



Department of Housing and Community Development

**Division of Community
Development and Housing**

CDBG-DR Public Hearing
Tropical Storm Helene



**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities





Today's Agenda

- I. Introductions
- II. Disaster & Funding Overview
- III. Virginia's CDBG-DR Action Plan
- IV. Proposed Recovery Programs
- V. Comments, Questions, & Next Steps!



Tropical Storm Helene

- Tropical Storm Helene struck Virginia between September 25, 2024, and October 3, 2024, causing catastrophic rainfall-triggered flooding.
- On October 1, 2024, the President issued a major disaster declaration for a number of localities in Southwest Virginia.
- In January 2025, HUD announced the allocation of nearly \$12 billion in CDBG-DR funds for communities across 24 U.S. states and territories.





CDBG-DR Funding Requirements

1. Help address a direct or indirect impact from the disaster in a county covered by a Presidential disaster declaration
2. At least 80% of funds must address needs within the HUD-identified Most Impacted and Distressed (MID) areas
3. At least 70% CDBG-DR funded activities must benefit Low/Moderate Income (LMI) Persons



An aerial photograph of a mountainous landscape with dense forests. A road winds through the lower part of the image. A tall cell tower with multiple antennas is visible on the right side of the mountain. The sky is blue with scattered white clouds. The text is overlaid on the image.

Virginia's CDBG-DR Allocation

\$46,670,000



CDBG-DR Funding in the Commonwealth

Virginia will receive \$46,670,000 in funding to support long-term recovery efforts following Tropical Storm Helene.

- Funding will be prioritized to Giles & Washington Counties, identified as the Most Impacted and Distressed (MID) Areas, per HUD Federal Register Notice.
- DHCD must complete and submit an Action Plan to HUD for approval.
 - This document assesses the unmet needs in the MID areas and proposes funding for activities to address recovery and mitigation.
- There will be opportunities for public comment and input.



Most Impacted and Distressed (MID) Areas

80% of CDBG-DR funding will be allocated to:

- Giles County, including:
 - Town of Pearisburg
 - Town of Rich Creek
 - Town of Narrows
 - Town of Glen Lyn
 - Town of Pembroke
- Washington County, including:
 - Town of Abingdon
 - City of Bristol
 - Town of Damascus
 - Town of Glade Spring
 - Town of Saltville



Citizen Participation

We need to hear your comments on the Draft Action Plan.

Live events:



Washington County

March 19th at 2:00 PM



Giles County

March 20th at 1:00 PM



Virtual

March 25th at 1:00 PM

Written comments will be accepted through April 3, 2025.





Virginia's Draft CDBG-DR Action Plan



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Overview

DHCD collaborated with federal, state, and local partners in developing a draft Action Plan.

This document directs DHCD's use of CDBG-DR funding and contains:

- High-level Needs Assessments
- Allocation of funding & awards
 - Funding Amounts
 - Eligible Activities & Project Types
 - Eligible Recipients
- Alignment with applicable laws and regulations
- Process for engaging with community stakeholders to obtain feedback



To view the draft, visit dhcd.virginia.gov/cdbg-dr



CDBG-DR DOCUMENTS

[CDBG-DR Public Hearing Notice](#)

[Draft CDBG-DR Helene Action Plan](#)

[Draft CDBG-DR Financial and Grant Certification](#)





Proposed Allocation of Funding

Eligible Cost Category	Allocation Amount	% of CDBG-DR Allocation	% to LMI	% to MID Areas
Administration	\$2,029,150	5%		
Planning	\$6,087,450	15%		
Housing	\$15,015,710	37%	100%	80%
Infrastructure	\$12,174,900	30%	70%	80%
Economic Revitalization	\$4,058,300	10%	70%	80%
Public Services	\$1,217,490	3%	100%	80%
Total CDBG-DR	\$40,583,000	100%	85%	80%
CDBG-DR Mitigation Set-Aside	\$6,087,000	15%	85%	80%
Total CDBG-DR funding	\$46,670,000	N/A	85%	80%



Action Plan Overview

- **Funding awarded as grants to Units of Local Government**
 - At least 80% of funding will be allocated to Giles County & Washington County
 - Up to 20% proposed allocation to other localities within the Helene Disaster Declaration Area
- **Proposed programs:**
 - Housing Recovery & Mitigation Activities
 - Infrastructure Recovery & Mitigation Activities
 - Economic Revitalization Recovery Activities
 - Public Services Recovery Activities





Needs Assessment



Housing

- *Primarily owner-occupied housing*
- *Above-average vacancy rates*
- *Generally older homes*



Infrastructure

- *Damaged bridges & roads rendered crucial services inaccessible*
- *Damaged broadband lines*
- *Water systems compromised*



Economic Revitalization

- *Businesses experienced flooding*
- *Tourism decreased dramatically*

	Habitability Repairs Required		Major Damage		Destroyed	
	Owner	Renter	Owner	Renter	Owner	Renter
Giles County	73	19	19	≤10	11	≤10
Washington County	182	39	18	≤10	12	≤10

Table: Damage to Housing Units in HUD-identified MID Areas



Rental & Owner-Occupied Housing Recovery Program

~ \$15,000,000 available in funding

Eligible activities include:

- Construction of new houses
- Rehabilitation and reconstruction of homes
- Creation or rehabilitation of single family or multi-family units
- Housing activities that benefit either owner-owned homes or rental homes

Note: Properties receiving proceeds from flood insurance may not be eligible for CDBG-DR assistance.



Pictured: Flood Damage to Single Family Home and Road in Washington County; courtesy of VDEM



Infrastructure Recovery Program

~ \$12,000,000 available in funding

Eligible activities include:

- Projects involving water, wastewater, and drainage improvements
- Certain community service facilities serving primarily LMI persons, such as health clinics or skill-building facilities for jobs related to disaster recovery
- Street improvements
- Other infrastructure activities as needed and identified in related recovery plans



Pictured: Workers surveying section of highway; source: PBS



Economic Revitalization Recovery Program

~ \$4,000,000 available in funding

Eligible activities include:

- Development Readiness
- Façade Improvements
- Site Redevelopment
- Small Business Recovery
- Job Creation, Retention, and Training



Pictured: Creeper Trail Destruction in the Town of Damascus; courtesy of VDEM



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Economic Revitalization	\$4,058,300	10%	70%	80%
Public Services	\$1,217,490	3%	100%	80%
Total CDBG-DR	\$40,583,000	100%	85%	80%
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Total CDBG-DR funding	\$46,670,000	N/A	85%	80%

Estimated Allocation of Proposed Funding

	Eligible Cost Category	Allocation Amount	% of Allocation	Estimated % to MID Localities	Estimated \$ to MID Localities	Estimated \$ to Giles County	Estimated \$ to Washington County	Maximum \$ to Non-MID Localities
CDBG-DR	Administrative Costs	\$2,029,150	5%					
	Planning Costs	\$6,087,450	15%					
	Housing Recovery Programs	\$15,015,710	37%	80%	\$12,012,568	\$6,006,284	\$6,006,284	\$3,003,142
	Infrastructure Recovery Programs	\$12,174,900	30%	80%	\$9,739,920	\$4,869,960	\$4,869,960	\$2,434,980
	Economic Revitalization Recovery Programs	\$4,058,300	10%	80%	\$3,246,640	\$1,623,320	\$1,623,320	\$811,660
	Public Services Recovery Programs	\$1,217,490	3%	80%	\$973,992	\$486,996	\$486,996	\$243,498
	Total CDBG-DR Allocation	\$40,583,000	100%	80%	\$25,973,120	\$12,986,560	\$12,986,560	\$6,493,280
Mitigation Set-Aside	Housing Mitigation Programs	\$3,043,725	50%	80%	\$2,434,980	\$1,217,490	\$1,217,490	\$608,745
	Infrastructure Mitigation Programs	\$3,043,725	50%	80%	\$2,434,980	\$1,217,490	\$1,217,490	\$608,745
	Total CDBG-DR Mitigation Set-Aside	\$6,087,450	100%	80%	\$4,869,960	\$2,434,980	\$2,434,980	\$1,217,490
Total CDBG-DR Funding		\$46,670,450	100%	80%	\$30,843,080	\$15,421,540	\$15,421,540	\$7,710,770



Proposed Maximum Awards

Please note that the estimates in the following table are subject to change:

Activity Type	Per Beneficiary Cap	MID Localities Max. Award	Non-MID Localities* Max. Award
Planning	TBD	\$100,000	\$75,000
Housing Recovery Programs	\$125,000 per unit	\$1,250,000	\$500,000
Infrastructure Programs	TBD	\$2,000,000	\$500,000
Economic Revitalization Programs	TBD	\$1,250,000	\$200,000
Public Services Programs	TBD	\$250,000	\$100,000

**For non-MID localities: awarded funds cannot exceed the maximum total available funding, regardless of listed caps.*

**For non-MID localities: total project funding received between CDBG and CDBG-DR cannot exceed the listed caps.*



Recap & Next Steps

The Action Plan outlines DHCD's proposed use of CDBG-DR funding, including:

- Needs Assessments
- Funding Allocations and Awards
- Eligible Activities and Recipients
- Compliance with Laws and Regulations
- Community Engagement for Feedback

DHCD's next steps are:

- ✓ Consider community input until April 3, 2025
- ✓ Submit Action Plan to HUD for review
- ✓ Finalize CDBG-DR application & technical assistance resources



Questions, comments, and feedback?



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Providing Input on the CDBG-DR Action Plan

Written comments will be accepted through [April 3, 2025](#)

- Submit via email: feedback.ppc@dhcd.virginia.gov
- Scan the QR code to submit additional comments
- Spread the word and encourage others to provide input!





Contact Information

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General comments and inquiries can be sent to feedback.ppc@dhcd.virginia.gov

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QR Code to
Feedback Survey



THANK YOU



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