



What Coastal Communities Need in the Next Stimulus

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It's clear that even the \$2.2 trillion CARES stimulus and relief package has not provided enough assistance to state and local governments. State coastal programs are already losing money as governors look to make up for significant revenue losses and cost increases directly related to COVID-19. At the same time, much of the federal assistance under CARES has a cost-share they can't afford. The economic and social impacts of COVID-19 fall especially hard on coastal counties, cities and towns because of their importance to our national economy. Almost 40% of the nation's population lives in coastal counties which, as of the last census, generate 45% of the nation's Gross Domestic Product, 55 million jobs, \$4.3 trillion in wages, and a conservatively estimated \$344.4 billion in Federal tax revenues.

America's coasts are home to ports, commercial fishing, energy production, and recreation. With the summer months just around the corner, it's important to realize that tourism is the nation's third largest industry, with roughly 85% of all tourist-related revenues spent in coastal states. Coastal communities heavily depend on the spending that summer tourism provides as do business owners and workers. No matter when the COVID-19 crisis ends, they and their small businesses have already been adversely affected by the pall that this virus has placed on summer vacation plans. House Democrats' have floated a proposal for substantial infrastructure investment that, while on hold for the moment, is helpful in its provisions for funding authorized but unconstructed water resources projects and expanding access to existing revenues from the Harbor Maintenance Trust Fund. But there are also opportunities to make additional investments that will truly be transformative for coastal communities.

Here are some suggestions for what needs to be included in the next stimulus legislation.

1. Direct the Corps to account for all relevant benefits and costs when initiating new feasibility studies or evaluating completed feasibility studies, whether constructed or not, and to integrate those benefits into the reports submitted to Congress. For years, many coastal as well as rural communities have criticized the inconsistencies of the Corps of Engineers' Benefit-Cost analyses, which are based on models that don't reflect the investment decisions that both the Federal government and its non-Federal partners have to make.
2. Expand the Corps' ability to implement environmental restoration (including living shorelines and natural and nature-based features) by –

- a. Enabling multipurpose projects that incorporate both flood risk reduction and environmental features. Current Corps practices, including the definition of its business lines, often make this impossible.
 - b. Requiring the Corps to evaluate proposed environmental features based on both a qualitative analysis of benefits as well as a science-based evaluation of the likelihood of achieving the project's desired results.
 - c. Retroactively amend previous disaster supplemental legislation to make it clear that the use of that word "flood" includes environmental restoration and is not limited to the Corps' flood damage reduction benefit-cost analyses. When Congress has used the word "flood" in its disaster supplementals, Corps Headquarters has interpreted to mean that environmental measures cannot be included in traditional flood risk reduction initiatives.
3. Expand the beneficial use of sand obtained from Federal ports, harbors and channels by –
- a. Fully-funding implementation of projects selected under the Beneficial Use Pilot Program that have been authorized by Congress in recent WRDA legislation.
 - b. Funding a new pilot program to encourage ports to modify their operations manuals for the disposition of material dredged from their navigation channels so that as much of that material as possible gets on or near adjacent shores for both flood risk reduction and environmental restoration purposes.
 - c. Prohibit the offshore dumping of sand from Federal ports, harbors and channels unless it can be shown that the quality of the sand would be harmful to any beneficial use alternative. When analyzing benefits and costs, the same inclusive approach to assessing benefits shall apply that is described elsewhere in this memorandum. Cost analyses shall also include the environmental and other impacts of dumping the sediment offshore.
 - d. Authorize the Corps to sell to private companies any sediment not suitable for beneficial use and to place revenues received from such sale into a fund to pay the costs of projects that test the use of natural and nature-based techniques as well as alternative technologies for reducing the cost of coastal storm damage reduction projects.
4. Encourage collaboration among groups of states and/or local governments to deal with sea level rise by –
- a. Fully funding to completion all Focus Areas studies authorized post-Sandy that previously obtained a non-Federal cost-share partner, and require that each study include recommendations for future actions whether or not the Corps of Engineers has the authority to implement any or all of the recommendations. This will enable States to have recommendations based on the technical expertise of the Corps that they may decide to implement on their own.
 - b. Fully funding to completion the Great Lakes Coastal Resilience Study authorized by Congress in WRDA18. This study was developed by all eight states in cooperation with the Corps of Engineers, NOAA, EPA, FEMA and USGS in order to enable those states to

determine how best to deal with the serious flooding and coastal erosion they are currently experiencing.

- c. Require that no regional study conducted under the Corps Section 729 authority be considered a “new start” since, by definition, any recommendation resulting from such a study for further Federal action would require a separate congressional authorization and appropriation for a feasibility study. Currently, the Corps considers 729 studies to be “new starts” which defeats their purpose as a collaborative method of assessing regional needs since Congress places limits of the number of new studies in order to limit studies whose purpose is to develop new Corps projects. That is not the purpose of 729 studies.
 - d. Provide grants to communities acting individually and in regional alliances, for the mitigation of damages from sea level rise and adaption to its future impact. These grants should be for both planning and implementation and should require a non-federal match that can be waived based on the degree to which plans are implemented. Local governments can determine what measures best meet their needs. However, they need the technical expertise and funding to plan and implement them.
5. The following recommendations are commonsense solutions that will overcome bureaucratic barriers that have gotten in the way of more effective and cost-efficient management of the nation’s coastal resources.
- a. Require that all constructed Federal Coastal Storm Damage Reduction Projects be analyzed to determine what, if any, measures can be taken to increase their effectiveness, including raising dune height, modifying their original design, and incorporating opportunities for the beneficial use of sand. Most of these projects were designed over 20 years ago. Both coastal science and local conditions have changed since then.
 - b. Amend the Section 1037 process authorized by Congress to reevaluate coastal storm damage reduction projects for an extension of federal fiscal participation beyond 50 years to (a) allow the Corps to give full consideration to how that project has functioned since it was initially constructed, (b) to include all benefits to life and safety as well as to other social effects, and (b) extend the period of federal fiscal participation for all projects now under such review for another 15 years to enable the Corps to adapt its analyses of all benefits and non-federal sponsors time to consider financing alternatives.
 - c. Increase funding for the Planning Assistance to States Program by at least \$10 million. States and cities use this program to get the Corps technical expertise in meeting their water resource needs, including dealing with flooding and sea level rise and increase funding for the 204(e) Regional Sediment Management Program that also allows non-federal interests to take advantage of the Corps’ technical expertise.

While we can’t predict when, or if, there will be another pandemic, each coastal community already knows that it is facing more damage and disruption from flooding and erosion. We can use the COVID-19 disaster to give coastal communities the ability to implement measures to become more resilient and adapt to the difficult realities of the future.

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