Funding Coastal Resiliency

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Overview

• Federal Financing Trends
  • Effects of declining federal budget on coastal projects

• Available Policy Changes
  • Regionality – a systems approach beyond budgeting
  • Alternative financing to supplement gov’t funding

• Partnerships
  • Regional alliances
Federal Financing Trends

Army Corps of Engineers Budget

Constant Dollars (2013)

Linear (Constant Dollars (2013))

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USACE Funding Gap

- $1 billion annual shortfall to maintain minimally acceptable level
- Additional $1 billion shortfall precluding additional planning and construction

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<th>FY 2013</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
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Policy Alternatives

• Reducing the Corps’ operating costs
  • Regionality – a systems approach

• Increasing funds for water resources
  • Alternative financing
    • Public Private Partnerships
    • Value capture approach
Regionality

- Coordination of dredge mobilizations
- Beneficial use of dredged material
- Interagency coordination
- CSPI prioritization – watershed analysis
Regionality

- Mobilization Costs
- Coordinating dredges

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Regionality Case Study

DE Shore Protection Projects

- Fenwick Island
- Bethany - S. Bethany
- Rehoboth & Dewey

NORTH

Projects protect ~8 of 25 miles of DE ocean coast

MD

Indian River Inlet

1.2 mi

2.8 mi

0.8 mile gap

2.6 mi

DE
Regional Sediment Management

- Beneficial use of dredged materials
  - Sediment is a resource

- RSM execution
  - Create inventory of sediment resources
  - Develop regional sediment budget
  - Development of a Dredged Material Placement Policy (DMPP) or Beneficial Use of Dredged Material Program (BUDMAP)
  - Insert data into GIS database
Regional Sediment Management Case Study

- Port of Oakland 50 Foot Deepening Project- 12 million cubic yards
- Middle Harbor Enhancement Area- 6 million cubic yards
- Hamilton Wetland Restoration- 2.5 million cubic yards
- Montezuma Wetland Restoration- 3 million cubic yards


http://www.spn.usace.army.mil/Missions/ProjectsandPrograms/ProjectsbyCategory/ProjectsforEcosystemRestoration/HamiltonAirfieldWetlandRestoration.aspx

Interagency Coordination

- Consolidate regulatory requirements
  - Environmental Stipulations
  - Permitting

- Share information

- Incorporation of stakeholders interests
Interagency Coordination Case Study

- Folsom Dam Auxiliary Spillway
  - Coordination between the Corps and the BOR.
  - Reduced project cost by $1 billion.
  - Cut 7 years off of project implementation

http://www.army.mil/media/281096
CSPI Prioritization - Watershed Analysis

- Integrated water resource management

- Analyze resource need across systems and watersheds

- Alteration of project prioritization
  - Project reliability
  - Extent of resource risk
  - Relationship between projects

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CSPI Prioritization - Watershed Analysis Case Study

- Fenwick Island- Hurricane Sandy
  - Beach project performed as expected
  - Flooding mostly occurred from bay side

Before

After

http://en.wikipedia.org/wiki/File:Ocean_City_Maryland_aerial_view_north.jpg
Financing Policy Alternatives

- Value Capture
  - National Flood Insurance Tax Increment Financing District
  - Property Tax Value Capture
  - Sales Revenue Capture
  - House Sale TIF

- Public Private Partnerships
  - Port Privatization
  - Asset Allocation
Impediments to Policy Change

- Crossing business lines

- Organizational culture
  - Districts and Divisions reluctant to relinquish power
  - Congressional mandates not forthcoming

- OMB intransigence

- Us
New Partnerships

- Regional Alliance
  - Collective of state & government water resource agencies
  - Corps & federal resource agencies
- Key stakeholders
  - NGOs
  - Private for profits
Regional Alliance

- Exchange Information
- Center of Regional Expertise
- Influence the watershed budgeting process
- Develop the details of a regional systems approach
- Advocate for water resources policies
- Implement financing alternatives
Regional Alliances Affect Change

- Financial clout
  - Contributing funds

- Political clout

- Knowledgeable about water resources and the Corps
  - Center of Regional Expertise
Incentives to Cooperate

• Center of Expertise

• Common interests
  • Vulnerability
  • Economic
  • Data

• Collaborative action urgently needed
  • Budget limits and demands at the federal level
  • Watershed budgeting
  • Comprehensive Study
Questions?
Thank You

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