November 22, 2019

Re: Select Committee on the Climate Crises Request for Information

Dear Chair Castor and Ranking Member Graves,

Thank you for the opportunity to submit comments to the Select Committee on the Climate Crises on what policies Congress should adopt in order to adapt to the impacts of climate change.

The Waterfront Alliance is a civic organization that brings together a diverse coalition of more than 1,000 stakeholders with ties to our regional waterways to inspire and enable resilient, revitalized and accessible coastlines for all communities. Waterfront Alliance has been a strong advocate for smart coastal policy since its inception, and is the developer of WEDG, or the Waterfront Edge Design Guidelines, a rating system and set of guidelines for catalyzing resilient, accessible, and ecologically-sound urban waterfront decision-making for major projects.

In 2017 alone, our nation suffered more than $300 billion in damages because of extreme events, primarily flooding and coastal storms. Our federal government is the ultimate risk manager, and we’re stacking the cards against ourselves as sea level rises and debt increases. Most importantly, these debts represent the hundreds of thousands of American households and individuals that have experienced devastating loss. In many cases, because of lack of flood insurance and economic disadvantage, homeowners and small businesses are still recovering or worse, may not recover, widening wealth gaps. We also face increasing risks because of sea level rise. Significant portions of our region, including entire towns, are projected to be underwater daily before the end of the century and face disproportionate risk and social vulnerability.

Considering these existing challenges and growing risks that will fundamentally shape our region and nation, we offer the following comments on Resilience and Adaptation. This input reflects that of what we’ve heard through the work of our regional Resilience Task Force, comprised of over 300 community organizations at the frontlines of sea level rise, businesses, researchers, and governments and charged with building consensus and informing a campaign to adapt New York and New Jersey to sea level rise and coastal storms.

What adjustments to federal disaster policies should Congress consider to reduce the risks and costs of extreme weather and other effects of climate change that can no longer be avoided?

- **Increase investment in risk reduction, and not just following a disaster.** According to a 2018 report by the National Institute of Building Sciences, for every dollar spent on hazard mitigation for flooding, the nation saves between $6-7 for every dollar invested. Despite these findings, the federal approach to flood disasters continues to focus on response and recovery while underinvesting in preparation. One proposal to create new funding opportunities has been introduced by Congressmen Charlie Crist (FL-13) and Roger Williams (TX-25) as H.R. 1610, the State Flood Mitigation Revolving Loan Fund Act of 2019, along with a Senate companion bill. The creation of state revolving loan and grant funds (grants are needed to ensure that there are options for low-income landowners who cannot afford to take on loan debt) for proactive flood risk reduction is supported by more than 200 organizations nationally. Increases in pre-disaster hazard mitigation overall are desperately needed, having historically failed to meet demand. Although the federal government spent $277.6 billion from 2005 to 2014 on overall disaster assistance, the Federal Emergency Management Agency (FEMA) has spent just $600 million on its pre-disaster Hazard Mitigation Grant Program over the same period. Such funds could support key investments in risk reduction that prioritize green infrastructure and low-income communities, and the full range of strategies needed from property acquisition and floodplain restoration to berms and integrated flood protection. A significant increase in federal pre-disaster dollars is needed.

- **Better incorporate long-term time-frames, sea level rise, co-benefits, into cost-benefit analyses and incorporate a better means for communities to be involved in decision-making:** Our current analytical approaches disregard or discount future benefits of adaptation and pre-disaster mitigation, particularly sea level rise, and do not include important co-benefits, such as improvements in water quality or wildlife habitat, urban heat, and human health. Without these inclusions, processes are biased toward harder, short-term solutions. Specific cases for reform include:
  - **Policy/investment analysis:** The Congressional Budget Office’s (CBO) cost calculations for pre-disaster mitigation investments, which look at costs in a shorter time-frame with discount rates that can dramatically “shrink” the value of avoiding future disaster
damages. Further, while the responsibility and costs of responding to and recovering from disasters is spread across dozens of federal agencies and multiple programs, the benefit cost analyses employed frequently limits the frame of reference to the specific program involved. Again, in the case of CBO analysis of possible legislative changes to the National Flood Insurance Program, the perspective is specifically limited to the federal flood insurance fund. So while buyouts of a neighborhood, elevation of utilities, or other sorts of pre-disaster investment may, not only prevent future flood damage, but also lower the costs of services, lessen non-point water pollution, allow for energy savings, or otherwise yield important societal benefits, those benefits will accrue outside of the program being evaluated and fall out of the calculus. **Source:** The Pew Charitable Trusts.

- **Cost-benefit analyses for capital project investments**, particularly with FEMA and the US Army Corps of Engineers’ cost-benefit analysis process, which does not (as a standard) include sea level rise as part of the cost-benefit analysis. Further, overall societal benefits are not incorporated, despite the fact that approaches that favor co-benefits are wiser investments over time.

- **Decision-making process**: provide a better platform for communities to be involved. Investments in capital infrastructure that will be present in and affecting communities for generations to come should be vetted by those communities. The current decision-making process for capital investments, particularly the US Army Corps of Engineers, provides only a limited public comment process, rather than a collaborative decision-making process, in which communities are formally asked to weigh in on the relative values of various social benefits included in cost-benefit analyses.

- **Reform the National Flood Insurance Program**, implementing key provisions of The National Flood Insurance Program Reauthorization and Reform (NFIP Re) Act of 2019, along with increased attention to or amendments that focus on:
  - **Proactively invest in preparing for disasters before they happen** (see “Increase investment in risk reduction,” above)
  - **Improve the applicability of FEMA & NFIP to urban areas and future risk.** Many flood risk reduction measures employed in dense, urban communities do not result in reduced insurance premiums despite their effectiveness. FEMA can make strides to increase its applicability to urban areas and those facing future risk, including:
    - Expanding mitigation options and premium credits for the urban context
    - Improving product offering and informational resources for multifamily, mixed-use, commercial, and historic building
    - Providing rating options for homeowners in expanded areas to help encourage expanded uptake in the X-zone and
areas of future flood risk, as 25% of floods occur outside of the special flood hazard area.  

- Providing maps and technical assistance for incorporating future risk (sea level rise) into decision-making and regulations, updating regulations at regular intervals based on the best available science.

  o Provide resources to support a just transition in the coastal zone. More assistance is needed (beyond loans, which increased debt) to provide options for low-income families at flood risk (insurance rates based on housing burden, special grants for retrofit assistance, relocation assistance). These options for equitable adaptation should be considered carefully in the development of revolving funds and other federal programs that could be employed to support an equitable transition.

  o Develop resources to study and support the facilitation of long-term migration away from coastal areas and floodplains. Proactive development of better resources and options for long-term migration is needed. FEMA should work to establish a clear federal program to assist states, localities, and communities to transition in areas of highest risk. Funding and research to support public engagement in identification of options for long-term managed relocation is critical. It is also recommended that FEMA explore pilot programs to support innovation and study of newly-proposed options, such as a “discounts for buyouts” program for repetitive loss properties and areas expected to be inundated by the end of the century that would offer homeowners discounts on their flood insurance premiums now, in exchange for a commitment to accept a future buyout at an agreed-upon triggering event (decision to leave, substantial damage, or end of life). By structuring plans in advance, we can reduce uncertainty and long lag-times that can make relocation even more difficult. The emphasis of the current NFIP on helping policyholders to rebuild in the exact location without accompanying communication and resources for (quality) options is increasingly problematic. This type of program or policy could help to reduce the 2.57 million severe repetitive loss properties expected by 2100. This agreement would ensure that homeowners who want to move will receive assistance to relocate to higher ground.

  o Increase risk transparency and insurance coverage. The real costs of flood insurance are hidden from consumers and borne by taxpayers. There are valid concerns about the impact of rising cost of

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flood insurance. However, we need transparent costs and a proactive approach:

- **Implement real risk-based pricing for those who can afford it and subsidize those who cannot**, using a housing-burden based approach. Other strategies for a fair transition include cost caps for low- and middle-income owners and phasing in of rates (with no cap) for those who can afford it. Doing so should be paired with significant increases in coordinated (with state, local and community organizations) communication with those living in the floodplain about their options and alternatives (retrofits, relocation).

- **Implement flood risk right to know disclosures**, tied to the property.

- **Increase the ease of policy renewal.** One reason insurance policies are not maintained is because of the extensive paperwork required to be renewed on an annual basis. Easing renewals through means such as automatic renewals, lowering economic shock through optional monthly installment payments and increasing penalties for lenders not enforcing the requirement are ways to increase maintained coverage.

Better identifying and reducing climate risks in front-line communities, including ensuring that low and moderate-income populations and communities that suffer from racial discrimination can effectively grapple with climate change?

Adaptation strategies should be developed through an inclusive, accessible, strategic, collaborative, and just process of meaningful engagement with communities, prioritizing those with the highest vulnerabilities and lowest adaptive capacities. A just process empowers residents in frontline communities with the necessary resources to take informed actions that reduce risk and increase resilience. Best practices should be informed by and implemented in partnership with community and environmental justice organizations with local expertise and are described in more detail in the National Association of Climate Resilience Planners Community-Driven Climate Resilience Planning Framework. At a federal level, key provisions of these frameworks can be incorporated and codified into capital design and development processes, as well as through funding mechanisms and environmental assessment. Key recommended changes at the federal level include:

- **Federally-funded capital projects**: require the establishment of a community advisory committee and just process standards for any major capital resiliency project development process.

- **Programmatically through the US Environmental Protection Agency**, better define the National Environmental Policy Act (NEPA) Environmental Justice;
Guidance Under the National Environmental Policy Act to better ensure a more rigorous examination of displacement impacts on (and mitigation options to address) low-moderate income communities and communities of color.

- Prioritize low-income communities, communities of color, and environmental justice communities in funding and aid criteria
- Pass the top policy goals of the Disaster Housing Recovery Coalition of 800 local, state, and national organizations urges Congress to ensure that federal disaster recovery resources reach all impacted households, including those with the lowest incomes. Key goals include increasing federal dollars dedicated to affordable and public housing generally, and increasing assistance to those with the highest need, including renters.

**What standards and codes should Congress consider for the built environment to ensure federally-supported buildings and infrastructure are built to withstand the current and projected effects of climate change?**

In the same way that the burdens of climate change will fall hardest on individuals who are already struggling to make ends meet, sea level rise, increased and more extreme temperatures, increased stormwater, and coastal surge will overwhelm the infrastructure and natural systems that are already struggling to function effectively.

Key measures can be taken to better prepare for the future:

**Codify and incentivize the use of climate-resilient design guidelines.** In the same way that LEED shifted modern architecture from an energy efficiency perspective, there are emerging guidelines and credit-based certification/verification programs that could be incentivized in the same way that LEED is by local laws, capital project commitments, and other means. Internationally, the ReLi standard is an all-hazards resilience standard. Another program, WEDG (Waterfront Edge Design Guidelines) is applicable primarily for projects at the water’s edge. And, New York City’s Climate Design Guidelines provide guidance for designing public capital projects for a changing future. In addition to levying improved regulations, incentivizing practices that are above and beyond is one-way governments can accelerate the reduction of risk. The government can also lead, as it has done in its employment of LEED for federal projects, using or requiring the adoption of climate-resilient design guidelines for federally-funded buildings and infrastructure.

**Dig once: build resilience in the way we build and budget**

Our infrastructure regionally and across the nation consistently receives a poor report card.⁸ We need to invest in our public infrastructure to not only meet existing needs, but also to ensure the resilience of these systems over time. From a resilience and

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fiscal perspective, we need to better integrate “dig once” policies that address existing needs and integrate resilience into all capital project and repair. In 2019, America’s Transportation Infrastructure Act of 2019 proposed a record $287 billion from the Highway Trust Fund over the next five years to modernize the nation’s transportation systems. Nearly $1 billion each year would be dedicated for use by states and communities for assessments, planning, and projects related to improving the ability of transportation assets to withstand disasters. These are landmark provisions, as no current program in the Department of Transportation focuses on disaster resilience despite the billions spent on rebuilding again and again. Congress should pass this act, with key amendments to require the incorporation of future risk and assessments of impacts on nearby communities, and to enable this funding to better be deployed in pre-disaster areas.

We thank you for your review of these comments and are pleased to continue to discuss this issue with you and colleagues. If you have any questions about this letter, please feel free to call me at (212) 935-9831.

Sincerely,

Roland Lewis
President and CEO
Waterfront Alliance