## Leveraging FEMA Funding for Nature-Based Solutions to Support Hazard Mitigation

Rowan Schmidt | Earth Economics

May 14<sup>th</sup>, 2019

#### Agenda

- About Earth Economics
- The big picture
- Nature-based solutions to support hazard mitigation
  - Recent FEMA policy advances
  - Case studies: Wildfire, Flood

#### Taking Nature into Account



Economic Analysis of Outdoor Recreation in Washington State









#### Our Approach







Awareness Building Place-Based Analysis Policy and Finance

# WHAT HAS VALUE? How do we measure it? How do we fund it?











#### **OLD** THINKING

Nature as an accessory

# NEW THINKING

Nature as the big picture

# Natural disasters cost the United States a record **\$306 billion** in 2017.

The previous record was \$215 billion in 2005.

Hurricane Harvey (2017) \$200 billion in damages

Hurricane Florence (2018) >\$17 billion in damages

California Wildfires (2017) >\$18 billion in costs

# Hazard Mitigation Grant Program (HMGP)

The key purpose of this grant program is to enact mitigation measures that **reduce the long-term risk of loss of life and property from future disasters**.

#### **Flood Protection**

# FEMA Policy Advances

- 2013: Environmental Benefits Policy
  - Applies to acquisition projects
- 2016: Policy expansion, new eligible project types
  - Post-wildfire mitigation
  - Aquifer storage & recovery
  - Flood and drought mitigation
  - Green infrastructure



U.S. Department of Homeland Security Washington, DC 20472



May 12, 2016

MEMORANDUM FOR: Mitigation Division Directors FEMA Regions I-X

FROM:

Michael M. Grimm Assistant Administrator for Mitigation Federal Insurance and Mitigation Administration

#### SUBJECT:

Benefit Cost Analysis Tools for Drought, Ecosystem Services, and Post-Wildfire Mitigation for Hazard Mitigation Assistance

In September 2015, FEMA released three new activities eligible for the Hazard Mitigation Assistance (HMA) programs: Aquifer Storage and Recovery, Floodplain and Stream Restoration, and Flood Diversion and Storage, known as the Climate Resilient Mitigation Activities (CRMA). These activities can be used for any hazard when appropriate and leverage traditional risk reduction benefits and applicable ecosystem services. Additionally, FEMA developed precalculated benefits for cost effectiveness evaluation of soil stabilization, flood diversion, and reforestation projects in wildfire impacted areas to support expedient implementation of postwildfire mitigation actions. With this memorandum, FEMA is releasing the following additions

#### Flood Protection+

#### California Wildfires

# Post-Wildfire Mitigation

#### Using pre-calculated benefits







Proposal: Acquisition of open space, hazardous fuels reduction, defensible space

Hurricane Harvey



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Ditch

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Ward Gully



Traditional buyouts: Acquisitions of Parcels with Structures

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### FEMA: New Pre-Disaster Mitigation

- Potential expansion of funding for Pre-Disaster Mitigation (PDM)
- PDM funds similar approaches to HMGP, but is not tied to disaster declaration.
- PDM funding was ~\$250 million in FY 2018, could increase significantly in FY 2019.

# Thank You

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