



**U.S. House Financial Services Committee, Subcommittee on Housing and Insurance
Hearing Entitled: Examining Local Needs in Disaster Recovery**

**Testimony of J. Patrick Cave
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Chairman Flood, Ranking Member Cleaver, and Members of the Subcommittee, thank you for the opportunity to provide testimony on disaster recovery and mitigation efforts, the challenges communities face, and policy opportunities to strengthen and streamline the recovery process and better support communities.

My name is Pat Cave and I am the Senior Vice President of Policy for Enterprise Community Partners. Enterprise is a national nonprofit that exists to make a good home possible for families across the country. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since 1982, we have invested \$92 billion and created or preserved over 1.1 million homes across all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

As a native Louisianan, I have a personal understanding of the urgency of disaster recovery and resilient housing. In 2005, I co-founded a community development nonprofit committed to building sustainable, affordable communities in vulnerable regions after natural disasters. We developed housing for over 460 Louisiana families in the wake of Hurricanes Katrina and Rita and built homes in California after the wildfires, and in Florida after Hurricanes Irma and Michael.

For more than four decades, Enterprise has partnered with federal, state, and local governments—as well as nonprofit and private-sector partners—to support communities before and after disasters. We invest in solutions to address disaster risk reduction, adaptation, and recovery because all three are critical in protecting communities. We have supported efforts after major disasters like Hurricanes Katrina, Sandy, Harvey, Helene, Ida, Irma, and Maria, as well as floods, wildfires, earthquakes, and severe storms across the country. In these efforts, we have helped design and implement housing recovery programs, deploy capital, and provide technical assistance to ensure recovery resources reach communities effectively and efficiently.

Effective disaster recovery is not just about rebuilding structures—it is about how the entire system performs to help communities move from response to long-term stability and self-sufficiency. Within that broader system, supporting the development and preservation of resilient housing remains a critical foundation for recovery. Communities—particularly smaller, rural, or under-resourced places—are often working with aging housing stock and limited capacity. Strengthening recovery efforts requires helping these communities build and preserve housing

that can better withstand future events through new development, rehabilitation, or targeted mitigation improvements.

This testimony focuses on three areas that directly affect disaster recovery outcomes for communities on the ground: 1) Developing resilient housing to withstand disasters; 2) Preserving and retrofitting existing housing; and 3) Drawing from lessons learned when disasters strike, throughout recovery, and rebuilding for the future. Together, these priorities reflect a broader goal: building a disaster recovery system that works better for local communities—one that is streamlined, more efficient, and better equipped to reduce future risk while making responsible use of taxpayer dollars.

1. Developing Resilient Housing to Withstand Disasters

Through our Building Resilient Futures initiative, Enterprise focuses on a practical goal: ensuring that housing—particularly affordable housing—is built and maintained to better withstand natural disasters. This includes advancing cost-effective building practices. A key part of this work is demonstrating that resilient and efficient housing can be delivered at scale in a way that is practical and cost-conscious. Enterprise’s Green Communities framework, used in both new construction and rehabilitation, provides a set of standards that promote durability, efficiency, and long-term performance. To date, nearly 240,000 homes have been developed or preserved using these approaches, supporting over 2 million residents. These homes reduce operating costs, lowering utility expenses for families while improving building performance and long-term stability. These strategies are currently used in rural and urban areas across the country and have been successfully applied in both single-family and multifamily housing.

Enterprise has also worked to strengthen the capacity of housing providers through targeted technical assistance. Through our regional resilience initiatives, we help developers and housing operators assess risk, support operations and resident services during disruptions, and identify practical strategies to protect their properties and residents. This includes addressing emerging challenges such as rising insurance costs and evolving building requirements, which are increasingly affecting the affordability and viability of housing in disaster-prone areas.

At the state and local level, our partnerships focus on helping communities integrate resilience into their existing housing and recovery strategies. Enterprise also works with state housing finance agencies to incorporate resilience considerations into existing housing finance tools, including the Low-Income Housing Tax Credit program. By encouraging practical, performance-based standards within Qualified Allocation Plans, states can support the development and preservation of housing that is better equipped to withstand future events, without imposing unnecessary costs or burdens. Across this work, the lesson is consistent: housing that is built to last, reduces long-term costs, improves stability for families, and strengthens community recovery after disasters.

Pre-disaster planning is a critical component of preparing for effective recovery and one of the most practical tools available to improve outcomes for local communities. Evidence from HUD and FEMA’s Pre-Disaster Housing Planning Initiative (PDHI) shows that states that invest in planning and coordination before disasters occur are better positioned to respond efficiently.

These efforts help clarify roles across housing, emergency management, and local agencies. They also establish communication protocols and create actionable strategies for temporary, intermediate, and permanent housing. Together, these steps allow communities to move more quickly from response to long-term recovery.

Strengthening pre-disaster planning requires not only better coordination, but also investment in the capacity that makes planning actionable – sustained support for technical assistance, resources for nonprofit partners, and financing structures that allow organizations to participate without taking on excessive financial risk. It also requires improving data systems and providing planning tools that communities can realistically adopt.

2. Preserving and Retrofitting Existing Housing

While rebuilding after a disaster often focuses on new construction, a significant portion of recovery occurs within the existing housing stock. For many communities—particularly smaller, rural, or under-resourced jurisdictions—this is where the greatest need and the most practical opportunity exists. Across the country, much of the housing stock is aging and increasingly vulnerable to severe weather. For example, in states like Nebraska, nearly half of the state’s housing stock was built before 1970—and in places like Nebraska City, that figure is 61%—illustrating how widespread older, at-risk housing is in many local markets.

Investing in retrofitting and preserving these homes is therefore a central component of effective disaster recovery. Targeted mitigation improvements—such as reinforcing roofs, elevating structures, addressing flood risk, and upgrading core building systems—can significantly reduce future damage. These investments are often faster and more cost-effective than full reconstruction, and they allow households to remain in place, avoiding prolonged displacement. Modern building codes are among the most cost-effective tools to safeguard against natural disasters, with estimates showing that universal adoption for new construction could save roughly [\\$600 billion](#) over the next few decades, while investments in retrofitting existing buildings could yield even greater returns—saving more than [\\$2 trillion](#) from an estimated \$500 billion investment.

From the perspective of local governments, retrofitting provides a feasible pathway to resilience. Many communities face constraints related to land availability, financing, and administrative capacity that make large-scale redevelopment difficult. However, they can implement targeted rehabilitation efforts across existing housing, especially when supported by flexible funding and technical assistance. At the same time, current funding structures can limit progress. Many recovery programs rely on reimbursement-based models, requiring local governments and nonprofit partners to front costs before receiving federal support—an approach that disproportionately challenges smaller communities and slows the pace of recovery.

Rising insurance costs and increasing exposure to risk further underscore the importance of these investments. Without proactive mitigation, both property owners and communities face higher long-term costs, which can undermine housing affordability and stability over time. Incorporating retrofits into disaster recovery is therefore not just a housing strategy—it is a

practical risk-management approach that reduces repeat losses, shortens recovery timelines, and helps ensure that federal and local investments are used more efficiently.

3. Drawing from Lessons Learned when Disasters Strike, Throughout Recovery, and Rebuilding for the Future

The Enterprise team and I have learned a great deal from our disaster recovery efforts, giving us insight into approaches for both delivering housing assistance and providing support and capacity-building for communities when disasters inevitably strike, throughout the recovery process, and as they rebuild for the future. Partnerships between FEMA, HUD, state and local governments, and other stakeholders are key to ensuring the success of these efforts. Enterprise highlights several opportunities for improving disaster response, recovery, and rebuilding efforts.

Lessons Learned

- **Coordinate resources and communicate clearly with stakeholders.** Coordination will help speed up the recovery process and maximize the effectiveness of resources. Communication with affected households should be transparent and consistent, providing the information necessary to access available resources and make informed decisions.
- **Establish and communicate local priorities.** Local government leadership can encourage private-sector investment and philanthropy that will help achieve local recovery and rebuilding goals by clearly communicating specific short- and long-term needs and priorities.
- **Focus on long-term housing.** While temporary shelter is a necessary component of disaster response and recovery, adequate resources should be *dedicated toward long-term housing from the beginning*. For example, after Katrina, residents with disaster vouchers faced the repeated threat of the voucher expiring, preventing people from settling into permanent housing. There are opportunities to convert disaster vouchers to permanent tenant-based rent subsidies or to extend temporary vouchers expiration several years into the future.
- **Take advantage of existing human capital and organizational expertise.** Engage the region's high-capacity and experienced local and private sector community development organizations and utilize their knowledge of local markets.
- **Engage residents in resilience planning and recovery process.** Public participation is a critical component of preparedness, particularly during mitigation and pre-planning, both to educate people about their personal risk and to involve them in community-informed solutions, ensuring everyone has the opportunity to thrive.
- **Strengthen state and local leadership in damage assessments.** Require meaningful state and local government involvement in post-disaster damage assessments to improve consistency, accuracy, and transparency, ensuring that funding decisions are based on reliable data rather than fragmented evaluations.
- **Streamline regulation and reduce administrative burdens.** Simplify permitting, zoning, and compliance processes to eliminate duplicative requirements, expedite environmental reviews, and improve interagency coordination while maintaining strong protections, enabling faster and more cost-effective delivery of housing and resilience projects.

Specific Policy Recommendations

- **Provide Stable Recovery Funding to Disaster Stricken Communities.** Enterprise strongly supports the permanent authorization of CDBG-DR through the bipartisan [Reforming Disaster Recovery Act](#), which would improve outcomes for families across the country by providing long-term recovery funds to disaster-stricken communities in a more efficient and equitable way. CDBG-DR has become a critical safeguard for filling needs after funding from insurance proceeds, FEMA grants, and other homeowner loans have been insufficient to repair their homes or get them to stable new housing.
- **Establish Flexible Financing Tools to Support Nonprofit-Led Recovery.** Create accessible capital mechanisms such as low-interest bridge loans and recoverable grants to help nonprofits cover upfront costs and sustain operations while awaiting reimbursement based federal funding, enabling faster and more effective disaster recovery efforts.
- **Employ and Improve the Delivery of Proven Tools like the Low-Income Housing Tax Credit (LIHTC) and New Markets Tax Credit (NMTC).** These public-private sector investments are critical tools for disaster recovery. Federal legislation providing additional LIHTC allocations to affected states has included deadlines for developers that were often unrealistic. Ideally, states could set their own deadlines based on their needs, so that it doesn't require an act of Congress to extend it. Congress has also enacted supplemental NMTC allocations, including the 2005 GO Zones legislation,
- **Expand Opportunity Zones Post-disaster.** To drive more private capital to rebuilding and recovery efforts, explore opportunities to create low-income Census Tracts in specified federally declared disaster zones eligible for automatic Opportunity Zone designation, as proposed in legislation like the [Disaster Opportunity Zones Act](#).
- **Incentivize Adoption of Resilient Building Standards by Increasing HOME Per-Unit Subsidy Limit.** Enterprise believes that permitting Participating Jurisdictions to exceed the maximum per-unit subsidy limit to offset the incorporation of above-code building strategies would create a sufficient incentive for developers and owners to achieve certifications in developments that would otherwise not be designed to meet those standards. There is not always an additional cost for meeting these resilient building standards, particularly at simpler levels of certification and we expect any cost differential to diminish over time. This could also potentially lower insurance risk and address some of the challenges affordable housing operators have experienced in disaster prone areas.
- **Reauthorize and Modernize the National Flood Insurance Program (NFIP).** Congress should enact a long-term reauthorization of the NFIP, advancing reforms outlined in the [National Flood Insurance Program and Reauthorization and Reform Act](#) to improve affordability, expand coverage, and align risk-based pricing with mitigation incentives. The program has not received a long-term reauthorization since 2012 and instead operates through short-term extensions, limiting the ability of states and localities

to plan and budget effectively. The NFIP is currently authorized through a temporary extension set to expire on September 30, 2026.

- **Provide at Least \$50 million for HUD’s Section 4 Program in the THUD Appropriations Bill for FY27.** Section 4 funds have often been utilized by CDCs and CHDOs to ramp up their capacity so they can provide immediate support to communities facing overwhelming housing damage after a large-scale disaster. CDCs have typically used and benefitted from Section 4 funds by strengthening general organizational capacity, initiating needs assessments, and creating new full-time staff positions that will provide local partners with critical ongoing support.

Conclusion

By strengthening coordination across federal agencies, expanding flexible financing tools, investing in state and local capacity, supporting the development and preservation of resilient housing, and advancing needed reforms and permanent authorization of key programs—Congress can help ensure recovery efforts are faster, more efficient, and more durable.

On behalf of Enterprise, I want to thank Chairman Flood, Ranking Member Cleaver, and the Members of the Subcommittee for your continued attention to these issues and your bipartisan leadership. We look forward to working with you to advance common-sense solutions that support local communities, strengthen disaster recovery, and ensure that federal resources are used as effectively as possible.