



Unmet Needs Assessment: FEMA and Alternative Data

COSCDA - 9.13.2023



COLORADO
Department of Local Affairs

Agenda

- Introductions
- Traditional Method
- FEMA Data Challenges
- FEMA vs SBA
- Alternative Sources
- Neighborhood Tracking
- Next Steps
- Summary and Q&A

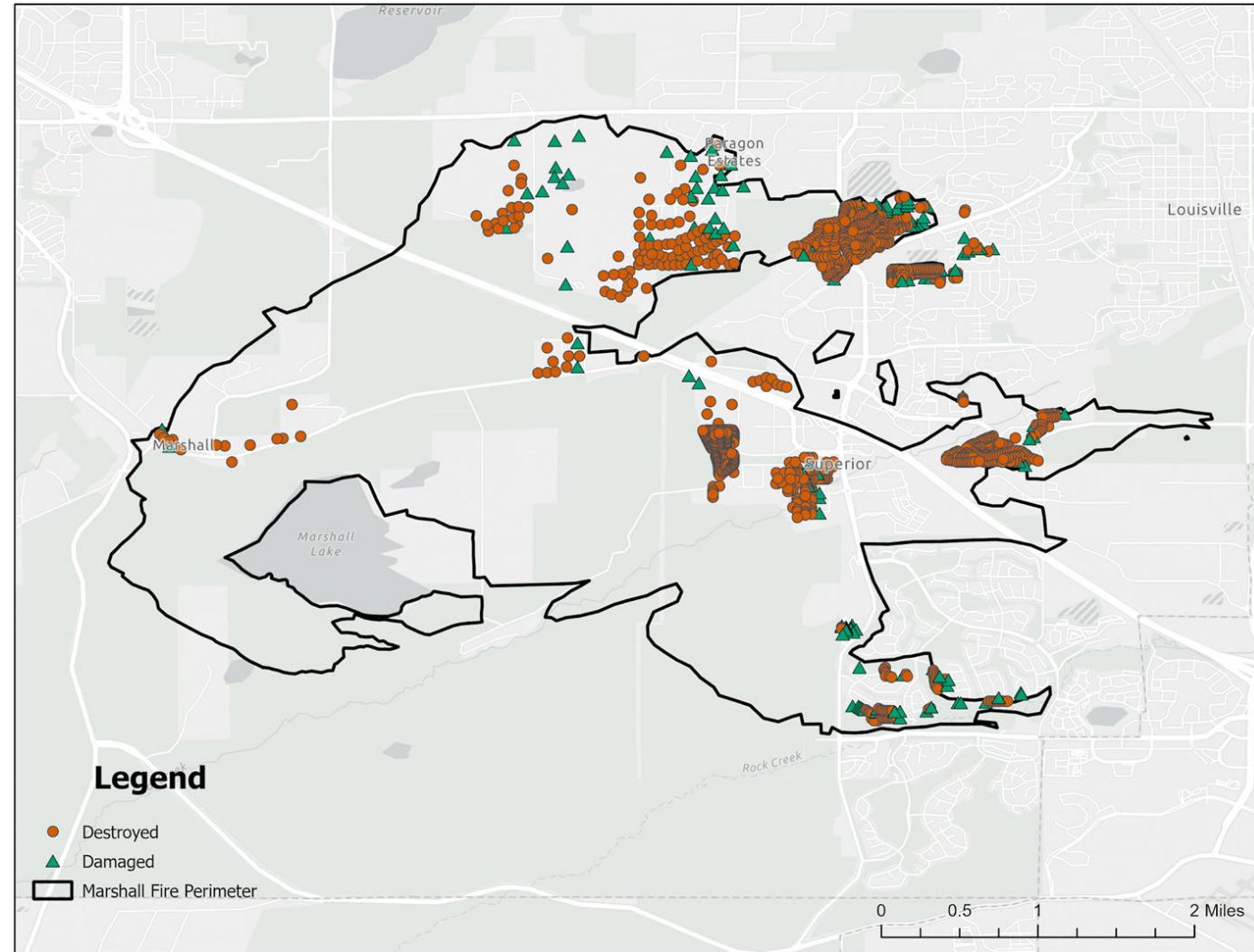


Photo by: RJ Sangosti, Denver Post



Marshall Fire Characteristics

- Suburban wildfire
- December 31, 2021
- 1086 Residential Properties Destroyed
- 30 Commercial Properties Destroyed
- Fairly affluent with a median family income of \$125,400
- Mostly insured



Traditional Method (simplified) Housing

- FEMA data establishes damage levels and 'scope' (N)
- SBA loss drives the calculation (\$\$)

	Ex: Severe damage	
		Calculation
SBA Median estimated Real Property Loss	\$ 82,523	\$ 82,523
SBA Median approved amount	\$ 63,700	
Percent SBA approved	5%	\$ (3,185)
FEMA Median Repair Grant	\$ 31,740	
Percent FEMA Approved	74%	\$ (23,488)
Multiplier		\$ 55,850
For 400 Severely damaged homes 400x multiplier =		\$ 22,340,160

Does not include

- Insured homeowners
- Households greater than the median national household income (or 120% of local AMI)
- Landlords (unless they rent to 50% AMI)

Repeat for Minor-low and Minor-high categories



Challenges with Traditional Method

- Does not account for ***underinsurance***.
- FEMA data will be incomplete
- Household income levels not reliable

Marshall Fire Statistics from IA data

- 3416 Applicants
- 845 Inspected by FEMA
- 371 FEMA Verified Loss
- 240 No Insurance*
- 129 with Major Damage or Greater (10 Owners & 119 Renters) - **Basis of HUD Calculation**
- 35 with “Severe” Damage

*Owners w/o Homeowners or Renters w/o Renters Ins.

** Prior to eliminating ~12 at > 120% AMI

Marshall Fire Reality

- 1086 Confirmed Completely Destroyed
- 85% of FEMA Owners had Insurance
- Only 8% were fully insured*

Estimated Housing Unmet Need = \$112 million



Alternative Data Sources

- Local damage assessments
- Assessor data
- Census data
- Permitting data
- Sales data
- SBA business file (for landlord data)
- Program data

This will probably not change your allocation, but it does give you a better picture of your unmet needs and pace of recovery.



Example of Housing Needs Analysis

LMI Homeowner Estimated Unmet Needs						
Jurisdiction	Count	Ave SQFT	Estimated Rebuild Cost	Estimated Insurance	FEMA Awd	Estimated Unmet Need
Unincorporated Boulder County	18	1692	\$ 9,368,931	\$ 7,236,562	\$ 9,408	\$ 2,122,961
Superior	52	1737	\$ 27,170,631	\$ 20,986,596	\$ 61,080	\$ 6,122,956
Louisville	48	1876	\$ 29,573,370	\$ 22,842,471	\$ 3,496	\$ 6,727,403
Total	118	1803	\$66,112,932	\$51,065,629	\$ 73,984	\$14,973,319

Analysis was done at the neighborhood level for 17 neighborhoods

Same method used for non-LMI households with slightly different assumptions came to ~\$70 million

About 14% of Owners in the impacted area are LMI

Same method used for rental households came to about 300 units at ~\$27 million (we had 136 SBA applicants from NAICS 53)

PRIMARY SOURCES:

Census for Owner/Renter mix

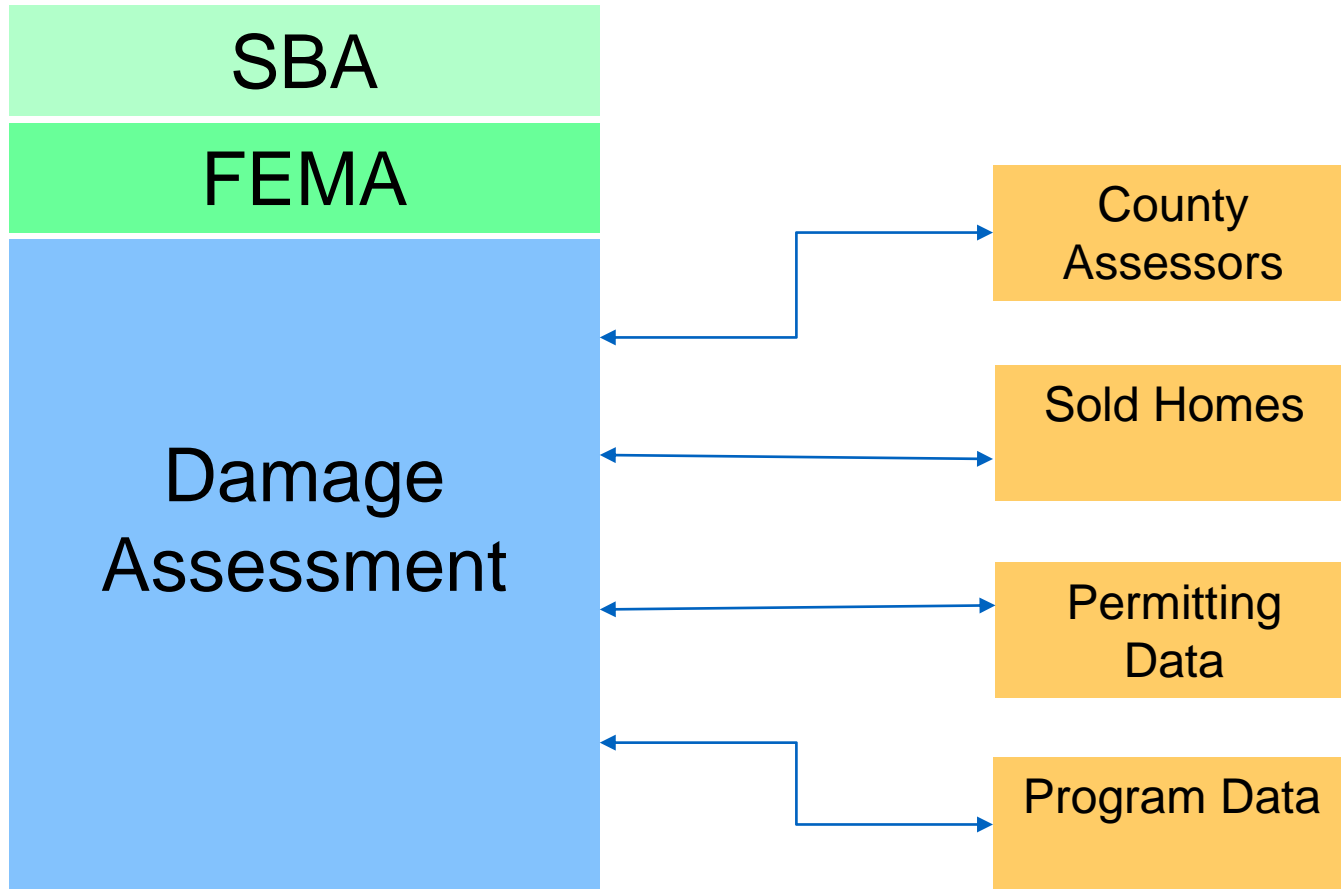
FEMA and SBA for LMI percentages

Assessor for square footage

Challenge!! Estimating \$\$/sqft after a disaster (used fixed cost + \$316/sqft)



Building your database



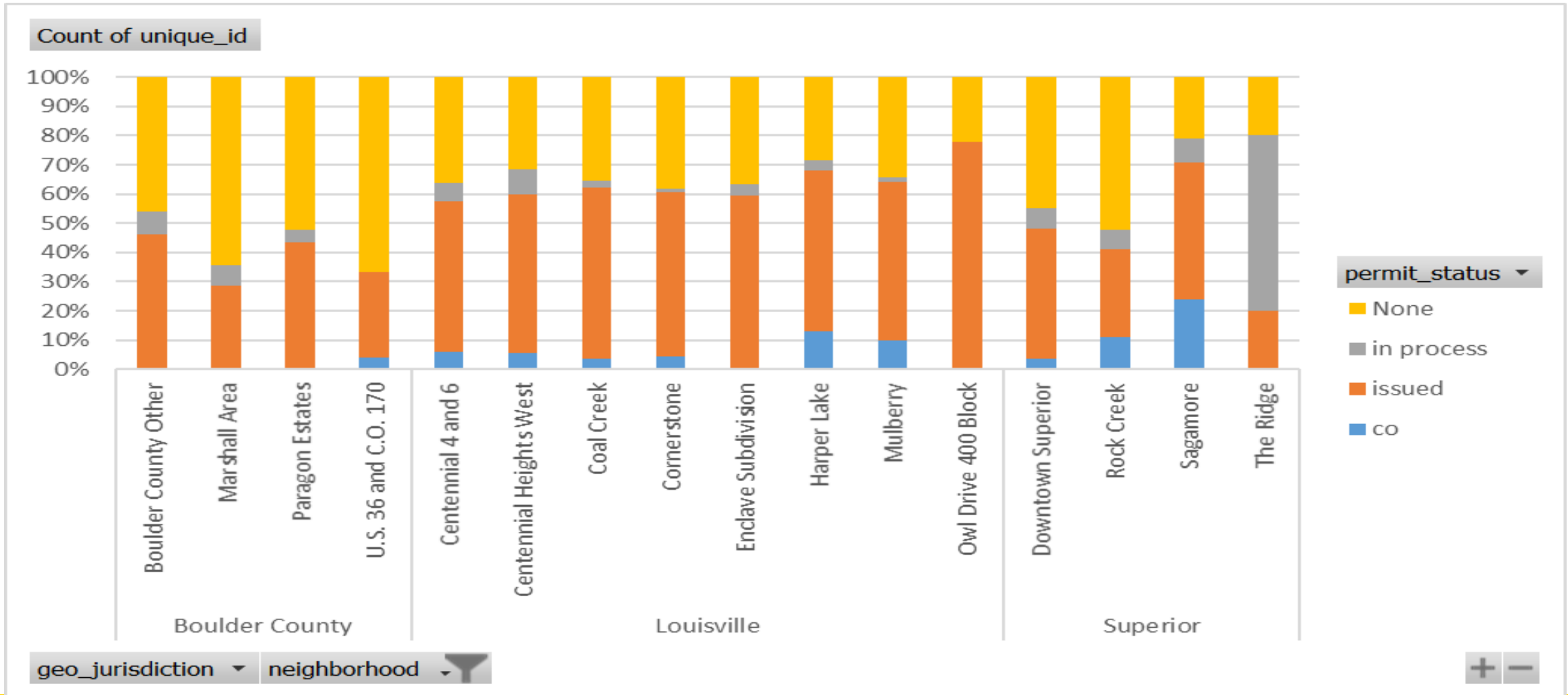
Notes:

- Initial Damage Assessment picked up 90% of the damaged homes
- FEMA and SBA added another 10%
- Assessor data is often publicly available and includes age, sq ft, building type, validates ownership.
- Sold homes can come from multiple sources – anyone with MLS listings
- Permit data includes Certificate of Occupancy – good for external tracking of progress
- Program data helps you understand who is applying as well as who is not applying.
- Uses: Validate unmet needs, duplication of benefit, tracking recovery



Tracking your Recovery

(Example: Permits by Neighborhood)



Next Steps for Colorado

- Improving state capacity and coordination on data collection
- Data capture tools – Crisis Track; Common Application
- Standardizing methodologies
- Improved, standardized reporting and mapping
- More granular data on vulnerable populations
- Continue to advocate for common-sense data sharing arrangements with our Federal partners



Q&A



COLORADO
Department of Local Affairs