



To: Bay Area UASI Approval Authority

From: Amy Ramirez, Regional Project Manager – Risk Management

Date: January 13, 2022

Re: Item 05: Risk Management Program Overview and Hub Funding Formula

Staff Recommendation:

Approve FY22 UASI Hub Funding Formula.

Action or Discussion Items:

- A. Risk Management Program Overview (Discussion)
- B. FY22 Hub Funding Formula (Action)

A. Risk Management Program Overview (Discussion)

Background:

Each year the Bay Area UASI Risk Management Program includes data input, validation, assessments, and reporting to support decision-making and guide grant spending. A risk and capability-based methodology to allocate UASI funds is required by the Department of Homeland Security and is mandated in the Bay Area UASI Approval Authority Bylaws.

Discussion:

The Management Team has completed its planning for the 2022 risk management cycle in partnership with jurisdictions, the NCRIC, and Haystax. An overview of program highlights is summarized below and provided in a PowerPoint presentation (Appendix A).

Risk Management 2022 Program Highlights

- The UASI Management Team will hold a Risk Management kick-off webinar for stakeholders.
- Jurisdictions will conduct their annual asset review to fill information gaps and add Special Events for use in the Department of Homeland Security annual data calls.
- The NCRIC will update mass transit systems in Cal COP.
- Haystax will refresh the Population data input for the FY23 Hub Funding Formula using the most recent Census data.

THIRA / SPR 2022 Highlights

All Homeland Security fund grantees are required by DHS to produce a Threat Hazard Identifications and Risk Assessment (THIRA) and a Stakeholder Preparedness Review (SPR). FEMA requires a full review of the THIRA and the SPR assessment of all Capability Targets in 2022. The UASI Management Team will review the draft THIRA and SPR in October. The final THIRA and SPR will be presented for approval at the November Approval Authority meeting in preparation for submission to FEMA by December 31, 2022.

Risk Management Program Schedule

This year, there are four main steps to our risk management process:

1. Risk Management Kick-Off Meeting *January 26, 2021, 9:00 am – 10:00 am*

The Bay Area UASI Management Team provides an overview of the risk management process for the grant year; the annual approach to the Threat and Hazard Identification and Risk Assessment (THIRA) and Stakeholder Preparedness Review (SPR); the California Common Operating Picture (Cal COP) for Threat Awareness; as well as Protected Critical Infrastructure Information (PCII) certification requirements.

2. Asset Updates and Special Event Data Collection *January 26, 2022 – April 15, 2022*

Subject matter experts enter data on special events and review and update asset data based, as needed, in Cal COP. The NCRIC reviews and validates the information. In preparation, Haystax will offer a training for Bay Area Cal COP users, by hub, between February 7 – 11 (TBC).

3. THIRA Scenario and Capability Target Review and Development *January - March*

SMEs will review and provide input on current THIRA scenarios and standardized capability targets. New capability targets will be developed to measure National Priority Area projects.

4. SPR Update *March - June*

Complete the SPR for all Core Capabilities (i.e. change in capacity from last year, reasons for gaps, and gap-closing strategies). This process will be completed via worksheets and through input gathered from UASI Regional Work Groups and focused meetings with SMEs.

B. FY22 Hub Funding Formula (Action)

Background:

The Bay Area UASI uses Department of Homeland Security's (DHS) Metropolitan Statistical Area (MSA) risk formula to guide the portioning of grant dollars among the Bay Area four hubs using risk criteria. We have used the following hub funding formula for the past ten years:

$$\text{Population risk (49\%)} * \text{Asset risk (29\%)} * \text{Economic risk (22\%)}$$

Haystax Technology calculates these risk percentages using the following inputs:

- Population risk = census, density, and commuter data;
- Asset risk = threat, vulnerability, and consequence data from the Bay Area UASI asset catalog in Cal COP; and
- Economic risk = Gross Domestic Product (GDP) by Metropolitan Statistical Area (MSA) and industry data from the U.S. Bureau of Economic Analysis (BEA).

Haystax combines the three weighted risk elements (population, asset, and economic) to determine each hub's overall percentage of risk in the region. Economic data is refreshed every three years, population data is refreshed every five years, and asset data is refreshed yearly.

Discussion:

The population risk data was updated with the 2015-2019 American Community Survey (ACS) 5-Year Data. Asset risk distribution percentages changed minimally, given that our asset database is analytically robust from prior year data clean ups. The economic risk data was updated with the most recent 2020 BEA GDP data by county.

The FY22 hub allocation risk percentages changed minimally from last year. The table below provides the FY22 hub risk allocation percentage results as compared to FY21. The Management Team will be happy to meet and review the hub funding formula process and updates.

Hub	FY 2021 Allocation Percentage	FY 2022 Allocation Percentage
East	23.73%	23.01%
North	6.65%	6.34%
South	25.15%	25.50%
West	44.47%	45.16%
TOTAL	100%	100%