

Coastal restoration and levees would share \$600 million from state in fiscal year 2011 under proposal

By Mark Schleifstein, The Times-Picayune
January 28, 2010



Bob Marshall/The Times-Picayune archive

The draft coastal restoration and hurricane protection plan calls for spending \$21.5 million to protect the Biloxi Marsh in St. Bernard Parish, where these fishers were photographed in October 2008.

Louisiana expects to spend \$600 million of state money on levee, coastal restoration and coastal infrastructure projects in fiscal year 2011, according to the draft coastal restoration and hurricane protection plan released Wednesday.

In some instances, the money represents the state's share of the costs of construction of projects being built jointly with the federal government, and in others, it goes to state-only projects. The release of the list comes only days before President Barack Obama releases his proposed fiscal year 2011 federal budget, which will include recommendations for federal spending on levee and restoration projects.

The news service Greenwire reported Thursday that the Office of Management and Budget had scaled back the 2011 Army Corps of Engineers budget. But state officials are hopeful that a series of meetings over the past six months with OMB, corps and White House officials will garner more money than the OMB recommended for state levee and restoration projects.

The corps already has on hand the money it says is needed to complete work on levee improvements that will protect the New Orleans area from storm surge caused by a hurricane with a 1 percent chance of occurring in an year, also known as a 100-year storm. Until the Obama budget is released, however, it's unclear whether it will include money for several new projects authorized by Congress in 2007 as part of the Louisiana Coastal Area Ecosystem Restoration Study.

The state's annual plan, for the first time in its three-year history, would spend the most money on coastal restoration projects.

The biggest of those is the rebuilding of a six-mile stretch of shoreline in Cameron Parish on the state's western edge, for \$43.8 million.

Two projects along the edges of Lake Borgne are the next biggest projects, with \$22 million paying for shoreline protection on the bridge of land along U.S. 90 in eastern New Orleans that makes up the lake's northwest rim, and \$21.5 million going to a similar project aimed at protecting the Biloxi Marsh in St. Bernard Parish.

Another \$5.5 million will be spent on the Central Wetlands project, which will rebuild a cypress forest wetland in a triangular area sandwiched between the Gulf Intracoastal Waterway, the Lower 9th Ward, and the Arabi and Chalmette areas of St. Bernard Parish.

Almost \$17 million will pay the state's share of construction and design costs for 34 restoration projects being developed under the federal Coastal Wetlands Planning, Protection and Restoration Act, also known as the Breaux Act. And the state is setting aside \$19.3 million for its share of monitoring, operations and maintenance costs for all restoration projects.

Almost a third of the plan money will be used to pay the state's share of levee project construction costs, including \$82.2 million for the controversial Morganza to the Gulf project that will provide protection to Houma and neighboring communities.

State and local officials are still negotiating with the corps over the project's design standards, even as levee districts in Lafourche and Terrebonne parishes have begun construction on some portions.

The corps wants to build the system to protect from storm surge flooding caused by a 100-year-storm, and based on post-Katrina design standards, that could push the cost as high as \$8 billion.

State and local officials, however, want to build portions of the levee system as high as they can afford now, and question the stringent standards being used by the corps for clay and other materials used in construction.

In addition to the differences in the cost of construction, building to the lower standard also could threaten the ability of areas within the new levee system to obtain federal flood insurance, or could require homes and other buildings to be elevated above existing levels to be eligible for flood insurance.

The state's annual plan also contains \$76.3 million for land acquisition costs for the West Bank and Vicinity levee system in the New Orleans area, which is expected to cost more than \$1 billion.

The town of Jean Lafitte and the nearby communities of Lafitte and Rosethorne also will benefit, with \$15.8 million to be spent on levees, floodwalls and other types of tidal protection in the area. And about \$20 million will be spent to continue raising the Larose to Golden Meadow levee.

The state also will spend \$24.2 million as its share of the cost of building the new Louisiana 1 bridge from Leeville to Port Fourchon.

The plan will draw on money from a variety of resources, including \$37 million from the state's Coastal Protection and Restoration Trust Fund, which receives revenue from oil and gas operations on state land and in state waters; \$90.5 million in offshore oil and gas revenues given to the state by the Minerals Management Service under the federal Coastal Impact Assistance Program; and more than \$372 million provided to the Office of Coastal Protection and Restoration from budget surpluses in 2007, 2008 and 2009.

This year's budget also includes \$700,000 the state expects to receive from oil and gas produced offshore in federal waters under the federal Gulf of Mexico Energy Security Act. The state expects to receive as much as \$200 million a year under that program after 2017, and may attempt to sell bonds in anticipation of that revenue to speed access to the money, state officials say.

The state also will use \$47.2 million it has received from FEMA's Hazard Mitigation Grant program; \$27.4 million from federal Community Development Block Grants, and \$6.1 million from the sale of oil and gas from federal waters under a federal in-kind revenue program. Another \$18.7 million will be available from money not spent in previous years.

The state Office of Coastal Protection and Restoration will hold a public hearing on the plan at 3 p.m. on Feb. 8 at the St. Bernard Parish Council Chambers, 8201 W. Judge Perez Drive, in Chalmette. Hearings also will be held in Houma and Lake Charles.

A revised version of the plan will be voted on by the Coastal Protection and Restoration Authority in March, and be sent to the state Legislature on April 16 for its approval.