

Vermont Agency of Natural Resources
Municipal Incentives and Resources
For Flood Mitigation and Water Quality Protection
02/22/06

Objective:

Reduce future direct economic losses and water quality degradation resulting from floods through river corridor protection.

Proposal:

Establish, on a statewide basis, a system of incentives and enhanced resource base to establish a comprehensive partnership between the state and local governments thereby enabling the achievement of shared goals of water quality protection and restoration, flood and fluvial erosion hazard mitigation, and socio-economic health and sustainability.

Statement of Need:

- *Land Use Decisions as a Local Function:* In Vermont, municipal government has historically functioned as the primary arbiter of local land use decisions. As local land use and economic development is increasingly associated with statewide water quality, natural resource conservation, and public safety objectives, local governments are, in many cases, overwhelmed by the myriad responsibilities and obligations placed on them for the purpose of achieving these state objectives. Vermont's municipalities should continue to be primarily the governmental level at which local land use decisions are rendered. But without a system of meaningful incentives and enhanced resources, towns, villages and cities can never be truly effective partners, nor functionally share with the state, pursuit and achievement of mutual objectives.
- *Viscous Cycle of Flood Loss:* Periodic economic loss and social disruption result from frequent devastating flood events on statewide, regional, and sub-watershed scales. Pervasive stream channel instability and water quality degradation profoundly diminish the ecological and economic potential of riparian lands, river systems, and receiving waters for Vermont's communities. Largely due to the absence of a system of municipal incentives and resources, community relationships with fluvial systems are typically unsustainable, squander remaining flood attenuation assets, and degrade and devalue available ecosystem benefits.
- *Dis-Incentives to Sensible Land Use Decision-Making:* Exposure to devastating flood events is increasing due to intensifying land development in susceptible areas and potentially by global climate shifts or cycles. Current state and federal policies and programs, such as FEMA Public Assistance and Individual Assistance Programs, and the USDA Emergency Watershed Protection Program,

provide a disaster response safety net that rewards all eligible individuals and governmental entities regardless of how recklessly public and private investment, and growth management decisions have been made at the local level. Little or no meaningful policies, programs, or incentives exist to support, encourage, or reward municipalities that are proactive in mitigating existing and avoiding increasing flood or fluvial erosion exposure, and to establish sustainable community relationships with fluvial systems.

Recommendation:

Create state incentives that encourage and enable local governments to play a more effective role in managing land use decisions in river corridors. Ensure all appropriate state funding authorities be managed to provide incentives, and encourage and support municipal actions consistent with state water quality, flood mitigation and economic sustainability objectives.

Improve coordination of existing planning and municipal assistance mechanisms, authorities, and organizations including the VT Association of Planning & Development Agencies (VAPDA), VT League of Cities & Towns (VLCT), University of Vermont Extension Service (UVMEXT), VT Agency of Commerce & Community Development (ACCD), and the VT Agency of Natural Resources (ANR).

Establish an effective local-state partnership through the dedication of focused technical support and financial resources to municipal entities. In doing so, towns will become better informed, take ownership for, and be able to make key decisions that will have long term, sustainable economic, hazard mitigation, and ecological benefits.

Support riparian corridor protection in partnership with VHCB, VLT, local land trusts, and other lands conservation partners as a flood hazard mitigation objective with water quality restoration and economic development planning as associated outcomes.

Engage the VT General Assembly, state agencies, and organizations with municipal planning interests, to initiate a statewide program in support of the establishment of a meaningful system of municipal incentives and increased resources.

It is intended that the following program elements be achieved largely through the re-direction, re-allocation, and improved coordination of existing state resources

Program Elements:

- *Establish Comprehensive, Coordinated, State and Local Water Quality, Economic Development, and Hazard Mitigation Planning*
- *Strengthen State Technical and Administrative Support for Community Land Use and Development Planning and Review, and Hazard Plan Implementation*
- *Create Economic Incentives for River Corridor Protection Initiatives by Local Government*
- *Increase Emphasis on Lands Conservation Activities in River Corridors*