

## **Unlocking Historic Investments in Resilience, Climate Adaptation, and Job Creation Across America**

*Executive Action Proposal for the Biden-Harris Administration and Philanthropic Partners*

Prepared by [Resilience Force](https://resilienceforce.org), February 2021

### **Summary:**

This proposal describes a turn-key jobs program for American communities struggling on the frontlines of the unemployment crisis, the COVID-19 disaster, and the losses created by 2020 climate disasters. It uses already appropriated funds, available at the Federal Emergency Management Agency (FEMA) for disaster mitigation. A partnership with philanthropy and nonprofits would allow those funds to reach the most vulnerable communities, which might otherwise be bypassed, and overcome the “resilience divide” that often exists between wealthier, larger communities and the Black, brown, Native American, small and rural ones that face the most need, but have the least capacity to access available resources.

### **The Proposal in Brief:**

President Biden can direct FEMA, immediately, to switch on the already appropriated 2020 hazard mitigation monies to create resilience and climate adaptation jobs that would provide significant, multi-year employment for local residents. In a public-private partnership, philanthropy would add a racial justice lens, ensuring equity in the delivery of these monies. Additionally, the Administration could direct the Department of Labor (DOL) job training funds and tools to build a local workforce capable of carrying out mitigation projects, so that the structurally and long-term unemployed, as well as those recently dislocated from work, have an on-ramp into these jobs.

### **Available Funds:**

As a result of 2020’s unprecedented natural disasters and the COVID-19 crisis, there is an estimated \$10 billion or more appropriated and available at FEMA for mitigation projects. This is the most substantial discretionary amount of funding for resilience and mitigation we have ever seen. The Administration can direct these grant programs, by competitive award, for significant investment in resilience and mitigation in cities and towns across the country -- reducing the costs, impact, and risks of climate change. These dollars translate into jobs making homes, roads and hospitals and other community facilities more resilient to floods and fires; roads more ready to withstand severe rain; and schools, restaurants, and supermarkets safer amid COVID-19.

### **The Resilience Divide:**

But without engaged partners in philanthropy and the nonprofit sector, these funds will not reach the most vulnerable communities. Black, brown, rural, small, and Native communities

are often bypassed for federal funding because they don't have the capacity in terms of staffing and other resources to apply for this money, or because of our current emphasis on cost-benefit analysis and a return on investment, we invest more based on dollars saved, for example, in higher priced urban land markets, than people saved. A public-private partnership model can overcome this "resilience divide" and prioritize equitable delivery of these vital investments.

### **The Solution: Unlocking the Funds for Communities Who Need Them Most**

This proposal outlines how philanthropic partnerships can strategically unlock these already appropriated federal grant dollars. Much like "predevelopment" money does for complex real estate development projects, philanthropic funds would provide capacity and technical assistance to local communities to identify and plan the most transformative mitigation projects, help them in crafting competitive proposals for FEMA, and support useful assessment and cross-site learning as these mitigation projects are implemented. FEMA funds would go competitively to cover the largest costs: the mitigation projects themselves. This public-private partnership can be launched by the Biden administration immediately and could include set-asides for smaller and otherwise disadvantaged communities. This initiative would unlock an unprecedented amount of critical mitigation investment, especially for small and overlooked communities, and center equitable delivery, creating powerful demonstration effects, and helping the new administration accelerate climate resilience as a job creator and tool for advancing racial and economic justice.

What's more, an enhanced version of this initiative would engage the Department of Labor to coordinate Workforce Investment and Opportunity Act (WIOA) funds, to help train a rising workforce for jobs on multi-year mitigation projects. This approach has already been piloted in the form of the New Orleans Resilience Corps, which we describe below.

### **The Opportunity: Unprecedented Hazard Mitigation Funding in FEMA**

There are two pots of mitigation dollars at FEMA. Combined they amount to an estimated \$10 billion dollars, an amount that will be spent and replenished over time, as Stafford Act spending and new appropriations continue in response to COVID and recent climate disasters.

#### **1. "404 Dollars"**

These funds, authorized by Section 404 of the Stafford Act, grant a percentage of total disaster recovery spending in a state as additional funding for mitigation (7.5-15% of the total disaster funding). For example, Louisiana, which suffered significant damage after back-to-back hurricanes in 2020, will be granted additional funds for mitigation projects.

In the case of COVID, every state is subject to the disaster declaration, has received disaster funding, and is therefore eligible for a grant of at least 7.5% of total disaster spending for mitigation projects. If all COVID spending

was accounted for, including money that was used for the jobs program, that could be up to \$5 billion available nationwide for mitigation projects. As COVID spending continues, this number will continue to rise.

President Biden thus has the legal authority to “turn on” 404 dollars for every state. This would unlock massive mitigation funding without new Congressional appropriations or authorization.

2. **Building Resilient Infrastructure and Communities (BRIC) Funds**

[BRIC](#) is a new pre-disaster mitigation program, which authorizes a percentage of total Stafford Act spending to be spent on mitigation and resilience. While the 404 dollars are specific to states where there was a disaster declaration, BRIC funding is a competitive grant program open to all states, based on total national disaster spending. This year, BRIC will likely be \$4.5 to 5 billion dollars. BRIC’s priorities are to incentivize a focus on public infrastructure, lifelines, nature-based solutions, and adoption and enforcement of modern building codes. There is a set-aside for tribal governments, and the program’s standard 75%/25% federal/non-federal cost share can be increased to 90% federal for small, impoverished communities.

After a record-setting year of disasters in 2020, including COVID, the amount of money that is available within FEMA for mitigation is the most substantial we have ever seen and presents a huge opportunity for the Administration to act quickly on several of its top priorities, including:

- **Climate Action:** Unlocking these grant programs will allow for nationwide investments in transformative mitigation projects that will make communities, including small and overlooked communities, more adaptive to climate risk. The federal government can make robust investments in communities who haven’t received significant federal funding for infrastructure projects, reducing the cost and impact of climate change. In doing so, it can show how important climate resilience and adaptation is, to both protect communities and generate jobs and economic innovation, complementing historic efforts to reduce carbon emissions in areas such as clean energy and transportation.
- **Jobs:** President Biden has emphasized the importance of investing in jobs that build Americans “infrastructure they can trust: infrastructure that is resilient to floods, fires, and other climate threats, not fragile in the face of these threats.” Unlocking these funds will catalyze major resilient infrastructure projects in communities across the country.

- **Racial Equity:** This initiative will help communities of color and other overlooked communities who are often the hardest hit and most vulnerable to disaster to have more equitable access to federal funding and the job and skill building opportunities that come from this vital, labor-intensive work. Through providing capacity at the local level and directing FEMA to more meaningfully embed equity in the grantmaking processes, we can drive critical investments to the communities who need them most.

### **The Challenge: Ensuring Equitable Access to Federal Funding**

As outlined above, FEMA’s hazard mitigation grants programs effectively target funds to wealthier communities and bypass some of the most vulnerable communities, including lower income, rural, and small communities, as well as communities of color and Native communities.

Here are three problems in the current system and proposed actions the Administration can take to ensure more equitable delivery of climate mitigation funding:

1. **Addressing the local government capacity gap:** Many smaller governments lack staff who have the capacity or training to successfully apply for, administer, and oversee large federal grants. Many also lack the capacity or have not had the opportunity to thoroughly assess vulnerabilities in their communities to identify critical mitigation projects. Combined, these prevent local communities from applying for mitigation dollars altogether or result in uncompetitive proposals. The Administration can partner with philanthropy, outlined below, to build capacity at the local level to unlock federal mitigation funding through direct support and technical assistance. This problem is very similar to the capacity gap the Obama-Biden administration inherited in the foreclosure crisis, where many of the hardest hit communities had the least capacity to plan strategic responses and access limited federal funds to implement those plans. The problem inspired a significantly modified Neighborhood Stabilization Program and later helped inspire the innovative White House’s Strong Cities, Strong Communities program, which emphasized access to already appropriated federal grant funding, tailored technical assistance to local governments, and cross-site learning, as we have emphasized here.
2. **Updating the federal government’s benefit/cost framework:** Currently, FEMA’s internal policies instruct them to spend the most hazard mitigation money where they can achieve the greatest estimated financial savings. However, this creates a perverse incentive to invest the most in higher-income areas. The Administration should direct FEMA to review and reform this benefit-cost policy in order to help close the resilience divide. For example, FEMA could gain the flexibility to prioritize leveling the risks facing high- and low-income communities and also rewarding measurable performance and local and state reforms to enhance mitigation -- steps that do not

depend on having the highest value real estate and biggest tax coffers but on planning and re/building effectively for a more resilient future. This flexibility, or better balance in how trade-offs are weighed, should be built into the mitigation grants process to ensure that lower-wealth communities are not overlooked.

3. **Promoting equitable allocation within states:** FEMA can only direct grants through state governments and federally recognized tribes. But historically, state governments have not always allocated federal funding equitably to the communities that are most impacted or vulnerable. In developing the grants application and awarding process, FEMA can be more prescriptive in the outcomes it wants to see from grantees, in a way that ensures that funding reaches these target jurisdictions.

### **Partnering with Philanthropy to Unlock Federal Grants for Most-Impacted Local Communities**

In our plan, President Biden would direct FEMA to turn on the mitigation programs for the 2020 disasters, making an estimated \$10 billion available for states and federally recognized tribes. As we point out, under FEMA's standard practices, this money would largely reach the larger, wealthier communities in cities with the capacity and funds to apply. But a partnership with philanthropy would promote equitable delivery of these funds, closing the resilience divide. Flexible philanthropic money would allow the FEMA mitigation funds to reach Black, brown, Native, poor, rural, and smaller communities by funding the organizational capacity that allows vulnerable and overlooked communities to viably apply.

**Philanthropic support could be channeled and awarded in several ways, and these are not mutually exclusive:**

- A pooled-fund approach that coordinates and regularizes the awarding of support funds to local communities from multiple funders.
- A donor collaborative to promote cross-site and cross-silo learning, not just pooled funds.
- Direct delivery through intermediaries, for example to provide technical assistance and also regrant funds.

### **Scaling Up: Investing in Developing Local Resilience Workforces**

Through turning on 404 dollars, and by making the grants process within FEMA more equitable, the Administration has a historic opportunity to initiate significant mitigation projects across the country. These projects will help reduce the cost and impact of climate change and make communities better prepared to withstand future disasters.

These projects can also provide significant, multi-year employment for local residents. The Administration can also direct job training funds and tools to build a local workforce capable of carrying out mitigation projects, including directing WIOA (Workforce Innovation and

Opportunity Act) money and using TEGs (Training and Employment Guidance Letters) more proactively.

A powerful demonstration of this public-private partnership approach to job creation and resilience already exists for the Biden Administration to take to scale. In partnership with the City of New Orleans, Resilience Force has built a New Orleans Resilience Corps, funded in part through federal dollars from the WIOA.

Launched in fall 2020, the New Orleans Resilience Corps takes workers who lost their jobs during the COVID-19 shutdown, retrains them, and hires them to perform critical work to make the city more adaptive to climate change and COVID-19. In the initial pilot, a corps of Community Health Workers with deep ties in different neighborhoods across the city have been hired to respond to community needs in the face of disasters like hurricanes and the coronavirus pandemic. The President’s newly proposed rescue package aligns well with this community health corps approach, but the opportunity to extend into hazard mitigation work, funded by available FEMA grant funds as we have explained, is enormous and timely.

Generous support from philanthropic partners helped to unlock significant federal workforce development funds to create a jobs program that solved for the public health disaster and the accompanying economic crisis in a city at the epicenter of climate change and COVID.

**Agencies and Partners Involved**

Federal Agencies and Offices	Philanthropy	Nonprofit Partners
<ul style="list-style-type: none"> <li>● Department of Homeland Security, FEMA</li> <li>● Department of Labor</li> <li>● WH National Climate</li> </ul>	<ul style="list-style-type: none"> <li>● National foundations</li> <li>● Local and regional UT foundations</li> </ul>	<ul style="list-style-type: none"> <li>● Resilience Force</li> <li>● National Emergency Managers Association, International</li> </ul>

<p>Adviser and DPC/NEC</p> <ul style="list-style-type: none"> <li>• WH Office of Intergovernmental Affairs</li> </ul>		<p>Association of Emergency Managers</p> <ul style="list-style-type: none"> <li>• Climate and environmental justice groups (including those who can help local communities identify projects)</li> <li>• Labor</li> <li>• Racial Justice groups</li> <li>• Native American groups</li> </ul>
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**About Resilience Force**

Resilience Force is the national voice of America's rising Resilience Workforce—the millions of people whose work, heart and expertise make sustainable recovery from disasters possible. Resilience Force equips and deploys workers to make cities more resilient in the face of climate change, and works with leaders in government, philanthropy, and the private sector to build the secure and sustained workforce that climate adaptation will require.