

Practical Advice for Transitioning to Recovery

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When disaster strikes, it can be hard to determine what needs your attention first. The disaster response phase can be overwhelming and emotionally draining for leaders, who are not only worried about their families and homes, but also their communities.

It is important to realize that you and your community are not alone. Economic developers and other community leaders who have been in your shoes have shared their knowledge, recommended strategies, and offered support for other recovering communities.

The International Economic Development Council (IEDC) has worked with and spoken to affected communities around the globe to gather a collection of resources to help communities through disasters. A vast array of practical information for communities working to rebuild resilient economies following disasters is located on IEDC's managed website, Restore Your Economy, www.restoreyoureconomy.org.

During this challenging period, IEDC has created a short list of strategies for your economic development organization (EDO) to consider implementing as your community transitions from the response to recovery stages. In this paper are short summaries of each strategy, with links to websites and publications that include additional information and resources.

Establish a Business Re-entry System

The storm has passed, and now it is time for residents and businesses to return to their communities. To ensure an orderly return, many communities have found it beneficial to use a tiered re-entry system. Through this system, businesses critical to disaster response and recovery are allowed early access to the community in order to survey damages and begin the process of reopening.

Generally, businesses can be separated into three tiers:

Tier 1: This tier is limited to organizations involved in emergency response, including rescue personnel, healthcare staff, utilities and infrastructure repair

personnel, damage assessment teams, and pre-determined government workers.

Tier 2: This tier is reserved for other disaster relief groups, such as relief workers, healthcare agencies, insurance agents, business operators like food and building material suppliers, fuel distributors, debris management, financial institutions, and businesses with unique circumstances (fragile or hazardous waste, large workforce, etc.)

Tier 3: This tier allows remaining residents and businesses to return, as long as they can prove they own, rent, or lease property in the restricted area. Licensed contractors, repair services, and eligible family or friends are also allowed under this tier.

EDOs can coordinate with law enforcement to help establish the requirements for each tier, and develop a credentialing and pass system for organized reentry.

Set up a Business Recovery Center or Case Management Program

Navigating and accessing available resources can be challenging for businesses, especially for those without insurance. They can get lost in paperwork, and may miss valuable opportunities to receive aid without access to essential information. Local leaders and volunteers at a business recovery center (BRC), or as part of a case management team, can assist small businesses in identifying the resources they need. The level of assistance an individual business will require varies by their existing disaster impact and preparedness activities.

A business recovery center is a one-stop-shop where businesses can learn about and apply for federal, state, and local resources and services following a disaster. Focused solely on the needs of businesses, BRCs should serve as consistent points of contact and reliable information sources for business recovery efforts. A BRC should be held in a location separate from the local Emergency Management Center or FEMA disaster recovery center, to lessen confusion for individuals seeking social services. BRCs should also be centrally located and easily reachable for the most affected

businesses. These centers are typically organized and led by a local EDO, while the local SBA office, SBDC, and other business assistance providers are often brought in as BRC partners and representatives.

The following steps are helpful to consider when establishing a business recovery center:

Step 1: Establish a business recovery center (BRC) as quickly as possible

Step 2: Select an appropriate location for the business recovery center

Step 3: Reach out to local, regional and federal partners

Step 4: Develop a marketing and promotion campaign to advertise the center's location and services

Step 5: Establish a hotline number that business owners can call to get information about the center and its services

Step 6: Provide business recovery materials and loan/grant applications in relevant languages to assist major demographic groups in your community

Step 7: Gather intelligence on how the local businesses have been impacted economically by the disaster

Step 8: Be prepared to keep the Business Recovery Center open anywhere from a few months up to a year

BRCs are information centers, restoring communications between businesses, their communities, the government, and disaster response efforts. In order to be effective, BRCs must be responsive to their business communities, and organizers must develop assistance approaches based on their communities' specific needs.

For a more targeted approach, economic developers can consider setting up a case management program. These programs are often headed by an SBDC or Chamber of Commerce, and offer direct counseling services to affected businesses. Additionally, case management services can provide loan application, record retrieval, and business planning assistance. These programs differ from BRCs by offering direct and targeted assistance, while businesses must seek out BRCs and often receive more generalized information from BRC representatives.

Case management programs can be offered onsite or virtually, and are often most effective when assisting small and mid-size businesses.

Leaders and volunteers staffing the BRC or case management program should also consider the mental health of the business owners they are assisting, who are often suffering serious emotional stress in the wake of a disaster. It is recommended to have a mental health professional available to business owners at the BRC or as part of the case management program.

From the Field: Recommendations from Kirstie Smith

Kirstie Smith is the Communications Director at the Joplin Area Chamber of Commerce in Joplin, Missouri. The City of Joplin was hit by an EF-5 tornado on May 22, 2011.

1. Have one accurate, complete list of all the businesses that are open in the community regardless of membership in the chamber.
2. The EDO or Chamber's social media profile is a good, credible, and verified source to keep businesses and the public informed.
3. Long-term partnerships and a commitment to the ultimate goal are key to successful recovery efforts. Leverage partnerships beyond the community, county, and state borders within your region for recovery.
4. After the initial contact with an impacted business, conduct status checks on a regular basis to support them on their path to recovery. Contact all businesses not in the affected area within the region after those in the impacted zone. They may be experiencing indirect impacts from the disaster.
5. To maintain some sense of normalcy and to give kids a place to go while their parents assist with the recovery efforts, have the schools re-open on schedule and/or create special programs for children until schools re-open.

Communications During Transition

EDOs must listen to the needs of their communities and develop communication plans to help businesses connect with resources and services. Throughout recovery efforts, information about resources, counseling, construction, financing, and cleanup must be communicated quickly and accurately. Additionally, EDOs must advocate for their communities, ensuring that local, state, and federal governments are also working to meet businesses' needs.

Develop Lists of Resources

After a disaster, businesses will be in search of resources to begin rebuilding. EDOs can serve as liaisons and information sources to assist businesses in identifying the support they need. This involves organizing lists of resources like available business spaces, materials, and services to help streamline the recovery process.

When their original locations are too dangerous or damaged to return to, businesses and government agencies will be in search of usable space. These spaces can include vacant storefronts, office and industrial buildings, and even trailers on land cleared for future development. By organizing and providing a list of available vacancies, EDOs can help businesses find temporary spaces until their original locations are safe. Quickly finding a temporary location can limit interruptions to business and can help reduce lost customers.

Often, communities will want to participate in recovery efforts and support their local businesses. Creating centralized communication platforms for community members can help channel available resources and services. One way to encourage these exchanges is to create a message board, where businesses can post what items they need to get up and running, and community members can post items and services that they can donate or lend. Participating businesses should include their contact information to coordinate the exchange of items.

EDOs can also produce a list of licensed or credentialed local companies that can assist with repairs. Such a list can help preserve jobs in the community, signal boosting companies and individuals who are still offering services, and allows local businesses to participate in their own community's cleanup and recovery process. EDOs can work with local companies and service providers to obtain supplies and expedite any necessary permits.

In the wake of a disaster, communications can be complicated by issues with technology, messaging, and flow. On the technical side, physical infrastructure like phone lines and cell service may be damaged or offline. Additionally, when devising a communications plan it can be difficult to develop consistent messaging between many different information sources, and the flow of information between businesses and decision makers can be interrupted in the chaotic aftermath of a disaster. In order to buffer against communications failures and ensure messaging consistency, one or more spokespeople from your organization should be identified to communicate with stakeholders, businesses, and the media. Additionally, a functioning communications platform should be recognized and designated for consistent use throughout the disaster recovery process.

Several platforms can be used to communicate with local businesses, including text messages, social media, blogs, and web portals, in addition to traditional standbys like newspapers, radio, television, and phone calls. The BRC should have a hotline for businesses to call for counseling, particularly when they are unable to travel to the physical location. These four steps can be useful to consider:

Step 1: Establish a website and possibly a toll-free number attached to a call center to provide disaster response and recovery information to businesses

Step 2: Establish a tiered business call program or surveying effort for business retention purposes

Step 3: Develop a communication strategy among key community leaders to ask for assistance from state and federal governments

Step 4: Develop an effective "Open for Business" communications strategy to counter negative public relations and image issues

As communities transition to the recovery phase, EDOs should continue to utilize a unified communications strategy, including communicating with businesses for retention and expansion, petitioning state and federal governments for assistance, and marketing the fact that the community is open for business.

From the Field: Recommendations from Tish Williams

Tish Williams is the Executive Director of the Hancock County Chamber of Commerce in Bay St. Louis, Mississippi. Hurricane Katrina and the Deepwater Horizon Oil Spill greatly affected Hancock County.

1. Devise a public/private partnership to chart the course and set funding priorities.
2. Work directly with state agencies and the Governor’s office to establish your organization as an authority on matters related to disaster recovery.
3. Work regionally or be the region’s resource for recovery programs.
4. If you do not already have an agency focused on housing development, establish a Housing Resource Center to get people back in their homes to re-establish the population, labor market, and customer base for businesses.
5. Establish marketing tools to rebuild your housing market and community.
6. Create the organizations to apply for, accept, and manage funds for loans and grants for local business and industry. This may include establishing a 501(c)(3) and a community development financial institution if you do not already have one. These organizational structures will allow your organization to be eligible for federal and state grants that will provide the funding you will need to expand your capacity and rebuild your county’s economic structure. Work with state agencies to provide re-capitalization grants for businesses.
7. Establish events to help bring visitors to your area to create a customer base for small businesses.
8. Use your Chamber of Commerce to communicate to stakeholders about opportunities for rebuilding and recovery.
9. Focus on catalyst projects to spur investment.
10. Consider establishing a downtown incubator or accelerator to give businesses a way to re-establish.

Assess Disaster Impacts

To develop effective plans for recovery, it is essential to understand a disaster’s community and business impacts. Organizing a public meeting is a good way to gain firsthand knowledge of the immediate effects experienced by local business owners, and to establish a baseline assessment. Additionally, an EDO can conduct a grassroots campaign to gather information, sending out a team of individuals to business owners to conduct a paper survey and inform them about available services. An electronic survey is not recommended as connectivity

may be limited following the storm. After assessing and addressing these immediate concerns, a more in-depth economic assessment can help determine a community’s next steps and priorities.

Post-disaster economic impact studies measure how a major event has affected a community. Study methodology can vary based on factors such as the magnitude of the disaster, information challenges, and organizational capacity. Generally, however, an impact study will follow these four steps:

Step 1: Defining the geographic area

Step 2: Selecting indicators to measure

Step 3: Collecting data

Step 4: Analyzing data

Emergency Financing for Businesses

Many small businesses run tight budgets, with limited funds reserved for a rainy day. Immediately following a disaster, small businesses need capital to cover their recovery expenses, even when their doors are closed. However, commercial insurance does not always provide adequate coverage for damages and revenue losses, and businesses can face delays in receiving payments from their insurance carriers or other long-term financing sources. EDOs can respond by identifying and organizing emergency financing to jumpstart their recovery, such as gap and bridge loans.

A gap or bridge loan provides small businesses with low interest and/or no fee interest loans with flexible terms to assist with costs following a disaster. These loans generally range between \$5,000 and \$25,000, and are meant to be short-term sources of financing to help businesses get on their feet in the immediate aftermath of a disaster. Some states, including Florida and Louisiana, already offer these loans to small businesses. If your state does not offer a gap or bridge loan program, cities, counties, and regions can create programs for their local businesses. Additionally, EDOs can consider setting up a business grant program to help small businesses who have not pursued loans due to debt concerns. These

forgivable loan programs are usually funded by local, state, and federal sources. Economic developers can also work with local banks and other financial institutions to develop solutions for small businesses and provide access to capital.

Economic developers can also collaborate with local foundations to make grants and loans to small businesses. As 501(c)(3) organizations, foundations can accept donations on behalf of the community to support the local economy's recovery. Their experience and structure in grant making can expedite the grant funding process.

Accessing Federal & State Resources

Federal and state governments provide a range of resources to support local leaders throughout their economic recovery efforts. Economic developers and community members in search of information on available resources can reach out to federal and state representatives with their questions. These representatives may also be interested in participating in or providing resources for business recovery centers, public meetings with local businesses, and case management programs. Commonly used sources of federal funding for disaster recovery are the U.S. Economic Development Administration, HUD's Community Development Block Grants, USDA's Rural Development Disaster Assistance, the U.S. Treasury Department's CDFI Fund, the U.S. Department of Labor's National Emergency Grants, and the IRS's Disaster Assistance and Emergency Relief for Individuals and Businesses.

Additional Resources for Recovery

Setting up a BRC: An eight-step guide to setting up a BRC with resource links can be found online at www.restoreyoureconomy.org/recovery/business-recovery-center/. You can also learn more about identifying a location for a BRC on page 48 in the [Leadership in Times of Crisis Toolkit](#).

Communications: Several communication strategies are highlighted in [Chapter VII: Crisis Communication](#) in the

[Leadership in Times of Crisis Toolkit](#). Additional steps to consider while developing your post-disaster communication strategy can be found online at www.restoreyoureconomy.org/recovery/developing-a-communication-strategy/.

Assessing Impacts: [Chapter VI](#) in the [Leadership in Times of Crisis Toolkit](#) provides guidance on different types of post-disaster impact studies, timing for the analysis, and processes for conducting a study.

Financing: The [Case Studies in Small Business Finance Following a Disaster](#) briefing paper provides six examples of programs communities and foundations have developed to provide access to capital for small businesses. You can learn more about establishing a business recovery fund on page 51 in the [Leadership in Times of Crisis Toolkit](#). Gap and bridge loans are discussed on pages 68 – 73 in the toolkit.

Federal/State Funding: IEDC has created a list of [U.S. government agencies](#) that EDOs should consider for disaster recovery and preparedness resources, which can serve as a starting point for economic developers looking for federal or state resources. Additionally, the [Federal Disaster Recovery Funding: Minimizing Roadblocks to Maximize Resources](#) report provides descriptions of the requirements for federal programs and the guidelines for requesting waivers for disaster-affected states and communities.

As a community moves along its road to recovery, there will be additional challenges, including addressing blight and redevelopment opportunities, economic diversification, and infrastructure recovery. A list of resources by topic is available online at www.restoreyoureconomy.org/resources/topic/.

Many economic developers have shared their disaster recovery experience and advice. A series of recorded web seminars is located online at www.restoreyoureconomy.org/resources/learn/webinar-archives/.

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