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Date: 1/8/2016 8:59:52 PM  
Subject: Long Term Recovery Situation Report (SITREP #7)

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## Governor - this week's SITREP for your review and comments:

1. We continue to work with the Mississippi Development Administration on a model for our recovery. The "post-Katrina" model appears to be the closest example of what we are dealing with in SC. Long story short – their initial efforts failed miserably (poor plan and poor contractors!). Four years after the fact, they realized their mistake and prepared a new RFP that focused on four years of lessons learned. They did in fact cut a contract for about \$165M that will account for the refurbishing of approximately 4-4.5K homes. The RFP accounted for the Action Plan required for the CDBG-DR submission, Grant Administration, vetting and qualification of applicants, Project Management, Project Estimations, National Environmental Policy Act (NEPA) home assessment, Construction and Auditing. I know this is not what anyone wants to hear, but based upon their experience in dealing with the Federal Government and all of its' impediments, my best guess for an accelerated recovery follows:
  - a. Governor requests \$140 million in funding through the Community Development Block Grant – Disaster Recovery (CDBG-DR) program administered by HUD. 1 Dec 2015
  - b. Congress sets aside \$300 million in aid for disasters in South Carolina, Texas and other states. 17 Dec 2015
  - c. HUD publishes Allocations Document in Federal Register to award CDBG-DR. TBD Best guess: 1 Mar 2016
  - d. 90 days to submit CDBG-DR Action Plan. I do not think it will take 90 days, however: 1 Jun 2016

- e. 90 days for public comment: 1 Sep 2016
- f. Approval of Action Plan – 45 days: Line of Credit opened once accountee opens computer account with HUD -- State then releases RFP to support activities described in opening paragraph: 15 Oct 2016 (IF ACTION PLAN IS NOT APPROVED, RESUBMISSION MUST COME IN 45 DAYS – I WILL ASSUME WE WILL GET IT RIGHT THE FIRST TIME)
- g. RFP / CONTRACT Awarded: 1 Dec 2016
- h. Team is hired and applications for assistance are submitted. We should expect about 25K or more applications. Casework to determine eligibility begins – Environmental Impact Assessments begin on ALL properties that qualify for participation, while Construction estimates are prepared. Efforts will take approximately 1 year. 1 Jan 2017.
- i. Optimistic Construction Timeline based upon availability of contractors approximately two years: 1 Jan 2020

I really want to be wrong on my timeline, but the plan above would be complete years before other similar plans have been execute. The HUD guidance on spending money is the most Draconian, bureaucratic monster I've ever seen – just a few of the minimal requirements that HAVE TO BE MET AND CONTAINED IN THE ACTION PLAN TO RECEIVE FUNDING: Establish criteria for eligibility, impact and unmet needs assessment, quarterly projection of funding, proficient financial and procurement processes to establish procedures to prevent duplication of benefits established by the Stafford Act, maintain websites regarding all disaster recovery activities in order for the public to track proposed vs. actual performance, plan for citizen participation in recovery process, needs assessment that accounts for mitigation and resiliency measures to protect against future hazards, description of land-use decisions that reflect land-use decisions that reflect responsible flood plain management, assessment other Federal sources of funding, how we will encourage construction methods that emphasize high quality, durability, energy efficiency , healthy indoor environment, sustainability, water / mold resistance, building codes, mitigation of hazard risk, sustainable urban design and construction, Green Building standards, Energy Star compliance, must follow the guidelines specified in the HUD CPD Green Building Retrofit Checklist, plan must include special needs of persons not homeless but require supportive housing (elderly, persons with disabilities, persons with alcohol or other drug addictions, persons with HIV / AIDS...., THIS IS NOT AN ALL INCLUSIVE LIST, BUT ONLY DEMONSTRATES THAT THIS IS NOT GOING TO BE EASY AND MAY PROVIDE SOME INSIGHT AS TO

WHY IT TAKES SO DARN LONG! The very interesting piece of the discussion with Mississippi had to do with how they continue to pop from one disaster to another -- FEMA is now actively registering homeowners, renters and business owners affected by the recent severe storms, tornadoes and flooding that occurred December 23-28, 2015. They are still rebuilding from Katrina and each other disaster since.

2. We are currently wrestling with the FEMA bureaucracy on work space availability. We have been an absolute afterthought in virtually every activity. Initially there was no space available, so we located at DMV. We were eventually given sufficient work space to co-locate on the 2<sup>nd</sup> floor of the JFO. Right before Christmas we were directed to move to the first floor because they were going to close down the 2<sup>nd</sup> floor – they just reshuffled the deck and moved their team in once we moved downstairs. They want the team to move again on the 15<sup>th</sup> of February. Not only do we lose significant amounts of time during these moves, but it is costly to shuffle the computer cables and phones. The only reason I am mentioning it this time is because they have officially transitioned to “time” based work schedules to save money. They want everyone out of the building at 6:00PM every day starting on Monday. I really did not know that we were more focused on time than mission, BUT I was clearly wrong. I probably should not have, but I did tell them they need to do some risk mitigation and figure out how leaders can continue to function once their “banker’s hours” are complete. I have no issue with saving them money on their guard force – we can work here without guards just I have done from day 1 at the DMV. I told them that they can have the guards “escort” me out at 6 because I still plan on working as long as we have people around the state still in need. Please let me know if I am going to embarrass the State, but I am convinced they are solely focused on disengagement at this time. Many of their team have lost their focus since early December!
3. Three members of our team successfully completed the National Disaster Recovery Framework Leadership course this week in Maryland (JR Sanderson, Dan Beatty and . The course was paid by FEMA and focused on recovery vice response. That said, they will use everything they learned to allow us to properly “nest” with the National strategy, but more importantly to allow us to create a State Recovery Framework over time. We have a lot of lessons learned in the process and must ensure that no future Governor has to relearn these lessons, especially if we have to deal with a disaster of greater magnitude. One of the largest gaps is probably going to have to grow through the issues identified by our County Long-Term Recovery Committees. I am convinced we have a very steep learning curve on the horizon.

4. The FEMA Individual Assistance registration period closed on Monday. With the total number of registrants already exceeding 100,00 at a rough 28% eligibility rate, these numbers will continue to increase as mail-in and online registrants are factored into the mix. I have been told that the usual eligibility rate has averaged about 50% in similar events and that the average pay out is double to triple what we are seeing. I wish I could provide you something more than anecdotal information on this, but really cannot assess whether it is significant or accurately reflects the damage experienced.
5. With the start of the new year, the VOADs are actively engaged in rebuilding projects, many of which are in the more vulnerable communities of the State. While pre-existing condition continues to be a topic for discussion as to whether or not a VOAD will or won't remediate these, it was encouraging to hear from the more prominent VOADs that they will address pre-existing conditions on a case by case basis so that their hard work is not undone six months down the road due to the pre-existing condition. To date, we believe about 49 homes have been refurbished by the VOADs.
6. One of our teams met with the new Mayor of Andrews (Georgetown County) for an extended period of time. He and his team were very encouraged by our engagement and willingness to partner in his community. The mayor and the Chief of Police were very helpful in identifying additional warehouse space that may become available if needed. I will be meeting with leaders in both Georgetown and Williamsburg on the 25<sup>th</sup> of January. As an aside, I will meet with leaders from Florence on Monday and Charleston on the 22<sup>nd</sup> of this month.
7. The SC Housing Authority has initiated "SCHELP" which is a mortgage assistance grant program (up to \$36,000) for those impacted by the flood and are in need to mortgage assistance while they are displaced from their homes.
8. Outstanding issues:
  - a. (no progress made by me since last update – hope to do better this week) REMOTE AREA MEDICAL™ (RAM™) would still like to provide free dentistry, vision care with eye glasses and medical consultations for individuals suffering economic hardship as a result of those floods. For RAM to accomplish such an event in SC they would require a waiver to SC state regulations that would enable RAM to bring volunteer physicians, dentists, eye specialists, and other providers to perform these services while holding a valid license in another state in the US, but who are not licensed in SC. We are working with Richele Taylor to

see what can be done to make this a reality. Currently, LLR cannot actual waive the regulations for medical and nursing. There is an emergency provision for doing so, but DHEC has to call a state of emergency/health crisis in order for us to use it. I do not believe we would meet the definition here as we have to show a lack of available medical care available by our currently licensed physicians. Another difficulty is that nurses have to be supervised by doctors in our state, which is not true on other states. So there are challenges. There are some other options that we are exploring, but they can be time consuming - we would have to qualify the doctors and nurses. We hope to meet next week to discuss in greater detail.

- b. Tiny Home – Ben Kennedy at Brighton Builders in Bluffton committed to donate two “Tiny Homes” to two families in need as a result of the flooding. We are working with the Long Term Recovery Committee in Georgetown to find the right family for the first home. The issue we have been working through is “permanence”. As long as it remains “mobile” we can place it almost anywhere. As soon as we convert it to a home, it has to meet all other permitting requirements. As soon as they can find a family that wants to live in the Tiny Home that does not violate any of the Flood Insurance Program location guidelines will be presented the home!
- c. George Greene of Water Mission.ORG has created a proposal to “Pre-Permit Potable Water Treatment Equipment” for future Disaster Response in South Carolina – still trying to solve a long term problem here, so it has not taken as high a priority.

Respectfully,

Kevin

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