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Methods of Incentivizing Private Action for Resilience

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Methods of Incentivizing Private Action for Resilience

Local government efforts to increase resilience to flooding and other coastal storm hazards is more effective when private actors become involved. Leveraging actions from both the public and private sector will lead to greater impact within the community. Determining how to motivate private actors to take such actions is a challenge faced by local governments throughout the country. All three of The RAFT Pilot Communities – Town of Cape Charles, Gloucester County, and City of Portsmouth – expressed interest in learning more about potential methods of engaging private actors in resilience efforts. What follows is a non-exhaustive sampling of options.

1. Educational Initiatives

At the most basic level, one manner in which local governments can encourage private actors to get involved is to provide education and training with respect to resilience efforts. Educational initiatives to establish a common understanding of what resilience means to the community will provide a solid foundation for subsequent actions and can be tailored to reach a variety of audiences including homeowners, businesses, and community organizations.

- <u>Host a forum on resilience</u>: The specific content of the forum could be tailored according to the audience in attendance. Nonprofit organizations, local government representatives, scientists, and state agency representatives could present information regarding actions that could be taken to support resilience efforts in the community. This could be an opportunity to solicit feedback from the community on a certain topic or to announce a new initiative the locality is undertaking.
 - Loudoun County partnered with the Piedmont Environmental Council to host a forum focused on improving landscape practices for stream health, water quality, and the environment. The forum focused on homeowners association (HOA) members because 60% of Loudoun County's residents live in HOA communities. The event was supported by the National Fish and Wildlife Foundation and Fairfax Water.
- <u>Host trainings or workshops on more specific topics</u>: As with the forum idea, the content of trainings or workshops could be modified as needed.
 - Workshops where citizens build their own rain barrels
 - Workshops on insurance and legal liability basics
 - Trainings on disaster preparedness

- <u>Provide technical assistance/support for residents and businesses seeking to increase</u> <u>resilience</u>: More generally, the locality could promote itself as a resource for residents and businesses to contact with resilience-related questions.
 - Create an email or telephone based help desk. This could be a joint effort of multiple departments, or the locality could look to form partnerships with nonprofit organizations that work in this field.
 - Provide <u>resilience information electronically</u> on the local government website and in public places, such as the library, in the locality.
 - Create a <u>resilience audit program</u> to help residents and businesses identify potential actions that could be done to their properties to increase resilience.

2. Monetary Incentives

In addition to education on what can be done to increase resilience, local governments could also support private efforts on a financial level. This support may be as simple as informing residents and businesses about the existence of certain grant funds, but could extend farther to include tax exemptions and reduced permit fees for resilience projects.

- <u>Grant Programs</u>: The following list provides a small sample of grants programs that exist for resilience-oriented projects. Many of these grant programs may require the local government, or entity other than a business or resident, to be the applicant for the grant. However, businesses and residents could provide assistance to the locality by assisting with proposal development and project completion.
 - <u>Federal Emergency Management Agency, Hazard Mitigation Assistance</u>: FEMA administers three programs that fund mitigation planning and projects.
 - <u>Hazard Mitigation Grant Program</u> assists in implementing long-term hazard mitigation planning and projects following a Presidential major disaster declaration.
 - <u>Flood Mitigation Assistance</u> provides funds for hazard mitigation planning and projects on an annual basis.
 - <u>Pre-Disaster Mitigation</u> provides funds for planning and projects to reduce or eliminate risk of flood damage to buildings that are insured under the National Flood Insurance Program on an annual basis.
 - <u>National Fish and Wildlife Foundation, Resilient Communities Program</u>: Launched in 2017, this four-year initiative is a joint effort of Wells Fargo and NFWF that seeks to enhance community capacity to plan and implement resiliency projects and invest in green infrastructure.

- <u>Climate Resilience Fund, Coordination and Collaboration Grants</u>: CRF partners with the MacArthur Foundation and Doris Duke Foundation to build upon, interconnect, and increase access to existing resources that support climate change adaptation and resilience activities and outcomes for communities and regions in the United States.
- <u>Tax Exemptions</u>: Various sections of the Code of Virginia authorize local governments to provide tax exemptions for resilience related projects. Although this will impact the tax revenue coming into the locality, it could provide a financial incentive to residents and businesses to undertake such projects.
 - Certified stormwater management developments and property (<u>Virginia Code §</u> <u>58.1-3660.1</u>)
 - Partial exemption for erosion control improvements (Virginia Code § 58.1-3665)
 - Wetlands and riparian buffers; living shorelines (Virginia Code § 58.1-3666)
- <u>Incentives/Regulatory Flexibility</u>: Various sections of the Code of Virginia authorize local governments to provide certain incentives and/or regulatory flexibility to encourage private actors to behave in a certain manner. Although the specifics may vary between different code provisions, these incentives may include reduced permit fees, a streamlined permitting process, or a reduction in gross receipts taxes. Examples of regulatory flexibility include special zoning for the district, permit process reform, and exemption from certain ordinances.
 - Green Roofing (<u>Virginia Code § 58.1-3852</u>): Relates to encouraging the use of green roofs in the construction, repair, or remodeling of residential and commercial buildings.
 - Green Development Zones (<u>Virginia Code § 58.1-3854</u>): Relates to businesses which operate in energy-efficient buildings or businesses which are engaged in the design, development, or production of materials, components, or equipment used to reduce negative impact on the environment. (Example: <u>Fauquier County Code</u> <u>– Art. XIX, Div. 4, § 8-129</u>).
 - Transfer of Development Rights (<u>Virginia § 15.2-2316.2</u>): Creation of a transfer of development rights program can be used to appropriately manage new development within low-lying areas by allowing property owners to sever development rights on properties in certain areas of the locality ("sending areas") and transfer such rights to properties in other areas of the locality ("receiving areas").

 <u>Reduced Flood Insurance Premiums</u>: The locality can participate in the <u>National Flood</u> <u>Insurance Program Community Rating System</u> (CRS) as a means of reducing flood insurance premiums for policies within the locality. CRS is a voluntary program that encourages floodplain management activities beyond the minimum requirements of the National Flood Insurance Program. By undertaking these activities, the locality receives a certain rating which corresponds to a reduction in flood insurance premiums for policies within that locality. In addition to reducing flood insurance premiums, the activities undertaken enhance public safety, reduce damages to property and public infrastructure, avoid economic disruption and losses, reduce human suffering, and protect the environment.

3. Recognition and Special Events

Another option for encouraging private action is to organize special events or programs to recognize residents and businesses that are engaged in providing resilience assistance. In addition to rewarding residents and businesses for their part in making the community more resilient, these events and programs can increase awareness about resilience and build a sense of shared community values.

- <u>Recognition Programs</u>: Localities could create a recognition program for residents and businesses that undertake resilience efforts. Such a program would need to clearly identify what efforts qualify for recognition, how those efforts relate to resilience, how a resident or business submits information to show compliance with the program, and what type of recognition will result.
 - The Elizabeth River Project (ERP) manages programs of this nature. For example, <u>ERP's River Star Homes</u> program offers a yard flag, welcome packet, and information on special events when homeowners and residents agree to do seven simple tasks that make the Elizabeth River cleaner, such as not putting grease in the sink, not feeding geese, and other small checklists.
 - ERP has similar programs in place for <u>businesses and schools</u>.
- In a similar vein, localities could sponsor special events to recognize resilience efforts undertaken by businesses and residents that meet established resilience benchmarks. Additionally, those recognized could be mentioned on the locality's social media and website.
- Localities could also host competitions where attendees share their ideas on building resilience in the community. Winners could be eligible for grant funding to implement their idea. Old Dominion University; Massachusetts Institute of Technology's Solve initiative; and RISE, Resilience Innovations recently held a similar event called a "Solveathon". <u>https://www.odu.edu/news/2018/6/odu_solveathon#.W2xpE1VKhEY</u>