



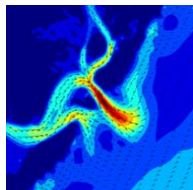
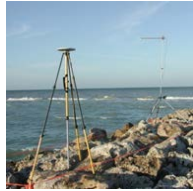
Local and Federal Funding for Mainland Beach Restoration Projects

Presented by:
Andrew Wycklendt (CB&I)

Hawaii Shore and Beach Preservation Association
2014 Beach Restoration Workshop
November 24, 2014

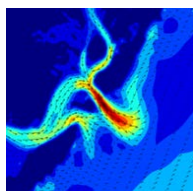
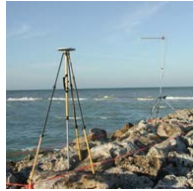


- Federal Funding
- State Funding
- Local Funding
- Conclusions



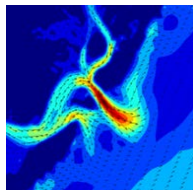
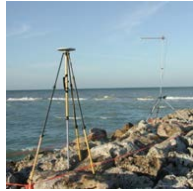
Federal Funding

- United States Army Corps of Engineers
- Water Resources Reform and Development Act
- Planning, Design, and Construction
- National Competition



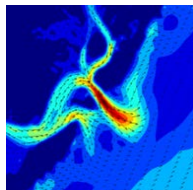
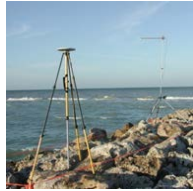
United States Army Corps of Engineers (USACE)

- Federal entity responsible for restoration and maintenance of sandy beaches in U.S.
- USACE authority to assist states and local communities with beach erosion projects is provided by Water Resources Reform and Development Act (WRRDA)
- Congress can grant USACE authority to study, design, and construct a shore protection project
- Federal assistance provided when interest is “justified”
 - Reconnaissance and feasibility investigations
 - Detailed design
 - Initial construction and periodic nourishment



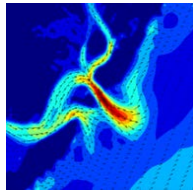
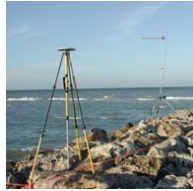
Water Resources Reform and Development Act (WRRDA)

- Federal statute generally reenacted every 2 years
- Funds appropriated annually through the Energy and Water Development Appropriations Act
- Congressional Authorization
 - Individual Project
 - Continuing Authorities Program
- Authorization Requirements
 - Non-Federal sponsor
 - Clear public benefit with sufficient access
 - Economically justifiable



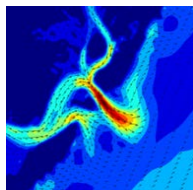
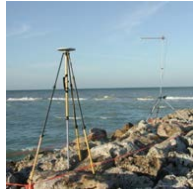
Planning, Design, and Construction

- Problem Perception
- Request for Federal Action (study authorization)
- Reconnaissance Study (12 to 18 months @ \$100K)
 - Congress authorizes and provides funds
 - Identify if federal interest is justified
- Feasibility Study (24 to 36 months @ \$2M)
 - Cost shared 50/50
 - Identify/recommend whether project should be considered
- Congressional Authorization
 - Congress chooses whether to authorize
- Project Implementation/Construction



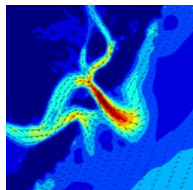
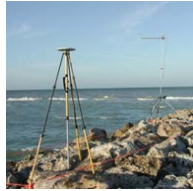
National Competition

- Increasing substantially
- Long and difficult process (>5 years)
- New applications
- Current economic status
- Reimbursement
 - Congressional line items --> General Funds
- Funding capped at 65%
 - Beach < ¼ mile from public access



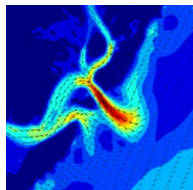
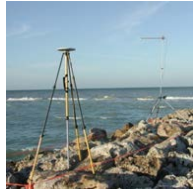
State Funding

- Florida Beach Management Funding Assistance Program
- Program Eligibility
- Funding Process
- Competition



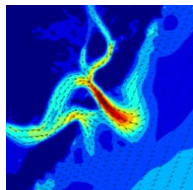
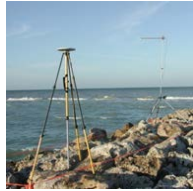
Florida Beach Management Funding Assistance Program (Beach Erosion Control Program)

- Recognizes the benefits of beaches since 1964
- Design, construction, maintenance
- Funded by Ad Valorem Taxes
- Administered by FDEP Water Resources Management
- Up to 75% of project costs
- Eligible activities
 - Beach restoration and nourishment
 - Project design and engineering studies
 - Environmental studies and monitoring
 - Beach, inlet, and sediment management planning
 - Activities consistent with Strategic Beach Management Plan



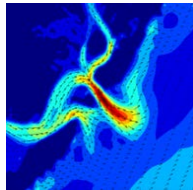
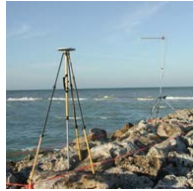
Program Eligibility

- Local sponsor
- Sandy shoreline
- Critically Eroded
- Public Access
- Strategic Beach Management Plan
- Budget Plan
- Cost-savings
- Regional Coordination
- Optimize sediment management and project performance
- Protect environment
- Long-term solution
- Appropriate feasibility studies and analysis
- Avoids or minimizes adverse impacts
- Cost effective



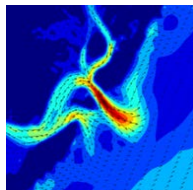
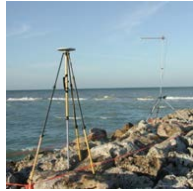
Funding Process

- Application
- Staff review and project rankings
 - Project assessment
- Inclusion in FDEP Strategic Budget Plan
 - Prioritized list (\$30M annually)
 - Alternative list
- Legislative Appropriation
 - May accept, reject, modify list
- Execution of Project Agreement
 - Establish ECL to delineate private/public lands



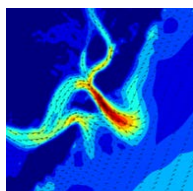
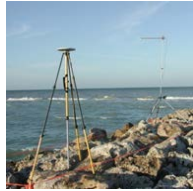
Competition and Ranking Criteria (10% Funded)

- Severity of erosion
- Threat to upland structures
- Recreational and economic benefits
- Availability of Federal funds
- Local sponsor commitment
- Previous state commitment
- Project performance
- Mitigation of inlet effects
- Innovative technologies
- Enhance sea turtle nesting
- Regionalization
- Significance



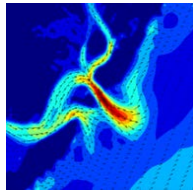
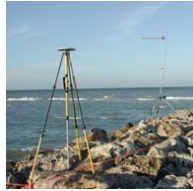
Funding Cap

- Generally limited to 50%
- Beach access and funding
 - Primary Access
 - 100 public parking spaces
 - Restroom
 - ½ mile funding
 - Secondary Access
 - Has public amenities
 - ¼ mile funding



Local Funding

- Funding Requirements
- Factors to Consider
- County General Revenue
- Municipal Services Taxing Unit
- Municipal Services Benefit Unit
- Tourist Development Tax
- Bonds and Leveraging
- Loans
- Repair

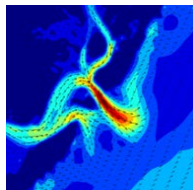
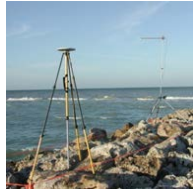


Funding Requirements

- Federal and state programs require local cost share
- Federal assistance limited to 65% of total project
- State assistance generally limited to 50% of local government project costs

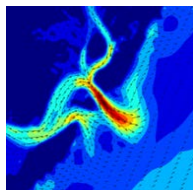
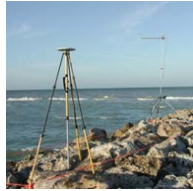
Primary Factors to Consider

- Mechanism is necessary to assess and disburse funds collected from property owners.
- Cost apportionment plan is necessary to prorate total cost among property owners.



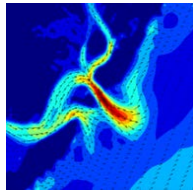
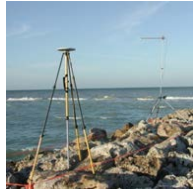
County General Revenue

- Generated from ad valorem taxes, real and property taxes, and user fees with supplements from state and federal sources
- Beach Nourishment Funding Sources
 - County has authority to allocate funds to categories within their budget approval authority subject to restrictions – can use for beach preservation projects
 - Local community can petition to levy separate ad valorem tax or increase millage rate on existing revenues
 - Benefits approach - tax proportional to property benefits
 - General revenue approach - tax proportional to assessed property value



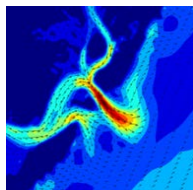
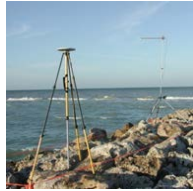
Municipal Services Taxing Unit (MSTU)

- Special taxing district that relies on the imposition of special ad valorem taxes to meet specifically authorized and established purposes in a defined area
 - Erosion prevention district or shore preservation district
- More than one benefit zone may be appropriate to reflect beneficiaries within the improvement area to reflect different property owner benefits realized by the improvement.
 - Oceanfront vs Non-oceanfront



Municipal Services Benefit Unit (MSBU)

- Special assessment district to provide for improvements and/or services to a specifically defined area of the county and financed by a special assessment to only those citizens receiving the benefits of those improvements or services
- Assessments remain fixed for duration of MSBU
- Requires detailed cost/benefit studies, public hearings, and property owner notifications
- Beach nourishment benefits vary (location, frontage value)

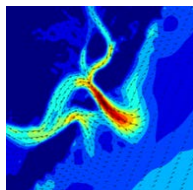


Tourist Development Tax

- Additional tax on short term rentals - “Bed Tax”
 - Revenues used for capital construction of tourist-related facilities, tourist promotion, and shoreline maintenance
- Local option sales tax
- Beach parking fees

Bonding

- Coastal communities may authorize the sale of bonds or other long term financial instruments to fund project
- Bonds usually retired with local matching revenues

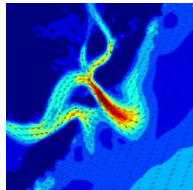
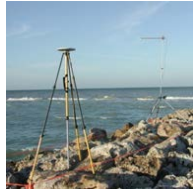


Private Funding

- Donations
- Private Lenders (5 yrs)
- USDA Rural Development Loan (11 yrs)

Project Repair

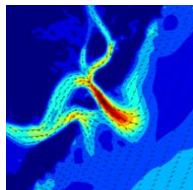
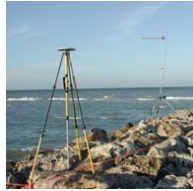
- FEMA may pay for sand lost
- Designed project with proper monitoring



	ALTERNATIVE	DESCRIPTION	ESTABLISHMENT	PROS	CONS
1.	Ad Valorem Tax	Uniform Property Tax	Budgetary Process	Existing authority	No continuous source; poor management; competition
3.	Independent Special Taxing Districts	Independent Gov't established by Legislature to collect property tax for special purpose	By act of Legislature	Continuous source of funds	New government added - not favored by Legislature; voter dependent
4.	Dependent Special Taxing District	Ad Valorem tax collected and administered by the County for a special purpose	By act of Legislature	Ability to fund projects	Limited by total County capital subject to political climate
7.	Erosion Prevention Districts	A dependent taxing district collecting property taxes	Established by County ordinance	Existing authorization; benefit zones can be taxed differently	Included in total County millage cap; politically affected
5.	Municipal Service Taxing Unit (MSTU)	Property tax of a specific area for service	By petition of property owners; local authority	Existing authorization; not project limited	Taxes only in improved area, adjacent property
6.	Municipal Service Benefit Unit (MSBU)	Special assessments of benefitted properties	Petitions of majority of property owners	Existing authority; no competition with others	Project limited; difficult to establish
2.	Bonding	Selling bonds to create revenue - bond retired by Ad Valorem Tax	Referendum	New revenue covers large initial costs	Non-continuous source; time delays; confined to specific projects; poor tool for management /planning
8.	Private Funding	Donations	By mutual agreement	Addresses needs of private property	Not practical for countywide funding
9.	Parking Meters and Park Feed	User Fees	Locally initiated	User benefits = pay	Private benefit is not assessed; limited funding
10.	Beach Management Districts (Regional)	Larger government spanning a number of Counties with property taxing authority	State Legislature	Stable funding source; larger tax base; not politically motivated	Funds may be disproportionately used

- Beach nourishment is costly
- Funding can come from federal, state, and local sources
- Programs need to be appropriately structured
- Funding selection is at discretion of governing entity

What meets community “needs” and is considered “fair and reasonable” by the community?





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