



**United States Senate Subcommittee on Homeland Security Meeting: *Rebuilding After
Hurricane Sandy***
Friday, March 1, 2013

Good afternoon Chairwoman Landrieu, Members of the Subcommittee on Homeland Security and distinguished guests.

I am Brad Gair, Director of the Mayor Bloomberg's Office of Housing Recovery Operations. Thank you for allowing me the opportunity to testify on our efforts to rebuild and find permanent, stable housing for displaced New York City residents in the aftermath of Hurricane Sandy.

By way of introduction, I will give you a quick professional bio: I have over 20 years of emergency management experience, working around the globe and working right here in the city. I believe that this past experience will equip me to help New Yorkers now. While serving at FEMA, I was the Presidentially-appointed Federal Coordinating Officer for numerous major disasters, was appointed the Federal Recovery Officer after the terrorist attacks of September 11th with full authority for an \$8.8 billion budget, and worked in key post-disaster housing leadership positions on several major disasters including Hurricane Floyd, the 2004 Florida Hurricanes, and Hurricane Katrina. In addition, I served three years in New York City government as the Deputy Commissioner for Operations at the Office of Emergency Management.

I have learned through all of my experiences that disaster recovery is an extremely difficult process, with a steep learning curve. And every recovery is a failure, to some extent, because what many people whose lives have been affected by a disaster really want is to have things back the way they were. And no one can give them that. This is especially true for a housing disaster like the one we now face.

According to our estimates, Hurricane Sandy impacted as many as 60,000 housing units in New York City, and any many thousands more New Yorkers were temporarily displaced from their homes due to power outages or other service interruptions. Over 800 buildings – representing 900 housing units – were destroyed or made structurally unsound by the storm. Another 1,700, buildings (19,000 units) sustained major damage and 16,000 buildings (40,000 units) sustained less severe damage, while 32 public housing developments sustained major damage to building systems, including 241 residential units which sustained direct damage.

We estimate the total cost to rebuild or repair these damage housing units will be \$3.2 billion. Of that, about \$1.5 billion is covered by existing or identified public and private funding resources, with the balance to be hopefully covered by Community Development Block Grants to New York City by HUD.

General HRO Activities

Mayor Bloomberg recognized that traditional housing assistance programs and the normal structures and processes would not be sufficient to meet the incredible housing demands in the aftermath of Sandy, and thus he created and asked me to lead the Office of Housing Recovery Operations or HRO. And – as all New Yorkers know – this city brings unique circumstances and opportunities that are not faced by other communities recovering from disasters.

In the simplest terms, the mission of the HRO is to ensure that residents owning or renting homes before Sandy are returned to homes after Sandy - homes that are permanent, safe and sustainable. The office is a division of the Mayor's Office, and coordinates closely with City, State and Federal agencies including FEMA.

Federal Program Issues

Today I would like to address the challenges and opportunities in post-disaster housing recovery in the context of Hurricane Sandy. Specifically, I would like to address five issues and offer a few basic recommendations for improvement.

1. The best temporary solution is a permanent one. FEMA's temporary housing program continues to rely on options that are expensive, slow to implement, not well-suited to an urban environment, or all of the above. Cruise ships, mobile homes, converted shipping containers and similar methods may cost many tens of thousands of dollars per family to implement and are all simply throw away options that contribute nothing to a permanent solution. On this disaster, New York City in cooperation with FEMA devised and implemented a pilot program that FEMA calls STEP (Sheltering and Temporary Essential Power) and in New York City we call Rapid Repairs. In fewer than 90-days, NYC Rapid Repairs has restored heat, hot water and electricity for nearly 20,000 residential units, and allowed many thousands of New Yorkers to return to their homes more quickly than would have otherwise been possible. One of our key takeaways from Hurricane Sandy is that FEMA should institutionalize an Expedited Repairs program that is ready to go and easy to turn on as needed in any disaster. Doing so will make every dollar spent count as a true investment in recovery.
2. In general, the federal post-disaster housing recovery approach simply does not meet the needs for many disaster survivors. More than seven years after Hurricane Katrina revealed substantive programmatic weaknesses for a large-scale housing disaster; this nation still needs to work on a comprehensive, viable strategy. The current National Disaster Housing Strategy is mostly a compilation of basic principles, best practices, and rudimentary guidance; however, it needs the strategic framework and operational substance necessary for actual implementation in the aftermath of any major disaster by the federal government, the states, tribal governments, counties and cities.

Furthermore, FEMA's basic housing recovery programs remain hard to understand for many key stakeholders and are not specifically designed to naturally progress to permanent re-housing solutions. For example, the Individual Assistance cap of \$31,900 per household often forces our families to choose between fixing their homes, replacing their belongings, renting an apartment, and even paying for funerals. It is really difficult to hear FEMA have to tell hard-working families in tough economic times that the federal government is not here to make disaster survivors whole – when whole for so many means just getting by.

Similarly, temporary housing solutions provided by FEMA and HUD – including direct housing, direct leasing, and the Disaster Housing Assistance Program (DHAP) - need to come on line more quickly, have better defined activation thresholds, and have programmatic parameters and details already in place.

Most importantly, it would be extraordinarily beneficial to have a federal Permanent Housing Reconstruction program built upon lessons learned and best practices already in place and ready to go in the immediate aftermath of a disaster, with a variety of optional components that local governments can adapt to their specific needs. While we appreciate the flexibility to design programs customized to the disaster and the locality, not having to wait for Supplemental Appropriations with special allocations of Community Development Block Grant funds could accelerate recovery and avoid the gaps in progress we are now experiencing while developing a new program and HUD CDBG Action Plan from scratch.

Finally, we need to promote and provide routine programmatic funding support for building back better, safer and more resilient. FEMA’s Hazard Mitigation Grant Program requires localities to compete for funds to rebuild stronger and other similar programs may incentivize this behavior, but we will only truly start to get ahead of the growing frequency and power of natural disasters when we begin requiring resilience measures and pay for them routinely as a part of every recovery process.

3. More effort and emphasis needs to be given to promoting regional cooperation on housing recovery in the aftermath of catastrophic disasters. While FEMA’s Regional Catastrophic Grant Program is designed for this purpose, it is not clear yet that any major metropolitan area has completed the admittedly daunting task of devising a comprehensive post-disaster housing plan. Our post-disaster response would be faster and more efficient if all levels of government found an enhanced mechanism for coordinating housing recovery efforts across all jurisdictional lines. For example, coordinating housing efforts between states could not only expand available temporary housing options, but also help re-house displaced residents more quickly.

4. Our experiences should teach us that mold always is an important public issue in the aftermath of a natural disaster. While health experts may not see mold as an immediate threat to public health, homeowners and residents have a visceral reaction to seeing the dark spores form on their walls, especially after having gone through the trauma of a flood or hurricane. Homeowners can use FEMA Individual Assistance to address mold, but costs can be significant, and there is no distinct Federal funding program available for mold remediation. Thus, local governments must scramble to address this issue utilizing limited local funding or with creative public-private partnerships – such as our \$16 million philanthropically-funded collaboration with the Mayor’s Fund to Advance New York City, the Robin Hood Foundation and the American Red Cross. Most often, local governments must rely on funding from Community Development Block Grants or other post-disaster assistance to address mold, but that takes months to reach the affected residents – and by then even more mold has grown in even more homes. Therefore, it would be extremely important for FEMA to be able to make mold remediation a standard post-disaster program or agree to reimburse local governments for performing mold remediation in private homes, so this issue can be addressed quickly and effectively and more resources could be dedicated to the bigger challenges of long term housing.
5. We are still struggling to successfully coordinate the great work of voluntary agencies and the private sector with government recovery efforts. Perhaps this would work best when government takes the lead to fully integrate these various entities. For instance, in this disaster, my office is in the process of creating a Nonprofit Repairs Consortium, utilizing private funds, in which a lead nonprofit organization with experience in homebuilding will select and oversee a set of nonprofits to scale repair work and serve more homes. This Consortium will coordinate voluntary efforts to ensure repairs to a targeted group of homes; streamline interaction between organizations; leverage city programs and use private dollars to repair homes in advance of the launch of the public sector CDBG program. This approach is entirely consistent with FEMA’s “whole of community” philosophy.

In summation, let me be clear that I am not intending to be at all critical of FEMA, HUD or any other federal agency. We have had a great partnership on this disaster and have already

accomplished some truly amazing feats of response and recovery together. The federal agencies are doing the best that they can with the programs and tools that they have been given, but the housing recovery legacy of Hurricane Katrina and the experiences of every disaster from then through Hurricane Sandy should prove to us that we can do a lot better with fewer, clearer and more efficient programs which would enable families to get back into better, safer homes faster and more easily.