



To: Bay Area UASI Approval Authority

From: Craig Dziedzic

Date: May 9, 2013

Re: Item #3: General Manager's Report

Recommendations:

Information Only.

Action or Discussion Items:

- (a) National Preparedness Grant Program (Discussion Only)
- (b) BAUASI/ Port Security Collaboration Update (Discussion Only)
- (c) Information and Sharing Focus Group (Discussion Only)
- (d) Update of San Francisco Mayor Ed Lee's meeting with DHS Secretary Napolitano (Discussion Only)

Discussion/Description:

- (a) National Preparedness Grant Program (Discussion)

On April 12, 2013, the DHS Office of Intergovernmental Affairs hosted a conference call to discuss the re-introduction of the National Preparedness Grant Program (NPGP), which was included in President Obama's FY 2014 Budget to Congress (attached as Exhibit A is a copy of the Proposal).

Similar to the FY 2013 NPGP, the FY 2014 proposal consolidates current state and local preparedness grant programs into one overarching program (excluding Emergency Management Performance Grants and Fire Grants). Highlights of the differences between the 2013 and 2014 proposals include the following:

- Grantees will submit one coordinated statewide application to include urban areas, ports and transit systems. Mandatory engagement and concurrence from urban areas, port and transit authorities in state-generated THIRAs and investment justifications will be

required. The FY 2014 NPGP will allow for transit agencies, ports and urban areas to include their own individual applications along with the state application.

- Sustainment funding for states and urban areas will not only include threat, vulnerability, and consequence factors, but also the presence of fusion centers, border security threats, and other known Federal priorities to include all-hazards.
- States and urban areas must consider risks to ports and transit in their jurisdictions as part of their overall risk assessments.
- Competitive funding for states and urban areas will be based on regional capability gaps as identified in the FEMA regional THIRAs. Regional capability gaps will be published in the funding opportunity announcement (FOA) by FEMA region, and competitive applications will only be accepted for those regional priorities. Investments must:
 - Align to PPD-8 and the NPG, National Preparedness System, core capabilities and mission areas including corresponding frameworks.
 - Focus on the development and sustainment of core capabilities.
 - Implement programs based on the FEMA regional and state THIRAs.
 - Focus on regionally and nationally deployable assets sharable through EMAC and other interstate and intrastate mutual aid agreements.
- Pass-through requirement: The 80 percent pass-through requirement will remain in effect. However, the Administration will pursue a change to the 9/11 Act definition of a “local unit of government” so that any port, transit, non-profit or private sector entity that is building capability in a local jurisdiction will be considered as part of the 80 percent pass-through to local units of government.

(b) BAUASI/ Port Security Collaboration Update (Discussion Only)

Last June 2012, the Bay Area UASI Management Team participated in a collaborative strategy workshop with the Marine Exchange of San Francisco, fiduciary agent for the Port Security Grant. Discussions centered on regional planning and over-lapping projects in order to be more effective and efficient with regional planning and leveraging of federal grant funds.

One recommendation from this workshop was to establish a working sub-committee within the Northern California Area Maritime Security Committee (NorCal AMSC) to act as a liaison to the BAUASI to enhance cooperation and joint planning activities. After review and discussion, the NorCal AMSC unanimously approved the recommendation.

On May 21, 2013, members of the subcommittee are scheduled to meet with the Management Team’s project managers to discuss next steps on aligning mutual areas of interest and concern.

(c) Information and Sharing Focus Group (Discussion Only)

As will be discussed later in the agenda, data sharing among agencies was instrumental during the Boston bombing incident. Within the Bay Area, the UASI Management Team has been working in partnership with the NCRIC to ensure that our data sharing capabilities are effective and strategically integrated within the region. As a means of achieving more effective integration, we plan to form an Information and Sharing sub-group from the Info Sharing/Risk Management workgroup to ensure that our initiatives continue to be strategically aligned within the region.

This Information and Sharing sub-group would first focus on a regional plan for strategic placement of Automated License Plate Readers (ALPRs) within the Bay Area. Thereafter, the group would examine the data integration of Coplink and Aries as well as the integration of social media with the special events module from Digital Sandbox.

(d) San Francisco Mayor Ed Lee's meeting with DHS Secretary Janet Napolitano (Discussion only)

San Francisco Mayor Ed Lee met with DHS Secretary Janet Napolitano on Thursday, April 25 in Washington, DC, to discuss funding for the UASI grant program in the Bay Area. He expressed concern about last year's large cut to the Bay Area funding, as well as DHS' lowering of the Bay Area's risk score this year from 4th in the nation to 5th. When Secretary Napolitano asked what the top funding priority would be if the Bay Area received more grant dollars, the Mayor informed the Secretary that the top priority was interoperability. He emphasized that the Bay Area does not yet have interoperable communications for all first responders, which will hamper response to regional disasters. Secretary Napolitano indicated that grant dollars were limited due to federal budget cuts and did not make any commitments for additional funding to the Bay Area.

APPENDIX A

FY 14 2014 National Preparedness Grant Program

FY 2014 National Preparedness Grant Program

Federal investments in state, local and tribal preparedness capabilities have contributed to the development of a significant national-level capacity to prevent, protect against, respond to, and recover from disasters of all kinds. As we look ahead, to address evolving threats and make the most of limited resources, the National Preparedness Grant Program (NPGP) will focus on building and sustaining core capabilities associated with the five mission areas within the National Preparedness Goal (NPG) that are readily deployable and cross-jurisdictional, helping to elevate nationwide preparedness.

The Administration's FY 2014 Budget re-proposes the NPGP, originally presented in the FY 2013 President's Budget, to create a robust national preparedness capability, with some adjustments made to respond to broad stakeholder feedback solicited and received during 2012. In particular, the FY 2014 NPGP provides grantees and other stakeholders greater certainty regarding the sources and uses of available funding while maintaining the core priorities of the Administration's FY 2013 grants vision.

Similar to the FY 2013 NPGP, the FY 2014 proposal consolidates current state and local preparedness grant programs into one overarching program (excluding Emergency Management Performance Grants and fire grants) to enable grantees to build and sustain core capabilities outlined in the NPG collaboratively. As a single, comprehensive grant program, the NPGP eliminates the redundancies and requirements placed on both the Federal Government and the grantees resulting from the current system of multiple individual, and often disconnected, grant programs.

The FY 2014 NPGP prioritizes the development and sustainment of core capabilities as outlined in the NPG. Particular emphasis will be placed on building and sustaining capabilities that address high consequence events that pose the greatest risk to the security and resilience of the United States and can be utilized to address multiple threats and hazards. The NPGP continues to utilize a comprehensive process for assessing regional and national capability requirements through the Threat and Hazard Identification and Risk Assessment (THIRA) and capability estimation processes, in order to prioritize capability needs and invest in critical national capabilities.

The NPGP draws upon and strengthens existing grants processes, procedures and structures, emphasizing the need for greater collaboration and unity among Federal, state, local and tribal partners. This is particularly important as stakeholders work together to make smarter investment decisions, develop deployable shared or deployable capabilities, and share resources through Emergency Management Assistance Compacts (EMAC) or other mutual aid/assistance agreements. In many ways, the NPGP structure mirrors the collaboration and decision making process that occurs during disasters, when various stakeholders and jurisdictions come together to plan, build, and execute capabilities together.

NPGP grantees will be required to align their proposed investments to core capabilities, incorporate effectiveness measures, and regularly report progress on the acquisition and development of identified capabilities. These measures will enable all levels of government to

collectively demonstrate how the proposed investment will build and sustain core capabilities necessary to strengthen the Nation's preparedness.

Consolidation of Grants

Consolidation of current grant programs into a comprehensive NPGP provides state, local and tribal officials the opportunity to prioritize investments to address a variety of threats and risks in their communities, while also contributing to national preparedness capabilities. The consolidation will support the recommendations of the Redundancy Elimination and Enhanced Performance for Preparedness (REEPP) Grants Act, further the Administration's initiatives to reduce the administrative burden on State and local governments, and streamline the grant application process.

Grant Priorities

The primary purpose of FY 2014 NPGP is to build and sustain core capabilities associated with the five mission areas described in the NPG. In addition, NPGP focus areas include (1) enhancing terrorism prevention and protection, and (2) strengthening critical infrastructure security and resilience, including port and transit facilities. Funding allocations, as described in the following section, will be based on risk, population and capability requirements as determined by the regional and state THIRAs and capability estimations.

Core Capabilities: The highest priority of the NPGP is to develop and sustain the core capabilities identified in the NPG. Particular emphasis will be placed on capabilities that address high consequence events that pose the greatest risk to the security and resilience of the United States and along its borders and can be utilized to address multiple threats and hazards. Funding will support deployable assets that can be utilized anywhere in the country via EMACs or other mutual aid/assistance agreements. In addition, funding may be used by states for the sustainment of core capabilities that may or may not be deployable, such as interoperable communications systems, mitigation-related capabilities, and fusion centers. A portion of the funding will also be placed in a competitive pool for the development of new capabilities for which a need is identified in the regional THIRA and a corresponding capability estimation and implementation strategy are provided.

Enhancing Terrorism Prevention Capabilities: NPGP will seek to prioritize programs and initiatives that directly support local efforts to understand, recognize, and prevent pre-operational activity and other crimes that are precursors or indicators of terrorist activity, in accordance with applicable privacy, civil rights, and civil liberties protections. Such priorities include: maturation and enhancement of state and major urban area fusion centers; implementation of the Nationwide Suspicious Activity Reporting (SAR) Initiative; and continued implementation of the "If You See Something, Say Something™" campaign to raise public awareness of indicators of terrorism and violent crime.

Critical Infrastructure Security and Resilience: Strengthening the security and resilience of critical infrastructure and long-term vulnerability reduction will also be supported by the NPGP, to potentially include physical security enhancements to Level 1 and 2 Critical Infrastructure/Key Resource sites in the National Critical Infrastructure Prioritization Program,

transit facilities on the Top Transit Asset List, port facilities identified in Port Wide Risk Management Plans, and at risk non-profit organizations.

Allocation of Grant Funding

All NPGP awards will continue to be risk-informed. FEMA will base funding allocation decisions on risk, population and capability requirements as informed by the THIRA process and will emphasize the sustainment or building of the core capabilities identified in the National Preparedness Goal. A competitive allocation will be introduced to focus on areas of need identified in the National Preparedness Report as well as on comprehensive threat/risk assessments and gap analyses. Priorities for the competitive allocation are expected to vary by region according to the risks and hazards therein (i.e., hurricane risk for Gulf and East Coast states, flooding in the Midwest, and earthquakes and wildfires on the West Coast). State Administrative Agencies (SAAs) will each submit one coordinated statewide application, which includes investment justifications for sustainment/maintenance, as well as competitive funding, including funding for urban areas, port areas, transit agencies and non-profits, as appropriate. The sub-grantee proposals must reflect activities that are tied to the results of the state, urban area (UA) or local THIRAs, and must support a concept of building and/or sustaining national capabilities. Likewise, urban areas, port and transit authorities will be required to participate in state-generated THIRAs in FY 2014.

Competitive funding for SAA and UAs will be used to build capabilities to address the threats and hazards identified through FEMA regional THIRAs. Regional capability gaps will be published in the annual grant guidance by region, and proposals for competitive funding will be evaluated by national and regional review panels on the ability for a jurisdiction to build, maintain and sustain the capability as a nationally deployable resource that will benefit multiple jurisdictions and increase the core capabilities for the region. The review process will be in two parts – regional review panel score and national review panel score.

Tribal nations will continue to apply directly to FEMA under a competitive process. FEMA will ensure a portion of the overall funding is dedicated to tribal nations.

Grants Governance

The FY 2014 NPGP builds upon existing state and local administrative/governing structures, strengthening coordination among grantees to ensure that preparedness grant dollars are utilized in a manner that promotes collaboration and coordination in the maintenance and sustainment of existing capabilities and the development of new capabilities as prioritized in the UA, state, and regional THIRAs and capability estimations. This collaborative process is designed to break down stovepipes between various stakeholders and give all grantees enhanced awareness of initiatives in the state and region as well as the overall strategic direction and priorities.

Additional requirements and methods of increasing collaboration include:

- SAAs must be a member of the Urban Area Working Group (UAWG) and concur with the final budget proposal by the UAs in their state/territory.

- The SAA and the senior member of the Urban Area Working Group must also be members of the Regional Transit Security Working Group(s) and the Area Maritime Security Committee(s).
- Tribes must provide the regional review panels and SAAs with copies of their THIRA to ensure visibility and coordination.
- Port and transit authorities will be required to share their regional strategies (Port Wide Risk Management Plan or Regional Transit Security Strategy) with the SAA and the SAA will participate in the budget formulation process at the port and transit area level where applicable.
- SAAs and UAs will be required to coordinate with port and transit areas to ensure that statewide THIRAs consider the full scope of statewide risk and hazards, to include risks identified in the port and transit risk strategies.
- SAA and Urban Areas will need to integrate nonprofit preparedness activities with broader State and local preparedness efforts.

Peer Review

All FEMA-funded grant projects will be validated via peer review to ensure that projects support the development and sustainment of regional and national core capabilities. The peer review process will incorporate elements of the DHS/Infrastructure Protection (IP) State, Local, Tribal, and Territorial Government Coordinating Council structure and engage representatives from stakeholder agencies from the jurisdiction receiving grant funds, peers from comparable jurisdictions, Federal preparedness coordinators and analysts from multiple state and regional grant program offices, DHS Component representatives, and representatives from national associations. Grantees will be expected to justify how projects align to their THIRA. Further, grantees will articulate how these projects will, over the lifecycle of funding, sustain current capabilities and address gaps in capabilities. Proposals for the development of new assets will be evaluated to ensure that all new capabilities can be leveraged through EMAC to benefit the region as a whole in addition to the state or local jurisdiction. This approach will streamline existing application review processes into one coordinated approach, while at the same time, increasing accountability over the use of Federal grant funds. Additionally, direct involvement by regional FEMA representatives during the review process will assist in targeting funds for regionally critical projects, and will reduce the redundancy of like assets throughout the region.

Multiyear Program Guidance

While the period of performance will remain two years, consistent with the NPGP “Vision” document for FY 2013, FEMA will issue multiyear guidelines. Multiyear grants programs will enable FEMA to focus its efforts on measuring progress towards building and sustaining the core capabilities identified in the NPG.

Monitoring and Feedback

Consistent with the recommendations made in the 2011 REEPP report, FEMA will use project-based monitoring as the principal means of measuring project progress. Project-based monitoring is a method of following projects from creation to completion, providing basic data to measure impact over time, improving accountability, and enabling FEMA to identify progress made in preparedness and determine current and future gaps. The FY 2014 NPGP will encourage the use of complete lifecycle planning of inventories and resources. This will allow

grantees to plan and budget for equipment upgrades, develop and maintain skills through training and exercises, and update plans and procedures to enable delivery of core capabilities across the prevention, protection, mitigation, response, and recovery mission areas.

DHS will continue to solicit stakeholder feedback to ensure NPGP enables all levels of government to build and sustain, in a collaborative way, the core capabilities necessary to prepare for incidents that pose the greatest risk to the security of the Nation.

Stakeholder Feedback/Recommendations

In support of the Administration's FY 2013 proposal, FEMA conducted over 70 briefings, meetings and conference presentations with diverse stakeholder groups across the country throughout FY 2012. The following major themes emerged and have been addressed in the Administration's FY 2014 proposal:

1. Desire to retain funding for law enforcement prevention, fusion centers and Operation Stonegarden.

FY 2014 Proposal: Maintenance and sustainment of core law enforcement prevention capabilities – including fusion centers, countering violent extremism and state and local information sharing – remain key Administration priorities. In addition, eligible law enforcement activities previously funded under other grants such as Operation Stonegarden, and port/transit operations will continue to be funded based on priorities outlined in state and urban area THIRAs.

2. Desire by cities to retain the mandatory pass through of 80% of grant funding to local units of government coupled with concern voiced by states about the need for a higher percentage of the overall funding and allowable M&A to manage the proposed NPGP.

FY 2014 Proposal: Currently, port authorities, transit agencies, private sector and non-profit organizations may be classified as private organizations or State organizations which make them ineligible as a "local" designee, even though their activities are in support of local capabilities. The Administration recommends pursuing a change to the definition of a "local unit of government" in the 9/11 Act to include all port areas, transit agencies, and non-profit organizations.

3. Concern about the two year period of performance and desire to change the time allotted to complete projects to three or four years.

FY 2014 Proposal: Given the FY 2012 drawdown initiatives and shortened period of performance in FY 2012 and proposed in FY 2013, the Administration will maintain the two-year performance period.¹

¹ Grantees may request extensions to the period of performance due to compelling legal, policy, or operational challenges. For example, extensions may be granted where adjusting the timeline for spending will constitute a verifiable legal breach of contract by the grantee with vendors or sub-recipients, where a specific statute or regulation mandates an environmental review that cannot be completed within this timeframe or where other exceptional circumstances warrant a discrete waiver.

4. Concern for how the Threat and Hazard Identification and Risk Assessments (THIRA) would be used, who would be required to complete them, engagement and transparency of the THIRA process and the relationship of the THIRA to funding allocation decisions.

FY 2014 Proposal: Mandatory engagement of urban areas, port and transit authorities in SAA generated THIRAs and investment justifications will be required in FY 2014. In FY 2012, states were highly encouraged to collaborate with all levels of government when completing their THIRA. FEMA will require this collaboration in FY 2013 through grant guidance.

5. Concern for how existing governance structures such as State Senior Advisory Committees, Urban Area Working Groups, Regional Transit Security Working Groups and Area Maritime Security Committees continue to be used within the NPGP construct.

FY 2014 Proposal: Grantees will leverage existing governance structures, and enhance them where appropriate. NPGP will continue to require a State Advisory Council to oversee all grant-funded homeland security projects and programs to maximize coordination and ensure there is no unnecessary duplication of effort and resources. [See Governance Structures section above]

6. Concern that regulated port entities and transit systems would be required to apply through the SAA.

FY 2014 Proposal: Since a primary objective of the NPGP is to ensure SAAs have complete visibility on all grant funded projects within a state, the SAA will continue to be the only eligible applicant for NPGP funding in FY 2014. However, the FY 2014 NPGP will allow for transit agencies and ports areas to include their own individual applications along with the SAA application, consistent with urban area requests.

7. Concern for how mitigation activities will be funded.

FY 2014 Proposal: The FEMA preparedness grant programs have always supported mitigation planning activities, and NPGP will continue to do so.

Proposed Changes from FY 2013 to FY 2014

- The FY 2014 NPGP provides grantees and other stakeholders greater certainty regarding the sources and uses of available funding.
- Grantees will submit one coordinated statewide application to include urban areas, ports and transit systems. Mandatory engagement and concurrence from urban areas, port and transit authorities in state-generated THIRAs and investment justifications will be required. The FY

2014 NPGP will allow for transit agencies, ports and urban areas to include their own individual applications along with the state application.

- Sustainment funding for states and urban areas will not only include threat, vulnerability, and consequence factors, but also the presence of fusion centers, border security threats, and other known Federal priorities to include all-hazards.
- States and urban areas must consider risks to ports and transit in their jurisdictions as part of their overall risk assessments.
- Competitive funding for states and urban areas will be based on regional capability gaps as identified in the FEMA regional THIRAs. Regional capability gaps will be published in the funding opportunity announcement (FOA) by FEMA region, and competitive applications will only be accepted for those regional priorities.
- Pass-through requirement: The 80 percent pass-through requirement will remain in effect. However, the Administration will pursue a change to the 9/11 Act definition of a “local unit of government” so that any port, transit, non-profit or private sector entity that is building capability in a local jurisdiction will be considered as part of the 80 percent pass-through to local units of government.

FY 2014 NPGP Funding Opportunity Announcement

SAs will each submit one application, which includes funding for sustainment and maintenance, as well as competitive funding. Investment justifications from urban areas, port areas, transit agencies, nonprofits, and other local jurisdictions will be provided to the SAA for inclusion in the final application. The SAA, in conjunction with the State Advisory Council, will develop a process for reviewing and evaluating investments from across the State to determine the most effective proposals. The sub-grantee proposals must reflect activities that are tied to the results of the state, UA or local THIRAs and capability estimations, and must support a concept of building and/or sustaining national capability.

NPGP will highlight the following in the FOA:

- Alignment to PPD-8 and the NPG, National Preparedness System, core capabilities and mission areas including corresponding frameworks.
- Focus on the development and sustainment of core capabilities.
- Grantees must implement programs based on the FEMA regional and state THIRAs.
- Focus on regionally and nationally deployable assets sharable through EMAC and other interstate and intrastate mutual aid agreements.

Funding availability

Maintenance and sustainment funding for SAs, UAs, port authorities and transit agencies

Each SAA and eligible UA will receive an amount of funding to enhance terrorism prevention and protection activities and to build and sustain core capabilities.

- Funding will be decided through a modified version of Section 2007 of the 9/11 Act (6 U.S.C. 608), which would require allocations be determined by consideration of threat, vulnerability, and consequence factors, as well as the presence of fusion centers, border security threats, and other known Federal priorities to include all-hazards.
- Sustainment funding amounts for SAAs, UAs, port authorities and transit agencies will be published in the FOA. These entities will submit an investment justification (IJ) to support the implementation of that funding. The activities in the IJ must align with the state and/or UA THIRA and capability estimation.

Competitive funding for SAAs, UAs, and Tribes

Each SAA and any current or past eligible UA that has maintained its Urban Area Working Group (UAWG) can submit a competitive application (through the SAA) for additional funding to address regional priorities. The SAA will submit one application to FEMA that will cover competitive requests for the entire state and any eligible UAs. The UAWG must include port and transit membership since competitive funding for port and transit projects will be included in this proposal. Competitive funding for SAAs and UAs will be based on regional capability gaps as identified in the FEMA regional THIRAs.

Regional capability gaps will be published in the FOA (by region), and competitive applications will only be accepted for those regional priorities. The review process will be in two parts – regional review panel score and national review panel score. The scores will be based on the following:

- Does the application address one of the core capabilities identified in the National Preparedness Goal?
- Does the proposed project meet one of the National Incident Management System (NIMS) resource types?
- Does the applicant belong to or is it located in member states of EMAC (exception for tribal governments, American Samoa, and the Commonwealth of the Northern Mariana Islands)?
- Can the capability be utilized anywhere in the Nation upon request?
- Does the capability address a risk or hazard identified in either the FEMA regional or state THIRA?
- Is the capability redundant of a capability that already exists within a reasonable response time?
- Can the project be completed within 24 months?
- Has the grantee been able to expend funding in a timely fashion for past projects?

Tribal nations will continue to apply directly to FEMA under a competitive process. FEMA will ensure a portion of the overall funding is dedicated to the tribal nations. Funding will only be provided to tribal nations that are contributing to overall national preparedness through the

establishment of memoranda of understanding or the protection of national critical infrastructure and that have completed their own THIRA.