

SBA_Francisco Sanchez Jr.

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SPEAKERS

Francisco Sanchez, Jr., Doug Parsons

F Francisco Sanchez, Jr. 00:00

Hi everyone this is America adapts the climate change podcast Hey adapters welcome back to a very exciting episode join the podcast is Francisco Sanchez, Jr, the Associate Administrator for the Small Business Administration's office of disaster assistance. Francisco shares what is the office of disaster assistance, we learn about its roles and responsibilities. We also discuss how climate change is requiring them to evolve their mission. SBA is actually a major funder of disaster preparedness, an increasingly important part of any adaptation response for communities. We also learn about Francisco's previous experiences doing similar disaster work in Houston, Texas. He has some riveting stories as the city was preparing for hurricane Harvey to make landfall. It's a great episode and you get to hear how a federal agency is stepping up on the issue of climate change. Okay, upcoming episodes World Wildlife Fund and the Coca Cola Company joined the podcast to share how the corporate sector is rethinking sustainability to include resilience and adaptation. I'm also doing a mid year in review episode since I missed my end of the year episode last December, Shaun Martin of World Wildlife Fund and Monica Serrano of the Turner Construction Company will join me for that episode. Great stuff on the way. Okay, let's join Francisco Sanchez, Jr. of the Small Business Administration and learn how they are adapting to climate change. Hey, adapters, welcome back, we have a very exciting episode for you. Joining me is Francisco Sanchez, Jr, the Associate Administrator for the Small Business Administration's office of disaster assistant. Hi, Francisco. Welcome to the show. Thanks for having me, Doug. I appreciate it. Well, it's a treat to have you on I don't necessarily have too many people on from the federal government and you guys are doing a lot of critical work. But let's just get people grounded. First, what is the SBA, the Small Business Administration? Sure, the Small Business Administration is sort of the organization in the Federal government, that is the voice and advocate for 32.5 small businesses across this country. We help them start up we invest in them, we try to give them the resources and tools to be successful, recognizing that small businesses are actually giants of the economy, that they represent about 50% of folks that are employing the workforce, you know, they're grounded in the communities that they're in. So that's the main role of the SBA to making sure that they can build those like local economic engine so people can prosper. And so you are there the Administrator of the Office of disaster assistance. And so what does that office do? So the office of disaster assistance is the coordinating point for the Small Business Administration to ensure that businesses, private nonprofits, as well as individuals have resources they need

after a disaster to recover. Typically, people think of organizations like FEMA, and they're largely targeted toward individuals. And those are grants, right. So you you're impacted by a disaster, you apply for that grant. And that grant is something that you receive as a benefit to help you recover, and you don't have to pay that back. The Small Business Administration is here for when you don't have enough in those kinds of grants that you get, or your insurance coverage does not make you whole for recovery, and what you need to invest in that. So the small business administration comes in to the office of disaster assistance, and offers low interest loans to homeowners and homeowners and renters to businesses of any size, and also private nonprofits. And those are very competitive interest rates, our goal is to make sure that we give the resources to people to be able to recover. So just as one quick example, individuals, homeowners or vendors can get a low interest loan for about 1.6%, which is an incredible rate over 30 years. So our goal, while it's alone is really just to make sure we can put the capital that they need on the ground to be able to recover quickly. So they don't have to go through the more costly ways of financing their recovery. Okay, so I think if I read this, right, your office is the only one where you're working outside of just businesses, right. You just mentioned homeowners and potentially individuals, right. It's I think your office is the only one who does that at SBA. Yeah. So at SBA, you know, take a broad review, we're probably the only federal agency that whose constituents include businesses, homeowners and renters, and then private nonprofits on the scale in which we can bring that kind of resource on the ground. So that's critically important as well as is especially as you look at the increasing role that we're playing over the past many years, SBA is often the first and only federal agency on the ground as FEMA disaster declarations get harder to get SBA remains sort of had been remained level. And so we're in there more often than not, and it's critical for us to be able to be there providing those resources when other thresholds don't allow other federal partners to come in. We're there to help. We are heading into hurricane season and that's a big time for your office. Right. It is an incredibly busy time. I think for us and the perspective that we have as disasters happen year round, but there is this natural gravitation towards toward hurricane season as being this milestone every year. That is a good reminder to be prepared. So for us while we look at disasters. 24/7 365 hurricane season is where you have a lot of public interest around preparedness, a lot of the discussion then come bubbles up to the top about resilience, climate change, and all of the things associated with it. So for us, we try to leverage this time of the year to one, make sure that we're prepared and have the capacity to respond to what are now just incredibly active hurricane seasons. But also the critical part of us, no matter what we do the most essential part to making sure that you as an individual, or as a business can survive the impacts of a disaster and recover stronger is really what they do in terms of preparedness, making sure that those have those plans are in place as they're prepared as well. So it's really a two part factor. And we want to make sure that we maximize that and educate them, as well as make sure we're prepared as well as we go into this hurricane season that's already forecasted to be a very active one. Okay, so help us visualize and let you know, my listeners, what does it mean preparation. And when we think of these, like hurricanes, and these disasters, the media only really shows it afterwards. And we're seeing like how you guys, they're helping instead of post disaster, but what is preparation actually look like? I'll tell you for our side, it means making sure that we look at our local plans, how we integrate with our local partners, making sure that we have the surge capability to be able to come in after a storm, you know, by very definition, disaster means that local resources are overwhelmed. And we've seen the size of some of these storms. And so we can be challenged as well. So we want to make sure that that we have that capacity, that we have those relationships with our state and federal partners to be able to come in not just with the resources that we have. But then when we come in, we understand what those unique needs are throughout the community. And being able to know how are other federal partners and state agencies are approaching those disasters at the individual and business level. You know, there's a lot of information from FEMA

about and those remain the same that get a kit, make a play on stay informed, and have a way to be able to be an active advocate for yourself by being involved. On the business side, there is some work to be done. We've learned as we go throughout the country, and listen to partners and folks on the ground, there are some resources that need to be made available to our businesses, we've got small business owners that are focused on keeping the lights on especially after COVID and all the things that are going on, they're focused on staying open and running their business. So what we're doing is trying to build the kind of informational resources that they need to know. So you know, make sure you have your own plan. How do you communicate not only with your employees, how do you employ with your customers? How do you connect with those folks that you do business with to help you keep the doors open? Secondly, making sure that all your insurance is up to speed, recognizing that insurances, yourself against loss, and making sure that those plans are tailored to your particular business, because it's much easier to recover when you're insured, rather than having to go elsewhere for resources for recovery. And it's never easy, but insurance certainly makes it a lot more accessible to get the resources you need to recover. And then also making sure all your documents and everything you need to access are available on the cloud, and that you get access that remotely and making sure that on your you have a preparedness check of your facilities, your supply chain, it's all a very integrated process. So those are some simple steps that our businesses can take to prepare for hurricane season. And so that's absolutely essential to do right now, before you're impacted by any type of storm.

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Doug Parsons 08:08

Let's talk about the difference, you know, a business if they're being proactive that they do a lot of things that you just mentioned preparing, let's say for hurricane season, but there is that difference between Okay, is a business adapting to climate change? And it's maybe a longer timescale, but you know, the hurricanes factor into it. And you kind of see where I'm getting at, how do you work with businesses, when you start talking about climate change, and you're trying to get them to adapt longer term, those could be two very separate tasks, even though you might say, Alright, get your information upon the cloud that in a way is adapting to climate change. But how are there some differences there? Sure. Preparedness is

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Francisco Sanchez, Jr. 08:45

one thing, you know, but adaptation is entirely different. And I will tell you that this is an exciting opportunity to be at the SBA and doing what we're doing, because we have not really tackled that significantly in the past. And so it's exciting to be part of an administration that's looking at how do we tackle climate change head on and the SBA for its part through the support of the administrator. And what we're doing here in the office of disaster assistance is looking at how do we enter that space? What resources do we need to provide to businesses to be able to do that? What within our current authorities and funding can we do to contribute to that? And what should we be doing in terms of advocating for changes to programming rulemaking and the kinds of things that we need to tackle to address this head on? So one of the things that people can take advantage of right now, whether your business or homeowner is the mitigation program. And so one of those is if you're impacted by a disaster, if you have an SBA loan to help recover, you can then add on top of that a mitigation loan that will help you mitigate against future impacts from that disaster. There's some work to be done there. Right now. You have to be impacted. You have to have an SBA loan to recover and you can mitigate

against the disaster type that you just got impacted by and you know, one of the things that we're looking at is, can we do pre disaster mitigation? Can you adapt and can you have you can you mitigate against other risks that you might have in your community? So if you're susceptible to hurricanes, floods, ice storms, wildfires, if you got impacted by a wildfire, can we make some changes to the program, so you can mitigate against any other type of disaster that you're impacted by as well. And in terms of adaptation, there's a lot of resources that that are available to us that deal with that, you know, day in and day out. But the average small business owner is really right now, especially after COVID, trying to focus on how to keep the doors open, how they keep the lights on and how they continue to succeed in business. And even for those folks that want to do something. It's not always top of mind. So what one of the ways that we're approaching it is in the future, we'll be going into those communities talking about climate change and resilience, providing educational resources, so people can know what that looks like for them. And adaptation might be different in the Gulf Coast than it might be in the northwest. So I think part of the thing that we're going to be looking at is, how do we put those resources and education at the fingertips of businesses, so they can easily access them, understand them, and tailor those to be unique to different communities across the country, and provide a range of options of what that means in very practical ways for them. What is something that you can do right now that's cost effective? Or what are actions that you can take that may not necessarily come with any significant costs? So how do you adapt from the things that are low hanging fruit to options that are more comprehensive, and maybe require some additional investment part of that is each education making that something that's actually practical and accessible, and starting to spread? The word about that, because I heard as I've gone throughout the country, is people are interested in that small owner of small business owners want to tackle that, but it can be a confusing space, you know, understanding what's resilience? What's climate change? What's adaptation? All these things are terms that, you know, that we talked about in addressing these at various levels. But for the small business owner, they just want to know, what do I need to do right now to be able to make sure that I'm impacted less by the next one. And so that's what we hope to bring to bear as we take a new sort of resilience focused approach at the office of disaster assistance. Okay, got some questions there. And so you have your core duties, and you're working with homeowners or businesses and such, but I'm just very curious. And I think other agencies are struggling with this. And organizations, especially at the local level. I mean, literally bringing up climate change, sometimes you'll get that pushback, like what does that have to do with anything here? And sometimes they just want to avoid even that controversy? Because it's harder to sort of explain, Well, climate change is going to increase the number of these disasters. How are you guys do it just sounds like that's part of your strategy. And it doesn't even matter, I guess what region you're in. You're literally talking about climate change when you you're giving out loans and all these kinds of things. Well, we really have not tackled yet, it's recently we're developing that strategy of how to tackle climate change. But the reality is call it climate change or not, we have been dealing with the consequences now for decades. And so it is what it is. And so moving ahead, currently, the programs really allowed us to have mitigation lending. And we talked about the parameters of that, that we need to explore other ways to do that better. But climate change at the core is what contributes to these increasing number of disasters, the frequency, the complexity, the scale all continue to mount at a very dramatic rate, we need to be honest about what the problem is. Find ways to tackle it, find ways to empower a partnership so that what we're doing can be complemented by what local businesses and individuals are doing at their local banks share numbers, we can't deny that or look at we got last year, we had 36, SBA declared disasters this year, we've got 32. And we are at the start of hurricane season. So and I can think of in the next few weeks, we're going to have a couple of more declared disasters, just what what I see that's happening out there right now throughout the country with flooding and wildfires and other things like that, that are going

on. If you look at the data from since 2000, only two times have there been more presidentially declared disasters than SBA declared disasters. And if you look at the Gulf Coast, you know for I'm from Houston, Harris County, you know, a prime hurricane landing in flood zone, just the numbers there in terms of 100 year floods, 500 year floods, 1000 year floods, that continues to mount in the only in the 15 years that I've been in emergency management. And this was not what I intended to do. This is where I was just drawn to it by our local response to Katrina. In just those 15 years, I have been on command staff for four of our nation's 10 most costly natural disasters. And that's significant. And that's telling of the frequency in each of those my colleagues have called Hey, Francisco man, that was a once in a lifetime event. You know, they did that for Katrina. They did that for Rita Hey, Francisco. That was a once in a lifetime event, did it for Harvey man, that's a once in a lifetime event. They call it about the ice storm Francisco. That's a once in a lifetime event. When you get that call just that many calls. And just in the span of the past six years, it has to be attributed to something and so that's where we're going to look at as we build a new resilience focus Oda how we tackle the core problem, which is climate change, and what resources and creativity we can bring to bear from ourselves, but also how we encourage that in the individual and business space for them to take on that as well because that's the way to success. It's not just a government problem. It's just Not a business problem. It's something that we have to tackle as a whole of government. And it's a whole of community. I want to ask you some questions of your Houston time, because I think that some of the work you there you as fascinating the Harvey example, but I do want to say, and this is me, and my own sort of advocacy is that I hope as you kind of really figure out your resilience and adaptation strategy, I think a lot of federal agencies, they just don't want to pick a fight. There are people in the field, they're like, Wow, we shouldn't really talk about climate change. And I just think it's this huge opportunity to create awareness around the issue, don't be shy about it. And I really do hope is any opportunities be at your you know, the literature that you're handing out, or whatever that climate change is not shied away from, even though your local people are saying, yeah, it's just giving us heartburn here, because, you know, if you guys don't do it, no one else is gonna do it. And it will be tackling it, you know, we we talked about climate change. And the reality is, you know, people have concerns with that word. And with the term climate change, the reality is, that's the terminology for it. But whatever you call it, the impacts and consequences are real. And they're here, and they're escalating. And that's the core root of the problem in terms of being able to catch up to where we need to be to tackle it is some significant work. It's a heavy lift. And certainly, there's some complexity around using that term. But I think that you know, if we can all just in sheer numbers, recognize what's happening, you know, the need to tackle that is the core issue and be candid and open and talking about it to solve it. Something I'm sure you love doing is thinking about the budget, working on your budget, and then having Congress passing budget, I dealt with that when I was at the National Park Service. And it's just this big headache. And I imagine an office like yours, you have a set budget. But if you think about climate change, and what people are expecting, there's going to be like, as you've already described, there's going to be more extreme events in the future, it's inevitable that your office is going to need more money. And yet even keeping your existing budget can be a challenge. How do you guys sort of scenario that out? It's just like, 20 years from now we're gonna need a heck of a lot more money in this office, is there just pathways that you're be able to advocate and get the legislators to understand that? So a large part of the budget is obviously is driven by the federal government? What is your authority? What's your specific mission, and that's sort of a lot more nuanced, and a lot more than that, there's some very clear lanes there. And our mission is strictly right now are generally tied, there is some flexibility, but generally tied to is it directly or indirectly tied to the lending process. But there's some things part of that, that gives us some flexibility. And also, we need to protect that investment. If we are investing in rebuilding communities through the lending process, what can we do to add value to that to

protect that investment by making sure that we're focused not just on process itself, but the outcomes just to give you a sense of what it looks like to be at the office of disaster assistance, and you said the next 20 years, so let me lay the groundwork for the last 20 years since or at least for the last decade, since 2012, the SBA has approved about 364,000 loans and distributed to that about \$18.7 billion. And that does not include COVID programs. And if you're looking at and if you, if you look at the data just a year, every year, it gets increasingly high, and it is something that is on pace and steadily increasing. So just for a little perspective, if that's just since 2012, you can imagine what the next 10 to 20 years are going to look like. So our budget is in many ways defined by sort of the capacity, we have the staffing sort of the day to day operations, and we have some flexibility there to be able to bring our lending programs to the ground, deploy our teams and take an aggressive approach to being there. But as disasters get more significant and more costly, you know, the supplemental process with their congressional allocations, you know, those come through for us to be able to take on more robust approach to specific disasters is just as part of that disaster lending process. But currently, that's the way we're set up. And so we do have that, you know, a steady stream of funding, but those supplementals that help us disaster by disaster. So that's how we're currently set up. But also to make sure that we protect those investments in that lending process is, you know, what we're looking at doing now is working with local communities in advance to make sure that we are tied into how their economic recovery strategy looks. So our lending complements that making sure that we have the data, the partnerships and the resources to go in and target vulnerable communities, look at how we make sure that equity is part of what we do on the ground. And that looks different in every community. So investing the talent, the time and the energy to do that, as part of our new approach, is it also something that we can leverage to maximize those dollars that we get in the budget?

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Doug Parsons 19:22

And so you'd mentioned like when you're giving out loans, you're pretty rigorous. I mean, you gotta you gotta be careful with the people that you're giving loans to, but I imagine that you're sort of holding maybe two other federal policies. I just did an episode where I had flood people and people in the homes that were constantly flooded and they've been doing some activism and NRDC, the Natural Resources Defense Council, they do a lot of recommendations on flood reform in the National Flood Insurance Program. Are you guys do you have to give loans to homes that would be rebuilt in the flood areas if they qualify for the flood program?

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Francisco Sanchez, Jr. 19:53

So great question, because that's something we're exploring. Now, as I told you, you know, this is a and one of the reasons that I'm glad to join The SBA right now is is a part of this administration in what they're doing sort of out of the White House and to the administrators incredible amount of support is what do we do differently? How can we make sure that our investments are going further? What is the local responsibility from local state governments to homeowners, and you talk about the rebuilding process were a little different, because this is still a complex financial transaction. This is a lending process, there are some caveats that you can put on federal money that goes out the door for a grant, it's a little different when you're looking at lending. And there's a lot of nuance to that. So right now we're exploring in very active discussions, especially if we look at flooding is one of those, as you've seen over the years, and definitely much more recently, how do we ensure that those dollars that are going

out are also being complemented by local measures to make sure you rebuild in a way that is appropriate for the flood risks that you're in? You know, what kind of expectations do we have? What kind of regulations are sort of what do we expect when we give out those dollars on the lending side right now really working through what that looks like? What implications that might be to the program. So there's a little bit more complexity to navigate here. And so we're doing that right now. And our commitment is what we can do that we're going to do to make sure that it's not just the distribution of lending products, but what can we ask, encourage or require, where possible, the recipient to utilize that way, that loan in a way that makes sure that they are not so impacted in the past? One of the concerns really is also is, you know, it's a lending program. That's, I think, already sort of underutilized. And we need to tell the story about why it's a good resource for people that have to find themselves and to seek out a loan. But will that impact the program? Will less people utilize it, you know, what are our constraints? And so that's the stuff that we're navigating through right now.

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Doug Parsons 21:37

It's a growing awareness around the term managed retreat. And so if let's say a homeowner is flooded out, could they get an SBA loan to actually move to a different location and rebuild their or like get an empty lap? It's just that they're trying to be responsible, they want to go move out of that flood zone, would they be eligible for such a thing?

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Francisco Sanchez, Jr. 21:55

Well, one of the things that you can currently do it alone is it allows you to pay off your mortgage. And so as part of the rebuilding rebuilding process, you know, there's certainly avenues for people to sort of utilize that. And so it's there's some things that the homeowners can do and receiving that loan that allows them some flexibility to do things like that, as we look at the issue of climate change resilience, and how we are active players in that space. That's one of the things we're going to be looking at. And so again, it's an exciting opportunity to be here, when we're first starting to tackle this in a significant way. And throwing a significant amount of creativity, ideas and an open mind to how we expand the SBA is roll in that space. Traditionally, it's just been strictly a lending program, there's a disaster is declared, we come in, we provide lending, and then we move on to the next one, we understand fundamentally that we can no longer do that. Recovery has to be tied to resilience, if we're going to be successful at the same, so those are the kinds of things we're going to be exploring those kinds of ideas of how we contribute to the federal wide approach in terms of what can we do in terms of requiring rebuilding? What can we do for for relocating people out of a hazard zone and happen, all of these things complement each other. It's a new area for us, but one, that we're exploring all those avenues to be able to really have an aggressive pace and how we're looking at these things and try to get that new approach on the ground as quickly as we can. Yeah, I still think it's sort of experimental I think I think it's FEMA that up in you after Hurricane Sandy that the buying out homes, allowing people to move, but you're giving people money for the that value at that moment of the house, but allowing them to move somewhere else. And that's not easy. And just seems you guys would be right to be a player in this whole idea of managed retreat. But I think reforming the National Flood Insurance Program would probably give you guys a lot of cover because it's like, alright, you can't go rebuild in this area. So yeah, it gets complicated very fast. We do have some elements of lending process that ensure that rebuilding is done to to a standard that doesn't put that loan at risk. And so those

are there. But we certainly need to be sort of we do have the opportunity to explore whether things we might be able to do to encourage resilience and where necessary sometimes. How do we support people moving out of that, and again, it is such a complex approach. We can do so many things at the federal level, and we're moving full speed ahead. And again, the Biden Harris administration, the administrator committed to exciting things and creating some creativity. But you'll hear a little bit about my Houston experience in Harris County on the Gulf Coast where we have like, tons of flooding. You know, Harvey was 1000 year storm. In the past 10 years, we've had three 100 year rainfalls one 500 year rainfall. And that's how you conservative Look at that. So people will tell you there's that we hit 1000 10,000 year storms. And it depends how you find that I'm defining that by the 24 hour rainfall because that's what we built to that don't want anyone to think, you know, you talked about climate change its sensitivities and how people react to that. I'm using the most conservative way to calculate that. So no one says Francisco you're exaggerating those numbers. I think even the most conservative way of looking at that those numbers are still impressive, but there's also got to be local buy in. in Harris County, for example. We tried to take a look at how we buy folks home buy up programs, but there are local restrictions on so if someone doesn't want to sell their home, but every be part of that buy up program, but everyone else does and you've got one home. But as a homeowner that doesn't move, you have all this investment in that buyout, in helping to mitigate that by you. And you've got that one homeowner that won't sell and you can't force them to sell when it creates a space where you can't do a lot of improvement, you still have to help them recover, you still have to provide the basic government services because they choose to be there from roads to utility, student public safety. So I say that only to draw attention to how complex it is. And certainly we've got a responsibility and a mission at the federal level to tackle this. And but we need the partnership of our states, we need a partnership of local government. And we need to work in tandem to tackle this issue from this whole of government hold to me or your approach to make sure we're complementing each other. And when there are areas of friction like that, that keep us from meeting those goals. How do we address them together to make sure that we're actually, you know, getting closer to making some of these things a reality and rollout in a way that have better outcomes? Yeah, I think climate change is going to drive a lot of very uncomfortable eminent domain conversations that people don't really want to have right now. But I think that's where heads especially with sea level rise. Well, listen, you've pivoted to Houston, and I want to chat. I have a few questions there. And, you know, just First off, you were there. I lived in Houston for a summer my dad lived in Houston a while back. So I know the area great Persian restaurants here, by the way, and a lot. Yeah, yeah. That's wonderful for that. Just tell me just your own firsthand experience. Were you there as Harvey was happening, I was in for me that had been I was there for Harvey, you know, we saw the forecast. And I can't remember the specific dates. But about eight days before landfall, we looked at that forecast, and it was a Sunday. And I called my team and I said, we're going to be in the office. And we're meeting this evening. And we're going to take a look at this. And that forecast was just so dramatic. And it was it was about a week out. And so we were working nonstop throughout that week. And in the following Friday was supposed to make landfall. It didn't we didn't get the impacts. And on Saturday, we finally got the impacts around midnight. But for us that just Well, that was a historic storm to respond to. It's just defined by so many moments, one, we had dealt with dozens and dozens of floods, I talked about the major incidents that I've had the opportunity to be on command staff or but between those just dozens of floods, dozens of storms. And as much if we as we had face that I had never pictured myself having to make a decision on what message do we get out because people are getting into their attics. We had never had that in Harris County. And so to be there in the middle of a night working with our chief meteorologist working with our comms team and saying no, we need to send out an alert. And we need to do it in 30 minutes. And what does that language and we need to phone a friend who's had to do this across the

country. That was a defining moment. And then in terms of the forecast, you know, one of the things that I'd seen, like I said, we had the advantage of a full week of seeing this coming in the forecast was steady, it wouldn't change. And I remember about to go on live with one of our local reporters for I think the five o'clock newscast, and this was probably the Thursday or Friday before landfall. So about 72 hours before it hit. And the forecast had been talking 50 inches of rain, 48 inches of rain. And right before the live shot, we both get the latest update to our phone, it says it's down, it's 37 inches, and we looked each other because we gotta remember, we've been talking about these 50 inches of rainfall the entire week, and we look at each other Oh my God, thank goodness, it's only 37 inches of rain. We look at each other and just start laughing. It's like, still a very bad day. And so what it tells me, Doug, and I've seen this through the ice storm, and I've seen this through through other events is these forecasts. And many levels, people haven't seen these kinds of forecasts before, here's me as an emergency management coordinator dealing with this day to day in and day out hour by hour is looking at this forecast. And I can see the number 50. And I see it across my desk every couple of hours. But Never had I had the opportunity in real life to fathom what 50 inches of rainfall looks like. And you see this situations not just by through Harvey, in the historic ice storm in Texas, and other events across the country, people are being faced by forecasts that are somethings have never seen before or imagined. And then you cannot internalize what that means you see the numbers, but you're living in this experience of what you have experienced in the past. And so you just can't get a real world practical, real way. What does this actually mean until that just by your human nature, you just can't envision that. And so until it rolls out in front of you, and then it becomes real in terms of what that actually means. And I think as we move forward and deal with these increasingly frequent and catastrophic events, we're going to continue to see these forecasts that are like things we have not seen before. And we have to train ourselves that we have to believe them, we have to try to understand them. And we have to try to make sense of them before they actually come to roll out on the ground. Because the science is getting good. It's getting much better. The forecasting continues to be more solid and occasionally it will be still the wrong part science and part art but these forecasts are real, and they're playing out and that's the reality and we have to do a better job of understanding them on the emergency management side. And we have to do a better way of conveying that to people that are going to be impacted by it. To tell them what it actually means. Because sometimes because you haven't faced it before, they're just numbers that you can't believe. But the consequences are real. So what was the final numbers there in Harvey, I forgot. It was depending where you were up to 50 inches of rain in some areas over a couple of days, it was enough to fill the Astrodome 25 times, it moved the Teutonic plates under the earth. It was like something that I hadn't that I certainly hadn't experienced in my 15 years in emergency management, something I haven't seen since. But unfortunately, I think it's something we'll see in the future. Well, to your point,

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Doug Parsons 30:31

and and I talked about this on the podcast a lot. And I make parallels to sort of terrorism in how approaching climate change. And I don't know, if you remember back, just post 911, the book came out is like the 1% doctrine, the idea that you're just trying to get people to think about this thing that really isn't supposed to happen. But it's sort of more of an exercise and using your imagination in something that now might be possible. And I think we don't get enough of that in the climate change space, right? There's just, there's so much kind of bureaucratic momentum, well, we're just going to kind of do things the old way and just need some creativity in thinking about like you just described, you were calling around, well, how do you talk to people this way, and just have to start getting a lot more creative. as things change.

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Francisco Sanchez, Jr. 31:15

In the merchant manager face, we call those black swan events. And we throw these supposedly crazy ideas at the on the board. And one of the things we tell people when we're doing these exercises is you've got folks who've been doing this for a while they roll their heads, they say this, you know, this is never going to happen. And we have to tell people don't fight the scenario. Don't fight the scenario. And that's one of the things we have to tell ourselves as we face these events. And that's a challenge and making sure that it really is a culture shift and looking at how we tackle those and talk about it. Like I'm not convinced that even then I think we still need to do some work on the science piece and understand fully the significance of this. Go back to Harvey for a minute, the National Weather Service and our forecasting partners, in addition to the forecasts that they put out to the public, they have these imaginary forecasts maximums of maximums moms, and this is very theoretical, if this particular storm or if this particular weather event just did something absolutely crazy. And the worst possible scenario rolled out for this storm, because all the conditions came right for this thing to happen, even though it's not gonna happen. You know, what is the worst that can happen? And they do that for Harvey. It even broke those records could even broke what the imaginary theoretical number could possibly be. If things just went absolutely worse in every possible aspect. Then Harvey exceeded that even

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Doug Parsons 32:34

so one more question with Houston. And I'm just curious sort of post Harvey, there's been a lot of interesting things going on. And I should do a episode around post Harvey because I think you know, the local planners and stuff talking about community building, but at the same time, they're probably some same old patterns. They're in the national media really like to bring climate change, like, oh, Hurricane Harvey, and this is the you know, New York Times this is this is the future, but like, what was it like on the ground in Houston? Did the people in Houston in that area make a connection to climate change? What was your sense of that?

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Francisco Sanchez, Jr. 33:05

I think you're right, many people did, and not in a very sort of like, either they call it out directly as climate change is disaster survivors or folks in the recovery space. But a lot of the survivors who either have been there talked about climate change, or they simply say, this isn't normal. This hasn't happened before, this shouldn't be happening. And they call out the pattern. But there are those connections. And it's not just and what I've noticed, especially as I talk to survivors, not only post Harvey, but some of the other events and some folks from across the country is you know, because I did that regularly, even though as has in Harris County. And in doing that I had took the opportunities to visit with disaster survivors from my other colleagues across the country, because you know, we'd like to explore these things together and try to get a handle on these things, the survivors, disaster survivors weren't necessarily doing that, just because of the trauma that comes from disaster, asking legitimate questions is and making the connections between climate change, and if they weren't calling it by climate change, talking about the patterns that they hadn't seen before, that are just rolling out just at an exponential rate in a short period of time. So that connection is there. And what you see is this thirst for

tackling the issue head on. But what can we do now? And what can we do different because the models of how we're doing things simply aren't working. In the end, all disasters are human events, you can get 50 inches of rain, but if they don't impact anybody's lives, it's not a disaster, you can have 10 inches of rain, but if it impacts someone's life, to them, it's a disaster. So they're all human events and they're struggling with and in terms of whatever this means, on the policy side, whatever this means, on how we become resilient, how we adapt, people are struggling for answers on what they can do to not be impacted as much as they are. Because you know, and there's an incredible sense, not just from experts, but just people that are impacted by these is that this is disasters are no longer one offs. They're a regular part of Southern Communities now and I remember it was it's, we always look at or we tend to look at resilience in terms of you know, how do we make more people more resilient, and we try to take a look at the bigger picture. What are the chronic stressors that affect results? against, you know, food deserts, access to health care, economic opportunity and economic depression, the ability to transportation all the things that make someone that have the opportunity to make someone a more resilient or more vulnerable, obviously contribute to someone's resilience, can't just look at it anymore is like in the lens of a disaster, disasters themselves are becoming a chronic stressor. I want to pivot back more to SBA and I did a couple episodes where I was working with two lanes, Jesse Keenan, and he went through and read most of the agency adaptation action plans. And we actually didn't do SBA. But then it occurred to me as I was getting ready for this episode, did SBA, did you have to write a adaptation action plan was that you know, Cassia Q was coordinating all that? Yeah. So for us, like I said, right now, our programs don't really lend themselves much to be in that space. And that's why we're at the table participating in those discussions with FEMA, USDA Army Corps of Engineers, and this is why simultaneously, we're taking an internal look at how can play a more meaningful role in that adaptation space, again, grounding ourselves in the idea that recovery really can no longer be successful, we don't tie recovery to resilience, it's the development of those plans, you know, we're at the table, we're relatively new at the table. But it's a role that we take seriously, and one that we're aggressively going to be engaged in. So we're inserting ourselves into those dialogues, there is an executive order on forestry, you might not think that the SBA is involved in that, but we have elements of SBA that deal with the timber industry. So we're going to be at the table, and we're going to be part of that discussion. And we're going to see what we can bring back to contribute to that. So in every possible way, where there are discussions that tackle those issues, planning efforts, looking at new initiatives, this is something new that we're tackling are going to be in that we haven't been in before. So we're the New Kids on the Block, we're getting up there, and we're going to tackle these and contribute where we can and come back to see how we can, on our own way adapt to be able to meet those challenges. I have a lot of younger listeners to their college, and there's figuring out that they want to be an adaptation professional, they're very interested in getting into this space. So what kind of career opportunities do you foresee at SBA for these kinds of people? Sure. So but SBA, I think there's some exciting opportunities to look at especially as we redefine what this resilience focus Ed Oda is going to be, we're going to be looking for talent that is going to look at climate change that's going to look at resilience. It's going to explore some policy there in practical ways, we're going to be looking for folks that help us roll out the lending programs, we're going to have some recovery specialists that are broken up by regions across the country that are not only going to look at recovery as part of the lending program, but again, brings that lens of resilience, adaptation and making that a part of how we do business, again, not just looking at the lending process, but what can we do to maximize that investment. And so adaptation is going to be critical to that resilience is going to be critical that, you know, what can we do with our mitigation program to increase the utilization of it, but also how it's designed to actually have more meaningful impact. There'll be opportunities here and my hope, there's a lot of opportunity in this space, emergency management, adaptation, all of these things, I think, if

people can bring a holistic view with that lens of adaptation, I think a very well rounded view, or at least an understanding of how all these things might tie together, as I look to how we build that talent here. I'm looking for skilled generalist folks that bring in different perspectives, but can also be contributing to adaptation, resilient space. So a lot of opportunities here, I think both at the federal level, state level and local level, you're going to start seeing that search for talent that can help them in those efforts. And so I think there's a, I think, a great career opportunity, we can use that perspective, we can use, you know, the passion, quite frankly, from our younger demographic that is, you know, has an incredible investment in how this outcomes play out over the next couple of decades. And so it's a great space to be

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Doug Parsons 38:37

in, you could recommend if I have local government, people, state government, people that actually could probably be ambassadors for you. They've learned a lot about SBA in this episode, where do you recommend that they go to learn more to kind of really figure out what you're up to in case they're out there talking to people that would benefit from your program? sure

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Francisco Sanchez, Jr. 38:54

that this is part of the messaging piece, I think we're also you know, enhancing that. So I would say go to SBA website, sba.gov look for the office of disaster assistance, what you can easily find there, and you'll find a little bit about what we're doing. But also as part of our larger communication strategy when it comes to climate change. And adaptation is that's where we'll be posting a lot of what we develop in terms of resources for businesses, you know, for other partners and stakeholders. And as we roll this out in the coming months, when we'd have the final plan in place, get it funded and start tackling this in a meaningful way that's going to be the place to go to keep you up to date on where we are and what we're doing and where we're trying to go. Okay, last question. I asked all my guests this if you could recommend one person to come on this podcast, obviously climate adaptation podcast, who would it be? I would say Angela Blanchard and Angela Blanchard is a Cajun living in Texas. She built and helped grow the largest nonprofit in Texas and was doing resilience on an individual and family basis long before I think resilience was popular. She's now I believe a senior fellow at the Watson Institute at Brown University. She specializes in disaster displacement per patch In sort of, you know, building resilient communities at the community level, I think, you know, she might be someone that brings to interviewing a lot of passion, a lot of expertise. And I think what's interesting is, you know, you think about disaster and displacement. And it's very easy to think, oh, that's something on the other side of the world. That's not here that that's something where people go apply that expertise elsewhere. But you brought up that incredible point of, you know, moving people out of that manage retreat, those kinds of things that are affecting us here at home, you know, what does that mean for communities? What does actually mean for communities for people, and she brings a very interesting perspective about how that's a very human element to that and what that actually means in people's lives. Okay, fantastic. Great recommendation. Okay, Francisco, this has been a real treat hosts in your office and learning what you guys are up to. I really appreciate you coming on the podcast. Thanks for having us. I appreciate that. Okay, adapters, that is a wrap. Thanks to Francisco Sanchez, Jr. for coming on the podcast. I haven't had a lot of federal agency people on the podcast and it's great hearing from them. Different administration's can influence that process, as you can imagine, but as

you can see, there's been a massive shift in the new administration to focus on climate adaptation. I didn't realize that this SBA office was responsible for so much funding, and with it significant disaster preparedness. I'm sure it's difficult to work with communities when there's conflicting federal policies. It's obviously so important that the National Flood Insurance Program is reformed to make the work of agencies like the SBA to function as efficiently as possible. I'd also like to learn more about how individual homeowners and small businesses respond to disasters. Are they significantly different? I guess we can cover something like that in a future episode. And it was certainly riveting to hear Francisco's account of getting ready for hurricane Harvey's landfall what an epic storm, if any of my listeners were in the thick of Houston's post Harvey efforts on climate adaptation, reach out, I'd like to learn more. Thanks again, Francisco. And thanks again to his team there, Laura, especially for making this interview happen. And as most of you have followed, there has been tremendous pressure for President Biden to declare a climate emergency. We have spoken about this before on the podcast, we did see some modest executive actions taken. But if the President is going to declare a climate emergency, I hope there's a world class communication plan that goes along with it all hands on deck, imagine declaring a climate emergency and it lands with the public with all the urgency as an executive order does, meaning not much. Most of the public really has no clue what those are and how they are relevant to them. If you're going to declare an emergency, ramp up that urgency with a communication plan. That's not easy. But remember, the entire country rallied at least early on in the COVID response. There are models to do this, it will happen a climate emergency will be declared it's coming. It's just a matter of when and with what President okay, I'm always hearing from listeners that they have started listening to the podcasts in the last few months or the last year and that means they have missed out on a bountiful archive if they haven't poked around. So I'm going to dig in the vault when I can and highlight two previous episodes in case you need some recommendations. All right in Episode 145, fundamentals of wildfire land management and climate change. I hosted Dr. Brandon Collins, an adjunct professor at UC Berkeley and the lead scientist at Berkeley forests as wildfires rage in the West. Why are some areas more prone to out of control fires and others Brandon explained the ecology of Western forests and some of the management options to mitigate against these extreme events. We also discussed the growing impact of climate on these catastrophic fires and why but the land management of 100 years ago is making it harder for these landscapes to adapt to climate change. And in Episode 140, extreme heat in the news naming heatwaves, thermal equity and more. I hosted Dr. Ladd Keith, assistant professor and planning and chair of the Sustainable built environments at the University of Arizona we discuss the media coverage of the Pacific Northwest heatwave is naming heat waves a bad idea, well, extreme heat be included and managed retreat discussions. Miami's new chief heat officer the challenge of tying mortalities to heat events, thermal equity, air conditioning, shading, and much more. Definitely check those out. Links are in the show notes. Okay, what's your adaptation story? Do people that you engage with understand what is climate adaptation? Are you finding that webinars and white papers really aren't resonating ways that promote your work? Well consider telling your story in a podcast. If you're interested in highlighting your adaptation work, consider sponsoring a whole episode of America that sponsoring the podcast allows you to focus on the work you're doing and sharing with climate professionals from around the world. I go on location record the sponsored podcast which allows you a wider diversity of guests to participate you will work with me to identify experts that represent the amazing work you're doing. So my partners in this process have been the World Wildlife Fund University of Pennsylvania Wharton Natural Resources Defense Council, universities, various corporate clients, it's a chance to share your story with all my listeners who represent the most influential people in the adaptation sector. Most projects have communications written to them consider budgeting in a podcast podcasts have a long shelf life much more so than a white paper or conference presentation. Many groups work into their

communication strategies. Previous sponsors have used the podcast to communicate with their own members, board members and even funders. My previous sponsors have been also found the process actually pretty fun. Since there's a lot of creativity involved putting a podcast together is a lot more exciting and satisfying than putting a paper together. If your foundation your funding a lot of adaptation work, are they doing a good job telling their stories and being told to the right people reach out? Let's have a conversation. And if you're interested in having me speak at a public or corporate event, reach out, I speak a lot and you're going to enjoy it. I've been doing some keynote presentations. There a lot of fun, informative. I share stories on the podcast and my own experiences and adaptation from all over the world. I will talk about adaptation in ways that will motivate you and inspire you check out the website American apps.org Okay guys wrapping this up. You know, I love hearing from you take the time I put a lot of time into these episodes. How about you take the time and write me an email, tell me why you liked the podcast or if there's episodes you don't like and I love hearing what you're doing when I hear feedback on how you're in the adaptation space or climate space, environmental space. It's so useful to me and it's really interesting and sometimes it leads to some really cool partnerships. So definitely reach out I'm in America daps@gmail.com Okay, adapters Keep up the great work. I'll see you next time.