



MARLOWE & COMPANY

GOVERNMENT AFFAIRS CONSULTANTS

Topsail Island, NC

Monthly Update
February 24, 2015

Shore Protection Projects – Appropriations Strategy

Marlowe & Company is working with the District on requesting funding for the construction of the TISPC's two shore protection projects. The District's request for funding is the first stage of the budgeting process. We have reiterated the budgeting process to the District and encouraged them to submit their capabilities, or the amount of funding needed to implement the shoreline protection project, to their Division. We will keep you apprised of any developments.

Coastal Barrier Resource Act (CBRA)

This month, Marlowe & Company met with Congressman Tillis' staff and Hilary Moffett (staffer on the Senate Environment and Public Works Committee) to discuss CBRA. We believe the meetings were very productive. We encouraged Senator Tillis to introduce companion CBRA legislation. We believe that the North Topsail Beach delegation's meeting with the Senator's staff will be very valuable.

Surface Transportation Reauthorization

The Highway Trust Fund is projected to run out of money this May unless Congress agrees upon a short – or long-term fix. The Highway Trust Fund, which has paid for most federal infrastructure projects since the 1950s, is funded by revenue from the 18.4 cents per gallon federal gas tax. The tax has not been increased since 1993 and has struggled to keep pace with rising road construction costs.

Lawmakers have turned to other areas of the federal budget in recent years to make up the difference. Congress has approved a series of temporary infrastructure funding patches since a

2005 transportation bill expired in 2009, including a nearly \$11 billion measure scheduled to expire in May.

The Obama administration has proposed legislation that would invest \$478 billion in road and transit projects over the next six years. The administration's infrastructure funding proposal calls for a one-time 14 percent transition tax on up to \$2 trillion of untaxed foreign earnings that U.S. companies have accumulated overseas. Such taxes will raise enough revenue to fill the projected shortfall in the Highway Trust Fund and fund new infrastructure investments.

The House Committee on Transportation & Infrastructure (T&I) recently held a hearing on reauthorizing the surface transportation bill. Chairman Bill Shuster (R-PA) emphasized the need for a long-term bill that is fiscally responsible, accelerates project delivery and empowers states and local governments with more authority. At the T&I hearing, Secretary of Transportation Anthony Foxx echoed the concerns of the members of the committee and touted the Obama Administration's current infrastructure reauthorization proposal.

Rand Paul (R-Ky.) and Sen. Barbara Boxer (D-Calif) announced a plan that would lower taxes on U.S. companies that bring back money from offshore accounts and invest it in transportation. The Paul-Boxer plan would lower the tax rate on repatriated funds to 6.5 percent. They hope the incentive will bring \$2 trillion back to the U.S. economy. Some of the repatriated proceeds would be sent to the Highway Trust Fund that pays for transportation programs.

The New Federal Flood Risk Management Standard

The president recently issued an executive order modifying the flood risk management standard (FFRMS). The revised standard requires all future federal investments- whether they are new structures or improvements to existing ones- to meet new elevation standards. It raises both the vertical elevation and the corresponding area of the floodplain to which the FFRMS applies.

Agencies can use one of three methods to establish a new flood elevation and hazard area:

- Build two to three feet above the 100-year flood standard,
- Build to the 500-year flood level, or
- Build to a height that's determined by "actionable climate science."

The new flood standard will apply to all federally-funded projects, whether the funding is used to build or significantly repair structures and facilities in or around floodplains. This also applies to significant additions to existing structures. This will have the most immediate impact on construction projects already underway in floodplains, home construction, and individual projects like bridges. Senior administration officials told the Washington Post that stricter federal standards will add between 0.25 percent and 1.25 percent to construction costs.

More information on the public comment period, open until April 6, is [available](#) through FEMA. Information about listening sessions will be posted in the Federal Register. For a full memo on the FFRMS, please click [here](#).

Grants

Marlowe & Company continues to search for grants that fulfill your community's Federal Government funding priorities. During the past month, Marlowe & Company provided your community with information on two very popular grant opportunities: NEH's Challenge Grant and the EDA's Economic Development Assistance Programs

Challenge Grants

The National Endowment for the Humanities (NEH) Challenge grants are capacity-building grants, intended to support significant humanities activities of high intellectual quality and to help institutions secure long-term support for their humanities programs.

Challenge Grants may be used to establish or enhance endowments or spend-down funds that generate expendable earnings to support and enhance ongoing program activities. Challenge grants may also provide capital directly supporting the procurement of long-lasting objects, such as acquisitions for archives and collections, the purchase of equipment, and the construction or renovation of facilities needed for humanities activities. Funds spent directly must be shown to bring long-term benefits to the institution and to the humanities more broadly.

Federal portions of Challenge grants in recent years have ranged from \$75,000 to \$500,000. Requests above \$500,000 are unlikely to be funded at that level. The application deadline is May 5, 2015.

For more information please see [NEH Challenge Grant](#)

FY 2015 Economic Development Assistance Programs

The Economic Development Administration (EDA) FY 2015 Economic Development Assistance Programs provides funding for rural and urban areas to provide investments that support construction, non-construction, technical assistance, and revolving loan fund projects under EDA's Public Works and Economic Adjustment Assistance (EAA) programs.

Through the Public Works program, EDA provides catalytic investments to help distressed communities build, design, or engineer critical infrastructure and facilities that will help implement regional development strategies and advance bottom-up economic development goals to promote regional prosperity. The Public Works program provides resources to meet construction and/or the design of infrastructure needs of communities to enable them to become more economically competitive.

Through the EAA program, EDA provides investments that support a wide range of construction and non-construction activities (including infrastructure, design and engineering, technical assistance, economic recovery strategies, and capitalization or re-capitalization of Revolving Loan Fund (RLF) projects) in regions experiencing severe economic dislocations that may occur suddenly or over time. EDA utilizes EAA investments to provide resources that help communities experiencing or anticipating economic dislocations to plan and implement specific solutions to leverage their existing regional economic advantages to support economic development and job creation.

The next two funding cycle deadlines are:

- March 12, 2015 for funding cycle 2 of FY 2015
- June 12, 2015 for funding cycle 3 of FY 2015.

For more information please visit grants.gov