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Chapter 3: Disaster Preparation

Introduction

An economic development organization¹ (EDO) that takes steps to prepare for a disaster, and that educates and trains local businesses in disaster preparedness, will have the capacity to provide effective support at a very critical time. This takes leadership; disaster preparedness is not a topic that is top of mind for businesses, so EDOs must continue to raise the issue and build it into day-to-day functions such as business retention and expansion. EDOs must also assume leadership in convening stakeholders and following up on efforts to amend plans to appropriately prioritize economic recovery.

To gain a seat at the disaster planning and response table, EDOs and chambers of commerce need to function as communication links to local businesses. They can achieve this by regularly communicating with the business network and providing value-added services day-in and day-out. In a disaster, businesses will first approach organizations they are confident they can rely on for timely and credible responses and recovery information.

This chapter covers internal and external planning for EDOs, as well as suggestions for engaging businesses in continuity planning. Internal preparedness includes the physical, digital, and organizational steps to take in preparation for any kind of disaster. External preparedness involves working with a recovery team of local, state, and federal public and private stakeholders to influence and engage planning and disaster management efforts before an event.

Internal Planning: Ensuring EDO Continuity

Identifying Critical Business Functions

Immediately following a disaster, economic development organizations are likely to be operating at reduced capacity due to displaced staff, damaged facilities, reduced operational funds, or utility outages. Despite this, these organizations will also be expected to respond to the immense post-disaster economic recovery needs in their community. To maintain functionality in times of crisis, EDOs need to prioritize critical business operations.

¹ According to the International Economic Development Council's Introduction to Economic Development Manual, "Economic development can be defined as a program, group of policies, or set of activities that seeks to improve the economic well-being and quality of life for a community by creating and retaining jobs that facilitate growth and provide a stable tax base." Economic development organizations include municipalities, neighborhood groups, chambers of commerce, universities, utilities, state governments, regional entities such as public-private partnerships, and Economic Development Administration designated Economic Development Districts.

Identifying, prioritizing, and delegating critical business functions is integral in resuming operations following a disaster. Critical business functions are those that are most sensitive to downtime, fulfill legal or financial obligations to maintain cash flow, play a key role in maintaining market share or reputation, or safeguard an irreplaceable asset.

The following steps from the Insurance Institute for Business Home and Safety (IBHS) can be used to map out the critical functions of an organization – those activities that are vital to the organization’s survival and the resumption of business operations.² Identifying critical business functions is just one part of organizational continuity planning. While businesses may have many other concerns including supply chains, equipment, and product, EDOs are primarily focused on support and service, which are particularly important during a disaster.

1. Identify the business functions and processes that are critical to the survival of your organization

What is your main product/service? What other business functions/processes do you perform to run your overall business such as production/service delivery; customer service; sales/marketing; purchasing; accounting/finance; human resources; administration; and information technology? What activities do employees perform on a daily, weekly, monthly, and annual basis or other special times of the year?

2. Rank these organizational functions in priority from extremely high to low

What are the consequences if the function can't be performed? Can your organization survive without this function? How much downtime can you tolerate for each function?

3. Rank and document important information for each function

Start with functions ranked Extremely High and High. Additional functions can wait until your annual update.

4. Consider whether employees need additional training to perform functions they do not normally complete but could complete in the event of a disruption
5. Be as specific as possible when documenting procedures for workarounds and manual processes

² [Stay Open For Business](#), IBHS



Digital Needs

The Covid-19 pandemic highlighted the need for flexible systems that can be adapted to changing circumstances. In the pandemic, many organizations learned about digital readiness the hard way. Overnight, employees went from working together in an office setting to working remotely. Interactions with businesses were disrupted at a time when many were struggling to adapt to a new environment, as the phone numbers and physical addresses of EDOs were temporarily defunct. Organizations that had functional digital systems in place were at a distinct advantage. Establishing and maintaining these systems will be a good investment no matter the type of disaster that strikes – whether public health, weather-related or related to another source.



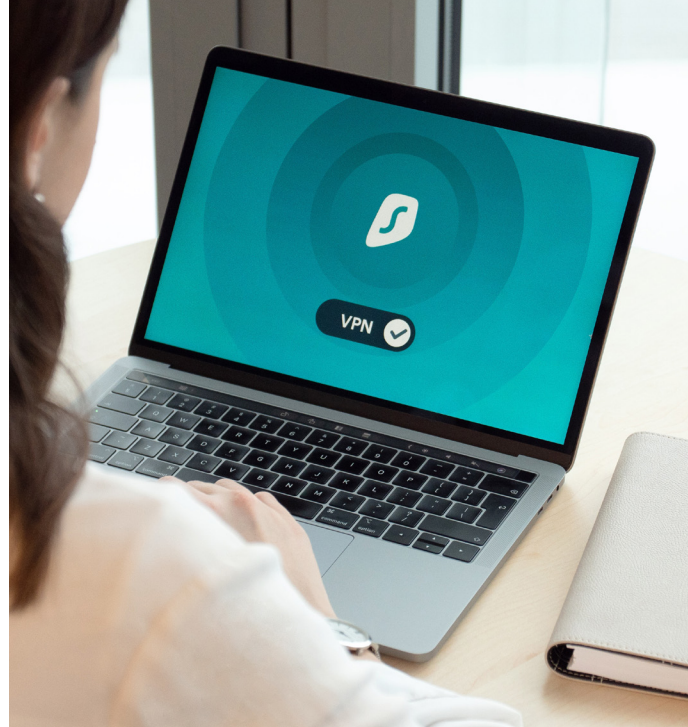
Keeping Relationships Strong

When a major disaster strikes, communication channels are commonly disrupted at a time when the community needs them most. EDOs should prepare to have several different ways of contacting local businesses. The first step in digital disaster preparedness is to make sure the organization can be in touch with employees, partners, and businesses by establishing redundancies and ensuring transparent and accessible information. There should be some sort of digital shared file with contact information for all audiences that is maintained internally. While this can be a shared document, the sophistication, and capabilities of Customer Relationship Management (CRM) software have led to a rise in the use of such products. No matter the format, the core principle remains the same: collect all the contact information possible, including personal emails and mobile phone numbers, and make sure it is continually updated.

Internally, organizations will need to ensure that all employees can access this database. Before disaster, decisions about when to contact different audiences, and who should do so should be made. For example, emails may be sent to a wider range of contacts from an organizational address, but perhaps only leadership should be sending a message via text messaging service to business owners and executives. More about communicating with various audiences can be found in *Chapter 7, Crisis Communications*.

Ensure Data Safety

The second step to digital security is to ensure data safety through backups to the cloud or remote servers and to establish parallel software systems. Most organizations have migrated their information storage and day-to-day business to the digital space. This is convenient and enables quick access and communication, but also introduces threats; hard drives malfunction unpredictably, ransomware attacks threaten security, and human error can result in data loss. Furthermore, natural disasters can cause electrical surges, flooding, and other threats, and public health crises like Covid-19 can push the limits of digital systems. So, as an extra level of security, EDOs should establish parallel systems to ensure continuity.



Organizations must prepare for interruptions to digital systems through both backup and disaster recovery. Backup of data is the process of making an extra copy or copies of data. This can be stored in either the cloud (that is, a location on the internet) or physically stored on a server – or through some combination of the two. If storing on a server, the best practice is to choose a location out of state so that if a large natural disaster strikes, data can still be recovered. Organizations should seek to back up all vital records that can include employee data, payroll, financial records, strategic plans, customer or client lists, vendor lists, building plans/blueprints, the lease or mortgage, property titles, insurance records, and other valuable documents that contribute to the organization’s bottom line.

In the parlance of digital security, disaster recovery refers to the plan and processes for quickly reestablishing access to applications, data, and information technology (IT) resources after an outage.³ This concept is more related to software, and capacity continuity, and includes establishing parallel systems. For example, this could mean having a facsimile of a website already established on a different internet server so that there is a seamless transition to the backup website and no interruption of service in case the original site is not responding.

Another important reason to invest in data safety is to ensure that systems related to an EDO’s Business Retention and Expansion (BRE) function are preserved. Effective BRE depends on an accurate database listing addresses and contact information. If the BRE database is only stored at the office, the EDO may lose the ability to access emergency contact information. They may even lose the data permanently depending on the damage to their facility. Backing up this database to the cloud or a remote location allows for uninterrupted access. Planning for disaster recovery related to this function will focus more on how to patch in a solution if the software fails or is disrupted. For example, if there is a portal on the organization’s website where businesses can enter their information, and for some reason, this fails, there could be a temporary survey installed in its place.

3 [Backup and Disaster Recovery](#), IBM, December 2018



Communications

Putting communications plans in place helps an organization address any event; from disasters to job expansions. *Chapter 7, Crisis Communications*, provides an overview of how to formulate and carry out a communications plan. In terms of digital pre-planning, there are a few key steps to take beforehand, including developing templates for social media engagement and press releases and having a dedicated website.

Resources that can be easily mobilized on a website for businesses to use in the immediate wake of a disaster include contact information for FEMA, the Small Business Administration, and other federal partners, as well as lists of general contractors, suppliers of heavy equipment, generators, or office equipment, available building space, local banks, and other professional services that are in great need following a disaster. These lists should include contact information including a phone number and temporary location address for any critical service that supports the local business community.

For example, Greater New Orleans, Inc., the regional economic development nonprofit organization serving the 10-parish region of Southeast Louisiana, hosts “[GNO Powermatch](#)” on their website, which connects power generators with companies and organizations who need them. Organizations can sort by size, fuel type, and availability. They are then provided the name and contact person at a rental or sales company. The website is available on mobile as well as desktop, so those without power can use their phones to access it.

Physical Preparations

EDOs should prepare to meet the physical conditions of all emergencies they may be exposed to. For organizations that work out of an office, this means having emergency supplies on hand at the office in case employees must shelter there; it also means having a backup office and identifying a physical location where business owners can visit to access help. This aspect of emergency planning is more focused on weather-related or other physical disasters, rather than public health-related events; in light of what was learned from the Covid-19 pandemic, including personal protective equipment such as face shields and masks would also be prudent.

Collect Needed Supplies for Disaster Response

When disaster strikes, the EDO may be on its own for hours or even several days. Keeping supplies on hand can help care for employees, customers, or others on premises until help arrives. Use the following checklist for recommended supplies. Remember to check the kit every six months to replace expired or outdated items.

- Water (one gallon per person per day for several days, for drinking and sanitation)
- Food (at least a three-day supply of non-perishable food)
- Battery-powered or hand crank radio and a NOAA Weather Radio with tone alert
- Flashlight
- First aid kit
- Extra batteries
- Whistle (to signal for help)
- Dust mask (to help filter contaminated air)
- Plastic sheeting and duct tape (to shelter in place)
- Moist towelettes, garbage bags and plastic ties (for personal sanitation)
- Wrench or pliers (to turn off utilities)
- Manual can opener (for food)
- Local maps
- Cell phone with chargers and a backup battery⁴

EDOs Should Arrange for Two Alternate Office Locations

As part of the organization's continuity plan, an EDO should plan for at least one backup office location- preferably two backup office locations - to use in the case of an emergency. This ensures that if the first alternate location is also impacted, a second location is available.

In the case of a pandemic, or another event where employees need to work remotely, EDOs may want to coordinate with their employees to help establish workplaces in their homes. Offering a credit toward home office improvements - for example, to upgrade computer systems or workspaces - may pay off in more productive employees.

Other concerns related to employees include immediate impacts on communications and transportation networks and ongoing issues related to childcare and housing. An in-depth overview of employee-related issues is included in the section on Business Continuity Planning, below.



4 [Build A Kit](#), Ready.gov, February 2022



Organizational Preparations: Establish a 501(c)3 Foundation that Enables a Business Recovery Fund

Depending on the structure of the EDO, establishing a nonprofit 501(c)3 foundation for economic development and recovery purposes can be an excellent tool to assist in response and recovery in the wake of a disaster. While determined state by state, the IRS 501(c)3 designation may allow for the following benefits⁵:

- Exemption from federal income and employment taxes
- Exemption from state income and sales tax
- Ability to accept tax-deductible or charitable contributions
- Reduced postal rates
- Tax-exempt financing options

In the wake of a disaster, the nonprofit structure allows EDOs to engage more actively in economic recovery activity following a disaster. In the case of Joplin, MO, the chamber was able to receive charitable contributions and channel those funds through their foundation into a revolving loan fund (RLF) for small business recovery purposes.

It is important to keep in mind that tax-exempt status brings with it legal and reporting obligations. An informative presentation given by the Joplin MO Chamber of Commerce and their lawyer detailing the need for a legal process of establishing a nonprofit, which is available digitally at www.restoreyoureconomy.org.

Ideally, economic development foundations should be in place and functional before a disaster. Trying to create a foundation after a disaster slows the organization's ability to quickly respond with needed recovery programs. Keep in mind that these foundations are useful for other economic development purposes during normal periods of operations, such as dispersing funds through loans or grants, or engaging in fundraising campaigns.

⁵ [Nonprofit vs. Not-for-profit vs For-profit: What's the Difference](#), U.S. Chamber of Commerce, April 2021

Internal EDO Continuity Planning

1. Identify critical business functions

Understanding the organization's key business functions and who will carry them out will ensure continuity in case of a disaster.

2. Make sure the organization can be in touch with employees, partners, and businesses

Establish redundancies and ensure transparent and accessible information through a shared database such as Customer Relationship Management software.

3. Ensure data safety

Important documents should be backed up to the cloud, a remote server or a combination of the two. Additionally, parallel systems should be created to provide a seamless transition if core software is compromised.

4. Prepare a crisis communications plan

This will include when and how to contact different audiences. More information can be found in Chapter 7, Crisis Communications.

5. Collect needed supplies for disaster response

In addition to supplies to ensure survival, include personal protective equipment such as face shields and masks.

6. Arrange for alternative office locations

Also keep in mind employees' personal situations; they may be affected by damage to a home, or disruption of childcare.

7. Establish a 501(c)3 fund for business recovery

While best undertaken prior to a disaster, a 501(c)3 nonprofit allows for flexibility in accepting and disbursing donations.

National Business Emergency Operations Center

The National Business Emergency Operations Center (NBEOC) is FEMA's virtual clearing house for two-way information sharing between public and private sector stakeholders to help people before, during, and after disasters. The NBEOC uses virtual tools - including web-based platforms and dashboards - to communicate and coordinate with members. During emergency operations, the NBEOC provides access to real-time situational awareness about the incident and ground truth on the needs of affected survivors and communities. The NBEOC works to:

- Support state, local, tribal, and territorial government capabilities to respond to and recover from disasters, by connecting them with FEMA's regional private sector liaisons and the NBEOC's national network of private sector partners.
- Assist FEMA's regional and joint field offices by identifying potential sources of operational support and providing situational awareness during response and recovery phases of a disaster.
- Improve situational awareness across affected areas and facilitate information sharing between public and private sectors on existing needs and capabilities during a disaster.
- Engage key stakeholders who can bring resources, capabilities, and expertise to bear in support of disaster response and recovery operations.
- Coordinate requests for information about critical infrastructure sectors through the National Infrastructure Coordination Center.
- Foster mutually-supportive relationships that strengthen public-private partnerships.

External Planning: Engaging the Business Community in Disaster Preparedness

Beyond the internal planning that will help EDOs activate and sustain their recovery response, the nature of their role in the community demands engagement with other organizations if they are to be valuable partners in ongoing rebuilding and resilience. In preparedness planning, EDOs must coordinate amongst themselves and with municipal and state departments to represent the needs of the business communities which they serve.

Economic Developers as a Liaison between Business and Government

While local government has the legal responsibility to address disaster risks and make emergency management plans, the business community will recover much more successfully from a disaster if business needs are incorporated into preparedness planning. In this scenario, EDOs can serve as a liaison. While EDOs often advocate for business interests in preparedness activities, they also have the unique ability to coordinate involvement and leverage resources from the business community after a disaster. In a post-disaster environment, they are likely to take a leadership role in facilitating job recovery and stabilizing the community's economic base.

Business owners and executives don't always naturally see their role in a community's disaster preparedness effort, so the EDO plays an important role in conveying these understandings. Similarly, emergency managers are most often concerned with health and safety and can overlook the needs of businesses. Involving the business community in the disaster preparation process at an early stage will help to ensure their specific needs are addressed in emergency plans and increase their resilience to the disaster's impact.

To serve as a liaison between business and government, EDOs need to understand businesses' concerns regarding disasters. However, on a day-to-day basis, most business owners and executives are concentrated on keeping the doors open; EDOs must be leaders in raising the topic of disaster preparedness and must engage with businesses to source insight about potential issues. One way to do this is through hosting business continuity planning events, which is discussed in depth in this chapter. Another is through existing business retention and expansion (BRE) functions. For example, questions on disaster preparedness can be built into BRE surveys. For more information on BRE, please see *Chapter 5, Business Retention and Expansion*.

Engaging Business Representatives in Planning

Beyond serving as a voice for the business community, EDOs can actively engage local business representatives in planning efforts that not only will protect their assets but also expedite the recovery of the local economy in the event of a major catastrophe.



Build an Economic Recovery Team

Recovery teams can be catalyzed by EDOs, or they could grow out of a strategic planning process or in response to a different disaster. In the wake of Covid-19, many communities are likely assessing their risk and building or continuing these teams. This team should specifically address the post-disaster economic recovery issues that a community may face and will have a key role in reviewing the community's emergency response plan to evaluate how the business community and local economy might be impacted by decisions laid out in the plan.

Effective recovery teams have a mix of strategic representatives from the private, public sectors, and non-profit sectors participating in the economic recovery team. Trust is built as these stakeholders cooperate in the pre-planning phase so that these relationships can be relied on when disaster strikes, and there is a need for expediting the decision-making process.

For the private sector, representatives should reflect a diverse population of businesses; established and new, large and small, and those located in successful commercial and distressed areas – as well as industrial areas. Note that businesses in disadvantaged neighborhoods are often more adversely affected by disasters. If this population had not been involved in planning efforts in the past, work to engage them moving forward. Additionally, financial institutions should be invited to participate.

Public sector engagement should include public and elected officials such as council members, emergency management and personnel, and public safety personnel. The Covid-19 pandemic has shown the importance of engaging public health officials. It is also useful to include quasi-public entities such as utility representatives or airport leadership. Economic development stakeholders, such as representatives from the lead EDO, and those from business or trade associations, business districts, workforce investment boards, and other business-serving groups should also be included.

Relevant nonprofit partners should also be involved including those focused on training and workforce development such as universities and community colleges, and those focused on health such as hospitals. Additionally, nonprofits that interact with recovery efforts such as the local chapter of the Red Cross and United Way should be included.

Private, nonprofit, and public sector involvement in this team will ensure that communication flows between these groups and will bring to light any potential conflicts or duplication of efforts in the recovery process. For example, after hearing from businesses, the public sector is better informed of decisions that could delay the business recovery effort and is informed of the private sector's priorities for re-investment and redevelopment.

The team should select the appropriate leader who has an articulated position of authority to provide proper support to the team; someone who understands the needs of the private sector and can facilitate participation from all representatives. Due to the focus on advocating for the private sector, this role may best be served by EDO leadership. Their role will be to establish agendas, facilitate discussion and information exchange within the team, delegate tasks, and follow-up, and evaluate group objectives and outcomes.

Review Comprehensive Emergency Management Plans

The economic recovery team or a representative from it should be engaged in emergency preparation and planning activities, particularly in close communication with their region's Office(s) of Emergency Management. The local jurisdiction's emergency manager is responsible for creating the area's emergency management plans and for the key decisions which have direct impacts on the business community after a disaster, including business reentry, access to property, and other issues that impact local businesses' ability to respond and recover. Most emergency management plans are primarily concerned with health and public safety issues and may overlook the economic recovery aspect. Economic development representation enables the business community to have a voice in the emergency planning process.

Specifically, EDOs or a representative of the recovery team should participate in the state and local hazard mitigation planning process. Once a relationship with emergency management personnel has been established, they can be invited to participate in economic development planning as well. Some planning efforts have resilience built into the process. For example, when local Economic Development Districts are updating the Comprehensive Economic Development Strategies (CEDS), a section on Economic Resilience is required. Ideally, CEDS, hazard mitigation plans, local land use plans, and economic development strategies are aligned.

The team should consider reviewing all plans that are relevant to disaster recovery, such as the:

- Economic development component of a comprehensive plan
- Economic development strategic plan
- Community development plan
- Capital improvement plan
- Comprehensive Economic Development Strategy (CEDS)

Consider the Emergency Support Function System

Under the National Recovery Framework (NRF), Emergency Support Functions (ESFs) are resources organized into 15 categories, which provide a structure for all the different agencies involved in responding to a disaster. The most prepared states have a similar structure in place at the state and local levels that enable industry and business input at the emergency management table. States such as Florida, South Carolina, and Louisiana have established a state-level ESF for business and industry to enable greater coordination and planning between different government

agencies, the private sector, and non-profits. These ESF teams are also established at the local level, which enables them to receive FEMA funds for planning, and ensures that the business representative is included in the community's Emergency Operations Center (EOC) in the event of a disaster.

For those states that have not established a state-level ESF structure that is mirrored at the local level, consider advocating for a 'business and industry' ESF structure to be established that will help ensure the business community is appropriately involved in disaster response and recovery.

MANATEE COUNTY, FL

In Manatee County, Florida in the County Comprehensive Emergency Management Plan, volunteers from the International Economic Development Council (IEDC) clarified the role of the County's Economic Development Division as explicitly taking on Emergency Support Function-18, the function of Business & Industry.

In 2018, IEDC volunteers were invited by the Manatee County Department of Redevelopment and Economic Opportunity to assist Manatee County with economic recovery discussions following Hurricane Irma. Manatee County has a robust Emergency Support Function (ESF) plan. This county-level plan, which mirrors federal and state ESF plans, provides the structure for coordinating interagency support for a response to an incident. The Manatee County Department of Redevelopment and Economic Opportunity was the lead on ESF-18: Business and Industry. Through discussion with nine other stakeholder business-serving groups, volunteers learned that there was a need for training and alignment with the ESF-18 framework.

The resulting strategic planning document recommended that all partners – including the various chambers, as well as the regional SBA Small Business Development Center and local community development financial institutions (CDFIs) – should receive training on the ESF-18 Business and Industry Plan. Volunteers learned, as a result of the Irma response, that most support agencies were unaware of each other's internal emergency plans. During Irma, each support agency team had focused on their roles and partner stakeholders, resulting in limited cooperation. Hence the suggestion that through training and discussions, agencies' internal emergency plans can be coordinated with the county ESF-18 plan.

Additionally, volunteers identified a need for more representation of ESF-18 related actors involved in the Emergency Operations Center (EOC), and more open communication between the EOC and outside stakeholders on issues pertinent to business needs.

Discuss Roles and Responsibilities for EDOs Post-Disaster

The role of EDOs will vary based on the economic development structure of the community – there may be several organizations that serve businesses, from a regional EDO to a start-up incubator. Each EDO will have its own network of community and business stakeholders that should be engaged. In preparedness planning, the roles of each EDO, as well as the roles of public and private partners, should be clarified. For example, one EDO may serve as the spokesperson, while others support by sending out communications to their networks. More information on communication planning can be found in *Chapter 7, Crisis Communications*.

Emergency Operations Center

The response team should determine ahead of time economic development representative that will join community responders at the local area's Emergency Operations Center (EOC). The EOC functions as the central location for coordinating and carrying out the emergency planning, training, and response and recovery efforts of their local community. In a case where the EOC is fully activated by a major incident, it will include the co-location of representatives of various municipal departments, emergency responders, state and federal agencies, and non-profit and faith-based organizations. The economic development representative can educate businesses at the EOC about available federal and state resources that may be available to local businesses in the days and weeks following a disaster.

Covid-19 has changed the nature of EOCs. A McKinsey report explains that the pandemic “required public and private sector leaders to leverage existing or create new infrastructure to coordinate resources, information, and emergency risk communication to respond to the public health threat.”⁶ Moving EOC operations online is the first step but must be complemented by provisions for cyber-security and strategies that enable quick decision making, from meeting cadence to data access.

Discuss Post-Disaster Economic Threats and Recovery Strategies

Once roles are defined, recovery teams should begin working on a bi-monthly or quarterly basis to identify possible economic redevelopment and recovery strategies. Some key strategies are listed below; for more details on these pre-disaster planning activities, review *Chapter 9, Strategic Planning*.

Short- and long-term threats and weaknesses should be addressed. This includes understanding the types of disasters that could impact the community. While natural disasters most commonly come to mind, it is important to recognize the broader landscape of threats. Natural disasters are becoming more severe, and climate change may affect long-term resilience. Tools such as [Climate.gov](https://climate.gov) or [FEMA's Threat and Hazard Identify and Risk Assessment \(THIRA\)](https://www.fema.gov/thira) use government-collected data to show projected changes in precipitation and temperature by ZIP code. These tools can help frame the conversation around long-term investments such as infrastructure.

A tool that is specifically targeted toward economic recovery and resilience is the National Economic Resilience Data Explorer ([NERDE](https://nerde.org)), which was created via a partnership between Argonne National Laboratory and EDA. This tool consolidates information on data and economic distress criteria, Covid-19 impacts on local economies, and the existence and emergence of industry clusters. The data provided also helps inform communities on the types of criteria that may indicate eligibility for EDA assistance.

⁶ [The Future of Emergency Operation Centers: Six shifts to consider from COVID-19](#), McKinsey & Company, July 2021

Potential Strategies

Strategies that the recovery team may consider in preplanning are related to existing plans or systems of regulations. Economic development organizations may also need to plan internally to prepare emergency loan programs and communication plans. These topics are covered in *Chapter 4, Small Business Assistance* and *Chapter 7, Crisis Communications*.

Local

In reviewing zoning and building codes, there exists a balance between facilitating quick rebuilding and taking the opportunity to build back more resiliently. Increasing the stringency of building codes may have a short-term impact of higher construction costs but is likely to create long-term benefits by making buildings more resilient to disasters. However, holding property owners in historic areas to standards of modernization may be prohibitively expensive.

The recovery team may engage the Planning Department to prioritize areas where higher construction standards are needed (for example in flood plains) and areas where expedited zoning can be enacted after a disaster. [FEMA's Disaster Financial Management Guide](#) stresses the importance of reviewing and codifying emergency fiscal policies and procedures in ordinance, noting that federal, state, and private granting or funding agencies will not grant, loan, or distribute funds to an organization without these policies and procedures.⁷

A Three-Tiered Reentry System Following an Evacuation

Many communities have established a three-tiered system to give reentry priority to specific community stakeholders. This tiered system considers the needs of specific businesses and industries to be prioritized for reentry in order to serve the community, the local economy and the needs of citizens.

Tier 1: The first tier is commonly reserved exclusively for reentry of agencies/groups involved in emergency response. This tier includes search and rescue personnel, emergency healthcare staff, utilities and infrastructure repair personnel, damage assessment teams, and pre-designated government staff. In some communities, credentialed businesses and industries whose facilities pose a public safety concern, environmental threat, or other substantial danger are also allowed access.

Tier 2: The second tier is limited reentry for other important groups that can include: relief workers, healthcare agencies and suppliers, insurance agents, business operators such as important food and building material retailers, fuel distributors and stations, debris management, financial institutions, and select businesses with unique circumstances (fragile inventory, hazardous waste, large workforce, global distribution, etc.)

Tier 3: The third tier allows open access for all remaining residents and business operators (not allowed under tier 2) that can prove they live, own, rent, or lease in the restricted area. This tier also includes licensed contractors, other repair service providers, and family and friends who re-enter with an eligible resident.

⁷ [Disaster Financial Management Guide: Guidance for State, Local, Tribal & Territorial Partners](#), FEMA, April 2020

SANTA ROSA, CA

The City of Santa Rosa has made efforts to help its residents rebuild as quickly as possible after the 2017 wildfires. The city created a special zoning category for the impacted area, streamlined the permitting process, and has provided resources to help guide fire survivors through the rebuild process. A number of fees are waived for the affected area and property owners have the opportunity to live on their properties in temporary housing, including RVs, trailers, and tiny homes, while their homes are rebuilt.

The city posts regular updates on a special Resilient City section of its website which includes interactive maps of properties that can be searched to check the status of a permit or other documents. In one post, property owners are urged to contact the Santa Rosa Resilient City Permit Center to discuss the status of their existing building permit as well as any problems they may have encountered due to issues with their construction contractor. The website not only includes three ways to contact the permit center, but also includes links to the State Licensing Board if they seek to file a complaint online with the District Attorney's Consumer Law Division.

The city also posted a video online of resource documents to help guide fire survivors through the components of rebuilding, such as landscape design requirements and obtaining temporary occupancy. The documents also can be accessed through the city's rebuilding website: srcity.org/rebuild

Emergency Management

After a disaster, business owners may be restricted from returning to their property due to curfews or forced closures, depending on the nature and scale of the incident. In the process, businesses in the impacted area may lose their inventory (particularly if perishable), employees, and their customer base. Furthermore, when businesses are affected by curfews or forced closures it can severely limit access to essential services and products such as grocery, gas, daycare, and health services, in the impacted area. The closures also mean decreased employment opportunities for local residents and a significant decline in the tax revenue base.

EDOs have played a role in establishing a tiered system of business reentry to facilitate priority businesses gaining early access to their facilities. The purpose of this tiered system is to allow for the safe, orderly return of community members, such as emergency responders, critical service providers, relief workers, businesses, and citizens and to facilitate a timely response to the disaster. It essentially works as a credentialing program as ID cards or passes are issued for individuals and businesses. Local law enforcement is trained to recognize these cards/passes and allow access when the appropriate "tier" is activated. These passes do not guarantee reentry, but they can be used by law enforcement officials to expedite the return of critical personnel.

Tiered reentry systems will facilitate timely reentry of critical businesses to assist in the community's recovery effort. Without a reentry plan, the local economic recovery engine will be severely hampered at a time when the community needs this engine to be available. Preparing a tiered reentry system also assists community stakeholders in administering recovery efforts in a more timely and organized manner.



In Summary

1. Build an Economic Recovery Team

Private, nonprofit, and public sector involvement on this team will ensure that communication flows between these groups and will bring to light any potential conflicts or duplication of efforts in the recovery process.

2. Review Comprehensive Emergency Management Plans

Often these plans are primarily concerned with safety and may overlook consequences to businesses. Engaging the economic recovery team in planning efforts ensures their concerns are addressed.

3. Consider the Emergency Support Function (ESF) System

At the national level, 15 different ESFs provide a structure for all the different agencies involved in response. Some states mirror this and have specific 'business and industry' ESFs to ensure the business community is appropriately involved in recovery.

4. Discuss Roles and Responsibilities for EDOs Post Disaster

In preparedness planning the roles of each EDO in the community, as well as the roles of public and private partners, should be clarified. In particular, the organizations involved with the Emergency Operations Center should be identified.

5. Discuss Post Disaster Economic Threads and Recovery Strategies

Recovery teams should meet on a bi-monthly or quarterly basis to identify possible economic redevelopment and recovery strategies.

Business Continuity Training for Small Businesses

Business continuity planning is the process of considering how a business will stay in operation in the event of a disaster. EDOs should take a key role in providing training on business continuity to local businesses and connecting them with these resources such as the [IBHS's OFB-EZ™](#), which serves as a free guide to small and midsize firms. Since small business owners are busy and may not feel they have the time or resources to prepare a plan, economic developers can help. EDOs and chambers of commerce should consider holding workshops and/or webinars to disseminate important disaster-related information such as business continuity efforts as well as the need for obtaining business interruption insurance.

When done properly, a business continuity plan can help a business address several of its core functions. The plan will help to: ⁸

Elements of a Business Continuity Plan

- Determine and document which staff, materials, procedures, and equipment are absolutely necessary to keep the business operating
- Identify and document suppliers, shippers, and resources
- Define and document crisis management procedures and individual responsibilities in advance
- Plan for the building, plant, or store being inaccessible
- Plan for payroll continuity
- Share contact information and business continuity plans with other businesses in the building or industrial complex
- Keep copies of important records such as site maps, building plans, insurance policies, employee contact and identification information, bank account records, supplier and shipping contact lists, and computer information in multiple secure locations
- Include co-workers from all levels in planning and as active members of the emergency management team
- Review emergency plans semi-annually

⁸ [Recover from Disasters](#), SBA, March 2022

Understand Insurance Planning and Make Adjustments as Necessary

Businesses should review insurance plans on an annual basis to ensure appropriate coverage in terms of replacement costs for different types of hazards. Most commercial property insurance does not cover flood or windstorm damage. Flood insurance involves a separate policy from the National Flood Insurance Program; this is particularly important for businesses operating in a floodplain.

National Flood Insurance Program

EDOs should encourage businesses to investigate the [National Flood Insurance Program \(NFIP\)](#), and take action prior to an event. NFIP has a waiting period of 30 days from date of purchase until the policy goes into effect. Although there are some exceptions to this waiting period, purchasing flood insurance outside of rainy or hurricane seasons is best practice.⁹ For commercial properties, coverage of up to \$500,000 for the building and \$500,000 for the building contents.¹⁰ As of 2021, FEMA has updated its pricing methodology. Under Risk Rating 2.0 some high-risk areas may pay more, while other areas will pay less.

Employees and Disaster

After a disaster, business owners must show leadership in communications with employees. The message should be time be clear, transparent, and sympathetic. Whether by phone or email, the business owner should convey:¹¹

- What, when, and where a disruption has occurred
- How serious the problem appears
- How the business has been impacted (e.g., damage to facilities and operations)
- Where to direct questions
- When more details will be available

Additionally, correspondence should answer the following questions:

- Do I have to report to work?
- Will I be paid if the office is closed?
- How and when will I be paid?
- Will I have a job after this crisis is over?
- Who is expected to report to work?
- Is it safe to go back to work (and what is being done to assure my safety)?
- Where and when to report to work?

After disasters, employees fall into three groups: employees who are severely affected (including those who have been injured, and lost family members or homes); employees who have experienced issues such as energy or transportation losses as a result of the disaster; and employees not directly affected.

9 [Understanding Your Policy Terms](#), FEMA, March 202

10 [What flood insurance covers](#), FEMA, March 2022

11 [Managing Through Emergency and Disaster](#), SHRM, 2017

Federal Assistance for Impacted Individuals

After disasters, employees fall into three groups: employees who are severely affected (including those who have been injured, and lost family members or homes); employees who have experienced issues such as energy or transportation losses as a result of the disaster; and employees not directly affected.

FEMA Assistance is available for the severely affected. All FEMA assistance is available through the following channels:

- [Online at DisasterAssistance.gov](https://www.disasterassistance.gov)
- Call 1-800-621-3362 or TTY 1-200-462-7585
- Download [FEMA App](#) from the [Apple](#) or [Google Play](#) stores

Emergency Shelter - Information on FEMA emergency shelters is available by texting SHELTER and the area zip code (for example, "SHELTER 01234") to 4FEMA (43362). For Spanish text REFUGIO and the area zip code. (Standard text message rates apply.) The [FEMA Mobile App](#) also enables location of open shelters.

FEMA Individual Assistance - available to help pay uninsured or underinsured losses such as home repair for disaster-related damage, rental assistance, reimbursement for lodging expenses for individuals whose home was inaccessible or inhabitable during the disaster, medical expenses incurred from this disaster, or other disaster-related needs.

Eligible survivors may be eligible for a one-time payment per household of \$500 for immediate or critical lifesaving and life-sustaining items such as water, food, fuel for transportation, or prescriptions.

FEMA's Individuals and Households Program (IHP) - financial and direct services to eligible individuals and households affected by a disaster, who have uninsured or under-insured necessary expenses and serious needs. IHP assistance is not a substitute for insurance and cannot compensate for all losses caused by a disaster. The assistance is intended to meet basic needs and supplement disaster recovery efforts.

IHP Assistance may include:

- Funds for [temporary housing](#), such as rental assistance, or reimbursement for hotel costs
- A [temporary housing unit](#), if approved for the disaster, when rental assistance is not available due to a lack of available housing resources

Conclusion

Economic developers are a liaison to multiple audiences within the community, from businesses to government to the nonprofit sector. When it comes to emergency preparedness, EDOs should plan ahead – first for their organizations, and then in partnership with the other groups they influence. They should also offer opportunities and resources for the business community to learn about business continuity planning.