



## DRCA White Paper on Disaster Housing

When a community's housing stock experiences major damage from a natural disaster, FEMA is tasked with the mission of immediately supporting the impacted state(s) to provide recovery assistance to those in need. According to 42 USC Ch. 68 §5174 (b)(1), "The President may provide financial or other assistance under this section to individuals and households who are displaced from their pre-disaster primary residences or whose pre-disaster primary residences are rendered uninhabitable, or with respect to individuals with disabilities, rendered inaccessible or uninhabitable, as a result of damage caused by a major disaster." The section continues in (b)(2)(B), where it is noted that, "One or more types of housing assistance may be made available," and according to Section (c)(1)(B)(i), "The President may provide temporary housing units, acquired by purchase or lease, directly to individuals or households, who because of a lack of available housing resources, would be unable to make use of the assistance."

The act of providing feasible solutions to affected residents is critical to the success of sheltering options to affected jurisdictions. Over the last two decades, the impact on sheltering operations following a disaster has become increasingly complex in terms of the sheer volume of affected residents compared to the availability of viable alternative housing solutions. This has been compounded by the varying nature of areas affected by a disaster in terms of density, location and geography, where a "one size fits all" mentality has proven ineffective. This complexity has led to FEMA authorizing a number of solutions to meet the challenge, with each serving a fundamental purpose, but also presenting varying degrees of successes and issues.

Primary solutions enacted by FEMA have included the installation of Manufactured Housing Units (MHUs), Temporary Transportable Housing Units (TTHUs), either on residential sites or in congregate community settings; vouchers issued for lodging in hotels, motels or apartments; providing funds directly to residents in an effort to allow them to seek out the most viable sheltering solutions; and the enactment of the Shelter and Temporary Essential Power (STEP) program. Many of these solutions have been effective initially. Over time, however, they have become inefficient, costly, lagging in expediency, fraught with the misuse of intended funds and have served to make temporary displacement more permanent, causing once-established communities to diminish in size and lose cohesiveness and economic stability. Fundamentally, the most successful solution over the past several years has been the STEP alternative, and while not currently the perfect solution, DRCA believes it is the most beneficial path in terms of cost, response time and in the preservation of residential and community stability and normalcy.

It is incumbent upon all levels of government, as well as the private sector, to achieve the goal of providing for the common good and addressing housing needs for any disaster, especially following an event with widespread destruction and residential displacement. As such, the membership of DRCA strongly advocates for the following actions to be reviewed and implemented by FEMA Individual Assistance (IA) leadership. In the review of available authorities granted to FEMA, the members of DRCA propose the following authorities be fully enacted to help stabilize survivors as rapidly, efficiently and economically as possible post-incident: Rapid Repair (formerly known as STEP), and the use of Permanent Housing Construction (PHC). Additionally, as certain conditions warrant, the membership sees an opportunity for FEMA to consider investing in other deployable manufactured housing units beyond that of typical TTHUs or MHUs.

### **COVID-19 CHANGES DISASTER SHELTERING**

COVID-19 has changed our country's landscape and will certainly have a major impact on disaster response housing. As large gatherings of people are discouraged, the concept of close quarter congregate sheltering must be looked at with a much higher degree of scrutiny. A heightened danger of infection among populations in post-disaster scenarios will certainly be present and must be avoided at all costs, which further justifies the use of Rapid Repair housing.

As society is moving toward consistent social distancing, which may be prevalent for some time, the concept of Rapid Repair is not only economically beneficial, but may be the best – and only – viable alternative for preserving the health and safety of disaster survivors where short-term sheltering is concerned. When a region is impacted by a natural disaster, where "normal" social and emergency services currently focused on the pandemic are quickly shifted to disaster response, the health factor must be considered to avoid compounding the danger of the situation. Rapid Repairs becomes the most reasonable and safe solution.

### **RAPID REPAIR**

One of the most prevalent, effective and successful options in the housing toolkit is the use of the Rapid Repair program, formerly identified as STEP. Rapid Repair, primarily implemented as STEP from the Federal level, is a very impactful option in returning residents to their homes in a very short timeframe. Even though STEP had its challenges, DRCA membership believes

certain modifications can lead to increased success. However, even in its former state, STEP proved to be one of the most viable alternatives in addressing sheltering needs over some of the other options. The Transitional Shelter Assistance (TSA) program can be used as an example. The FEMA-authorized TSA program has been implemented, where the Federal government pays for survivors to shelter in a hotel at a steep cost to taxpayers. It was noted by a former State of Florida Individual Assistance Officer that the cost of the TSA program for Hurricane Irma was more than \$117 million to house survivors following the storm's landfall. Not only was this an enormous financial burden to the government, it also placed inordinate stress on the hotel and lodging industry following the disaster, where demand far outweighed supply and sheltering needs were not adequately met, even though large sums of money were spent on the program. This is only an example where what may seem like a logical solution may not translate to "real world" viability. It is our members' belief that a solution such as Rapid Repair presents the most realistic and feasible option.

The intent of the Rapid Repair program is not to provide permanent restoration of a housing unit. Rather, survivors can return home in a SAFE, SANITARY and SECURE environment, while permanent measures such as insurance payouts, disaster loans, CDBG programs or other alternatives are secured and implemented. Rapid Repair is not a permanent solution, nor is it intended to restore a dwelling to pre-storm conditions. The goal is to allow as many survivors as possible to shelter in place in a local and familiar environment. Benefits of the program include:

**Speed:** Rapid repair functions can be implemented immediately and can be instituted much faster than the typical timeframe for procuring and installing manufactured housing or temporary housing units, as well as the timeframe for qualifying survivors and issuing funds for alternative lodging solutions. When prepared, crews can be on-site within days after an event and can begin repairs. As repairs are temporary in nature, the actual operation times can range from a matter of hours to only several days. This inherent timing factor when compared to other alternatives can present a significantly faster and more expedited timeframe for returning survivors to their homes.

**Volume:** A Rapid Repair program exhibits volumes of repaired homes unmatched by any other alternative. When performed correctly, tens of thousands of homes can be repaired within months compared to only hundreds in a temporary housing unit model. For example, in New York City's Rapid Repair Program, over 10,000 homes were repaired in a four-month timeframe, and in Puerto Rico, 108,000 homes were repaired in a twelve-month period. There has not been another alternative housing solution enacted that can compare to this level of production.

**Resource Efficiency:** In situations such as haul and install, multiple parties are involved in the required supply, transportation, installation and maintenance execution chain. This presents a challenge in ensuring all parties are performing correctly, whereas one issue can cause a chain reaction that leads to extended timeframes or even failure. While rapid repairs also requires multiple parties and resources, they are concentrated to a much more controllable and tight stage of performance. Oversight is more direct and resource utilization is much more direct and streamlined, as equipment and materials can be used for multiple projects in concentrated geographical areas. This leads to higher degrees of efficiency and control over the process.

**Less Displacement:** Rapid repair promotes sheltering in place, which means survivors are able to return to their homes and their communities much faster, sometimes in just a matter of days or weeks. This brings stability where other alternatives require relocating to a new area, which brings a whole host of other issues to be dealt with by survivors and their communities in terms of economic, environmental and human stability. In this thought, it is important to note that the average TSA mission has been equal to or longer than 180 days, which implies that a prolonged TSA mission promotes a six-month or greater residential displacement from homes, communities and jobs. Academic assessment of long term reconstruction would mark 180 days as a critical decision point in a survivor's overall decision matrix to return to a community or seek a new life in other areas. At six months away from a home, community and job, survivors typically relocate, which diminishes their home jurisdiction's tax base and also serves to accelerate the tearing apart of a community. Rapid Repair drastically improves this scenario, where survivors are returned to homes almost immediately.

**Versatility:** Rapid Repair, when compared to other solutions, exhibits a high level of versatility. It can be implemented in any area regardless of location, density or access. In many areas, multiple challenges are inherent that prohibit temporary housing units, rendering these solutions impossible to execute. Rapid Repair is not hindered by these factors. Land availability, transportation logistics, haul times, access issues and other factors are simply not an impact on the rapid repair alternative.

### **Challenges**

Rapid Repair's outcome is effective; however, implementation can exhibit challenges. First, when a disaster occurs, one of the major hurdles is deciding which level of government is responsible for execution – Federal, State, Regional or Local. Although funded by FEMA, past programs have represented a mixture of sponsoring entities whose resources are strapped and many with

little to no preparation for a disaster event. “Reactionary” and undecided sponsorship presents logistical, personnel and organizational challenges that do not become apparent until the decision has been made about who the sponsor will be. This often happens after the disaster occurs. Lack of preparation causes major issues from an overall organizational standpoint, but often leads to external problems involving the second major challenge: timing.

Immediate implementation of a Rapid Repair program is imperative to success. The more time that passes between a disaster and meaningful response, the more significant the impact becomes on citizens, governments, communities and local economies. Historically, implementation of such a program has taken anywhere from several months to almost a year, with response times often leaning to the longer end of the spectrum. This is primarily due to inadequate pre-event planning and contract pre-positioning, as well as inadequate buy-in from stakeholders. In Texas, Florida, Puerto Rico and the Virgin Islands, implementation took too long because sponsoring agencies had to be educated on ways to implement a Rapid Repair program with buy-in from the stakeholders taking even more time. The best examples of success in reaction and implementation was in New York City following Superstorm Sandy and the Shelter at Home Program in Louisiana following the 2016 Floods. Within a matter of days after Sandy, the City enacted the Rapid Repair Program, which provided rehabilitation for tens of thousands of homes. Because New York City suffered from a critical shortage of land (and does to this day) to house survivors post-disaster, many traditional options were unviable. The success of the program, which was STEP in nature, grew from the necessity for survivors to shelter in place. In Louisiana, the State immediately adopted the STEP program and the first homes were repaired 21 days after the flood waters had receded. In both cases, timing was key, as was the willingness of the State and Local entities to adopt and manage the program. Less reaction time for execution translated into more homes being repaired faster and much less displacement when compared to other mass storm disaster scenarios.

A third challenge is inconsistency in allowable scope, pricing, regulation and implementation. All of these factors are critical to operations, participation and means and methods when executing such a program. These factors, both individually and in tandem, create extended time gaps when the eventually identified sponsoring agency creates a program post-disaster that meets the specific needs of the impacted area(s), but must also be FEMA-compliant to allow for funding and reimbursement. The “defensive” mindset of creating an effective and compliant program after the disaster occurs can bring about a wide variety of issues that prolong implementation and unnecessarily complicate what should be a logical, streamlined and efficient process. The ultimate result of this and other challenges is a program that does not serve as intended and detracts from the overall purpose and intent of a Rapid Repair program.

### **Solutions**

As the goal of a Rapid Repair program is to provide immediate, necessary and temporary repairs to homes to allow for maximum sheltering in place in a safe, sanitary and stable environment, the membership of DRCA strongly advocates for the logical and thoughtful mitigation of the identified challenges. We believe the first step is for FEMA to require the creation of “pre-positioned” contracts at all major levels of government within their specific jurisdictions. This is not without precedent. The disaster debris industry is primarily based on a pre-positioned contract platform, where many jurisdictions have regularly procured in-place standing contracts prior to disaster event occurrence. DRCA membership believes that disaster response housing should operate in the same manner and advocates for the adoption of this policy. Under this framework, sponsoring entities would be pro-actively identified and charged with procuring the pre-positioned contracts. In doing this, there would be no question about which level of government would be responsible for disaster recovery, with the decision made prior to the occurrence of any event. The second step to this method is to solicit qualification proposals from capable industry contractors with the experience, capacity and financial strength to undertake rapid and high-volume rehabilitation contracts. This qualification process would identify and “short-list” an appropriate number of contractors that could perform effectively no matter the size, scope or amount of homes to be repaired. This single solution would be a major improvement in program administration, which is often one of the biggest challenges in dealing with disasters.

The second component is to formulate a solid, reasonable, logical and consistent scope of allowable repair items under any Rapid Repair program, no matter the situation. In the past, one of the largest issues has been inconsistency in allowable repair tasks. One jurisdiction may deem some items necessary or allowable, while another jurisdiction may have differing parameters. Ultimately, this has led to FEMA disallowing certain tasks for funding or reimbursement and resulted in financial complications to the sponsoring entity. Private business partners can assist in determining what items are realistically necessary for such a program. Electrical, mechanical, plumbing, demolition, roofing, siding, floors, drywall and other items must be considered in this formulation, as well as what level of repairs to all functioning aspects of a home must be performed to meet the need of the “realistic” and “real world” provision of a safe, sanitary and functional dwelling in the short term. In tandem with this, it must be decided what cost basis will be utilized when arriving at allowable expenditures for the provision of the repairs and the method of pricing to be utilized across all jurisdictions. In the absence of this, allowable costs will be inconsistent and will cause further problems when audited by FEMA. As there is more than enough available historical cost data from prior

programs, both positive and negative, a model can be developed by government and industry that will provide a much more accurate method for cost reasonableness determination and pricing. If done in the pre-event contract phase, a major hurdle will be cleared and many of the prevalent financial issues could be eliminated.

The last part of the equation is to develop regulatory standards that are specific to disaster events. After a disaster occurs and rehabilitation efforts are underway, many jurisdictions rely on code, permitting and building protocols that are tailored to traditional construction. This often causes unnecessary delays in navigating standards and regulations that are not relevant to emergency construction activities and prohibitive to accomplishing rapid repair functions. Disaster response requires immediate action, and there must be a set of standards, regulations and codes developed that allow for expedited action, while still remaining safe and compliant with generally accepted construction standards.

### **Conclusion**

The enactment of these solutions for a Rapid Repair program will, in tandem, alleviate the challenges of timing and decreased efficiency. Additionally, it will allow for better communication and the identification of responsible and a reliable and efficient method for dealing with post-disaster housing issues. As with the debris industry, the platform of contract pre-positioning, price modeling, standardization of regulations and reasonable scope and task identification will drastically improve the situation. DRCA membership believes this is a realistic and viable alternative that can be replicated throughout the country. The environment will shift from reactionary, disjointed and inefficient to being more proactive and forward leaning, where a state of readiness is constantly present and a successful solution is constantly ready to be implemented. DRCA is interested in working with FEMA and relevant government agencies in a coordinated effort to address this issue and drive efficiencies. Simply stated, we believe there is a significant opportunity to create a model, which would improve readiness, simplify the process, and speed up recovery efforts.

### **PERMANENT HOUSING AUTHORITY**

According to March 2019's release of the Individual Assistance Policy and Program Guide, Chapter 3(H), *Permanent Housing Construction* (PHC) notes that:

“FEMA may provide financial assistance or direct assistance to individuals and households to construct permanent or semi-permanent housing in insular areas outside the continental U.S. **FEMA may also consider providing such assistance in other locations where no alternative housing resources are available, and other types of Temporary Housing Assistance are unavailable, infeasible or not cost-effective.**”

While our membership understands that PHC authority has been granted to FEMA primarily to assist survivors of locations where other disaster housing options are not cost-effective, we believe that FEMA could, and should, make this authority available to jurisdictions following a major disaster. Following Hurricane Harvey, the State of Texas enacted a form of PHC called the Direct Assistance for Limited Home Repair (DAHLR) Program, in the same vein as with STEP. The DAHLR Program was effective despite the challenges that came from implementing a program that had never been done before by a State. With better training and preparation, the learning curve experienced during DAHLR would be reduced for all States in the future

### **Solution**

A common lament heard in Joint Field Offices in every disaster is that FEMA continues to repair or replace what was recently destroyed in a prior disaster. This lament appropriately captures a need found within Strategic Goal 1.1 of the new 2018-2022 FEMA Strategic Plan (Strat Plan): “Incentivize Investments that Reduce Risk, Including Pre-disaster Mitigation, and Reduce Disaster Costs at All Levels.” The private sector stands ready to deliver a multitude of cost-effective and efficient options that would allow FEMA to mitigate future risk while meeting the immediate needs of the survivors. Put another way, PHC allows for a *lasting* federal investment that should be included in the whole portfolio of options following a major disaster.

### **ALTERNATIVE HOUSING RECOVERY OPTIONS**

Many years ago, FEMA engaged industry leaders to determine if there were alternative housing solutions that could be added to FEMA's toolkit. DRCA recommends that FEMA solicit feedback from industry stakeholders and housing public policy advocates to explore new options for FEMA to consider. This can be done through informal discussions or brainstorming sessions, through a more formal Request for Information (RFI), or using a competitive process where FEMA selects a certain product method to house disaster survivors. As the new decade begins, it would be beneficial for FEMA to engage thought leaders to learn if there are new ideas to better serve the housing needs of disaster survivors.