Pete Gaynor:

Every disaster begins and ends locally. State managed, the state is trying to be helpful where it can, whether it's a single jurisdiction or it's multiple jurisdictions, state managed. And then federally supported. That is the US model. If a fire starts small, it's the local fire department that first arrives to try to put that fire out. If it turns into a wildfire that crosses geographic boundaries, the state comes in and helps with mutual aid and other things. And then if it becomes a federally declared disaster, FEMA is there to support it, mainly through money because we fund a lot of this disaster response and recovery, but also through technical assistance and staffing and other things. But that's kind of how the nation runs. Locally executed, state managed, federally supported.

Matt Slepin:

Hi, this is Matt Slepin, and welcome to Leading Voices in Real Estate. Today's episode is a conversation with former FEMA administrator and current president of Bright Harbor, Pete Gaynor. Pete led FEMA during Trump I, which included expanded responsibilities into the disaster known as COVID, and Pete has spent now many years in disaster recovery and preparedness following a career in the military. His new company, Bright Harbor, is an organization that provides support services for people affected by disasters. This episode is the second part of a two-part series. The last episode was a conversation with Lew Horne and David Waite, talking about our industry's response to the January LA fires. Read the current ULI magazine for a full report on the task force that Lew and David led.

This conversation with Pete takes it up about 50,000 feet to talk about how we as a country are set up both for preparedness and response to disasters across the board. I've wanted to have this conversation ever since the Sonoma fires in 2017 came to my back door, and I love the one-two punch of first discussing the LA fire response is a drill-down case, and then having Pete talk about this as former FEMA administrator from a systems point of view.

We have two things going on at once at the moment. We have both frequency and severity of disasters increasing due to climate change, and we have a current political environment where the federal government is trying to limit or end national resources into organizations like FEMA, the National Weather Service, the CDC, and other national organizations that are the essential parts of our national response system. There are certain things that federal government should do where coordinated national resources are necessary. So I'm confused and concerned by this thinking. It's not my purpose to go political in this conversation, and Pete and I stay out of that stuff, but this is a really helpful conversation for that system's understanding, and Pete does a great job in providing that background.

And as we discuss on both episodes, our industry is an inextricable participant at the front end, the middle end, and the back end. We can and need to build more resiliently to avoid some of these crises. We're there during the heavy moments of crisis, for example, providing housing to the dislocated. And most importantly, we're there for the rebuild. Said again, we're inextricably involved in these things. And it's an opportunity for our industry to be responsible leaders in how we approach our role in the before, the during, and the after.

Hey, this snuck up on me, but this is our 200th episode. I wanted to have fanfare around this, what we might save in a month or so for when we pass 2 million downloads for the show. But I do want to acknowledge the milestone. I am so proud of this show, and I know you all hear it in my voice as I dig in with our guests. This is so much fun for me to do and I keep learning so much through these conversations, and I trust that you do too.

That said, what I'm most proud of, and this one really sneaks up on you, is the archive. When you start something like Leading Voices, you're thinking episode to episode. And you're thinking about the audience, and then at some point, the bar moves higher since you have a responsibility to the archive. Is this guest in this discussion worthy and additive to our library of knowledge in here? Thinking this way winds up as a lot of responsibility, and I'm hoping that keeps this enterprise continually moving up a level. Next task is to make the library and show notes more useful and more accessible. My suggestion for someone who wants to browse the archive, scroll through it on your podcast app versus via the ZRG website since the thumbnails are more navigable on your podcast app. Go for it.

And thank you, ZRG, for supporting Leading Voices and being such an awesome place to do our work in real estate talent advisory. ZRG is now the seventh largest recruiting and talent advisory firm in the world in that size scale, and you will not be surprised to hear me say it, technology and business platform is together, I believe, unparalleled in our business. You've heard it so often in the show, but success in real estate business today is so much about great companies, not just great assets, and that means the people, the culture of the business platform. And that all depends upon great talent and how you knit that together. That's our business. And I'm pleased to get to advise companies on climbing that curve. If you have comments or questions on the show, or if we can be helpful on the talent side of your business, please feel free to get in touch with me at mslepin@zrgpartners.com. Pete was a great guest, and I hope that you enjoy the show.

Pete Gaynor, welcome to Leading Voices in Real Estate. I am thrilled to welcome you to the show. This is an episode I've wanted to do literally since inception of the podcast, because right around the time of the podcast eight years ago is when the fires in Sonoma, the Tubbs fire, came to my back door, it pickled the back of my house. So having a fire pickle your house, not a good thing. And then we thought about recovery, we thought about what that meant. We were the lucky ones, because it was then a weekend house for us. But we saw our neighborhood devastated. And we have fear going forward, because there will be a fire again. So what that means, and one interesting thing about that, when I moved to California, my headline was Earthquakes. When I moved to Sonoma, that was one of the questions I never even thought of, fires. So we're going to talk about disaster.

Pete Gaynor:

It's good to be with you, and it's good to share what I can with you and your audience. So I'm excited to be here.

Matt Slepin:

Cool. Then Pete, why don't you briefly introduce yourself so we understand you a little bit, and then I'll ask all kinds of questions and we'll jump into the conversation.

Pete Gaynor:

Sure. So my current job today is I am the president of Bright Harbor: Disaster Recovery, and maybe we'll go into that a little bit later.

Matt Slepin:

You're the president for a week or so, right?

Pete Gaynor:

Yeah, brand new job. Very excited about being in this brand new job, because we want to, I think to your concern about disaster recovery, help disaster survive, recover faster, smarter, and more financially solid. And we can get into what we do later on. But I just left probably about almost four years, GISI, global Infrastructure Solutions Inc., which is the parent for a number of companies. I helped them with their disaster and resilience business, and then had this opportunity at the Bright Harbor. I took this up.

And probably why I'm here and probably why you're most interested, I was a former FEMA administrator for the first Trump administration. Did that from 2018 to '21. I was there on the very last day of the administration as a professional emergency manager. And prior to that, I was a state director in the state of Rhode Island as the state emergency management director, so I worked for then, Governor Raimondo, who became Joe Biden's Commerce Secretary, Gina Raimondo. And prior to that, I was an emergency management director in the city of Providence and worked for two Democrat mayors, a mayor Cicilline who went on to be a congressman, and then Mayor Taveras in the second term.

So I had 15 years in emergency management, worked for, I like to tell people I worked for two Democrat mayors. I worked for a Democrat governor, and I worked for Republican president. So look at myself as a equal opportunity public servant, and it's really about the mission of emergency management, which really excites me. And then prior to that, I was a United States Marine Corps enlisted and commissioned officer and did that for 26 years. I retired in late 2007. So that's the short bio. I can answer any questions about that.

Matt Slepin:

Yeah, it's interesting. How did you go from the Marines? My grandfather was a Marine hero actually. There was a American Legion Post named after him. But how do you go from being a Marine into emergency preparedness? What does that mean? How did you choose it?

Pete Gaynor:

Great question. And a lot of people ask me how did I make this journey? So when I retired in 2007, retired to where I am now in Jamestown, Rhode Island. We owned a house. My wife and I owned a house. And I did not have a job. I was ready to kind of take a breather after 26 years in the infantry, I was probably a little bit worn out and didn't want to do too much. But after about three months at home, really just putzing around the house, my wife insisted that I get a new job. Because I was in her world, and I was really a menace to everyone that was in my way at home.

Matt Slepin:

Of course.

Pete Gaynor:

So she insisted that I get a job. And it just so happened in the city of Providence in late December of 2007, they had this snowstorm, not really a big snowstorm, but a snowstorm that kind of upended the political environment in the city. Then Mayor Cicilline fired his emergency manager, the governor at the time, governor Carcieri, fired his state director for really mismanagement over a disaster. And someone had mentioned my name to the mayor and his staff that I had just retired from the Marine Corps, and I may be a good fit. And I interviewed, and, to my surprise, they offered me the job and I took it.

And it was really one of the best things that I did. I had a blast to the city of Providence. I learned a lot about how government works at the local level, how to get things done, and had two great bosses that supported me the whole entire way. My first boss, Mayor Cicilline, he'll tell you that he almost got fired or not re-elected based on a poor performance in a disaster. And I think every political leader has that in the back of their mind. So that's how I started. Did that for seven years, and the governor asked me to come work for her, and then did that for a four year. And then my friend, who was the administrator at FEMA, asked me to come be the deputy administrator at FEMA, and I did that until he quit on me. And I became the acting and then the administrator during the Trump administration.

Matt Slepin:

The questions about that, one is preparedness. Were you prepared? What prepared you from your Marine Corps experience to be a preparedness person? Because you come in as a retired and mature leader from the military. What's the military background bring to this?

Pete Gaynor:

Yeah. It's really a great question. So I think if you had asked me would I have been a good fit for this job five or six years before getting that job, I would say I don't see where the connection is. But after being there a little bit, the light comes on. And obviously, the mayor, they needed someone that had a little leadership that was probably a little bit more mature, to your point. And a lot of the things that I did in the Marine Corps translated right over to emergency management. So things like training, exercises, planning, planning for events, leading people, all those kinds of things, managing complex organizations under duress. For the most of my life, I tell people that somehow I'm addicted to pain and suffering, so I get all these jobs where suffering is required.

And it was really, I thought for me, a perfect fit, being a retired Marine Corps officer to come into this city that needed a lot of help. And I give credit to really every boss that I had. They kind of let me run free. They realized that, especially with Mayor Cicilline, he almost lost his job based on a disaster. And he empowered me to do what I needed to do to not have that happen again. And I took full advantage of it. If you're going to hire me and set me free, then I'm going to do everything that I need to do. So it was actually really great. It's a perfect fit, I think, for a lot of, whether you retire in the military or have a short career in the military, you pick up a lot of things that you can use that's really, really critical.

Matt Slepin:

One of the words, so the last podcast we did, and this is going to go further than the last one, was all about the LA fires. And we're a real estate podcast, but real estate in the LA fires and the reconstruction there has a lot to do with the real estate business.

Pete Gaynor:

Yes.

Matt Slepin:

So you're speaking to an audience of commercial real estate professionals, essentially. But one of the questions I kept asking the guys from Los Angeles was, "How do you establish trust?" And trust was a big word for me. And during our fires, trusting all of the people who wanted to help me and wanted to be my vendor was hard. But I think coming from the military, one of them is trust, one of them is logistics. These are things you know what to do with.

Pete Gaynor:

Yeah. I think both are critically important. I think logistics, especially in the emergency management world, it really is about moving things, all kinds of things to include people at the right place at the right time.

To go back to the trust part of it is one of the emergency management kind of beliefs is you never want to exchange your business card on the day of the disaster. You never want to meet whatever your new partner is going to be, whether it's somebody in the jurisdiction that you work in or it's a private partner or someone else, you never want to meet them in the middle of disaster, because it's a whole thing trying to understand what you are, what you bring to the fight or what your priorities are. So part of the trust thing is to do it pre-disaster. And you do that through our relationship building, reaching out to your... I mean, if you're in the real estate business, do you know the emergency manager in the city or the state or the county, the jurisdiction that you live in? And you should reach out and say hello and get to know what they're up to.

When I was in the state of Rhode Island, I created this thing called Rhode Island Business Alliance, and it really was outreach to businesses of all types to be part of the emergency management solution before disaster strikes. And I made all the members of the alliance, I made them part of my emergency operations center response. So they actually had a seat, they could send a representative, and they could be part of decision making of the jurisdiction.

And the one thing I learned, it doesn't matter what you represent, whether it's real estate or something else, as emergency managing director, I really don't want to have to make critical decisions for you. I want to supply you with information, relevant information in a timely way that you can make the best decisions for yourself and your company. That's what I really want to do. I want to empower you to make decisions. If you want me to make a decision for you, I'll do it, but you may not like my solution. I wanted to make you part of the problem-solving enterprise, and I think that's how you build trust. And that's when you can pick up the phone, you can call the state director or the local director, and you have access and you can get information and you can offer solutions that maybe I haven't thought about. And that's what I think the beauty of the trust part is.

In your audience, if you don't know who the emergency manager is, if you've never met them, if you didn't realize there's an office probably in your jurisdiction, reach out and say hello. They are waiting for you to say hello. And there's nothing like a good partner ahead of a problematic disaster.

Matt Slepin:

Yeah. So what we're going to do today is unpack what the emergency management system is. Let's think about that. But one question that will help provide context for that, because when you said you came into the role in Rhode Island, were you solving the disaster that had just happened, or were you there for preparedness? And it's so interesting, because preparedness is like insurance. It's for something that we hope doesn't happen. And how much of the time of FEMA or this whole industry is preparing versus doing?

Pete Gaynor:

Yeah, yeah. It's a great question. When I was hired, I'm not blind to why they hired me. I had some credibility, not necessarily in emergency management, but I had some of the skills. The mayor was hiring me for reputational repair. It didn't go well in this really minor disaster, snowstorm, whatever you want to call it. And the reputation of the mayor, of the city government was not, and they needed somebody in there to change that. So part of my first job was to give some confidence back to the administration, give some confidence back to the citizens, back to our partners, that we had a new man in town and this guy was going to make things the way it needed to be. And like I said before, the mayor allowed me to do whatever I wanted to do. I could go... He just told me, "Listen, you go do your thing-

Matt Slepin:

Repair reputation.

Pete Gaynor:

... "and go fix what you think is broken." So I really poked my head into every department and agency in the city, whether they liked it or not. And eventually, it took a little time, I had some of the best partners from inside government and from outside government. And a couple years in, we became the first municipality in the nation to be accredited through the Emergency Management Accreditation Program, EMAP, the first in the nation, which is a far cry from where I got hired. So we made a lot of strides, to include the mayor allowed me to build and design a new building to improve the capacity of the city. Again, really, I think I couldn't ask for a better boss during those early days.

Matt Slepin:

A new building to improve the capacity of the city for preparedness, or a more resilient building for like City Hall?

Pete Gaynor:

No.

Matt Slepin:

Just for-

Pete Gaynor:

This is for a dedicated emergency management center where all of government gathers to solve problems. So that's the, what does emergency management do?

Matt Slepin:

Yes.

Pete Gaynor:

This is a good segue, is in most jurisdictions, not every but most jurisdictions, they have an emergency management center. So whether it's just a small room with some tables and a couple of computers, or it's a big room that can allows hundreds of people, like at FEMA in Washington, DC that we call it the NRCC, the National Coordination Recovery Response Center. So in the EOC is really the only place in government where all of government comes together to solve problems. That's the beauty of emergency management. It's just not call the emergency manager to go solve the problem. The role of the emergency manager is to gather the power of government, whether it's local, state, or federal, gather the power of government.

In this case, if you can put them into the Emergency Operations Center and use all that expertise, all that experience, all those resources to solve the government's problem, and that's what emergency management does. When everyone has their org chart that has the pyramid with the boss on the top, and it's all down. When that administrative organization fails, is when emergency management steps in, because everything has broken down. The administrative way you approach a problem in a city probably doesn't work with that pyramid. Emergency management enterprise is designed to overcome that and solve problems in a more elegant way than you would typically do in government. So I think that's the beauty of emergency management.

Matt Slepin:

Right.

Pete Gaynor:

All of government in the same room trying to solve that problem.

Matt Slepin:

Okay. Let's get one thing out of the way, which you've mentioned before because you work for both Democrats and Republicans, and I like the word apolitical, not bipartisan, but apolitical.

Pete Gaynor:

Yeah, yeah.

Matt Slepin:

It seems to me this should be, although it's not currently, an apolitical issue. Everyone agrees it got to be done.

Pete Gaynor:

Yeah. So I think maybe the secret to my success is that I've tried to remain as apolitical as possible. And even though I may be... So in my local state and federal appointments, I have been a political appointee. So appointed by the mayor, appointed by the governor, appointed by the president, working at will for those three people. So you can get hired, and then you can get fired. But that's kind of the political part of this. But the true politics of it, I try to stay clear away from the politics of politics. My job is to deliver disaster resources to disaster survivors no matter who you are, where you're from, how you've voted, I don't care. If you need, you're in the country and you need assistance from your government, I'm the guy and my team, the guys and gals are the ones that are going to deliver that assistance to you. And public safety, so emergency management is a public safety function like police and fire. If you pick sides in public safety, you'll lose. I believe that from the beginning, and I believe that today.

Matt Slepin:

Yeah. I'm remembering one of the best moments for Bush II was after 9/11, right, when he brought-

Pete Gaynor:

Yeah.

Matt Slepin:

... everyone together, and let's go solve it. And politics wasn't as hot as it is today, but it disappeared. And it was heroic how much we all came together and cared about something that was a disaster.

Pete Gaynor:

Yeah. No, I think it happens from time to time. The goodwill of the people and the goodwill of the media is there early in a disaster. People want to be helpful to their fellow citizens. And soon after, politics keeps in-

Matt Slepin:

Of course.

Pete Gaynor:

... people's patience is worn out, and then the goodwill starts to dissipate, and that becomes another challenge.

Matt Slepin:

Yeah. So what I want to do is go up the bureaucracy and think of local, state, federal, but before that, the discipline of this, people are trained in this discipline. The people know what to do in that room, or as an emergency manager, this is a profession. That's correct.

Pete Gaynor:

Yeah.

Matt Slepin:

You came to it mid-career, but people know what to do. There's a playbook.

Pete Gaynor:

Yeah, there is a playbook. So I think the format for how we all are, how we play with each other, how we integrate each other is basically these three levels. Locally executed, so every disaster begins and ends locally. State managed, the state is trying to be helpful where it can, whether it's a single jurisdiction or it's multiple jurisdictions. So we manage. And then federally supported. That is the US model. If a fire starts small, it's the local fire department that first arrives to try to put that fire out. If it turns into a wildfire that crosses geographic boundaries, the state comes in and helps with mutual aid and other things. And then if it becomes a federally declared disaster, FEMA is there to support it, mainly through money, because we fund a lot of this disaster response and recovery, but also through technical assistance and staffing and other things. But that's kind of how the nation runs, locally executed, state managed, federally supported.

Matt Slepin:

And every locality or most localities have a center or a person that does this, that keeps the synapses ready to roll.

Pete Gaynor:

Yeah. Again, every jurisdiction is different.

Matt Slepin:

Right.

Pete Gaynor:

So when I came to the city of Providence in the state of Rhode Island, small state, my friends from Texas would make fun of me saying that Rhode Island is just a small county in Texas, which is probably true. So 39 cities and towns in the state of Rhode Island, and I was the only full-time paid emergency manager. The other 38 emergency managers were either part-time, volunteer, collateral duties, so you assigned a fire chief or a police chief to be the emergency manager and the fire chief at the same time. So it's all different across the country. But I think most significant jurisdictions, cities, towns, counties, tribes, territories have emergency managers, whether it's one person that runs the operation or it's 500. It's all different.

Matt Slepin:

And I want to say something that's going to sound doge-like, and I hate to do this, but I'm guessing that some of these are very sleepy because they're hanging out waiting for something that might not happen for another 10 years. And to have that thing ready to light up at a moment's notice is hard. That's point A.

And then point B, when you think of a disaster like the ones we're talking about here, a 9/11 or a Katrina or an LA fire, any of those disasters will overmatch the person who's probably in that job to know what to do. I could think of deer in headlights. So talk through that thought and what that profession can handle.

Pete Gaynor:

Yeah, yeah, yeah. I look at emergency management as the elected leader or the community's insurance policy. You may drive your entire life and never get an auto accident. But through your entire life, you paid the monthly premiums to make sure that if you got an accident, you had support from your insurance company. I look at emergency manager the same way. Never a wish for a disaster, because you don't want it. It's really something you don't want. But responsible, mature jurisdictions need emergency managers. You size it based on the budget, your capacity, your enthusiasm for the profession, and you size it for your jurisdiction, and then you empower those people to do the right thing, whether it's a one-man shop, a one-woman shop, or it's 500.

And having served at the local state and federal level, I have a particular opinion about what your responsibility is on all of those levels. You may be in a sleepy little town that maybe had a disaster 10, 15 years ago and you haven't had anything since. And you could probably have a career sitting and waiting. And that's not me. That's not my style, that's not the way I operate. And as a local emergency manager, as a local elected official, you have a moral obligation to your citizens to be prepared for whatever might happen to the best of your ability.

So I would say no matter the size of your emergency management department, you need to do all the things that make your jurisdiction ready for whatever may happen. You have to do training, you have to do exercises, you have to do planning, you have to keep people, call down sheets, you have to do all that. There's lots to do. Probably a lot more to do than you have and the bandwidth for, but you have to do them.

One of my pet peeves, especially as a state director and as the federal emergency management director would be in a conversation... So if I was the FEMA administrator with the state director, and I would say, "What's your plan for this thing?" We're talking about some hazard or something. And they would say, "Well, my plan is to call you." And that's not a plan. That's just like a failure in planning. You call me when you can't provide capacity anymore. Then I come in and help you. But to say, "I'm going to not have any responsibility for this thing that's in my jurisdiction, I'm going to have you come in and help me." That is not a plan. So same thing for locals when they even say, "I'm just going to call you." That's not a plan. So you have a moral obligation to do those things ahead of time, even when maybe the odds are very low, but you're there for a reason. You're there to perform this function of government, so you're going to do it.

Matt Slepin:

And that is when the disaster happens. And you use the word insurance policy. I've always had this thought. We think of climate change, and there are people who think it doesn't exist or people think it does exist. I think it does exist. But let's go beyond that. As an insurance policy, let's assume it exists.

Pete Gaynor:

Yeah.

Matt Slepin:

Because denial of it is a non-insurable act, but accepting it, even if it might not happen, is basically insurance to plan for this thing that might happen.

Pete Gaynor:

Right. So it's happening. So I think the argument is like, why is it happening and who contributes to it and all those things. And I've gotten in trouble, I think. I testified in front of Congress, and I told a certain senator that I'm not a scientist, that's not my job. If you want to know the science behind climate change, then go to know it, and they can tell you what the professional is. I'm not a scientist. I'm not a scientist. But that doesn't mean I don't believe in climate change. Climate change is happening. We can see it. You can look on hurricanes over the past 30 years. Billion dollar disasters keep growing every single year. There's a great website you can go on, Billion Dollar Disasters, it's under a NOAA website that can show you the increase of disasters, not just in the United States, but across the globe. So it is a thing.

And from emergency manager's point of view, how I combat that is with pre-disaster investments. How do we make our community, our state, our county, our tribal lands more resilient? So you have to invest in resiliency upfront. So things like mitigation projects. How do I reduce risk before the hazard impacts me? Today, it floods in 99% of every county in the United States. It floods. So even in the middle of the country Iowa, it floods. It floods when the ground is flat. No one is immune from flooding, so it's going to happen to some degree or other, so let's be prepared for flooding. And can we mitigate, make investments to reduce that risk? You can't drive the risk down to zero, but you can reduce the impacts by doing some pre-disaster investments.

So at FEMA and across the nation in most every state, there's some investment in mitigation projects, whether it's, "Hey, we're going to put a bigger culvert under a road between these two rivers to make sure it doesn't wash out." Or you're going to build some other piece of infrastructure to make your jurisdiction more resilient. We're going to put in generators, and we're going to elevate generators 20 feet off the ground. So when it does flood, you still have power and we can operate like we normally can. And when it goes back, the water goes back down. The impacts are less.

So climate change, yes. The way to practically combat that is through investments in pre-disaster dollars. So there's lots of data out there about the investment of a mitigation against disaster. So the International Code Council, they have a report that says, "For every dollar of investment in mitigation saves $6 on the other side." So if you invest $1, you're going to save $6 after the disaster happens. It makes more sense than anything. Invest pre-disaster, pay less than not making investment and pay more. It's just a simple math problem. So the nation, I don't think we do enough pre-disaster investment to hold up to how much money we spend on post-disaster recovery. It is night and day with those two numbers.

Matt Slepin:

Let me challenge that a little bit. Because the question is, if it's the hundred-year flood plain concept, right? If it's only going to be a hundred years, you don't have to prepare that much, although every a hundred years now happens 10 years. So that's a different story. How much of those investments are investments that we enjoy every day or is a marginal difference between the cost of a generator being 10 feet above the ground versus on the ground? Because the marginal cost difference versus the whole generator, and then there's the occasional use of these things. We had the Climate Czar of New York City a year or two ago, and some of the work they're doing for the flood plains or the rising seas is our parks. They're better parks. They're reclaiming the park land in order to enjoy this. So the infrastructure is double duty enjoyment versus painful fire hydrant that I don't love to see. What do you get to use? Are there times that these investments are appreciated at the moment or pure insurance?

Pete Gaynor:

Yes. I don't think it's ever appreciated in the moment, because it costs money. And having worked for elected leaders, especially at the local and the state level, pre-funded funds hard to get. And you're in competition for really important other priorities, like school and police and social services where a governor is looking at the budget and making hard decisions. "What's more important? Do I fund this school lunch program, or do I invest in a call on this [inaudible 00:33:08] or whatever that may or may not happen?" So the answer is they don't pick the mitigation project, because they don't see the value in it immediately, but they see the value in a school lunch program. But that's life in America. You don't have all the money in the world, and you have to make priorities. You have to make priorities, you have to make selections.

And I think the difference is if you're in a jurisdiction that has been hit by disaster, you understand the value of mitigation. And you prioritize that. And I have a hundred stories from across the country where places like New Orleans, which gets hit by everything, floods all the time, they have fully embraced investing in mitigation projects from big and small. Really, it's really makes your hot wall that this community understands investment in mitigation, because they know it's going to flood next week. They know it's going to flood in a year. They know the pain is suffering of recovery. So they're going to say, "How can we mitigate that, reduce that risk?"

Then the other side of the coin is communities that have had no disaster. And they only see disasters on TV. And they look at that investment, and they say, "We don't need to spend that money on that. We're going to spend money on new school buses," or whatever the priority is in that jurisdiction. And then they get surprised by this thing that happens to them out of the blue, and all of a sudden they have a catastrophic impact to their community. So I think those are the two sides.

You talked about module costs. So I'm just going to use the house that I'm building. So I have a builder who's building this house for me, and I told them, "Listen, we're going to overbuild this house, because you may not know it, but I'm the former FEMA administrator. It would be a bad look for me professionally and personally if the roof blew off in a hurricane or a tropical storm."

Matt Slepin:

Yeah.

Pete Gaynor:

And I said, "It's not going to be my picture on the cover of the New York Times. It's going to be your picture on the cover of the New York Times. So we're going to make some extra investments in making this house more resilient." We invested in over-the-top hurricane proofing, hurricane straps, all these things that you wouldn't typically see in construction in the place that I live. Even though I do live on the coast, hurricane resistant windows that are not part of code. And when you add up the price of the total house and what I wanted for these minor resilient efforts, it's pennies. It's pennies on the dollar. So a small investment up front, even though it does cost you more money, there's no doubt about that, but a small investment up front will pay off when that bad day happens. And you have to believe that the bad day's going to happen.

Matt Slepin:

Play that out for a minute. So 10% cost to the house, 20% cost, 15?

Pete Gaynor:

Oh, no, not even. Not even.

Matt Slepin:

About what?

Pete Gaynor:

I mean, I think a percentage point maybe.

Matt Slepin:

Because you look at cost versus rebuilding.

Pete Gaynor:

I mean, it's nuts and bolts and straps and labor. I'm not building a fully concrete house like a prison. I'm taking the best practices from the building industry. FEMA has a whole catalog of how to build stronger, better for wildfires or for hurricanes or for winds. And I've embraced all that. And honestly, it's less than a percent of the total costs.

Matt Slepin:

Really?

Pete Gaynor:

It's really insignificant. I would say the same for mitigation efforts. It has a cost to it, but the payoff is so great that after a disaster happened, you're like, "How come we didn't do more of that?"

Matt Slepin:

Right. Let me play out one thought, and then we're going to change subjects. But if you play off the thought against that, and I keep quoting that Ezra Klein book Abundance, and they talk about the cost to building California, or in the apartment industry, which I'm very involved with, talks about the cost of government in building a community and the cost of red tape and the cost of all these rules. And we like every single one of these rules. But when you add them all up together, you can't do anything. A bunch of those rules would be these things. And we want these things, we need these things. Maybe if they're built voluntarily by a responsible developer versus the required version of it, the cost goes down because of the number of inspections or the number of rules to comply precisely.

Pete Gaynor:

So I think when you look at what's important in America, I think there's two things that are really important, like homeownership, right?

Matt Slepin:

Yeah.

Pete Gaynor:

And we have a tremendous housing problem in the United States. But homeownership, and then I think proper insurance of that home are two of the pillars of a community. If you invest, if you have a home and it is properly insured, and your community has the same thing, you would hope that insurance premiums and risk goes down because everyone is properly insured. People take care of their homes, so the market value is up. People want to move in, more taxes. I mean, it's all connected together with homes and insurance.

I have been to disasters in middle-class America. There's a particular place I went in Tulsa, Oklahoma. A middle-class community flooded, and talking to the residents, there's two questions I typically ask the residents when I'm walking around, "Do you have flood insurance?" And the answer is no. So FEMA has a program called NFIP, National Flood Insurance Program, where we underwrite flood insurance for homeowners. So if you're a homeowner and you have an insurance policy, you say, "I'm covered by flood," that may be true, but it's probably untrue in the way you think it is.

So the way to look at flood insurance is if it comes into the roof, if water comes in through the roof, It's probably homeowners insurance. If water comes in through the front door, it's going to be flood insurance, NFIP insurance. So if the water came through the front door, like it did in this Tulsa community, and you don't have flood insurance from NFIP or another carrier, you don't get any money. Your flood insurance from your insurance policy if it rained through the roof doesn't cover it. So that's one question. The answer is typically, "I did not have it."

The second question is, "How's your homeowners insurance?" And the question I kept getting in this neighborhood was, "We didn't have homeowners insurance." I'm scratching my head. I'm like, "How can you not possibly have..." "The property was owned by my father. It had no mortgage. He died. He left it to me." "I had to send my kid to school, and I needed the extra whatever it was a year, and we stopped the house insurance, and we did that. So we made a choice." Because no mortgage, no requirement for insurance. So now you have this middle class neighborhood that doesn't have flood insurance, and many of them don't have homeowners insurance. How does that community recover? So again, homeownership, I think, is super critical. And then insurance of your most important asset, even though you may not have a mortgage, you have to have insurance. Two thirds of America is underinsured, two thirds. It's really a growing problem.

Matt Slepin:

Well, one of the things we've talked about on the LA Fires podcast is that even people in the Palisades and upper middle income, upper income neighborhood, people are underinsured as against the replacement cost of their home. So that equity gap there in the rebuilding is significant.

Pete Gaynor:

Yeah. I've been up to the Palisades a couple months ago, a beautiful neighborhood, multi-million dollar homes owned by millionaires for the most part. And you realize that even though you're a millionaire, you may not be able to rebuild your house because you're either underinsured or you are overextended. You don't think you were, or you thought you had a full coverage for rebuild on your insurance policy, or you haven't looked at your insurance policy since you actually moved in or built the house 20 years ago. Maybe you had it 20 years ago, but now you don't. So rich or poor, based on either under insurance or no insurance, you're in the same boat together. You can't rebuild.

I was just watching on YouTube the other day, Adam Carolla owns a house on the water down there in Malibu. I think his house is not burn down, but he can't live in it, because of the infrastructure. But he did an update six months after the wildfire in million dollar homes in Malibu on the water of many of them not rebuilt, matter of fact, cleared of debris, but nothing going on. So you have to ask yourself, "Six months later, why is that happening?" But we have a problem in America when it comes to, I think, homeownership and, more importantly, insurance.

Matt Slepin:

It does. And it's almost like the emergency room at the hospital. If people don't have health insurance, they're going to show up in the emergency room, we're all going to pay. And in the case of a disaster, people are underinsured, and the insurance industry and sector isn't adequately covering people, even if they've chosen, who cares if they've chosen or not, it becomes our problem.

Pete Gaynor:

I was going to try to give a little overview of what we do at Bright Harbor, because what we do at Bright Harbor is really centered on this national problem. And part of this is we... And this is why I'm excited about this, this is why I'm excited to be here, because I have lived through many disasters and seen good and bad recovery. And it really is the hardest and the slowest and the most frustrating part of what we do in emergency manager at a disaster. We don't really do a good job.

When I first got to FEMA, they put a stack of things I needed to sign on my desk. And one of them was an approval for a couple million dollars for Katrina. Katrina now is 20 years old. It was probably 15 years old when I signed it. But 15 years later, the federal government is still putting money out for disaster recovery. FEMA probably has today, 6, 7, 800 disasters dating back 20 years that we're still paying for. The recovery process in America is really broken.

I think the administration goal to reform FEMA, I think, is well overdue. FEMA is a great organization. We do a lot of great things, but recovery is really problematic. And we leave disaster survivors out there on their own to navigate this really complex web of insurance policies, government paperwork, tax implications, bureaucratic hurdles, and we're like, "What happens next?" "We just let them figure it out for themselves."

So at Bright Harbor, we think is a great product where we have personalized disaster recovery support and helping disaster survivors, and particularly homeowners, get back in their homes faster, recover faster, or recover without gigantic financial implications because they didn't have enough insurance money or they were underinsured or some other problem. And it's about building resilience.

Matt Slepin:

Most of this conversation's going to be big picture top down, but Bright Harbor's kind of bottoms up, thinking about the people who are affected by disaster.

Pete Gaynor:

Because this business is all about disaster survivors, right?

Matt Slepin:

Right.

Pete Gaynor:

From my point of view of being here 15, 16 years, the business is about, how do you help disaster survivors? That is the last leg of this whole thing.

Matt Slepin:

Fair deal. But if someone's under insured and under resourced, how do you solve that? I know how you solve it by giving someone navigation through the morass of what to do, but how do you solve it if their underwater on this?

Pete Gaynor:

Yeah, it's really a great question. The way it's been done in the past is that an individual homeowner really has to figure out for themselves. And this is the genesis of the company, the founder, my boss, Joel Wish, he had one of his friends impacted by LA Wildfires, really off source person who just said, "Hey, listen, I need help. I can't do all this. I have to figure out... I'm phoning the insurance company. I have to figure out this complicated FEMA paperwork. I think there's a tax implication. Should I take an SBA loan? And I have to go to work. I have to get my kids in another school. I have to find temporary sheltering. I have to get my family back." It is bone crushing, the recovery. So again, we try to help them through that process and maximize all the benefits that are out there, the ones that you may know about, and more importantly, the ones that you do not know about because you are an amateur in disaster recovery. And that's the problem across the country. Amateurs on our first disaster.

Matt Slepin:

Got it. And just talk a little bit more. So I go to a website? I get in a disaster. I'm looking for advice. I understand your company. How do I find you, and then what do I do?

Pete Gaynor:

We talked about a little bit, there's a lot of goodwill in the beginning of disaster. Everyone's focused on response. Then the responders leave town. FEMA does an estimate about the damages, and they give a certain amount of money to the jurisdiction to help rebuild, and then FEMA leaves town. They left money behind. They left some resources behind. But the professional help, the technical assistance kind of wanes as the disaster gets farther away from the disaster day. And people's frustration grows and grows, because they're left on their own to do it. So it takes about... Every disaster is different, but it takes a couple of months before you realize you're in over your head. I think it's like the slow boil. You don't know you're being cooked alive until one day you realize, "Holy mackerel, I've been in this pot, and it's hotter and hotter every day."

Matt Slepin:

Right.

Pete Gaynor:

So maybe 4, 5, 6 months after the disaster, you realize that nothing is happening. You're fighting with the insurance company, you're doing all these things. So you can either go to a website, and we'll give you a consultation for free. You can call us 737-400-7000. You can call us. And we'll give you a personalized assessment of where you are, and then walk you through all the ways you can maximize your benefit, whether it's from insurance companies, insurance companies, they're not giving money away. So there's ways to attack that problem through other resources, again, that you may or may not know. And then get you on your way to get that house rebuilt, because that's the tangible part of what we really don't do well here. This is not just LA. This is every post disaster, major disaster in the country is like this. And it's really, I think it's unnecessary. So anyway-

Matt Slepin:

So you-

Pete Gaynor:

Go to Brightharbor.com, and you can find us.

Matt Slepin:

Thank you. And your help is to help the individuals who are impacted by a disaster to navigate and figure out what to do?

Pete Gaynor:

Correct.

Matt Slepin:

Okay.

Pete Gaynor:

Correct. We're going to be your lifesaver. We're going to hold your hand.

Matt Slepin:

Got it.

Pete Gaynor:

We're going to help you get to an end where you can manage it.

Matt Slepin:

It's interesting for us, in the Sonoma fires, we had a good insurance company, and they're the ones who helped me navigate. We were well insured, and they jumped into it. And they were my guru to figure out what to do. But if I wasn't insured or I was fighting with them, they wouldn't have been my guru and I wouldn't have known where to go. So this is great. Thank you.

Pete Gaynor:

We have lots of stories, from really good to real... I think we have stories where people were really well insured, and they have a better outcome. But that's minority right now.

Matt Slepin:

I bet.

Pete Gaynor:

Two thirds of America is uninsured.

Matt Slepin:

Understood.

Pete Gaynor:

Being over insured, you are a unicorn.

Matt Slepin:

Okay. So I want to go back to the big picture, and I want to think of what FEMA does and doesn't do. Because what we think of as Americans, whether FEMA is here or gets disappeared, what FEMA does, what the Army Corps of Engineers does, and other federal resources, and when it becomes the private sector dealing with stuff. And I also want to think of that through the lens, a little bit of politics and what's changing right now, but I want to think of the lens, and I'm just going to cite some disasters. 9/11, that's a disaster, right? Terrorism's a disaster. Katrina, Sandy. Not school shootings, but maybe they're disasters too. Hurricane this, hurricane that, earthquake this, earthquake that. It doesn't end. Sonoma fires, Harvey, Paradise, Helene in North Carolina. LA fires, Texas flood, two weeks ago that we're all crying over. So those are the disasters.

What does FEMA do? What does it mean? And also, I do believe that all of these disasters would overmatch that local person, because it's a bigger disaster than that local person's planned for. And what I want is like a guru to come in and say, "Hey, I'm the guru of this one this week." "Or for this one here, I'm here. I'm going to take care of it." I think of Peter Ueberroth in the Olympics or something. So that's a lot to talk about, but help us navigate through that.

Pete Gaynor:

It is. So let's start with FEMA's mission, and it's really a really simple, straightforward mission, helping people before, during, and after disasters. So we're there before, we're there during it, we're there after. It's easy to remember, but there's a lot packed into that simple mission statement.

Matt Slepin:

Let me interrupt you for a sec, because when you say help people, a lot of... Because the way I articulate is help the leaders versus the people. I'm thinking global, not granular, but hit it from both angles.

Pete Gaynor:

I think we do both. But again, I think in this business, it's about disaster survivors. If you're expending energy, and again, every disaster has its different uniqueness, but if you're expending energy and you're not improving the outcomes of disaster survivors, then you're probably not doing the right thing. So I think that's why people come first in this business. So helping people before, during, after disasters.

In the before part of this, FEMA has a pre-robust peer-ness effort. So we own a few major training campuses around the country. We own Emmitsburg in Maryland where you can go and get public safety, emergency management training for free. You can sign up through your local government to get training about a number of different things. We train about 2 million people a year, both in person and online. So we have the Emmitsburg as the training.

Matt Slepin:

And the people trained are public officials? Are they also contractors, people in the industry as well?

Pete Gaynor:

Yeah, yeah. It depends what your role is, but for the most part, we will train anybody, if you fit into the model.

Matt Slepin:

Okay.

Pete Gaynor:

We have another training site down in Alabama that does a lot of specialized training. FEMA runs the only civilian bio, live bio facility in the country. The other ones run by the military. So in Anniston, Alabama, we run a live agent, a lab down there where you can get exposed to live agents. If you're in hazard mitigation world, you can get all that. We have a national training program. I mean, national exercise program, where we-

Matt Slepin:

Let's go back for a second.

Pete Gaynor:

Yeah.

Matt Slepin:

When you talk about the live agent thing, when I listed the disasters, I didn't mention COVID, which is a different kind of a disaster, but it is a disaster.

Pete Gaynor:

Of course. Yeah.

Matt Slepin:

In its insurance and preparedness, did FEMA come into that in different ways?

Pete Gaynor:

Yeah, yeah. I think this is where I got my chops. This is a whole different story. It can go... We can talk five hours on this or more. I was the FEMA administrator, and at one point, President Trump in the first administration decided to move the responsibility for operational coordination from the Health and Human services. So they have a statutory mission to respond to public health emergencies, just like FEMA has a statutory mission to respond to national disaster.

So the president took some of that responsibility away from HHS and gave it to FEMA. I was the guy. And now, I am the face of operational coordination for COVID across the country. So that was my job, and FEMA's job brand new. We had not done public... We had supported in a public health emergency, but never led in it. Again, the president turned to emergency managers, and many other governors and elected officials across the country did the same thing. And I think it's just really a practical side of how you manage these things.

So when you think about the public health enterprise, doctors, researchers, scientists, do no harm. They want to have the 100% answer up front. And on the emergency management side, I don't need the 100% answer up front. If I only have 50% of the answer, I may have to go with that. What the president really wanted was action. We wanted action on all these things that were happening across the country and COVID. So FEMA is that agency that turns ideas and mandates into action. We are biased to action.

Matt Slepin:

You have humans trained to be biased to action, unlike doctors who are biased to infection and risk.

Pete Gaynor:

Yes. Yes.

Matt Slepin:

Of a different kind.

Pete Gaynor:

Correct. Correct.

Matt Slepin:

Okay. Keep going.

Pete Gaynor:

So anyway, so yes, we managed COVID. And in Anniston, Alabama, there's a center for domestic preparedness. We actually had a hospital. We have a hospital down there, a training format that we practice protocols for making sure that we keep people safe in hospitals. So in a large setting, FEMA does preparedness across the country. We have about two and a half billion dollars a year in preparedness grants that we give out to states and locals. Everything from terrorism to cyber to local initiatives, planning that we help build capacity at the state and local level to these grants.

Matt Slepin:

I'm sorry to keep questions.

Pete Gaynor:

Yeah.

Matt Slepin:

Cyber fits in there too?

Pete Gaynor:

Yes.

Matt Slepin:

So cyber, hospitals shut down, because they're taking over, their systems are taken over. What the heck do I do? FEMA has a role there?

Pete Gaynor:

So when you think about just the cyber aspect of it, it's really what are the impacts of it? So if you took over a hospital and you shut down the water system and the air conditioning system, what do you do with the 500 patients that need to be transported? It becomes an emergency management function to help find space, transport, and, again, reduce the risk to that facility and to the people that are patients in that facility. So it's just not simply, "We have a ones and zeros problem." We have a human problem, because it affects infrastructure and systems.

Matt Slepin:

Okay. So you've summarized the before, maybe you're now going to go to the during.

Pete Gaynor:

The next thing would be response. So we typically are not a response agency, like you would think about a fire department or a police department or public works. We're not like that kind of response. For the most part, we help with specialized items. So FEMA funds 28 federal urban search and rescue teams from across the country. So some of those teams are down now in Texas helping with search and rescue. It's really a specialized high cost kind of capacity and capability. So we underwrite that for 28 teams. There's many more teams that are not part of the federal system, but we make sure that those teams are available to locals who may not it and need more capacity. So that's our big response.

We also have national contracts with a number of different companies and services. One of the power things at FEMA is we have a national ambulance contract with AMR. And we can execute our contract and bring hundreds, thousands of ambulances to a region, to a locale to support the local or state effort. So we can do that. We have-

Matt Slepin:

Let me ask a question about that.

Pete Gaynor:

Yeah.

Matt Slepin:

Does that cannibalize the local ambulances, or does it bring in ambulances from elsewhere?

Pete Gaynor:

From elsewhere.

Matt Slepin:

Okay.

Pete Gaynor:

It is really a mutual aid kind of system. The EMS in any community for the most part is probably running at peak. So there's not much capacity between peak and when they run out-

Matt Slepin:

Disaster.

Pete Gaynor:

... of capacity. So the national ambulance contract allows us to bring EMS from across the country to help backfill that locale or that state when it comes to-

Matt Slepin:

Right. Like in the fires.

Pete Gaynor:

... how do we evacuate people?

Matt Slepin:

Yeah. When we have a fire disaster, like in Sonoma, which I keep talking about, they bring in fire people from all over the country to deal with these ongoing disasters.

Pete Gaynor:

Right. Same kind of idea.

Matt Slepin:

Okay.

Pete Gaynor:

It's really mutual aid, but this is on a grand scale. This is on the national scale.

Matt Slepin:

Yeah.

Pete Gaynor:

And again, underwritten by FEMA. The other thing that we have in the response world is we have a number of warehouses around the nation to include Hawaii and Puerto Rico and other places that have resources that we can send out in a moment's notice. Things like water, cots and blankets and baby formula and everything else you can met, generators, communications equipment, that we can send out ahead of time if there's enough lead time, ahead of time to a jurisdiction who may need it. So we can backfill all of that.

And then if we need more, we have a national contract. So like blue tarps, blue tops on tops of homes after a tornado or after a hurricane, I don't know how many blue tarps we have, but we have millions of them. And should we run out of the million of blue tarps that we have in our warehouses, we have a national contract to buy more. So we have all these mechanisms to help in the response to a local event that may turn into a bigger event based on what just happened.

We also provide technical assistance. We have 10 regional regions across the country, anywhere from 200 to 600 people in a region that live and breathe in that region. So in the region that I'm in here in New England, this is region one. A hundred people work here full time, night and day, blue sky, dark sky. So on a blue sky kind of day today, they're doing preparedness efforts with the states and the locals. They have a relationship. So we can bring all that capacity to a specific point geographically or to a region or, like in COVID, to the nation.

And I think the other part of that is it's just not FEMA. And this is the power of FEMA and the power of our federal government. FEMA has the ability to do these things called mission assignments, where if I was the FEMA administrator, I can mission assign the Department of Defense to provide something. I can mission assign the Corps of Engineers to provide something. I can mission assign Health and Human Services. I can mission assign most every, there's a few agencies that we can't do it, like the Department of Justice, but we can mission assign a certain task to a certain agency to provide a certain capacity to help that local, that state. So that really is, I think, our superpower is that we can tap into all of government, federal government, and bring those resources to where we need it to be.

Matt Slepin:

Right. Question for that, and fantasy. There's a Katrina, it would be great if someone or a small group of people experienced in what this is like in what to do, like a general, I want a general to come in and say, "Hey, look, I'm kind of in charge here. I'm going to help you all coordinate this." Is there a group of those folks who exist with that experience level who could do that, LA fires, whatever these big disasters are, Texas?

Pete Gaynor:

Yeah. Yeah. So yes and no. Typically, so let me just maybe explain how you get a federally declared disaster. Because of all the disasters that happen in the United States every year, only about 25% of those disasters get to the federally declared level. So there's 75% that never reach that threshold, because there's a mathematical formula and other things that go into reaching the threshold. Because everything can't be a federal disaster. So 25% of those, the governor asks through a system, ask the president based on a report to declare the state or a county disaster. And through a process, the president and his team deliberates on that to include the FEMA administrator. And you either get approved or denied or modified, depending on how strong your report is, what kind of economic damage do you have, how many citizens are impacted, have you run out of capacity at the state level, and only the federal government can help you bring in additional capacity that you don't have. So all these things go into that consultation.

And then you get approved. And then once it's approved, it really opens up the floodgates for the federal government, FEMA and our partners to help go and spend money legally, because you just can't spend money without authority, but to spend money legally to offer resources, to offer staff, to offer all these things to the locals. But we're basically invited in.

Matt Slepin:

Yeah.

Pete Gaynor:

Because again, locally executed, state managed, federally supported. It's really the local jurisdictions' responsibility. There may have been times, and I'll have to think about it, where the federal government completely took over, maybe like the BP oil spill, the federal government came in and took over. We don't typically do that. We typically support the state and the local government in their response to their disaster. That's kind of how it goes. We provide these people, both men and women, called FCOs, Federal Coordinating Officers that are assigned by the president to that disaster. So you get a dedicated FCO, Federal Coordinating Officer, to help you, at the local and state level, navigate and integrate with the federal system. So you get that one-to-one contact when you have a disaster, based on a presidential proof.

Matt Slepin:

And that FCO might be an invisible Peter Ueberroth. They don't need the limelight.

Pete Gaynor:

No.

Matt Slepin:

They don't need to be declared the czar of this thing. But they have a playbook, they know what to do.

Pete Gaynor:

Yes.

Matt Slepin:

They know what all the resources are that could be coordinated probably better than a local person does.

Pete Gaynor:

And most importantly, they have authority. They can spend money, they can provide, they can do acquisitions, they can do procurement, within their scope, but they have authority to do things. And if what they want to do exceeds their authority, they come right to the FEMA administrator for approval or exceptions.

Matt Slepin:

So this will get to a political-ish question, which is in this thing that is apolitical, we don't trust our government. We think they're doofuses. That would be what I'd read in the paper every day. And if we don't trust our government, then how can this be coordinated well and effectively? And supposedly, we're going to shut down FEMA, but we're not. Maybe we're just reinventing it. And you said before, it could use reinvention.

Pete Gaynor:

Yeah.

Matt Slepin:

So let's look forward a bit, and what is the answer, and how can one make all of these functions of government work for us? Because these are examples of zero question by anybody, you're going to want it and need it. This is important for us.

Pete Gaynor:

So I actually wrote an article, I think, almost a year ago now, published online in Homeland Security Today, and it's called The Erosion of Trusts. And it is to this exact problem. If you go back to 1958, the

Pew Charitable Trust began this yearly poll of trust in America. And back when they began the poll, 1958, almost 70 years ago, trust of government was at like 80%. And now, the most current poll, and I may have the data a little bit wrong, but it's in the low twenties-

Matt Slepin:

I was going to say 20.

Pete Gaynor:

... trust of government.

Matt Slepin:

Yeah.

Pete Gaynor:

And when you think about disasters, and people really at their worst point in their lives, trusting whatever government it may be, whether it's trusting your local government or your state government or the federal government, not having trust, especially in a disaster, is problematic. And you can go look at last year in the run-up to the election, all the political antics that went on in North Carolina after Milton. It's not helpful to the disaster survivor. We're just trying to survive the hour or the day or the week. It's not helpful. So not having trust in your government to do whatever that may be, but especially in a disaster, is problematic for a lot of reasons.

I like to think that, as a FEMA Administrator, I brought resources, all kinds of resources to a local community after disaster. So whether that's water or sheltering or unemployment insurance or all the things that we offer, I brought a little bit of hope to the community. And in order for the community to take hold of those, they actually have to register with FEMA. They have to register with us so we have their name and we can actually give them more resources. But if you don't register because you don't trust the federal government, you don't trust FEMA, you don't trust your local, then we're all in trouble. I can't help you. You're on your own. And who knows how you close that gap? Trusting government is critical.

I think part of this is in my article is like you just have to take... First of all, don't believe everything you read. I am a critical reader now, more than I ever been. I want to know what the sauce is. I want to know other opposing opinions. So I never really believe what I read. And I guess maybe that's a bad thing to say, but I'm a critical reader. And then the second part of that is don't be so reactive. Don't be so reactive that when you read something that you react to it and make it worse, or react to it and retweet it or, whatever, retweet it or read Instagram it or whatever.

Matt Slepin:

Right.

Pete Gaynor:

And then you perpetuate whether it's, especially when it's disinformation or disinformation, you perpetuate that untruth, which makes it worse. So I would say, be kind to your neighbors. Be kind. Take a moment. Don't react right away. Think about it. Do a little research on your own. And don't perpetuate misinformation, disinformation, or rumors that are untrue, because it doesn't help in this thing that we all need to have is trust in our government. Because on the worst day, we hope that government is there to help us, whether it's local government, state government, or the federal government. We hope that someone is there to put a hand out. And we want you to take our hand because you need help and you trust us.

Matt Slepin:

And it's interesting, to your point, which is at a time of disaster versus different times of life, do I trust... This is political, but do I trust the government on education? Maybe, maybe not. I don't know what that is. Do I trust on health? Do I trust during COVID? When there is a disaster and the floodwaters are over our heads and we're dying, I got to trust in somebody.

Pete Gaynor:

Yeah.

Matt Slepin:

And if there's one essential element of the government, it's got to be there.

Pete Gaynor:

Yeah.

Matt Slepin:

This gets down to basics.

Pete Gaynor:

Yeah. Back to my original point about being apolitical, right?

Matt Slepin:

Right.

Pete Gaynor:

You got to be apolitical in this business. Because if you take a side, then maybe somebody's not going to trust you. 100% apolitical. Every disaster is political. There's no way about it. So the president just went down last week to visit Kerr County, it's a political event. So you can't detach yourself from the politics of disaster, but you can detach yourself from partaking in that political event and being apolitical, because that's what citizens expect. They don't want... In a disaster, no one cares how you voted. They don't care what flag you're flying. They don't care. They just want to get some assistance from the government that they should trust.

Matt Slepin:

It's also, besides assistance, if it's not coordinated, it's going to get screwed up.

Pete Gaynor:

Oh, yes. Yeah.

Matt Slepin:

So it's really almost just coordination and a helping hand to navigate, which is what your new business is going to do.

Pete Gaynor:

Yeah. Yeah.

Matt Slepin:

But without that, then we have no organization as against something that requires it.

Pete Gaynor:

It's chaos.

Matt Slepin:

It's chaos.

Pete Gaynor:

It becomes its own second disaster. That's part of the problem. So I'd like to think, emergency manager, we help stabilize the thing that just happened, right?

Matt Slepin:

Yeah.

Pete Gaynor:

Stabilize it so it doesn't get any worse, and we're going to help it get better with time and with resources and the right pressure at the right period of time, within consultation with the community that just impacted, not to do things with a heavy hand. So it's all of those things. But again, I think, as Americans, we have to have some trust. And I'm not blind to what's going on. I think most Americans live in the center of this world.

Matt Slepin:

True.

Pete Gaynor:

Because fringes on the left and fringe on the right. I think most Americans live in the center and just want to be able to trust their government. They want to be able to trust their elected leaders. They want to make sure that we are there on their worst day. Again, I think that's what we want to do, helping people before, during, and after disasters. That's our mission. There really is no greater calling than that mission if you're an emergency manager-

Matt Slepin:

Totally agree.

Pete Gaynor:

... whether you're at the local, state, or federal level.

Matt Slepin:

It's the baseline of what our politics should do together in a coordinated way across this entire conversation. We're going to have to wrap up in a few minutes, so I have some two or three questions towards the end here. One is, are there international best practices or a place that is a shining light in a country that does this well or a jurisdiction that does this well?

Pete Gaynor:

Yeah. So first, I'll say that I think every country kind of does it a little bit differently, right?

Matt Slepin:

Right.

Pete Gaynor:

So in the United States, we subscribe to a couple frameworks, the National Response Framework, the National Recovery Framework, the National Mitigation Framework, which is kind of the, we don't tell jurisdictions how to do it. We just tell them, "Here's how to operate within this paradigm." And then we have this other thing called the National Incident Management System, NIMS system, and the Incident Command System that are the backbone about how every locale, state, tribe, territory responds in a disaster. We've all agreed to this format.

We also have this set of standards called EMAP, Emergency Management Accreditation Program, which lists out standards for... They're voluntary, they're not managerial, but standards for emergency management that you should adopt across the nation and across the globe. EMAP is an actually international standard. There are some, and I visited some countries that are pretty... I was just in Abu Dhabi for a conference, and the Emirates are really high functioning, have a high functioning emergency management program. The Kingdom of Saudi Arabia is currently trying to build its version of FEMA. So a little less mature, but they realize how important that is. I was just in Indonesia a couple years ago, struggling to find where, how that whole thing works at their federal level. And then I think there's other countries that really have great programs. Italy has a really great program. I think New Zealand has a great program. The Japanese have a great program. There's really some great programs across the country, but it's not standardized across the globe, I guess, is my point.

Matt Slepin:

Okay. That's helpful to understand. Next to last question.

Pete Gaynor:

Yeah.

Matt Slepin:

You're speaking to a real estate audience. I'm really impressed in the last episode is how the real estate industry came together to look at nine pillars or nine issues with the LA fires, which will include the rebuilding effort and having a consortium of builders and also changing the local approval process to fast track. So our industry is working hard to come up with solutions. We use the word trust a lot. If you're going to have a building consortium, will people both save money and save time, will be of quality? Not shyster stuff, which I think might fly around like vultures in some of these cases, unless you have larger and trusted organizations. Any comments on what our industry can be doing in these cases and how we can be prepared or to bring a playbook in place at disasters like this?

Pete Gaynor:

So I'll first say that the private sector, no matter what sector you're in, the private sector is an important partner to emergency management across the nation. And I'll just briefly touch on, during COVID, our national response to COVID, I learned very quickly that the federal government has limited resources when it comes to some of these major catastrophes and emergencies. The private sector is the ones that really came to our rescue when it came to COVID and other things. So we have a great relationship at FEMA, and I hope that states have scaled relationships with the private sector across the nation, because it really is important. If the private sector is an afterthought in your jurisdiction when it comes to emergency management, you need to rethink that concept.

So I think when it comes to, what can real estate do to be helpful? I would say first, because we're always talking about resilience and being ready for the next disaster that happens and being able to bend, not break, bounce back faster, have shorter duration recoveries, so I would ask the real estate industry, build with resilience in mind. If you have a project on the drawing board, is it resilient?

And I think back to your other point about, what's the marginal cost? With a few more dollars or maybe a design change, could you build it with the resilience in mind? And the way I look at that, it's a competitive advantage. If you can stay in business during and after a disaster based on a small investment, you've made a smart business decision. So build with resilience in mind. I think that's the first thing.

Second is, if you're going to build, and this happens typically after disasters in the commercial world, if you're going to rebuild after disaster or build in a disaster prone area, build for sheltering and power. Be an asset to your community. And there's plenty of examples from around the nation where hotels impacted by a hurricane completely wiped out, they were insured, they rebuilt, and then they rebuilt with their local community in mind. They rebuilt where it could be a shelter for their local residents to come and take refuge, and they had power, redundant power. So again, think about that when you rebuild.

Outreach to your emergency manager, see what's going on. How can you be part of the solution, not part of the problem? Be part of a joint planning effort. Is there a plan on the books that as you referenced, or is there a plan that you think you should be referenced in that you're not? I mean, so be part of that joint planning effort. And I think any emergency management organization enterprise will welcome you in if you want to be additive to this whole thing about preparedness and resilience. So give them a call, ask them how you can be helpful.

And then I think lastly, just promote community resilience. And again, from a business point of view, it's a better business if your community stays in the community, uses your resources, pays taxes, businesses can open, all those kinds of things that you don't think about after a disaster happens when people have to move out because there's no housing. They have to move a hundred miles away. Paradise wildfire, same kind of thing. There's nowhere to go in Paradise, except a few buildings. There's no business, there's no taxes raised by the community to do infrastructure repairs. So again, community resilience, it's a really smart business move.

Matt Slepin:

I think the business move is interesting, and it gets back to the word trust, right? It's reputation, it's trust. Our industry has a challenge... I say this often on the podcast, two words we hate in the English language are landlord and developer. And landlord and developer defines my industry. But they're not either the right words or the right concepts, because we can and should be trusted in our long-term business. And the reputation of the industry to solve problems and to be a service provider and infrastructure provider is really critical.

Pete Gaynor:

Yeah. This is an all of community effort. This is just not the government solving the problem. This is just not someone else solving problem.

Matt Slepin:

Right.

Pete Gaynor:

This is the entire whole of community. So whole of community is the private sector. Again, if you're in the real estate sector, we want you to be part of this community to help us prepare, respond to recover from disasters faster.

Matt Slepin:

Fair deal. The last question on Leading Voices is always about careers. So we may change this a little bit, because it's, what would your advice to a young person getting into the real estate business be? But let me change that a little bit. Advice for a young person who wants to do something and make what you have done a career.

Pete Gaynor:

Yeah. Great question. And I try to spread my knowledge to a lot of young people when I can. So the first thing is don't be scared by an opportunity that looks too big for you. So you've got to go hunt for a job. And I think most people look for a job that you fit into, that, "I'm going to fit perfectly into that job." And I think that's one way to do it. And you could be very comfortable in that new job. But my suggestion is look for a job that scares you a little bit, that may be a little bit over your pay grade or a little bit over your skis. Take a deep breath and get into a job that may scare you a little bit, because I think those are where the most opportunities are. Where you're maybe a little bit uncomfortable, but I think we all need to be a little bit uncomfortable. I am uncomfortable in my new job right now, which I think is good, right?

Matt Slepin:

You were uncomfortable when you started this career.

Pete Gaynor:

Oh, yeah, I was.

Matt Slepin:

Because you came to this, you were retired, man.

Pete Gaynor:

Yeah, yeah. I was retired. Again, I love pain and suffering, so this is the life I have chosen. So I would say have confidence in yourself.

Matt Slepin:

Yeah.

Pete Gaynor:

Do that job that may be a little bit scary to you, but I think there's the most value in that. So that would be my suggestion.

Matt Slepin:

Perfect. Thank you. Pete, I really want to thank you for spending time with us today. This has been a very interesting conversation. I knew nothing about this business before preparing for it. And it's so important, so thank you very much.

Pete Gaynor:

Thanks, Matt.

Matt Slepin:

Hey, let me ask you another question. This is post podcast, but I'm so curious.

Pete Gaynor:

Yeah.

Matt Slepin:

Because I read this in your bio. You took over... What did you take over after January 6th?

Pete Gaynor:

Oh, yeah. So because I want to just give a little context to this. So I went to FEMA to be the deputy administrator. So I confirm... You have to be confirmed by the Senate. So I was the confirmed deputy administrator. And I was going there to be the COO. I wanted to help my friend, who was the administrator, build a better business for FEMA, because it lacked a lot of things. And as soon as I got there, my friend who said, "Come to DC and help me,"-

Matt Slepin:

Leaves.

Pete Gaynor:

... quit. He quit. So it made me the acting, and the only way I could be the acting is because I was confirmed, right? If you're not confirmed, you can't act.

Matt Slepin:

I see.

Pete Gaynor:

And you only can act once. You can't act as the acting administrator, then act again as the secretary. It doesn't work that way. So a couple months go by and I realized that I'm going to get confirmed again for the second time to be the administrator. So I have to go through the whole process once again. So now, I've become the confirmed administrator, which allows me to act-

Matt Slepin:

Again.

Pete Gaynor:

... one up, again, right?

Matt Slepin:

Yeah.

Pete Gaynor:

One up, wherever that may be, one up. And you only get one. And I had hit deep in COVID, so this is a whole other story. I became part of the task force working for the Vice President. Fauci and everyone else were my running partners on this whole thing. And again, the president really, I mean, I have to give... You can love the guy, hate the guy. Some days you'll love him, some days you hate him. But he really empowered me to do what I needed to do. So I tell people he told me three things, "Don't worry about people, don't worry about money, don't worry about authority. Go do it." It was like that. And then it's like, You don't have to tell me twice. I'm going to take advantage of all of that." So that was a year plus of COVID every day. All that was us.

And after January 6th, my boss, who was... I had a number of bosses, the president, the Vice President, and the Secretary of Homeland Security was my real daytime boss.

Matt Slepin:

I see.

Pete Gaynor:

Because we're in the Department of Homeland Security. He calls me and says, "I'm leaving." He calls me on January 10th, ninth or whatever it was. And I'm like, "What?" Because I have my hands full with COVID.

Matt Slepin:

Right.

Pete Gaynor:

We worked to the very last day of the administration on the 20th. That was our last meeting at the White House with the Vice President on COVID. We worked to the last day. So I became the acting Secretary of Homeland Security. And then my responsibility was not only, I didn't stop doing COVID stuff, but my main responsibility as the secretary was to make sure that we had a safe and secure transition of power on the 20th. So the Secretary of Homeland Security is in charge of the Secret Service and owns the, they call it the NSSE, the National Special Security Event, NSSE.

Matt Slepin:

Okay.

Pete Gaynor:

So the inauguration is its own event, and then the Secret Service is responsible for it all. So as the secretary, my responsibility is to make sure this thing doesn't go haywire. And to me, I didn't want to have another January 6th on the 20th. So I spent my two weeks every day, early morning to late at night, making sure that that thing went off smoothly, which it did.

Matt Slepin:

It sure did.

Pete Gaynor:

Yeah.

Matt Slepin:

Although Trump didn't attend. I think he didn't attend.

Pete Gaynor:

He did not attend, but it didn't matter.

Matt Slepin:

You had no instructions to not allow this. Your instructions were clear that this would happen.

Pete Gaynor:

Yes. Yeah. I knew what I needed to do. The Vice President and the President had a great relationship up until the sixth, well, after the sixth a little bit. But they had a great relationship. And that was good for me as administrator during COVID, because I had access to both of them, and they supported me a hundred percent. And after a year doing it at the White House most every single day, to include weekends, for COVID, I was my own man. I had my own thing going on, and people trusted me and never really questioned me about anything, which was great. So I had a lot of sway. And then becoming the Secretary, I just used all of that DHS to take all that and say, "Here's what the priority is," and we went off and we did it.

Matt Slepin:

In these two weeks.

Pete Gaynor:

Yeah.

Matt Slepin:

And I think of what you did, and the way you've articulated this is that you have a circus going on. And through that circus, you had a northern, North star of just getting this done and doing your job.

Pete Gaynor:

Yeah, yeah. I mean, I credit my time as a Marine, having core values, knowing the difference between right and wrong, and knowing what my... I have a friend who runs a leadership program at Harvard, Lenny Marcus. He has this thing about the no line, "What's your no line? The no line is the line you'll never cross based on something that happens." So I embraced all of that. I embraced all of it, and I knew what my no line was going to be, or I recognized that I needed to have one. I never had to use it. And it's all... There's politics involved in all of this, and you try to navigate all that. But yeah. I give great credit to the team I had around me. I had some fantastic FEMA, mostly career professionals around me as an administrator that helped me navigate this whole thing.

Matt Slepin:

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