"> ● This plan is scheduled to be delivered at the end of the year.
<p>2. DCR Presentation</p>	<p>See presentation (see Reference Links above)</p>
<p>3. Old Business</p>	<p>Matt Dalon (DCR) provided an update on the CRMP, Phase 2</p> <ul style="list-style-type: none"> ● Phase 2 includes an expansion to include pluvial flooding, as well as an asset inventory. ● The plan includes calculating dollar figures for ecosystem impacts due to land-type changes ● This information will then be reviewed so DCR can determine the best way to share it ● Additional data is regional economic impacts based on impacts to assets and structures ● Real estate tax revenue impacts due to inundation and flooding are also being calculated to understand how localities would have to make up the difference <ul style="list-style-type: none"> ○ Lewie Lawrence (MPPDC) commented that the trajectory is gradual, not sudden, and asked if the analysis will reflect that. ○ Matt Dalon (DCR) responded that projecting the impact using interpolation may be possible to capture the trajectory, but that may not result in numbers for projections over time. Context will be provided. ○ Lewie (MPPDC) responded that giving context for local governments to understand slippage and the impact of slippage is helpful. ● DCR is interested in adding the natural infrastructure ecosystem services and baseline evaluation to understand land cover/ land use across geography, and then look at the value of those services to the region. This addresses indirect ecosystem services, rather than land value.

	<ul style="list-style-type: none"> ○ Lewie (MPPDC) commented that we may not want to use value or dollar numbers because this point is about community benefits, rather than value in a financial/ monetary sense. ○ Troy (Sea Grant) added that ecosystem services are different in different ecosystems, which means different fields and different methodologies will have produced literature on those different ecosystems. We don't want to be in a position where we are concluding that one ecosystem is more important than another. ○ Matt Dalon (DCR) commented that they are using the FEMA methodology, but understand not comparing one to another. Valuing these ecosystems is based on input from stakeholders. ● DCR is also looking at dollar amounts of planned resilience actions and initiatives, as well as looking at case studies, including the VIMS project on the middle peninsula on ecological and sociological benefits from living shorelines and marshes. ● Part of Phase II is to update the funding database, which hasn't been updated since 2021 and should be current by the end of the year. ● DCR is also mapping financial focal areas within state or federal funding opportunities. The goal is to see where opportunities exist, especially with multiple numbers, and where those opportunities overlap with areas vulnerable to funding. ● Curtis Smith (MPPDC) asked if they have had conversations with state funding programs to see if they will fund programs based on the mapping methodology ● Matt Dalon (DCR) responded that they are trying to use existing data that is preapproved, not creating new layers.
<p>4. Subcommittee Recommendations</p>	<p>Matt Dalon (DCR) reviewed the purpose, audience, and presentation for the recommendations</p> <ul style="list-style-type: none"> ● Purpose: what do we need to do to move forward with the plan <ul style="list-style-type: none"> ○ what planning improvements could be implemented for the planning process, because we redo this every 5 years ● The recommendations can be geared towards state agencies, PDCs, and local governments. We want to identify them in general terms, i.e. "state agencies," rather than "VDOT." ● The goal is 3-5 recommendations per subcommittee ● The recommendations will be included in the final plan document, and presented as recommendations coming from the TAC ● Process: <ul style="list-style-type: none"> ○ Collaborative, facilitated by Launch! ○ Informed by TAC discussions, phase I plan, and other stakeholder engagement ○ Final recommendations will be voted on at the Q4 meeting by the subcommittee to decide what goes to the TAC ○ The TAC vote will happen at the Q4 meeting

	<ul style="list-style-type: none">● DCR surveyed the subcommittee to start thinking about recommendations in terms of impact and urgency <p>Linda Warren (Launch!) reviewed the process of recommendations development and began the conversation:</p> <ul style="list-style-type: none">● Recommendations should focus on the following topics<ul style="list-style-type: none">○ Identify financial needs for flood resilience○ Identify and examine financial tools and processes that are suited and/or needed to implement flood resilience○ Identify challenges/ opportunities to implementing financial tools○ Develop recommendations to quantify and present financial needs for flood resilience in future planning efforts● Draft recommendation theme to guide the discussion. Recommendations should fit within these themes:<ul style="list-style-type: none">○ Building the financial baseline<ul style="list-style-type: none">■ Description: recommend how financial data should guide the state in future efforts to set metrics for flood resilience success.■ Questions to consider could be what financial data should be available?○ Making the financial case<ul style="list-style-type: none">■ Description: identify and examine what type of financial info motivates and enables action■ Questions to consider could include what the financial challenges are to implementing flood risk mgmt. strategies○ Documenting opportunities for state support<ul style="list-style-type: none">■ Description: document opportunities for state support to increase access and reduce barriers■ Example question: what financial programs at the state scale can have the greatest impact○ Providing guidance and information<ul style="list-style-type: none">■ Description: provide guidance and funding and financing information to state and local government entities■ Questions to consider could include if there examples of state-provided guidance that has been helpful?● Lewie (MPPDC) commented that this is extremely important, and asked if the next meeting will be in person because virtual is not as effective.● Linda (Launch!) responded that this first meeting is to create a first draft, which will then be provided back to the subcommittee in a survey. Then members will be able to provide input via a survey. Matt Dalon (DCR) added that the Q3 meeting will be in person. Q4 has the option to be in person.● Linda (Launch!) asked members if these themes work for them, and they responded affirmatively.● Recommendations tips:<ul style="list-style-type: none">○ Start each recommendation with a verb○ Recommendations apply before the next planning phase (1-4 years)○ They can also apply to planning process improvements○ Use general terms for implementing
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	<ul style="list-style-type: none">● Linda (Launch!) broke everyone out into breakout rooms. <p>The breakout groups met until 11:21, and then re-joined the full group to report back.</p> <ul style="list-style-type: none">● Robbie Coates (VDEM) shared the breakout room report from his group:<ul style="list-style-type: none">○ They spent most of their time talking about topic #2, making the financial case○ Peter shared an example of a project from Atlanta where the right people got buy-in to approve funding for the program. It was mostly locally funded. The takeaway was that it will be necessary to go above and beyond one funding source to be successful. It will also be necessary to present fully formed plans, not just ideas.○ Clearly identifying the benefit to go with the cost; if something has a regional impact, you could get buy-in from several localities to fund it, or if it's important enough, you could also get state funding.○ Robbie commented that a lot of special interest groups have organizations that lobby the General Assembly for their issues, and he's not sure if flood resilience has that. It's hard to see issues move without support.● Ethan (member of the public) shared the breakout room report from his group<ul style="list-style-type: none">○ They also focused on making the financial case○ They identified minor flooding as impactful, as well as major flooding○ In terms of messaging, they would recommend communicating the cost of doing nothing to local businesses○ Lewie (MPPDC) talked about the issue of water with valuation of land and buildings, as well as how to address slippage.○ There is a need for localities to track and document the local impact of flooding to get federal funding.○ More work is needed to develop financial tools and reports on the cost of doing nothing.○ They also discussed businesses understanding the cost of water to their assets○ They recommend establishing state programs to help with the match program for localities○ The problem of running programs that are reimbursement-based must be addressed. If state agencies can't figure out the cash flow, projects will be limited.○ It will also be important to create clear rules and concise guidance that ensures predictability and consistency to allow all parties to enter this space to move grant applications forward.● Shawn (VRA, Chair) provided the breakout room report for his group<ul style="list-style-type: none">○ For the financial baseline, they created a recommendation to determine the scope of the project, and figure out financial needs
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	<ul style="list-style-type: none"> ○ To establish the financial case, their group wants to establish the needs of public vs private property. Impact bonds have a built-in performance metric, which could provide a framework. ○ This should all be incorporated into state funding programs to support short-term projects. ○ Existing and available funding sources should be identified ○ Cece (Launch) commented that making the financial case was the focus of discussion.
<p>5. Public Comment</p>	<p>Matt Dalon (DCR) opened the meeting up for public comment.</p> <p>Grace Rogers (Environmental Defense Fund) commented that on the financial baseline piece, the methodology behind inputs could be made available to the TAC far enough in advance for them to provide comments that could be incorporated into the final recommendations. This was also an issue in Phase I. She also shared the following:</p> <ul style="list-style-type: none"> ● In terms of damage assessments, DCR will be working on an update to the substantial damage assessment, and other agencies will be involved. This is something that the Office of Commonwealth Resilience could be looking into. ● EDF thinks it's important that a project prioritization scheme is directly attached to funding. Without that, there is little incentive for localities to get involved in the planning process. Limited state resources need to go to the projects that need to be funded most urgently. ● Grace also commented that insurers are starting to pull out of communities, even after a single insurance policy claim, and this will become a large issue in Virginia. Maybe the TAC could consider having additional disclosures about the need for flood insurance. EDF could provide more information on this through a presentation.
<p>6. Subcommittee Member Discussion</p>	<p>None</p>
<p>7. Action items and scheduling</p>	<ul style="list-style-type: none"> ● Action item review ● Next full TAC meeting on June 18th (virtual) ● 2024 A3 meeting (in-person) <ul style="list-style-type: none"> ○ CRMP PII-financial assessment update ○ revise and review subcommittee recommendations ○ Linda asked that all members please respond to the survey, which should take about 90 seconds to complete
<p>8. Adjourn</p>	<p>The meeting was adjourned at 11:47</p>

Recommendation Discussion

1. Building the Financial Baseline

Recommend how financial data should guide the state in future efforts to set metrics for flood resilience success.

- Determine future efforts to set metrics for flood resilience.
- Identify specific financial needs for private or public projects.
- Existing real estate land value and building values should be tracked annually to report when local tax revenue slippage is occurring in areas at risk to flooding.
- Track the data on real estate analysis and recognize the detrimental impacts of water in relation to the tax base.
- Ensure matching funds are tracked to identify or validate contributor expectations.
- Determine a justifiable financial report that portrays flood damage trends.

2. Making the Financial Case

Identify and examine what type of financial information motivates and enables action.

- Consider recommendations for private properties and for public properties.
- Consider impact bonds/type of performance metrics.
- Consider complexity of metrics and various types of stakeholders.
- Evaluate existing state grant funds such as the Flood Fund which primarily supports short term projects and maybe should be looking longer-term.
- Develop and promote tool for localities to track flood damages, especially minor flood events where FEMA doesn't get involved in reporting.
- Develop financial tools and reports to more clearly explain the immediate and mid-term cost of doing nothing at the local level.
- Ensure that all businesses are aware of financial impacts that may threaten their businesses associated with water.
- Engage with special interest groups to determine what is important to adapt the messaging and data to fit their interests and motivate potential investments.
- Connect economic benefits outside of resilience improvements to resilience-focused projects.
- Identifying revenue sources for projects that don't receive grant funding, including loan options.
- Make the case to state legislators using project prioritization and project readiness.

3. Documenting Opportunities for State Support

Document opportunities for state support to increase access and reduce barriers to financial tools for flood resilience needs.

- Determine what the existing and available funding resources are.
- Consider fight the flood initiatives as a framework for additional state support and
- Review reimbursable grants and management of cash flow.
- Establish state program for non-federal match with multi-year projections and eligibility criteria so localities can plan for state or federal funds on a timeline.
- State agencies develop new mechanisms to allow for more flexibility with funding grant reimbursement.
- Simplify the process to connect the flood resilience need, to the pursuit of funding.

- Identify opportunities for public private partnerships in pursuing prioritized resilience projects.

4. Providing Guidance and Information

Provide guidance for funding and financing flood resilience activities to state and local government entities.

- Consider resources for the future beyond M&O costs.
- Determine what we are trying to accomplish and where we can make the largest impact. Review return on investment calculations for pursuing federal dollars.
- Define & outline who the funding is for (public vs. private).
- Research resources for future, or iterative adaptation measures.
- Provide clear rules and concise guidance for obtaining and using funding to ensure consistency and predictability.
- Enhance the state's ability to further evaluate local flood resilience needs.
- Identify crossover benefits of prioritized resilience projects at the local, regional and Commonwealth level as a starting point for potential pooling of resources to get projects completed.
- Ensure funding prioritization is politically agnostic.

Voting Records

A motion was made to adopt the meeting agenda. A second motion was made and all members voted in favor to adopt the agenda.

The purpose of these minutes is to record and preserve, to the best of our ability, the major contributors and general topics covered during this meeting. Verbatim transcription is not the intent of this document. If you have any questions, please contact flood.resilience@dcr.virginia.gov
