

Exhibit F Leverage  
New York State  
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Outcomes

The Governor’s Office of Storm Recovery (GOSR) has focused its attention in Phase 1 of the NDRC application on assessing needs and developing an approach to resilience and will develop specific project concepts in Phase 2. Nonetheless, on the basis of GOSR’s experience in developing and implementing recovery and resiliency projects, it is possible to forecast general outcomes of a systemic approach to resilience with solutions with multiple co-benefits, including but not limited to environmental restoration and economic revitalization. Prior to the State’s advancement to Phase 2, it is not possible to determine what the State’s final NDRC programs or projects will be, nor is it possible to determine if the proposed NDRC programs or projects will require a large-scale up-front effort or an ongoing program or initiative. Regardless, GOSR has the capacity and experience to stand up a large project and also to support a long-term program either directly or through partners.

GOSR’s entire approach is focused on the development of solutions that will physically protect communities while providing social, economic, and environmental co-benefits—maximizing outcomes for the State’s vulnerable communities. GOSR has extensive experience in delivering these types of integrated resiliency projects yielding multiple co-benefits. Precedent examples include the two Rebuild by Design projects GOSR is implementing in Staten Island and Nassau County, which have the potential to integrate protective engineered and green infrastructure to mitigate flood risk, improve water quality, restore ecosystems, reconnect communities to a revitalized waterfront, and advance social resilience through education and training opportunities.

Environmental and Social Sustainability Outcomes

The systems-based approach to resilience outlined in this Phase 1 application is intended to reduce the environmental and social vulnerability of communities that are also at risk from sea level rise and other impacts of climate change. This reflects the recognition that true resilience must incorporate a holistic understanding of both risk and vulnerability.

As described in Exhibit E (pages 61-64), one of the core concepts in the State’s approach is the idea that environmental remediation and restoration—most prominently the reduction of nitrogen loading and other pollutants in both coastal and riverine communities—can produce outcomes that will not only increase the environmental well-being of communities, but also reduce physical risk from flooding connected to climate change. Positive environmental outcomes—which reinforce related economic and social outcomes—are therefore at the heart of GOSR’s approach. Social resilience is also a critical part of GOSR’s strategy. Through extensive grassroots participation in the NY Rising Community Reconstruction (NYRCR) Program, GOSR has documented how communities relied on both formal and informal institutions and assets at the most local levels to coordinate their recoveries after the Presidentially Declared disasters. Traditionally disinvested areas that are also at risk of flooding and other impacts of climate change therefore face magnified challenges. GOSR will work to develop projects that will produce social resilience outcomes by building community capacity and institutions in socially vulnerable places. Economic development outcomes in socially vulnerable communities may also reduce blight and increase employment among Section 3 persons and business concerns.

Measures of Success

A successful project developed using GOSR’s integrated, systems-based approach will produce environmental benefits, increase the social resilience of vulnerable communities and populations, and contribute to economic development, while also protecting lives and property

from the physical impacts of disasters. A successful project will also leverage existing and potential commitments of outside resources, and will magnify the regional impact of existing or proposed projects. Project-level metrics of success will be developed in Phase 2 of the NDRC application process.

### Leverage

#### Local and Regional Partners and Resources

Since its inception, GOSR has been working collaboratively with many different partners at the local and regional scales including governments, state agencies, non-governmental organization, foundations, and private-sector organizations. Through the NY Rising Community Reconstruction (NYRCR) Program, GOSR has entered into subrecipient agreements with local governments and state agencies to implement projects on behalf of GOSR. As of February 10, 2015, GOSR has executed a total of 53 subrecipient agreements to facilitate the implementation of projects developed by NYRCR Planning Committees. To reflect the grassroots, community-driven nature of the NYRCR Planning Process, the State seeks to empower the most local level of governments to implement projects and programs and to build grant management capacity with extensive technical assistance provided by GOSR. A list of potential funding and financing resources can be found in Attachment B (pages 83-89).

#### Risk Considerations and Insurance

GOSR has engaged with non-profits and private-sector organizations in the fields of insurance, sustainable finance, social impact investing, and innovative finance about opportunities to collaborate to leverage the impact of GOSR's investment and maximize the resilience of New York State. Areas of conversation have included: leveraging the reduction in insurance premiums that may result from resilience investments; catastrophe bonds and other

disaster-risk financing mechanisms; leveraging Community Reinvestment Act capital<sup>1</sup> in vulnerable communities to increase resilience; and opportunities for cooperation with Community Development Financial Institutions to provide capital resources and technical assistance to vulnerable communities.

*Co-Benefits, Cost Savings, and Impacts on Public Funding*

GOSR’s system-based approach to resilience will provide tangible co-benefits—in some cases manifesting as cost-savings to third parties, including but not limited to insurance and financial institutions. In instances where investments generate third-party savings, there may be opportunities to provide co-funding opportunities for firms to invest in their community’s resilience. In some cases, private investment may displace public funding, which could then be reallocated. Strategic investments in well-designed green and grey infrastructure may reduce

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<sup>1</sup> The Community Reinvestment Act is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income neighborhoods, consistent with safe and sound operations. It was enacted by the Congress in 1977 (12 U.S.C. 2901) and is implemented by Regulation BB (12 CFR 228). The regulation was substantially revised in May 1995 and updated again in August 2005. The CRA requires that each depository institution's record in helping meet the credit needs of its entire community be evaluated by the appropriate federal financial supervisory agency periodically. Members of the public may submit comments on a bank’s performance. Comments will be taken into consideration during the next CRA examination. A bank's CRA performance record is taken into account in considering an institution's application for deposit facilities.

costs related to disaster-related disruptions to the flow of goods and services, environmental remediation, healthcare, and project operation and maintenance. Such investments can also create workforce development opportunities, increase property values and tax bases, and ultimately reduce the amount of federal disaster recover aid needed in the future.

*Commitments Extending Approach beyond Most Impacted and Distressed Areas*

As part of Governor Cuomo’s transformative plan to improve the State’s economic development model, the Regional Economic Development Council Consolidated Funding Application (CFA) was created to serve as the single entry point for access to economic development funding. This streamlined model now features scoring components to reward the inclusion of resilience measures in a grant application. This scoring methodology, along with the implementation of the Community Risk and Resiliency Act (discussed in Exhibit D, pages 52-53), serve to powerfully align the State’s funding streams with a focus on creating a stronger, more resilient New York State. The State’s programming of Hazard Mitigation Grant Program funding, which may be used statewide, is also intended to realize a systems-based approach to resilience as described in this application. As these steps demonstrate, the State has already begun to operationalize resilience.

*Committed Leverage Resources*

No financial commitments have been obtained at this time. However, as highlighted in Exhibit C (pages 33-36), the State has engaged in extensive partner outreach and highlighted the requirement that any partnership will include the need to leverage resources other than those secured through the NDRC.