CDFIs INVEST

Federal Resources for Disaster Response & Recovery

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Federal Resources for Disaster Response & Recovery

- **Moderator:** Liz Lopez
  Executive Vice President, Public Policy
  Opportunity Finance Network

- **Panelists:**
  - **Douglass Lynott**
    Director, Economic Development Integration
    Economic Development Administration, U.S. Department of Commerce
  - **Jeff Merkowitz**
    Senior Advisor to the Director
    CDFI Fund, U.S. Department of Treasury
  - **Bennett Hilley**
    Assistant Director, Credit Review, Financial Management Division
    U.S. Department of Housing & Urban Development
Agenda

- Federal Disaster Relief Overview
- FEMA - National Disaster Recovery Framework (NDRF)
- CDFIs role in a Disaster Recovery Strategy
- Q&A
When disaster strikes...

- Local government responds to an event.
- If overwhelmed by the event, local government calls upon the state for assistance.
- Local, state, federal, and volunteer organizations complete Preliminary Damage Assessment (PDA) to determine loss and recovery needs.
- Governor submits a request for federal assistance to the President based on the PDA findings.
- FEMA evaluates the governor’s request and makes recommendations based on the nature of the event, the assessment of the state’s ability to recover, and the per capita damages.
- President either approves the request or requires FEMA to inform the governor the request has been denied.

Source: Congressional Research Service “FEMA’s Disaster Relief Fund: Overview and Selected Issues” 2014
Federal Government Mobilizes

- The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207 §401

- Sandy Recovery Improvement Act

- Presidential Declaration
  - 44 C.F.R. Part §206, Subpart B.
Disaster Recovery Resources:
Economic Recovery Support Function
National Disaster Recovery Framework

Fifth Framework in series of 5 related FEMA disaster guidance documents (https://www.fema.gov/national-planning-frameworks)

1. National Prevention Framework
2. National Protection Framework
3. National Mitigation Framework
4. National Response Framework
5. National Disaster Recovery Framework

- Core Principle: Disaster recovery is supported by the Federal government, managed by the State and executed at the Local level.
- Facilitates coordination among relevant agencies and bureaus table
- Forges common understanding of roles and responsibilities across organizations prior to disasters
National Disaster Recovery Framework

The eight core capabilities under the National Disaster Recovery Framework include:

• Planning
• Public Information and Warning
• Operational Coordination
• **Economic Recovery**
• Health and Social Services
• Housing
• Infrastructure Systems
• Natural and Cultural Resources

Recovery Federal Interagency Operational Plan (FIOP)

- Companion to the NDRF
- Provides guidance for implementing the National Disaster Recovery Framework
- Describes roles/responsibilities of Recovery staff and leadership
Recovery Support Functions (RSF)

NDRF Organized Around 6 Recovery Support Functions:

- Community Planning and Capacity-Building
- **Economic**
- Health and Social Services
- Housing
- Infrastructure
- Natural and Cultural Resources

RSF Regional Coordinator Facilitates and Oversees:

- Local/Regional/State access to resources
- Coordination among RSF partners and stakeholders, re: state and federal agencies, nongovernmental partners and other stakeholders
- RSF Milestone Progress
- Identification and Resolution of Obstacles and Problems
What is the Economic RSF?

“Economic Recovery is the ability to return economic and business activities (including agricultural) to a state of health and develop new economic opportunities that result in a sustainable and economically viable community.

“The Economic Recovery RSF integrates the expertise of the Federal Government to help local, regional/metropolitan, state, tribal, territorial, and insular area governments and the private sector sustain and/or rebuild businesses and employment and develop economic opportunities that result in sustainable and economically resilient communities after an incident.”

• FEMA ERSF Overview: https://www.fema.gov/media-library-data/1489754721419-8d29c58733990d27f2e8894f33cdbdb2/RSF_Economic_0616_508(1).pdf
Primary ERSF Objectives

Lead/Promote Facilitate…

- Enhanced Federal interagency
  - Coordination
  - Communication and
  - Collaboration

- Enhanced capacity of intergovernmental and multi-sector partners to produce and implement a multi-dimensional strategy capable of supporting economic recovery and enhancing community resilience
  - Local, State, Tribal, and Territorial governments
  - Nonprofit organizations
  - Private sector
## ERSF FEDERAL COORDINATING STRUCTURE

**Coordinating Agency:** U.S. Department of Commerce  
Economic Development Administration

<table>
<thead>
<tr>
<th>Primary Agencies</th>
<th>Supporting Organizations</th>
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</thead>
<tbody>
<tr>
<td>• U.S. Department of Agriculture</td>
<td>• Corporation for National and Community Service</td>
</tr>
<tr>
<td>• U.S. Department of Labor</td>
<td>• U.S. Department of Housing and Urban Development</td>
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<tr>
<td>• U.S. Small Business Administration</td>
<td>• U.S. Department of the Interior</td>
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<tr>
<td>• U.S. Department of Treasury</td>
<td>• U.S. Environmental Protection Agency</td>
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Common State AND Regional ERSF Partners, Public and private sectors

- Economic development organizations
- Workforce development organizations
- Chambers of Commerce
- Development authorities
- Utilities
- Institutions of higher education
- Regional planning commissions
- Councils of government
- Economic Development Districts
- **Financial Institutions**
- State insurance agencies
- State taxation and revenue agencies
- Elected officials
- Planning organizations
- Community development organizations
- Critical infrastructure owners/operators
PRIMARY ERSF LEADERSHIP AND ADMINISTRATION

ERSF National Coordinator
 Coordinates the delivery of staff and resources to support the economic recovery needs of disaster regions.

• Liaison between FEMA Joint Field Office (JFO) and departmental HQ:
  • Coordinating communications between DC and JFO team
  • Progress Reports and Other Data Requests
  • Talking Points
  • Resolution of Interagency Matters
  • Facilitating the submission of special requests for executive review and approval

ERSF Field Coordinator

Initial Activities:
• Gather and analyze economic impact data
• Establish ERSF POC Directory: Federal, non-federal, public and private sector partners
• Transmit regular situational updates to Regional Office and RSF National Coordinator

Long-Term Engagement:
• Coordinate Recovery Support Strategy development and implementation
• Incorporate mitigation measures for regional economic resilience
• Leverage and integrate federal resources with state and local, public and private investments
# Integration with other RSFs

<table>
<thead>
<tr>
<th>RECOVERY SUPPORT FUNCTION</th>
<th>POTENTIAL SUPPORT TO ECONOMIC RSF</th>
<th>POTENTIAL SUPPORT FROM ECONOMIC RSF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Planning and Capacity Building</td>
<td>Community priorities for economic recovery and development.</td>
<td>Programs that encourage/support strategic planning for economy/community.</td>
</tr>
<tr>
<td>Health and Social Services</td>
<td>Assistance with health and social service networks, facilities, child care, and/or providers that impact employment and support a customer base for local businesses.</td>
<td>Technical assistance to health and social services networks and providers for business recovery.</td>
</tr>
<tr>
<td>Housing</td>
<td>Meeting the housing needs of employers and employees of businesses receiving Economic RSF assistance.</td>
<td>Facilitation of local purchasing efforts to assist businesses with housing rehabilitation and development. Technical assistance to housing developers for access to capital.</td>
</tr>
<tr>
<td>Infrastructure Systems</td>
<td>Restoration status of sewer, roadway, electricity, communications, and other infrastructure needs.</td>
<td>Information on infrastructure needs of businesses by geographic service areas.</td>
</tr>
<tr>
<td>Natural and Cultural Resources</td>
<td>Rehabilitation of buildings for businesses within historic districts or landmarked/historic buildings. Status of tourism assets.</td>
<td>Integration of natural and cultural resources into the promotion of economic growth through ecotourism and other conservation initiatives.</td>
</tr>
</tbody>
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Examples of Economic RSF Outcomes

- Establishing workforce development initiatives.
- Establishing entrepreneurial and business development initiatives.
- Assisting in the development of community-wide economic development plans.
- Developing strategies for quickly adapting to changed market conditions.
- Pursuing business initiatives to employ workers and generate revenue.
- Ensuring that private and public sector actors have needed information.
ERSF Deliverables and Timeline

1. Mission Scoping Assessment
   • Completed within 30 Days of RSF Activation

2. Long-Term Recovery Support Strategy (RSS)
   • Completed within 30-60 Days of MSA submission

3. RSS Implementation
   • Implementation projects are initiated and completed within 4 – 18 Months after initial RSF Activation

4. Transition, Return to Steady State
   • Demobilization of RSF assets – not the end of recovery support
   • IRC leadership work with state and tribal partners to define the timing for transition of RSF activities to remote support and existing agency program delivery

Source: FIOP
CONCLUSION

Additional disaster information is available online:

- **Survivors seeking to register** for disaster assistance should be instructed to register online through disasterassistance.gov, or through the FEMA app (https://www.fema.gov/mobile-app). These are the fastest ways to apply. If survivors cannot access the internet or download the FEMA app, they can call **1-800-621-3362**.

- Disaster Recovery Assistance: [https://www.disasterassistance.gov/](https://www.disasterassistance.gov/)
- Hurricane Harvey Information: [https://www.usa.gov/hurricane-harvey](https://www.usa.gov/hurricane-harvey)
- Hurricane Irma Information: [https://www.usa.gov/hurricane-irma](https://www.usa.gov/hurricane-irma)
- Hurricane Maria Information: [https://www.usa.gov/hurricane-maria](https://www.usa.gov/hurricane-maria)
- FEMA NDRF: [https://www.fema.gov/national-disaster-recovery-framework](https://www.fema.gov/national-disaster-recovery-framework)
- EDA Disaster Recovery: [https://www.eda.gov/programs/disaster-recovery/](https://www.eda.gov/programs/disaster-recovery/)

Department of Commerce Disaster Recovery POC:

- **Henry Childs**, Special Advisor to the Assistant Secretary for Economic Development: hchilds@eda.gov

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CDFI Investments in Disaster Areas
* 24 certified CDFIs with total assets of over $9 billion are headquartered within FEMA’s Hurricanes Harvey and Irma Major Disaster Declaration Areas
* 38 CDEs have invested $778 million in 94 New Markets Tax Credit projects located within the 2 major disaster declaration areas
* 82 CDFI awardees have made over $300 million in loans and investments within the 2 major disaster declaration areas.
  * 2 CMF awardees have invested in 196 affordable housing units in disaster areas
  * 1 HFFI awardee has invested in 2 healthy food projects in disaster areas
CDFI Fund Investments in Puerto Rico

New Markets Tax Credit: 9 projects in low-income communities, totaling $47.8 million with total project costs of $126 million. $70 million allocation in 2016.
Capital Magnet Fund: 11 projects totaling $47.9 million for affordable housing units.
CDFI Program (Financial Assistance): 478 loans made to low-income households and communities, totaling $41.6 million
CDFIs Headquartered in Puerto Rico: 6 with total assets of $16.6 million
U.S. Department of Housing & Urban Development
Q&A
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