

NOTICE OF FUNDING OPPORTUNITY AND FUNDING MANUAL
RESILIENT VIRGINIA REVOLVING FUND
SOUTHWEST VIRGINIA RESILIENT RECOVERY AND REBUILDING
CATEGORY 1A – BRIDGES, CULVERTS, AND SLOPE STABILIZATION

Overview

In accordance with § 10.1-603.29 of the Code of Virginia, the Department of Conservation and Recreation (the “Department”) and the Virginia Resources Authority (the “Authority”) are providing this Notice of Funding Opportunity (“Notice”) and Funding Manual for the Resilient Virginia Revolving Fund (Fund) to provide policies, criteria, conditions, and procedures for determining project eligibility and awarding grants and loans from the Fund for Category 1A, which relates to the repair and replacement of bridges, culverts, and slope stabilization. The Department anticipates providing additional or revised guidance for other categories of funding listed in this manual in the near future.

The Fund was established in 2022 by the General Assembly of Virginia: §§ 62.1-199 and 62.1-203 of the Code of Virginia were amended and reenacted, and Chapter 6 of Title 10.1, 10.1-603.28 through 10.1-603.40 of the Code of Virginia, was amended.

Per the Code of Virginia, the Fund is authorized to provide grants and loans to local governments¹ for the following flood resilience activities:

- (i) home upgrades for **resilience purposes**, home buyouts and demolition necessary for the construction of mitigation or resilience projects, relocations, and buyout assistance for homes, all including multifamily units;
- (ii) gap funding related to buyouts in order to move residents out of floodplain hazard areas and restore or enhance the natural flood mitigation capacity of functioning floodplains;
- (iii) assistance to low-income and moderate-income homeowners to help lower flood risk through structural and nonstructural mitigation projects, or other means;

¹ For the purposes of the Fund, §10.1-603.28 defines "Local government" as “any county, city, town, municipal corporation, authority, district, commission, or political subdivision created by the General Assembly or pursuant to the Constitution or laws of the Commonwealth or any combination of any two or more of the foregoing.”

(iv) hazard mitigation and infrastructure improvement projects for resilience purposes;

(v) projects identified in the Virginia Flood Protection Master Plan or the Virginia Coastal Resilience Master Plan; and

(vi) to a local government that has developed a funding program to provide low-interest loans or grants to any persons of the Commonwealth eligible for projects for resilience purposes.

The purpose of this round is exclusively to provide funds for the resilient rebuilding of communities that have been impacted by Disaster Events, as those are defined below.

Important definitions and other statutory information regarding the Fund can be found in §10.1-603.28 *et seq* of the Code of Virginia.

Definitions

“Activity” means one stage of a project, plan, or study. Each activity consists of one or more actions that, upon completion, will lead to the next project stage. Taken together as a series, the activities will result in the final deliverable. Each activity has a defined start and end, as well as a deadline or period in which it must be completed.

“Code” means the Code of Virginia.

“Cost,” as applied to any activity financed under the provisions of this article, **means** the total of all costs incurred by the local government in carrying out all works and undertakings necessary or incidental to the accomplishment of any proposed activity.

“Critical facilities (and critical infrastructure)” means assets, systems, and networks, whether physical or cyber, which are so vital to the United States, the Commonwealth of Virginia, or its local jurisdictions that their incapacitation or destruction would have a debilitating effect on physical security, economic vitality, public health or safety, or any combination of thereof at a national, state, or local level.

“Department” means the Virginia Department of Conservation and Recreation.

“Eligible Applicants” for Category 1A are Planning District Commissions that have entered into a Memorandum of Understanding with the Virginia Department of Housing and Community Development and are eligible for the Virginia Disaster Assistance Fund, and that meet the other requirements of this manual.

"Fund or RVRF" means the Resilient Virginia Revolving Fund created pursuant to § 10.1-603.29 of the Code of Virginia.

"Local government" means any county, city, town, municipal corporation, authority, district, commission, or political subdivision created by the General Assembly or pursuant to the Constitution of Virginia or laws of the Commonwealth.

"Locality" means the area under the jurisdiction of a local government.

"National Flood Insurance Program (NFIP)" means the Program as established by the United States Congress through the passage of the National Flood Insurance Act of 1968, as amended.

"Project" means any activity or group of activities with a common goal to reduce coastal, riverine or inland flooding. Design and specification development is considered a project.

"Pre-Award Costs" means costs incurred prior to the effective date of the award where such costs are necessary for efficient and timely performance of the scope of work. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the award and only with the written approval of the Department. If charged to the award, these costs must be identified in the application budget narrative.

"Resilient Purpose" means an activity conducted with the specific goal of improving the ability to withstand, recover, or adapt to a flood event.

"VRA" means the Virginia Resources Authority.

Eligible Applicants

Pursuant to § 10.1-603.29 of the Code of Virginia, the Department is required to give "additional weight... to those projects that are located in a locality designated as having a very low community resilience rating under a standard adopted by the Department." For the purposes of this round, the Department considers any local government that is listed, or lies within the boundaries of those listed, in the respective declarations for one or both Disaster Events, as those are defined in this Notice. A list of these local governments can be found at: <https://www.fema.gov/disaster/declarations>.

"Disaster Event" means one or both of the following:

1. Tropical Storm Helene, being a disaster occurring on or after September 25, 2024, but before October 3, 2024, and subject to a Major Disaster Declaration (FEMA-4831-DR) issued by President Biden on October 1, 2024, and

2. The storms occurring during the State of Emergency declared by Governor Youngkin on February 10, 2025, including, without limitation, the heavy rains occurring on or around February 15 and 16, 2025.

Only eligible local governments may apply for and receive awards directly from the Fund. However, eligible applicants may subsequently award funds for these purposes to persons, as that term is defined in § 1-230 of the Code of Virginia. Eligible applicants may contract or provide subgrant agreements with public, private and non-profit organizations or entities to execute approved activities or projects.

Categories of Funding

The Department intends to make funds available for three categories of activities:

Category 1: Grants and loans to support the resilient rebuilding of communities.

Available Funding: \$20,000,000

Eligible Activities:

- A. Removal of privately-owned hazardous structures within the regulatory floodway, and flood-proofing and reconstruction of certain location-dependent structures within the floodway and floodplain, such as privately owned access bridges, culverts, slope stabilization, retaining walls, and other water control structures, in a more flood-resilient manner;
- B. Buyouts and demolition of structures in order to move residents out of floodplain and flood hazard areas and to restore or enhance the natural flood mitigation capacity of functioning floodplains;

Relocation assistance for occupants following the buyout of primary residences, including multifamily units;

Costs related to projects that provide flood hazard mitigation benefits or lower flood risk to buildings, including costs related to home or business upgrades for flood resilience purposes, mitigation reconstruction, accessory structure resilience measures, increased costs of compliance with regulatory requirements, or increased costs associated with the reconstruction of damaged structures in a more flood resilient manner;

Post-flood debris removal and management measures; and

- C. Other projects and activities consistent with the statutory scope of the Fund.

Category 2: Grants and loans to support the resilient rebuilding of infrastructure.

Available Funding: \$20,000,000

Eligible Activities:

- A. Projects related to the resilient rebuilding of public infrastructure that have not received an award of federal funds or where federal funding requires a match or is insufficient to complete the project.

Category 3: Loans to mobilize federal grants.

Available Funding: \$20,000,000

Eligible Activities:

- A. Projects related to the resilient rebuilding of public infrastructure, for which an application for federal funding has been made and awarded.

Funds for this category will be established as a revolving line of credit at the Virginia Resources Authority and made available to eligible applicants who meet the criteria for this category as bridge loans to support eligible project costs. Funds shall be paid back to the line of credit as they are subsequently received by applicants from the relevant federal agency.

Technical Assistance

Eligible applicants who have entered into a Memorandum of Agreement with the Department are eligible for up to \$150,000 per year in technical assistance funding to support the implementation of Categories 1-3.

CATEGORY 1A – BRIDGES, CULVERTS, AND SLOPE STABILIZATION

Eligible Activities

Access bridges, culverts and slope stabilization are critical components of a property's flood resilience. DCR has prioritized funds for the design and construction of resilient access bridges to minimize flood damage, ensure access, and facilitate efficient emergency response and long-term recovery.

The Department will provide up to **\$10,000,000 in total aggregated funding** for the reconstruction of privately owned bridges and culverts that serve as the only legal access to primary residential properties damaged or made unsafe by disaster events. Funding will also support slope stabilization related to these events. Bridges do not have to be damaged to qualify, but priority will be given to those destroyed or deemed unsafe due to the disaster.

Bridge and culvert design and construction must be permitted by the local government and designed to maintain structural integrity during a 500-year flood, where applicable. In the event a 500-year flood design cannot be attained, then the applicant must implement increased flood resilience measures where feasible (see Appendix B). A properly licensed engineer or a Certified Floodplain Manager must attest that the project design meets either the 500-year standard or implements these increased resilience measures to the greatest extent feasible.

At the Department's discretion, activities conducted **prior** to submission of an application may be eligible for reimbursement. Proof of payment is required.

Slope stabilization helps to protect properties from erosion and damage during flood events. The Department supports funding for slope stabilization projects designed to maintain structural integrity and minimize flood impacts.

Eligible Slope Stabilization Expenses:

- Engineering assessments for bridges, culverts, slope stabilization, and retaining walls
- Design and construction of bridges, culverts, slope stabilization, and retaining walls
- Reinforcement materials (geotextiles, riprap, flood-resistant infrastructure)
- Labor costs for bridges, culverts, slope stabilization, and retaining walls
- Permits

The Department intends for the Fund to work in tandem with related financial offerings made available by the Department of Housing and Community Development's (DHCD's) Virginia Disaster Assistance Fund (VDAF). Accordingly, the Department will only consider funding projects that have first been submitted to the DHCD VDAF program, meet the minimum qualifications, and exceed the program's allowable award amount. For additional

information on the VDAF program, applicants should reference DHCD's website, www.dhcd.virginia.gov.

Application, Apportionment, and Distribution of Funds

No later than December 1, 2025, Planning District Commissions (PDCs) that have entered into a Memorandum of Understanding with DHCD and are eligible for VDAF funding should submit a list of approved projects for bridge and culvert repair or replacement, as well as slope stabilization activities, where costs are expected to exceed the allowable VDAF caps. The Department will evaluate all projects submitted at this time.

Subject to the availability of funds, the Department will accept and evaluate applications submitted after December 1, 2025, on a 30-day rolling basis.

Applications must include:

- A bridge inspection and damage report prepared by a Construction Professional,
- An estimate for repairs or reconstruction prepared by a Construction Professional, and
- A contract for the performance of the work by a Construction Professional.

All materials should be submitted using the form provided in Appendix A.

The Department will initially apportion \$2,500,000 to each eligible PDC for this Category. On or after February 1, 2026, remaining funds will be reapportioned based on demonstrated need.

Pursuant to 10.1-603.29 of the Code, the Department will solicit the input of the Advisory Review Committee in making apportionments. Awards will be made in the form of grants and capped at **\$150,000 per project for bridges/culverts, and \$50,000 for slope stabilization**. No match will be required.

Apportioned funds will be paid to PDCs through the Virginia Resources Authority. PDCs are further authorized to provide these funds to homeowners, contractors, nonprofits, or other persons to pay for project costs related to eligible projects. Contracts, invoices, or proof of payment will be required to draw down funds.

General Provisions

Successful applicants will be required to enter into a Grant Agreement or Memorandum of Agreement (MOA) with the Department, the Authority, and other parties as may be appropriate. This MOA will include the amount of funding to be provided, the anticipated funded activities, the duration of the period of performance, and other relevant agreements, requirements, and restrictions. In the case of a loan from the Fund, the applicant will be expected to enter into a loan agreement with VRA, as administrator of the Fund. This agreement will outline the conditions and requirements for loan closing as well as any

ongoing financial and operating covenants. The loan will be evidenced by a debt instrument authorized and issued by the governing body of the applicant. Standard opinions of bond and borrower counsel will be required as a condition for loan closing.

The Department and the Authority reserve the right to provide funding at a level less than requested by the applicant, or to refuse to fund an applicant's request.

The Department further reserves the right to release additional funding for any of the Categories in this Notice based on need and demand, and to extend the date through which applications for this round will be accepted.

The Department will release further information about additional Categories in the future.

General Application Inquiries: For any questions regarding the application process, please contact the Department of Conservation and Recreation, Division of Floodplain Management at:

(804) 371-6095 or via email at cfpf@dcr.virginia.gov