



COMMONWEALTH OF VIRGINIA

VIRGINIA DISASTER ASSISTANCE FUND

PROGRAM GUIDELINES

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🌐 dhcd.virginia.gov/disaster-assistance

VIRGINIA DISASTER ASSISTANCE FUND

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PROGRAM OVERVIEW

The Department of Housing and Community Development (“DHCD”) is committed to creating safe, affordable, and prosperous communities to live, work, and do business in Virginia. DHCD partners with Virginia’s communities to develop their economic potential, regulates Virginia’s building and fire codes, provides training and certification for building officials, and invests more than \$150 million each year into housing and community development projects throughout the commonwealth.

The purpose of the Virginia Disaster Assistance Fund Program (“Program”) is to provide funding for disaster mitigation and relief for qualified communities to cover needs otherwise unmet by insurance, federal relief, state relief and other relief (including charities or in-kind services, construction, or reconstruction, etc.). The Program provides funding to eligible recipients for eligible activities in qualified communities (all as defined more particularly herein). The Program is divided into two parts as described below.

Part 1 of the Program (Disaster Recovery) addresses unmet relief and recovery needs in response to one or both of the following two disaster events:

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.

Part 2 of the Program (Disaster Mitigation) supports disaster mitigation and resiliency efforts in qualified communities. The funding is designed for DHCD to supply major weather event disaster mitigation funding to affected communities to counter the cycle of disaster damage, reconstruction, and repeated damage.

This document sets forth the guidelines for the Program (“Guidelines”). The authority for the establishment and administration of the Program and for the promulgation and interpretation of these Guidelines may be found in, and is derived more specifically from Item 102, Paragraph Q., Chapter 725, 2025 Acts of Assembly (House Bill 1600), as continued and amended by Item 102, Paragraph P., (House Bill 30), 2026 Special Session I, Chapter 7, 2026 Acts of Assembly. The authority also derives more generally from Title 36 of the Code of Virginia, as amended.

These Guidelines constitute a working document designed to provide current policies and procedures to administrators, staff, and sub-grantees. As such, these Guidelines are subject to change as DHCD deems necessary. To the extent that these Guidelines and relevant provisions of the Budget Bill differ, the Budget Bill terms will control. Otherwise, the authority to interpret and apply these Guidelines lies with DHCD, whose interpretation is final and binding. Accordingly, DHCD retains the sole authority and discretion for final decisions

regarding the application process, eligibility determinations, and the allocation of award amounts.

PART 1 OF THE PROGRAM (DISASTER RECOVERY)

Through Part 1 of the Program (Disaster Recovery), DHCD will provide direct assistance to eligible applicants for eligible damages and activities whose real properties sustained disaster-related damage according to these Guidelines.

Definitions

The following definitions apply to Part 1 of the Program (Disaster Recovery):

“Budget Bill” means the 2026 Amendments to the 2025 Appropriation Act (House Bill 30), Department of Housing and Community Development, Housing Assistance Services, Item 102.P.

“Construction Professional”, unless otherwise denoted, means third party approved by DHCD who must be (i) a Virginia licensed Class A contractor, (ii) the certified building official for the locality, (iii) a Virginia licensed professional engineer, or (iv) another construction professional or building inspector acceptable to DHCD in its discretion.

“Damage Category” means Total Loss or Major Damage, as such terms are defined herein.

“Disaster Event”, for purposes of Part 1 of the Program (Disaster Recovery), 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,

“Eligible Applicant” means an individual property owner or business owner, or holder of a life estate or remainderman, who lost or sustained real property damage as a result of one or both of the Disaster Events and was a Virginia resident at the time of the applicable Disaster Event.

“Guidelines” means Virginia Disaster Assistance Fund Program Guidelines.

“Major damage” means real property that, due to the applicable Disaster Event (defined below), has substantial failure to its structural elements, such as walls, floor, or foundation, or that has sustained damage that will take more than 30 days to repair. Examples of major damage and substantial failure include (i) an exterior or interior load bearing wall that is in danger of collapse, indicated by bending or bowing; (ii) a roof including damage to a significant percentage of shingles, underlayment, and framing and trusses; or (iii) other damage at a level of severity such that the unit is unfit or dangerous for habitation.

“Part 1 of the Program” means Disaster recovery as established in Item 102.P.1 of the Budget Bill.

“Program” means the Virginia Disaster Assistance Fund Program established by the Budget Bill.

“Qualified Community” for purposes of Part 1 of the Program means a county, city, town or unincorporated community that is listed, or lies within the boundaries of those listed, in the respective declarations for one or both of the Disaster Events and that has entered into a partnership with DHCD to assist in the administration of the Program as described in these Guidelines or as otherwise needed by DHCD.

“Real Property” means land and the improvements and fixtures appurtenant thereto and affixed to the land, whether for residential or business/commercial use. For the purposes of this program, modular and manufactured housing including ‘single wide trailers’ are considered the same as ‘real property’ related to eligibility for assistance. Recreational vehicles, travel trailers, and similar are not considered the same as real property.

“Total loss” means real property that has been destroyed by the applicable Disaster Event, such that there is a total loss of the structure, the structure is not economically feasible to repair, or there is a complete failure to major structural components, such as the collapse of the basement, structural wall, or roof.

Eligible Applicants

Eligible Applicants must have been Virginia residents in a Qualified Community at the time of the applicable Disaster Event and must have owned the eligible real property or properties at the time of the applicable Disaster Event. Only owners of affected properties that were actively occupied on or at the times of the applicable Disaster Event are eligible. Ineligible applicants include property owners whose property(ies) were abandoned or uninhabited, during the time of the applicable Disaster Event, or who have acquired the property since the applicable Disaster Event. Eligible Applicants also includes owners of commercial real property and owners who lost fencing and crops as a result of a Disaster Event.

Eligible Properties

Part 1 of the Program provides relief based on damage to real property with an active use that was adversely impacted by one or more of the Disaster Events. Eligible real property must have been in active use at the time of the applicable Disaster Event and cannot have been abandoned or uninhabited.

The purpose of the Program is to provide funding for disaster mitigation and relief for qualified communities to cover needs otherwise unmet by insurance, federal relief, state relief and other relief (including charities or in-kind services, construction, or reconstruction, etc.)

Accordingly, properties already rebuilt or restored at no cost to the owners, through insurance, volunteer efforts, or any other resource, are not eligible for the Program.

An Eligible Applicant that owns multiple, noncontiguous properties that were affected by one or both of the Disaster Events may file separate claims for each parcel applicable to each filing. For the purposes of these Guidelines, “noncontiguous properties” are non-bordering properties. Owners of a single Tax Parcel property with multiple 9-1-1 addresses must jointly file one application. All property owners associated with a single Tax Parcel must sign the single application.

Eligible Relief

Part 1 of the Program provides financial assistance to Eligible Applicants based on the following conditions or for the following relief:

Type of Damage	Lesser Of			Minus
	100% property value	Or	\$500,000	
Total Loss	100% property value	Or	\$500,000	Federal/state relief or insurance or other payments
Major Damage	50% property value	Or	\$500,000	Federal/state relief or insurance or other payments

‘Federal/state relief or insurance or other payments’ include, without limitation, insurance payouts, federal relief payouts, state relief payouts and other relief (including charities or in-kind services, construction, or reconstruction, etc.) but does not include Federal Small Business Administration loans related to the applicable Disaster Event unless the loans are forgiven at the time of application or insurance payments received solely for the loss of personal property.

The applicable Damage Category, whether Total Loss or Major Damage, must be established by the applicant as of the date of the applicable Disaster Event by a written report of inspection and conclusion as to the type of damage listed above conducted by a Construction Professional, or such other information and documentation deemed sufficiently probative by DHCD in its discretion, including, without limitation, information and data collected by the Virginia Department of Emergency Management or the Federal Emergency Management Agency.

Property value will be determined as of the date of the applicable Disaster Event. Applicants may rely upon their real estate tax assessment or on a full appraisal report, at the owner’s expense, compiled by a licensed real estate appraiser that is effective as of the date of the applicable Disaster Event or such other valuation evidence acceptable to DHCD in its discretion.

Any award is expressly subject to and conditioned upon the availability of funds. If

completed claims exceed available funds, DHCD will make payments in the order that completed claims were received and deemed eligible.

Damage caused by storms other than the Disaster Events is not compensable under Part 1 of the Program.

In the instance of a property identified by a Federal agency as eligible for a federal buy-out program, such as but not limited to FEMA or Army Corps of Engineers, such property may receive state funding only if DHCD decides, in its discretion and on a case-by-case basis, to provide funding based upon the unique circumstances of an application.

Any buy-out or insurance benefits received as a result of flood event-related claims for specific eligible properties will be deducted from the eligible claim amount under this program.

Special Subprograms for Fencing and Crop Loss

Federal funding from the U.S. Department of Agriculture (USDA) to cover fence losses and crop losses is expected. An additional source of funding from the Commonwealth is the Virginia Disaster Assistance Fund (VDAF) Program that provides funding for disaster mitigation and relief for qualified communities to cover needs otherwise unmet by insurance, federal relief, state relief, and other means (including charities or in-kind services, construction, or reconstruction, etc.).

Virginia recognizes the need to disburse funding expeditiously and will make a portion of VDAF Program resources available to provide funding for fence losses and crop losses. An aggregate limit of \$3,000.00 covering both fence losses and crop losses will be made available, and once this limit is reached, applicants will be referred to forthcoming funding resources from the USDA. Further, the Commonwealth may adjust the VDAF Program design as it relates to fence losses and crop losses once the amounts and timing of USDA funding become available.

For Fence Losses

Funding will be made available for the cost to replace fencing for livestock not otherwise paid for by insurance, federal relief, state relief and other means (including charities or in-kind services, construction, or reconstruction, etc.) and is of the same nature and materials that were damaged in the applicable Disaster Event.

Applicants may request funds from this VDAF subprogram to cover materials and labor for rebuilding perimeter or interior fencing damaged by the disaster event. Applicants must provide proof of loss and documentation acceptable to DHCD to establish eligibility under Part 1 of the VDAF Program. Funding cannot duplicate benefits already received from insurance, USDA programs, or other federal or state relief sources.

For Crop Loss

Funding will be made available to compensate for losses and damages to uninsurable crops caused solely by a Disaster Event and not otherwise paid for by insurance, federal relief, state relief and other means (including charities or in-kind services, construction, or

reconstruction, etc.).

Applicants may request funds from this VDAF subprogram to cover commercial crop losses not addressed by insurance or other federal or state programs. Applicants must submit proof of loss and supporting documentation acceptable to DHCD to establish eligibility under Part 1 of the VDAF Program. Funding cannot duplicate benefits already received from insurance, USDA programs, or other federal or state relief sources.

Eligible Applicants

Applicants must meet the following criteria:

- Be a Virginia resident or operate a business within a Qualified Community
- Be an eligible commercial farm (commercial agriculture producer, not a hobbyist)
- Own agricultural land or livestock operations directly impacted by the Disaster Event(s)
- Have documented crop loss or fencing damage due to Disaster Event(s) as outlined in VDAF Part 1
- Submit a Schedule F or provide FSA farm number(s)
- Be actively engaged in farming or livestock production at the time of the disaster
- Provide evidence that livestock were present within the 12 months prior to the Disaster Event(s)

Funding Parameters for Fencing and Crop Loss

- Maximum award per applicant: \$50,000.00
- Applicants must document that losses are not covered by insurance, USDA programs, or other federal or state relief sources.
- Priority consideration will be given to applicants who have no other recovery resources available.

Application Requirements

- Applicants must provide the following:
- A completed VDAF application form.
- Proof of ownership of the affected property.
- Documentation of crop loss or fencing damage (e.g., photos, insurance claims, USDA loss reports).
- Itemized cost estimates or receipts for recovery work.
- A statement affirming that no other assistance received or pending.

Review and Award Process

- Applications may be submitted through your local Planning District Commission using the standardized form provided by DHCD.
- DHCD will review all submissions.
- Awards will be issued on a rolling basis until available funds are depleted.
- Applicants may be contacted for site verification or to provide additional documentation.
- Applicants are encouraged to work with their local USDA Service Center and Virginia Cooperative Extension for technical guidance and support.

In addition to DHCD-administered resources, funding through the Virginia Department

of Agriculture and Consumer Services (VDACS) may also be available to support eligible agricultural recovery efforts. An online application portal for this VDACS funding will be available at vdacs.virginia.gov/about-farm-recovery-block-grant.shtml.

Application, Supporting Documentation, and Filing Requirements

Applicants bear the burden of proving that they are Eligible Applicants, that their property is an eligible property and that the amount they are seeking is eligible for relief. Applicants must file an application using the form provided by DHCD. The application must be signed by the owner or owners under oath. Applicants are solely responsible for establishing all elements of their eligibility for relief, including (i) their ownership interest in the subject real property and percentage of ownership, (ii) documentation of relevant funds expended and received, (iii) the amount of loss, and (iv) the existence of insurance policies or other relief that the applicant could apply for and whether the applicant received payment or other relief.

Applicants must supply and execute all information and documentation required by DHCD, including proof of ownership, proof of occupancy, insurance policies, estimates, receipts, and affidavits and releases of liability. DHCD has the right to investigate and independently confirm all information provided including information gaps and inconsistencies, as well as conducting title searches as DHCD determines in its discretion.

The Program requires the least burdensome documentation possible, while adhering to programmatic, state, and federal guidelines. To meet compliance criteria, an applicant must submit the following supporting documentation with the application:

1. Proof of Identification, Property Ownership and Occupancy, and Property and Insurance Status:
 - a. A government-issued, picture identification (i.e. current driver's license or state-issued ID card);
 - b. Social Security number;
 - c. The title(s) or deed(s) to the applicant's property(ies), or other official record that legally documents the property ownership, including life estates (DHCD has the right to require a current owner title search in order to resolve ownership);
 - d. Copies of all of the applicant's insurance policies in effect at the time of the applicable Disaster Event, regardless of who is named as payee, including, without limitation, the applicant's Homeowner policy and Flood policy coverage, as applicable, that was in effect as of the date of the applicable Disaster Event and all documentation and correspondence (including emails and texts) from the applicant's insurer relating to the applicable Disaster Event, including all documents and correspondence (including emails and texts) relating to any insurance proceeds received by the applicant in connection with the applicable Disaster Event.
 - e. Applicable Damage Category: A clear statement as to whether the applicant's real property made the subject of the application suffered either a Total Loss or Major Damage, a copy of the inspection report and other documentation evidencing the degree of damage, which can include photographs or video during or immediately following the

- applicable Disaster Event;
 - f. For multiple owners of a single property: Whether married or unmarried, related or unrelated, all owners of the property for which relief is sought must jointly sign the application;
 - g. Names of all individuals who occupied the property – including multiple houses, structures, and family units – at the time of the flood.
2. No recourse agreement including a release of all claims and a covenant not to bring legal action against DHCD or the Commonwealth and releasing both DHCD and the Commonwealth in order to receive financial assistance from the Commonwealth of Virginia (“No Recourse Agreement”).
 3. Signed affidavit verifying (a) the accuracy of all information and documentation submitted in all respects, (b) the applicant’s percentage of ownership in the Real Property, (c) that the applicant is justly entitled to the funds requested for the intended use of funds (replacement or repair of eligible damaged real property), and (d) that the applicant will use the funding provided for the intended purposes of repairing or replacing (on the original site or a different site) property damaged by the applicable Disaster Event, or covering business or housing or related costs in the time since the applicable Disaster Event.

The affidavit also documents the applicant’s acknowledgement that willfully providing false information for the purpose of receipt of greater benefit is illegal, and may result in prosecution, and in the state recovering any and all amounts exceeding that to which the applicant is properly entitled.

4. Authorization for sharing of any and all event-related information, including personal identifying information at any time since the applicable Disaster Event, and all information collected from the applicant between and among DHCD, and other local, state, and federal entities, as well as for profit entities such as financial institutions and insurance companies.
5. Acknowledgement that by signing the application the applicant is affirming that they agree to all terms of the Program and these Guidelines.

As needed, the applicable Qualified Community will verify each applicant's percentage share of ownership in the Real Property that is the subject of the application. Eligible Applicants whose applications are approved, but who do not hold a 100% ownership interest in the subject Real Property will only receive a pro rata share based on their respective ownership interest. However, DHCD may approve a higher award, up to the full eligible amount, if DHCD determines, in its discretion, that doing so best reflects the intent of the Program, and the applicant provides evidence satisfactory to DHCD showing one of the following:

1. The other co-owners of the Real Property are not presently Virginia residents;
2. The other co-owners are Virginia residents who did not sign the Program application, but have disclaimed, in a sworn and notarized writing in a form acceptable to DHCD, any interest in the Program and any resulting award, and have directed that their share be distributed to the Eligible Applicant; or
3. The identity of the other co-owners of the Real Property is unknown.

Each Qualified Community must track, monitor, and report to DHCD all claims made by each property owner to third parties. This includes, without limitation, insurance claims, federal relief payments, state relief payments, local relief payments, and all insurance claims paid for damages relating to any applicable Disaster Event.

Submitting an Application

After an applicant has collected the required documentation, an application is ready to be completed and submitted. The Program offers Eligible Applicants multiple methods in which they may apply:

- **In-Person:** Applicants may make an appointment with their Qualified Community to review and complete their application for assistance.
- **By Third-Party In-Person:** Applicants who prefer to have a trusted third party complete their application may appoint a power of attorney for doing so. However, this will not excuse the applicant from the requirement to sign the application under oath or sign such other documentation as may be required by DHCD. Such applicants must include a copy of a valid power of attorney properly executed by the applicant with the application.
- **Accommodation** for those with disabilities will be provided upon request. This may include but not be limited to a member of the applicant's Qualified Community's staff conducting a home visit or assistance filling out a written application. A Qualified Community must offer all such assistance and support needed so that an applicant with disabilities may fully participate in the Program.

Applications will be processed in the order they are received on a first come, first eligible basis. Payments under Part 1 of the Program are subject to the availability of funds. Qualified Communities will intake all applications and assign each application a reference number with the date and time received. All applications will be reviewed and processed through the Qualified Community. Upon application approval, the Qualified Community will execute a signed agreement with the property owner indicating the amount of assistance to be paid and declaring the use of funds for the intended purpose. The Qualified Community will remit payment to the appropriate applicant through a paper check unless the applicant has made other arrangements with the Qualified Community with the agreement of DHCD.

All applications must be made at or through the Qualifying Community.

Application Review Process

Once an applicant has submitted a *complete* application through the Qualified Community, the Qualified Community will send the applicant email or written confirmation within 30 days with one of the following status updates:

- **Ineligible:** Applicants that do not meet program eligibility criteria will receive written notification with an explanation of their ineligibility.
- **Awaiting Documentation:** Applicants that are eligible for assistance but have submitted an application with incomplete supporting documentation or missing information will receive written notification with specific instructions on how to complete the application.

- **Determination:** Applicants will receive notification of their application approval or denial. If approved, the applicant will be informed of how much money is to be paid and provided a No Recourse Agreement to sign. Applicants must sign the No Recourse Agreement in order to receive funds. A fully and properly executed No Recourse Agreement is a condition precedent to payment.

Appeal Process

Program applicants may contest any application determination or denial based on program policies or assistance calculations by requesting an appeals form from DHCD and emailing it to disasterassistance@dhcd.virginia.gov

The appeal process is not an opportunity to submit missing documentation required as part of the initial application. If an applicant fails to file an appeal via email within ten (10) business days from receipt of a denial in writing via email, the determination is final. Applicants who file an appeal are encouraged to provide specific facts or circumstances, as well as supporting documents to justify their petition. DHCD has the discretion to accept or reject new documentation based upon its relevance to the circumstances of the appeal. Appeals may be denied or approved in whole or in part after a thorough review of the circumstances, the information already included in an applicant's file, and any relevant new documentation submitted.

How to file an Appeal: To submit an appeal, an applicant must request an appeal form by emailing to: disasterassistance@dhcd.virginia.gov with the subject "Appeal for Application <insert application number>." An applicant must complete the appeal form and email it to disasterassistance@dhcd.virginia.gov with a subject line "Appeal for Application <insert application number>" within ten (10) business days of the initial application determination. DHCD will review the appeal and will provide a determination that shall be final and binding.

Recovery of Grants in the Event of Subsequent Receipt of Federal Relief

DHCD may require, and applicants shall sign, an agreement providing for the repayment of any monies received from the Program in the event the applicant(s) receive(s) a subsequent buy-out, insurance proceeds, or other federal or state disaster benefits that cover the losses sought from the Program by the applicant(s). Further, if an applicant receives relief under the Program and subsequently receives a buy-out, insurance proceeds, or other benefits from any program or relief benefit source, the applicant shall immediately return all funds received from the Program in an amount equal to the amount of such buy-out and DHCD shall have a claim against the applicant for such amount. By participating in the Program, all applicants agree to these terms and further to indemnify DHCD and the Commonwealth against all costs, losses, damages, and expenses (including without limitation all litigation costs and reasonable attorney's fees) incurred by DHCD or the Commonwealth in connection therewith.

PART 2 OF THE PROGRAM (DISASTER MITIGATION)

Through Part 2 of the Program (Disaster Mitigation), DHCD will supply major weather event disaster mitigation funding to affected communities to counter the cycle of disaster damage, reconstruction, and repeated damage. Since mitigation of future disasters is dependent

upon a vast array of variables and factors, Part 2 of the Program (Disaster Mitigation) is designed to be flexible.

Definitions

The following definitions shall apply to Part 2 of the Program (Disaster Mitigation):

“Budget Bill” means the 2026 Amendments to the 2025 Appropriation Act (House Bill 30), Department of Housing and Community Development, Housing Assistance Services, Item 102.P .

“*Certified Floodplain Manager (CFM)*” a professional designation for individuals according to the Association of State Floodplain Managers (<https://www.floods.org/certification-program-cfm>).

“*Construction Professional*”, unless otherwise denoted, means third party approved by DHCD who must be (i) a Virginia licensed Class A contractor, (ii) the certified building official for the locality, (iii) a Virginia licensed professional engineer, or (iv) another construction professional or building inspector acceptable to DHCD in its discretion.

“*Eligible Activity*” means activities which, more generally, improve the characteristics of the physical structures of residential structures, including single-family homes, duplexes, triplexes and multi-family dwellings, including the building materials, energy efficiency profile, and hazard mitigation features which influence the accessibility of the home, cost of cooling and heating, and the likelihood that the structure withstands hazards, and are determined at the discretion of DHCD on a case-by-case basis and include those activities specified below under “Examples of Eligible Activities”

“*Eligible Applicant*” means an entity of local government, a non-profit entity, or an individual.

“*Floodplain Administrator (FPA)*” means the community official designated to administer and enforce the floodplain management regulations.

“*Guidelines*” means the Virginia Disaster Assistance Fund Program Guidelines.

“*Major Weather Event Disaster*” means a flood disaster, mudslide, storm damage, wind damage, or landslide that was subject to a Major Disaster Declaration occurring on or after August 1, 2021.

“*Part 2 of the Program*” means Disaster Mitigation as established in Item 102.P2 of the Budget Bill.

“*Program*” means the Virginia Disaster Assistance Fund Program established by the Budget Bill.

“*Qualified Community*” for purposes of Part 2 of the Program means a county, city, town or unincorporated community located within the Commonwealth of Virginia and that (i) is a Qualified Community under Part 1 of the Program or (ii) which sustained property damage

as a result of a flood disaster, mudslide, storm damage, wind damage, or landslide that was subject to a Major Disaster Declaration occurring on or after August 1, 2021 and is not a Qualified Community under Part 1 of the Program.

Mitigation Funding Generally

Funding under Part 2 of the Program (Disaster Mitigation) is available to Eligible Applicants to fund Eligible Activities within the boundaries of a Qualified Community as provided in these Guidelines, as amended. The funding is designed for DHCD to supply funding to support mitigation efforts aimed at lessening the impact of major weather event disaster damages to affected communities to counter the cycle of disaster damage, reconstruction, and repeated damage. Generally, funding under Part 2 of the Program will be performance based.

In awarding grants for projects aligned with the purposes of the Budget Bill DHCD shall prioritize applications for projects that are consistent with applicable state floodplain management standards for state-owned buildings or applicable local floodplain standards.

This prioritization requirement applies notwithstanding any provision of these Guidelines, other guidance, or other criteria to the contrary. Applicants shall identify the applicable floodplain management standard and describe the project's consistency with that standard, as applicable.

In administering the funds provided for Part 2 of the Program (Disaster Mitigation), DHCD may elect to contract with organizations exempt from taxation under 501(c)3 of the Internal Revenue Code with expertise in planning for, providing, constructing, or renovating weather resilient housing, and such other purposes deemed appropriate by DHCD.

Disaster Mitigation Planning Assistance

Planning plays a crucial role in mitigating flood risks and building community resilience. Effective planning reduces vulnerability to flooding and improves the ability to recover from flood events. The Department recognizes the need for proper planning in order to develop mitigation projects that are viable and impactful.

Accordingly, the Department will provide funding in an aggregate amount of up to \$500,000.00 to support local governments and property owners in planning critical flood mitigation activities and bridge resilience projects. The objective is to provide financial assistance for the development of comprehensive planning strategies aimed at strengthening infrastructure against extreme weather- related threats. Highlights are below:

- Up to \$7,500.00 for planning activities related to single-bridge repair or replacement.
- Up to \$10,000.00 for planning more complex flood resiliency projects involving multiple structures or broader community mitigation efforts.

Eligible Applicants:

Local governments, nonprofit organizations supporting community resiliency planning, and private property owners in flood-prone areas.

Eligible Activities:

This funding may be used for a variety of planning activities including, but not limited to:

- Feasibility studies for bridge repairs or replacements.
- Engineering assessments to improve flood resilience.
- Environmental impact assessments and permitting to ensure compliance with regulations.

Application Requirements:

- A detailed project proposal outlining objectives and expected outcomes.
- Cost estimates for planning activities.
- Local governments and Nonprofit organizations must provide evidence of public benefit and alignment with regional or state resilience and mitigation goals.
- Describe how the applicant will ensure non-duplication of benefits.

Projects funded under Part 2 shall, to the extent applicable, be designed and implemented in a manner consistent with applicable state floodplain management standards for state-owned buildings or applicable local floodplain standards. Where a project is subject to a local floodplain management ordinance or other applicable local floodplain requirements, the applicant shall demonstrate compliance with those requirements as part of the application.

Selection Criteria:

Priority will be given to projects in areas affected by a flood event or in flood-prone areas, and areas with aging infrastructure.

Priority will be given to projects that:

- Are consistent with applicable state floodplain management standards for state-owned buildings or applicable local floodplain standards;
- Are located in areas affected by a flood event or in flood-prone areas;
- Address aging or vulnerable infrastructure;
- Demonstrate a meaningful reduction in future disaster risk;
- Align with regional or state mitigation and resilience strategies, as applicable;
- Demonstrate financial need or a funding gap;
- Leverage or complement federal, state, local, or other funding sources; and
- Demonstrate public benefit and the potential to reduce future disaster damage.

For purposes of determining priority under this section, consistency with applicable state or local floodplain management standards shall receive priority as required by Item 102.P.2.

BRIDGE & SLOPE STABILIZATION ASSISTANCE

Access Bridges

Bridges play a crucial role in both flood mitigation and resilience by ensuring transportation networks remain operational during and after flooding, and by providing pathways for emergency response and relief efforts. Sometimes a bridge is the sole means of legal access to residential and commercial properties. Resilient bridge design and maintenance strategies are essential to minimize damage and ensure swift recovery from flood events.

Accordingly, the Department will provide funding for the repair or replacement of bridges (both publicly owned and privately owned) that were the sole means of legal access to residential property which was destroyed or rendered unsafe for use by one or more of the Disaster Events for up to \$100,000.00 per bridge. Bridges do not have to have sustained damage; however, priority will be given to bridges that were destroyed or rendered unsafe as a result of one or more Disaster Events.

The application process will require, at a minimum, 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 performance of the work by a Construction Professional. Applications must be submitted through the Qualified Community.

Retaining Walls for Slope Stabilization

Retaining walls can play a significant role in flood mitigation by managing water runoff, preventing erosion, and providing a permanent solution for water control. They are designed to channel water away from homes and foundations, preventing water from pooling and potentially damaging structures. Additionally, they help stabilize slopes, preventing soil erosion which can contribute to flooding.

Accordingly, the Department will provide funding for the installation, replacement, repair or reconstruction of retaining walls or other mitigation measures (as approved by DHCD) required to remedy slope instability caused solely by one or more of the Disaster Events for up to \$69,500.00 per retaining wall. Retaining walls or other mitigation measures do not have to have sustained damage; however, priority will be given to slopes that were damaged by one or more Disaster Events. Retaining walls must be permitted by the local government.

Maximum Combined Assistance

Bridge repair and replacement assistance is available for up to \$100,000.00 per bridge. Slope stabilization assistance is available for up to \$69,500.00 per retaining wall.

For an applicant receiving both bridge assistance and slope stabilization assistance, the total combined benefit may not exceed \$115,000.00. The application process will require, at a minimum, a slope inspection and damage report prepared by a Construction Professional, an estimate for installation, replacement, repair or reconstruction prepared by a Construction Professional and a contract for performance of the work by a Construction Professional.

Eligible 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

Required Documentation:

Partner Organizations must collect the following documentation from each local applicant

requesting assistance for Bridge and Slope Stabilization Assistance:

- Completed application form, including signed certification and due diligence
- Inspection and damage report by a licensed Construction Professional
- An estimate for installation or repair by a licensed Construction Professional
- Proof of ownership
- Financial documentation of need, including any additional funding sources invested in the property
- Determinations of future flood or damage risk to the property (i.e. engineering or geotechnical reports, historical records of on-site hazards, expert recommendations from a Certified Floodplain Manager)

Eligibility & Funding Details Applicants must:

- Demonstrate financial need or funding gaps preventing restoration
- For Individuals:
 - Be a Virginia resident private property owner(s) with bridges or slopes damaged by flooding
 - Supply satisfactory evidence to demonstrate the necessity of the proposed bridge and/or slope stabilization, and how it contributes to mitigating hazards on the property or increasing resilience. Examples of satisfactory evidence may include, but are not limited to:
 - Engineering or Geotechnical Reports
 - Historical Records of On-Site Hazards
 - Expert Recommendations from licensed professional, CFM, or FPA
- For Local Governments and Non-Profits
 - Identify how the projects align with regional or state mitigation and resilience strategies
 - Local governments may apply for planning assistance for bridge resilience and slope stabilization Funding covers up to 100% of eligible costs, capped at \$50,000 per property.

Comprehensive Mitigation Program Design

A program design for implementation projects to be funded by Part 2 of the Program shall be developed and published in the near future. DHCD is developing program guidelines and an application process to facilitate access to these funds. The application period for eligible components under this program will open soon and will be announced by DHCD.

GENERAL PROVISIONS APPLICABLE TO THE PROGRAM

The following general provisions apply to the Program in its entirety.

Funding Limits

Within the allowances of the budget bill, DHCD will utilize program guidelines to set the funding limits for activities associated with the Disaster Assistance Fund. In the course of administering the Program, DHCD may adjust funding limits or set new funding limits if to do so is in the best interests of the Program.

Partnerships

DHCD recognizes that partnerships are crucial in recovering from a natural disaster and doing the work to mitigate the impacts of future natural disasters. Accordingly, in the

course of administering the Program, DHCD may partner with individuals and entities, including local departments of social services, entities of local government, planning district commissions, and non-profits.

Redirection of Funds

The Budget Bill also provides that the Director of DHCD is authorized to reduce funds provided for major weather event disaster mitigation in Part 2 of the Program (Disaster Mitigation) if eligible claims for relief made to Part 1 of the Program (Disaster Recovery) exceed \$25,000,000.00, to the extent that unobligated funds from Part 2 of the Program (Disaster Mitigation) are available.

This authority remains subject to the continuing authorization and fund-carryforward provisions of Item 102, Paragraph P., 2026 Special Session I, Chapter 7, 2026 Acts of Assembly.

No Private Right of Action or Contract

Nothing contained within these Guidelines, the Budget Bill, or the Program may be deemed or construed so as to (i) confer a private right of action upon any Program applicant or recipient of funds from the Program, or (ii) establish a contract, expressed or implied or quasi-contract, between or among the Commonwealth, DHCD, or any other agency of the Commonwealth and any Program applicant or recipient of funds from the Program, or (iii) impose any liability in favor of any Program applicant or recipient of funds from the Program against the Commonwealth or the DHCD, or any other agency of the Commonwealth.

Fraud Prevention and Misuse of Funds

Applicants who misrepresent any information or fail to disclose information requested on the required forms may disqualify themselves from participation in the Program. Misrepresentation or failure to disclose may be grounds for termination or repayment of assistance. **WARNING:** It is unlawful to provide false information to the government when applying for recovery assistance. By accepting the relief offered, the applicant is affirming that the relief will be used for the intended purpose as noted above. Nonconforming or frivolous use may result in state action to recoup funds provided. All information provided by an applicant may be disclosed to appropriate investigatory or law enforcement authorities.

Recordkeeping

The Qualifying Community must keep application and payment records and make weekly reports that DHCD requires within the specified timeframe. All contractual and project participant records must be maintained for at least three years after final payment has been processed and the Qualifying Community's relevant audit has been completed and accepted by DHCD. Records include (i) program records such as the damage assessment documentation, financial records such as payment documents, and program participant records; and (ii) operational records to include certified personnel timesheets, documentation of supplies and materials purchased to carry out the program, and documentation of actions of the Qualifying Community's governing body related to the program. Copies of canceled checks/bank statements or expenses associated with all elements of the program including the program participant documenting payments for damage to eligible property within the program time period, must also be retained. A record of all program participants that are reviewed and classified as ineligible for relief payment

must also be retained. This must include documentation of the reason for the determination of ineligibility.

Compliance

Contractors must comply with all applicable state and federal laws.

Amendment

DHCD may amend these Guidelines from time to time in its discretion as needed to properly achieve the intent, purposes and objectives of the Program and the Budget Bill.

PROGRAM BUDGET LANGUAGE

The Program is authorized and administered pursuant to Item 102, Paragraph Q., Chapter 725, 2025 Acts of Assembly, as continued and amended by Item 102, Paragraph P., 2026 Special Session I, Chapter 7, 2026 Acts of Assembly.

Item 102, Paragraph Q., Chapter 725, 2025 Acts of Assembly (House Bill 1600)Q.1. *Out of this appropriation, \$50,000,000 the first year from the general fund is provided for disaster mitigation and relief for qualified communities. Of the amounts in this paragraph, \$25,000,000 is provided for the department to establish and administer a program for the purposes of providing relief to residents of Virginia that lost or sustained residential or commercial property damage as a result of (i) 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 (ii) 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.*

a. The department shall establish procedures for filing and resolving claims, which shall include measures to prevent fraud, and which may include any criteria the department determines reasonable to carry out the provisions of this paragraph. The amount of relief provided to an eligible applicant shall be up to 100 percent of the property value for the realty that represents a total loss and up to 50 percent of the property value for the realty that sustained major damage, as defined by Q.1.f. and Q.1.g. below, not to exceed \$500,000. If an eligible applicant owns multiple, noncontiguous properties in an area affected by the disaster in paragraph Q.1. of this item, the eligible applicant may file separate claims for each parcel, and the maximums described in this paragraph shall apply to each separate claim. The department shall reduce payments by any federal or state relief or insurance payments received by the eligible applicant for property repairs or damage related to the disaster described in paragraph Q.1. of this item.

b. Payments under paragraph Q.1. of this item shall be subject to the availability of funds. If claims exceed available funds, the department shall make payments in the order that claims were received.

c. The department shall not provide relief under this section for a residential or commercial realty that was abandoned or uninhabited at the time of the disaster described in paragraph Q.1 of this item.

d. No recourse may be had by any person, organization, or entity against a recipient of payment under this paragraph, absent any evidence of misuse of funds. Misuse of funds shall be

established by a showing that a recipient knowingly misapplied the proceeds of a payment received under this paragraph. If a showing of misuse of funds has been made, then a person may seek recourse against the recipient for an amount no greater than the extent of the payment.

e. Relief awarded pursuant to this paragraph is excluded from gross income and is not subject to taxation.

f. "Total loss" means real property that has been destroyed, such that there is a total loss of the structure, the structure is not economically feasible to repair, or there is a complete failure to major structural components, such as the collapse of the basement, wall, or roof.

g. "Major damage" means real property that has substantial failure to its structural elements, such as walls, floor, or foundation, or that has sustained damage that will take more than 30 days to repair.

h. "Eligible applicant" means any individual property owner that lost or sustained residential or commercial real property damage as a result of 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 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.

i. The department may provide relief under this section for commercial real property loss and also loss of fencing and crop loss as a result of the disaster described by paragraph Q.1. of this item. The program provisions of this paragraph Q.1. shall apply to any commercial assistance provided by the department; however, the maximum assistance awarded for commercial property loss shall not exceed 100 percent of the property value lost or damaged by the disaster described in by paragraph Q.1. of this item.

2. Of the amounts in this paragraph, \$25,000,000 is provided for the department to supply major weather event disaster mitigation funding to affected communities to counter the cycle of disaster damage, reconstruction, and repeated damage. Grants under this paragraph shall be made to local governments, nonprofit entities, or individuals to supplement disaster recovery funding by improving the characteristics of the physical structures of houses and multi-family dwellings including the building materials, energy efficiency profile, and hazard mitigation features which influence the accessibility of the home, cost of cooling and heating, and the likelihood that the structure withstands hazards.

a. The department, in administering the funds provided in this paragraph, may elect to contract with organizations exempt from taxation under 501(c)3 of the Internal Revenue Code with expertise in planning for, providing, constructing, or renovating, weather resilient housing.

b. The department shall develop criteria and guidelines for the program on or before December 1, 2025, which shall include eligible recipients and identify permitted sources of matching funds as necessary, which may include federal, state and other funding programs and sources as sources for match for funding from the program. Eligible activities shall be construction and improvement projects designed to mitigate the impacts of future disasters. Funding under paragraph Q.2. of this item shall be available for projects within communities eligible under paragraph Q.1. and those communities whose residents sustained property damage as a result of a flood disaster, mudslide, storm damage, wind damage, or landslide that was subject to a Major Disaster Declaration occurring on or after August 1, 2021. Grants to individuals shall not exceed \$500,000. Funding

may be used to satisfy match requirements for federal, state and other funding programs and sources, including U.S. Federal Emergency Management Agency public assistance and hazard mitigation grant funding, U.S. Department of Housing and Urban Development community development block grants, and funding from U.S. Environmental Protection Agency, the U.S. Economic Development Administration, and the U.S. Department of Agriculture.

c. Out of the amounts in this paragraph, the department shall direct \$350,000 to pilot a statewide emergency management mobile application communications platform in Health Service Area 3. The platform shall provide care coordination across local, regional, and state entities for mass casualty, evacuation, and other events involving patient transport. The pilot program will evaluate the effectiveness of an emergency management mobile application communications platform in Southwest Virginia by measuring its impact on key performance indicators, including: number of participating organizations/personnel, platform usage, time to treatment, and user satisfaction. An interim report detailing the pilot program launch will be submitted to the Chairs of the Senate Finance and Appropriations Committee and the House Appropriations Committee by December 1, 2025. A final report including quantitative data and qualitative feedback gathered from participating organizations and personnel will be submitted to the Chairs by October 1, 2026.

3. The Director of the Department of Housing and Community Development is authorized to reduce funds provided for major weather event disaster mitigation in paragraph Q.2. if eligible claims for relief as provided in paragraph Q.1. exceed \$25,000,000, to the extent that unobligated funds from paragraph Q.2. are available.

4. The department shall report to the General Assembly on the expenditure of funds from paragraph Q.1. within 90 days of the completion of this assistance program to include total assistance deployed by type of loss, total victims served, and completion of funded repairs or new residential construction. The department shall report to the General Assembly on the expenditure of funds from paragraph Q.2. on or before December 1, 2026, except as provided in Q.2.c. At a minimum the report shall contain information on the number and type of applicants, the number of grants made, and expenditure of grant funding, and the projects completed.

5. The department may recover administrative costs from the amounts provided in this paragraph including any necessary costs for partnerships with individuals and entities, including local departments of social services, entities of local government, planning district commissions, and non-profits to effectuate the provisions of this paragraph. The amounts provided in this paragraph Q. shall not revert to the general fund at the end of any fiscal year.

102, Paragraph P., (House Bill 30), 2026 Session, Chapter 7, 2026 Acts of Assembly

P.1. The authorization under Item 102, Paragraph Q., Chapter 725, 2025 Acts of Assembly, which provided a total of \$50,000,000 from the general fund for disaster mitigation and relief for qualified communities shall continue, including all requirements and other conditions set forth in the original authorization. Balances from this amount shall not revert to the general fund and shall be reappropriated at the end of any fiscal year.

2. Notwithstanding the provisions of Item 102, paragraph Q.2., Chapter 725, 2025 Acts of Assembly, guidance, or criteria to the contrary, the department in making grants to projects aligned with the purpose of paragraph Q.2., Item 102, Paragraph Q.2., Chapter 725, 2025 Acts of Assembly shall prioritize applications that are consistent with state floodplain management standards for state-owned buildings or local floodplain standards.

3. *The department shall issue a contract for the purpose stated in Item 102, Paragraph Q.2.c., Chapter 725, 2025 Acts of Assembly by August 1, 2026.*

4. *As authorized in Item 102, Paragraph Q.2.c., Chapter 725, 2025 Acts of Assembly, an additional \$200,000 in the first year shall be provided to extend the pilot program through June 30, 2027. An interim report detailing the pilot program launch will be submitted to the Chairs of the Senate Finance and Appropriations Committee and the House Appropriations Committee by November 1, 2026.*

APPENDIX A: AT-A GLANCE FUNDING CAP TABLE

Sub-Program	Per-Applicant Cap	Aggregate Program Cap
Part 1 – Disaster Recovery		
Total Loss	Lesser of 100% of property value or \$500,000.00 minus federal/state relief, insurance, or other payments	Subject to availability of funds; paid in order of claims received
Major Damage	Lesser of 50% of property value or \$500,000.00 minus federal/state relief, insurance, or other payments	Subject to availability of funds; paid in order of claims received
Fencing	\$50,000.00	\$3,000.00 aggregate, shared with Crop Loss
Crop Loss	\$50,000.00	\$3,000.00 aggregate, shared with Fencing Loss
Part 2 – Disaster Mitigation		
Disaster Mitigation Planning Assistance (single-bridge repair/replacement)	\$7,500.00	\$500,000.00 aggregate shared across Planning Assistance
Disaster Mitigation Planning Assistance (complex flood resiliency)	\$10,000.00	\$500,000.00 aggregate shared across Planning Assistance
Access Bridges	\$100,000.00 per bridge	N/A
Retaining Walls for Slope Stabilization	\$69,500.00 per retaining wall	N/A
Maximum Combined Bridge & Slope Stabilization Assistance	\$115,000.00	Per applicant ceiling