



Building
Resilience:
4 Ways to Find
Resources for
Protection &
Prevention

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Financing the Future of
Resilient by Design
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How to find resources for resilience when success is something that doesn't happen...



Source: Union of Concerned Scientists



John Blanchard / The Chronicle

Capturing Value from “Avoided Losses”

1. Find the ‘Biggest Losers’: Who is currently losing money or facing a near-term shortfall without a specific resilience investment?
2. Bust Silos: Identify value across sectors.
3. Foster Flexibility: Integrate revenue & non-revenue generating projects and services.
4. Link Physical & Financial Protection: Leverage insurance-linked finance for resilience.



1. Finding the “Biggest Losers”

- Who loses money if a project doesn't happen? Identify savings to bring new stakeholders to the table with existing – *not new* – resources.
- Think about balance sheets today.
 - Lost revenue from business disruption
 - Escalating costs of protection
 - Affordability of critical services
- Focus on design decisions that link future benefits to current value to motivate action



2. Busting Silos for Cross-Sector Value

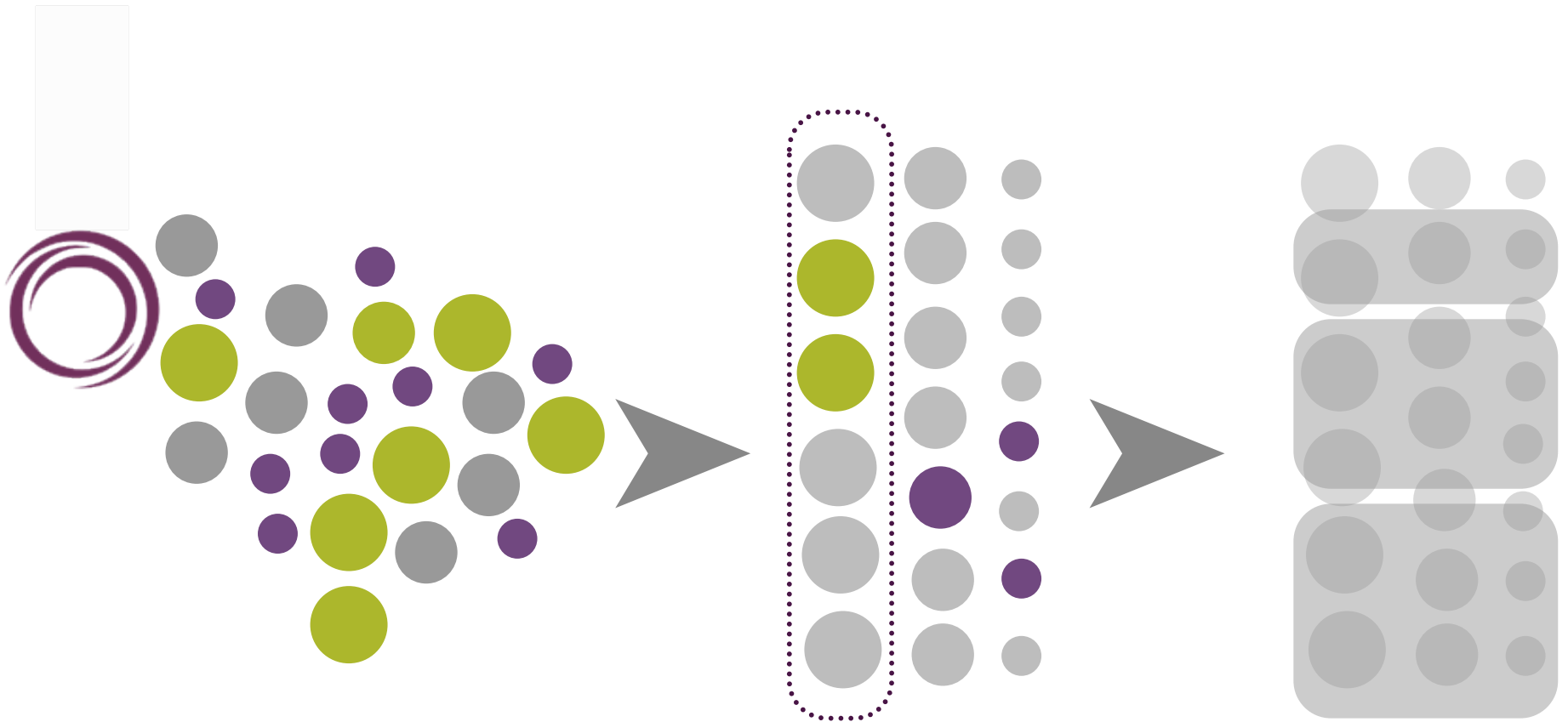
- Identifying multiple benefits isn't enough.
- Design teams need to quantify benefits and align beneficiaries up-front to secure funding or financing commitments for projects.
- Consider what features of your projects:
 - Make things cheaper for different depts.
 - Reduce long-term capital or O&M costs
 - Enhance service delivery in 2 or more sectors
- Focus on pain points (e.g. "dig once" savings)



Community Needs
& Design Vision

Department &
Agency Budgets

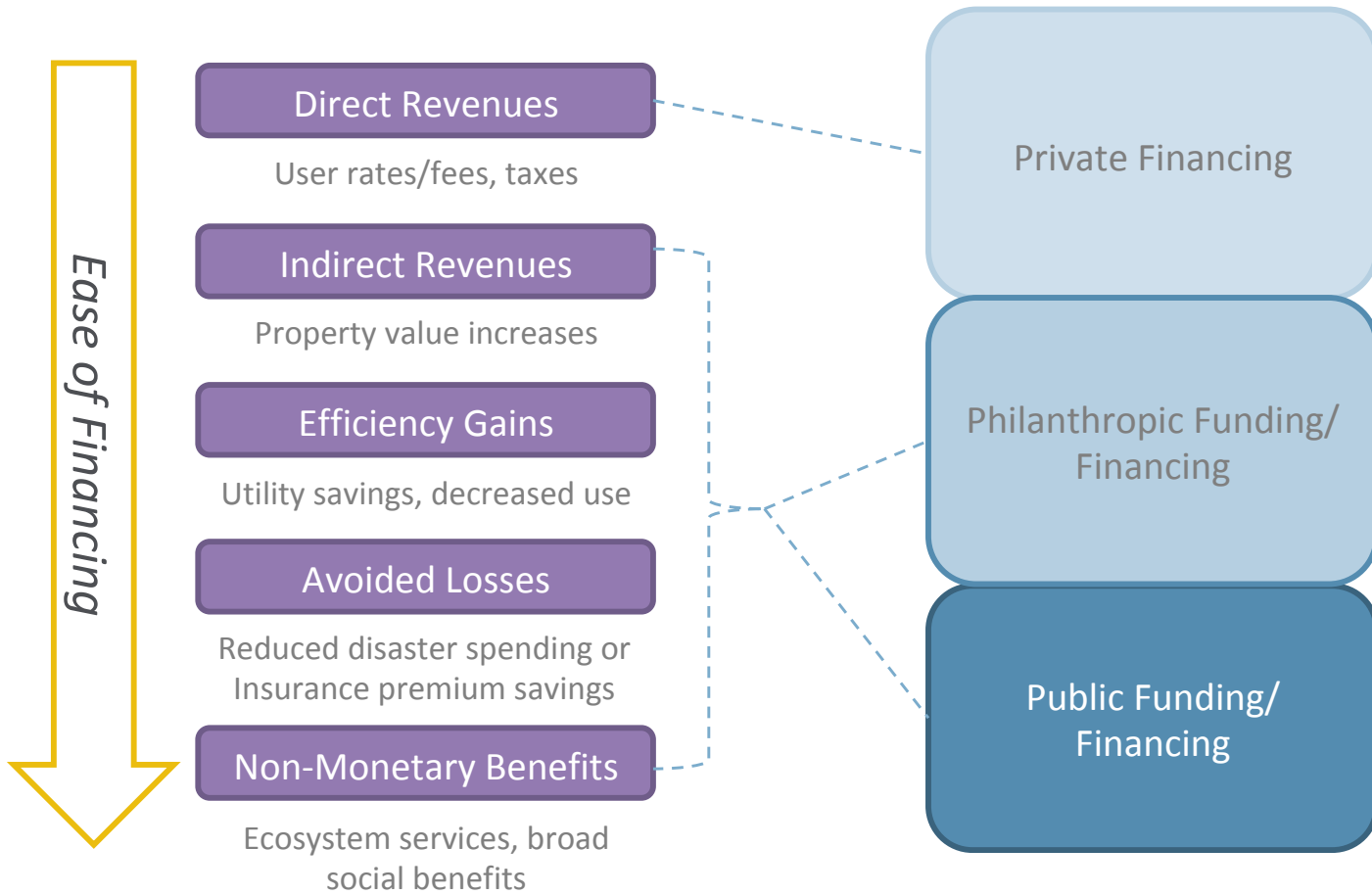
Structured
Finance



3. Linking Revenue & Non-Revenue Projects

- Look for incremental wins to add resilience benefits to ongoing revenue-generating projects – “Hitch your wagon to a bigger horse”
 - Transportation, transit projects
 - Real estate development
 - Utility system upgrades
- Identify project types where integration lowers costs and creates additional benefits (parking + flood water retention/detention)





4. Infrastructure as Financial Risk Reduction

- A lot of infrastructure is designed to reduce risk
 - Public sector assets & services are safer
 - AND insurance companies lose less money when public & private policy holders are better protected
- Resilience Bonds are one way of ensuring the *financial* value created by these public investments returns to the public sector



**without impact on public debt limits or credit ratings*

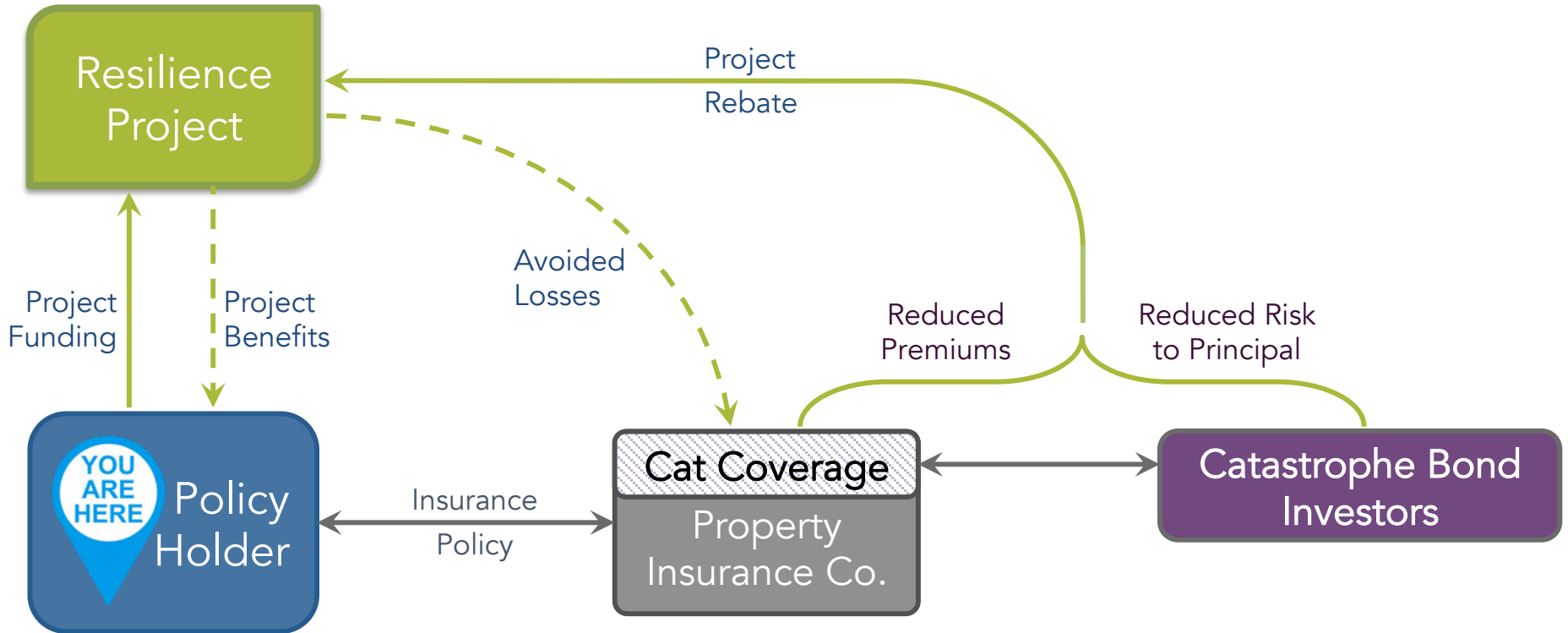
Three Entry Points for Cities & Utilities

- Peril/Liability: growing risks & expected losses
 - New Orleans Levee Systems
 - Thames Barrier (London)
- Insurance: required coverage or compliance
 - New York MTA (2013)
 - Amtrak (2015)
- Project: planned resilience projects
 - Planned Upgrade/Required Recertification
 - New Construction

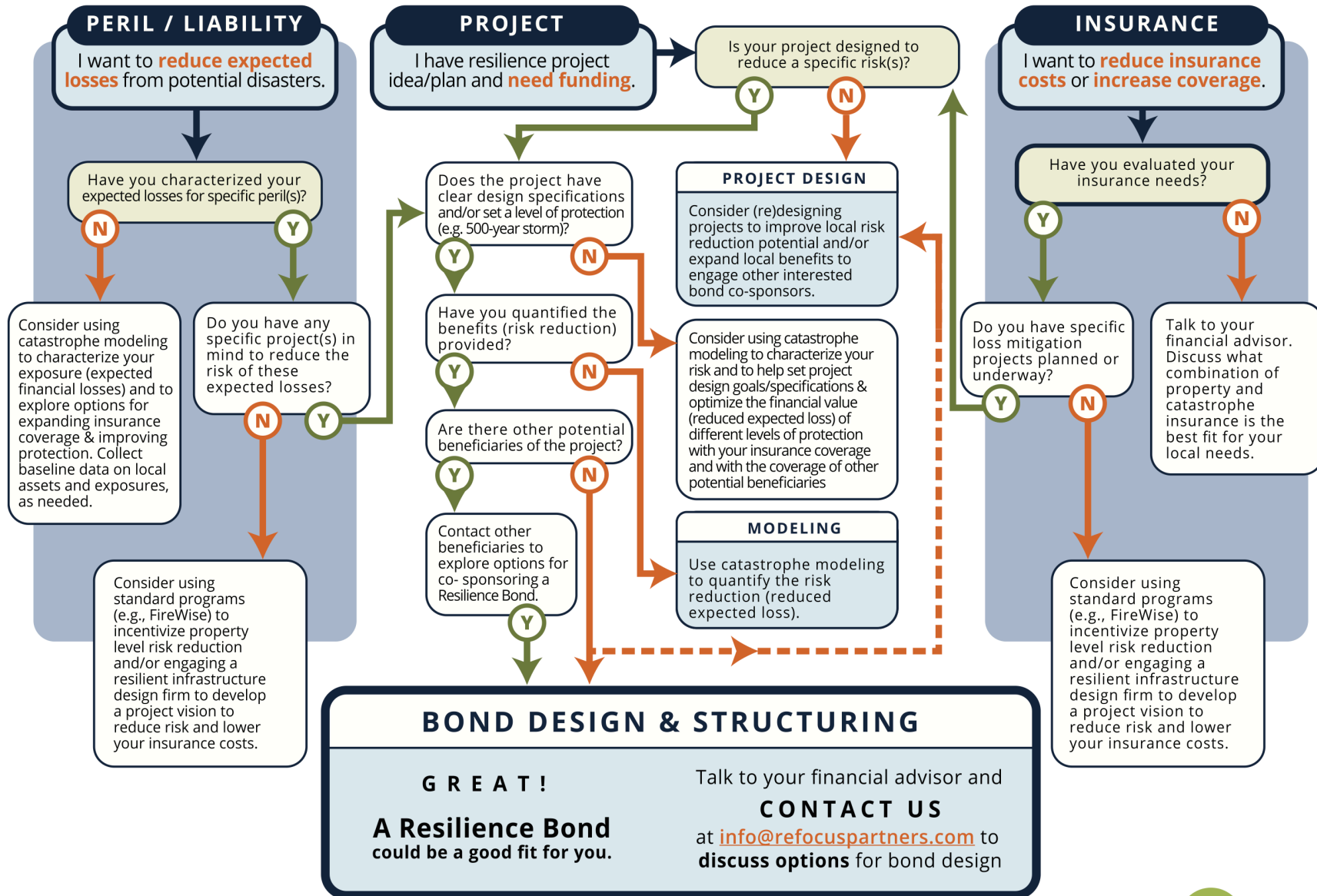




How Resilience Bonds Work



WHAT IS YOUR MAIN REASON FOR EXPLORING A RESILIENCE BOND?



Excerpted from *A Guide for Public-Sector Resilience Bond Sponsorship* (September 2017)

Questions? Read more at:
www.refocuspartners.com/rebound



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REPORTS

Resilient infrastructure finance is complex. The benefits of projects, like seawalls and green flood management systems, are often diffuse and realized far into the future. Read our RE.bound reports below to learn more about how Resilience Bonds can help communities bridge the gap between infrastructure and insurance, and explore our [Sponsorship Flowchart](#) to see if a Resilience Bond is a good fit for your needs.

LEVERAGING CATASTROPHE BONDS AS A MECHANISM FOR RESILIENT INFRASTRUCTURE PROJECT FINANCE →

A GUIDE FOR PUBLIC-SECTOR RESILIENCE BOND SPONSORSHIP →