



# ECONOMIC RECOVERY AND RESILIENCY

*A Toolkit for Local Leaders and Economic Development*

Economic Disaster Recovery Project (EDRP)



This Toolkit is adapted from the International Economic Development Council (IEDC) disaster preparedness toolkit titled “*Leadership in the Time of Crisis*” and incorporates information from *The Recovery and Resiliency Roadmap: A Toolkit for Economic Preparedness*. This adapted version condenses the information provided from those documents. It offers a streamlined edition highlighting the information required for economic development practitioners and local leaders. We encourage the reader to access the other toolkits for expanded information and resources.

We trust this condensed toolkit will assist many Canadian communities, economic developers, emergency personnel and elected officials as they continue to prepare for, respond to, recover from, and become more resilient to natural, man-made and technological disasters in the future.

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### Versions

Original U.S. Version (2014)

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Updated U.S. Version (2015)

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# INTRODUCTION

In disaster-impacted communities, economic development organizations often lead economic recovery efforts by helping local businesses respond to impacts on their employees, their facilities, and their customer and supply networks. All too often, economic recovery becomes a piecemeal reaction, rather than a planned response, when disaster strikes. The key is to take steps ahead of time to ensure your organization can stay in touch with local businesses after any type of major incident and to set up a plan of action for disaster response and recovery.

This toolkit is designed to get your communities started in the pre-planning process for economic recovery. Communities that have a plan in place prior to a disaster are able to start on the road to recovery immediately and have a better chance of economic recovery. This toolkit significantly condenses information provided by the International Economic Development Council (IEDC) in their *Leadership in Times of Crisis*. For additional details on any of the information provided within this toolkit it is recommended the reader access the original publication at [www.restoreyoureconomy.org](http://www.restoreyoureconomy.org). Other information, including resources, templates and best practices can be found at [https://www.bceda.ca/disaster\\_preparation\\_and\\_recov.php](https://www.bceda.ca/disaster_preparation_and_recov.php)

## THE ROLE OF THE ECONOMIC DEVELOPMENT ORGANIZATION

Economic development organizations are uniquely positioned in the community to facilitate economic recovery initiatives after a disaster. The community may look to your organization to lead the charge for local economic recovery whether your organization plans for this role or not. The role of your organization can change significantly in the event of a disaster. The activities and services provided by each organization depend on the unique needs of each community and need to be addressed as soon as possible.

For example, economic developers need to understand the strengths, weaknesses and comparative advantages of their local economy and local business climate in their normal day to day activities. After a disaster, economic developers can take this information and determine the vulnerabilities and risks to critical industries and businesses within the community.







## HOW THE ROLES OF EDOS ARE IMPACTED BY DISASTER

	Normal Roles	Roles in a Disaster (Above Normal Roles)
Analyst/ Educator	Understands strengths, weaknesses and comparative advantages of local economy and local business climate. Provides quantitative and qualitative information to decision makers.	Before a Disaster Seeks to understand vulnerabilities and risks to critical industries and businesses within the community.
	Keeps public officials and the general public adequately informed on costs and benefits of economic development initiatives.	After a Disaster Develops and distributes a disaster business recovery guide and assesses physical damage and business interruption impacts to industries and businesses. Facilitates the communication of accurate response and recovery information between local businesses and local government and communicates dual messages: "We are open for business" and "We need help and resources" to appropriate audiences.
Visionary/ Catalyst	Visionary leader who peers over the economic horizon to see what partnerships (both public and private) can be formed to stimulate working relationships in the future.	Before a Disaster Establishes an Economic Recovery Group to identify immediate and long term recovery resources and strategies.
	Engages key stakeholders in visioning process to identify goals, strategies and resources for economic development. Provides incentives to leverage the investment or involvement of different public and private actors. Invokes enthusiasm and excitement for catalyst projects that can change the community's future.	After a Disaster Envisions how the community can build back to be stronger and more resilient. Creates a strategic plan for economic recovery embraced by community. Connects public/private resources for building back better.
Gap Filler	Provides assistance where the private sector cannot or will not meet community and business needs. Leverages financing to facilitate enterprise development: assists existing businesses with expansion and works to attract new businesses.	After a Disaster Conducts concerted BRE outreach to reconnect with businesses and identify at-risk companies. Assists with short and long-term financing and business counseling, particularly for small and at-risk businesses and develops programs to support long-term recovery.
Connector /Advocate	Serves as key liaison between public, private sectors and the community on economic development initiatives and works with chamber of commerce representatives to create concise message. Speaks out for the well being of the community while protecting the interests of business.	Before a Disaster Seeks funding opportunities and garners input and support for recovery initiatives. Advocates mitigation and preparedness efforts among businesses for the possible next disaster.
	Coordinates activities, communication and resources between different actors to facilitate business partnerships.	After a Disaster Addresses impacts/shortcomings of community's emergency management plan from a business perspective. Communicates local economic priorities and needs for policy changes to local state and federal government.

Much of the work that economic developers do on a daily basis will go into high gear after a disaster strikes. The following is a summary of short-term and long-term strategies that have been identified by economic recovery stakeholders and disaster recovery teams.

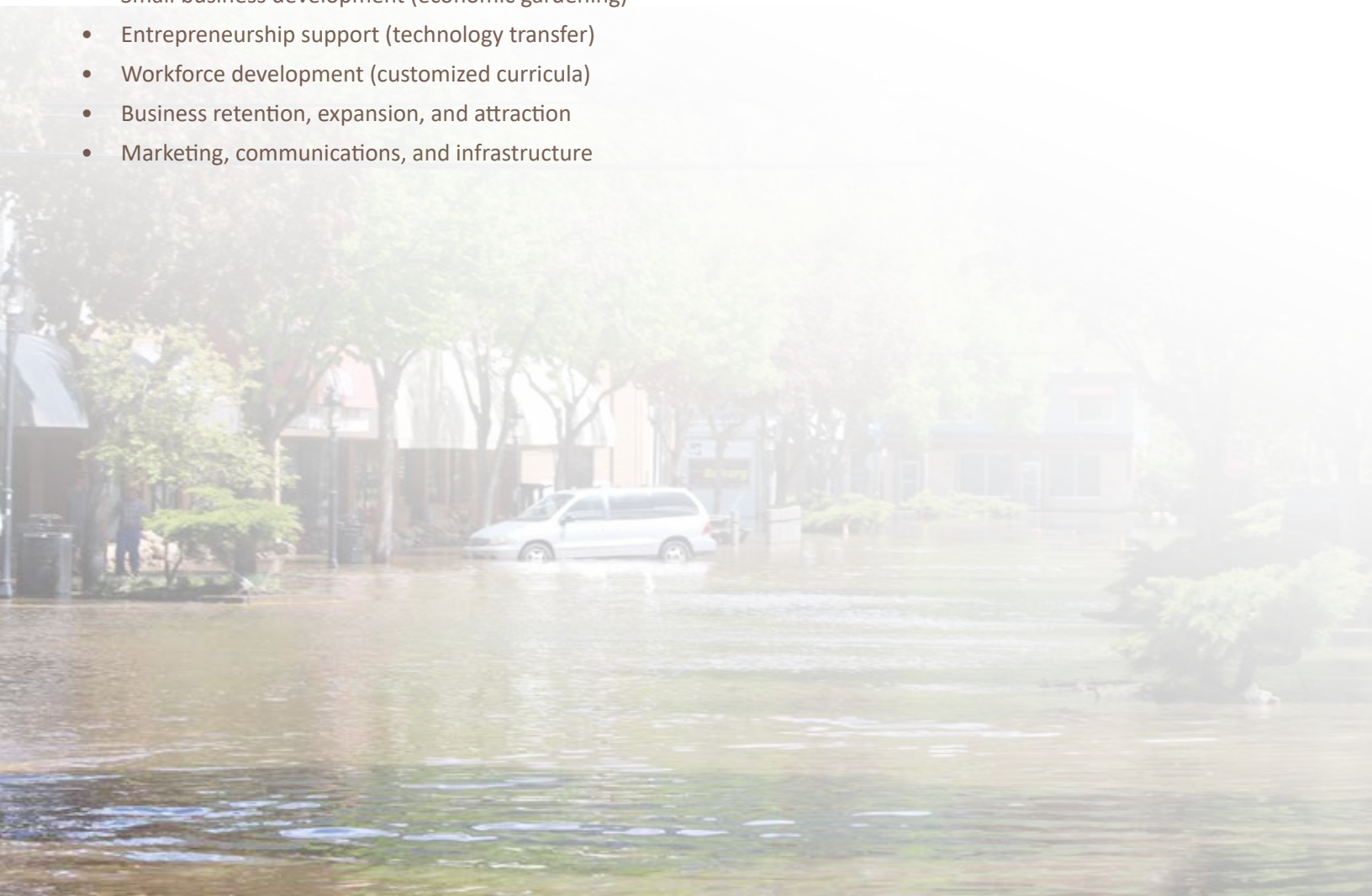
### Short-term Strategies

- Marketing and communication (addressing brand damage)
- Economic development capacity/coordinated response (managing communications infrastructure)
- Small business assistance/access to capital (continuity plans)
- Business retention (performing outreach campaigns)
- Economic impact assessment and analysis
- Workforce development (connecting displaced workers)

### Long-term Strategies

Long-term strategies will need sustained support from multiple community stakeholders. Economic development organizations should clearly define its role in long-term economic recovery initiatives from the start of the recovery process. A summary of long-term recovery strategies that should be considered post-disaster includes:

- Economic diversification (value-added industries)
- Economic development capacity/strategic planning (re-evaluating vision and mission)
- Small business development (economic gardening)
- Entrepreneurship support (technology transfer)
- Workforce development (customized curricula)
- Business retention, expansion, and attraction
- Marketing, communications, and infrastructure





## RESPONSIBILITY OF LOCAL GOVERNMENT

Depending on the severity and magnitude of the disaster, the recovery process is likely to take months and years to bring the community back to some sense of normality. While provincial and federal government agencies can bring significant resources to bear in a crisis, local government has the most knowledge of local assets and public management systems, as well as relationships with the impacted businesses and residents.

**Local residents and businesses look to local government to lead the immediate response efforts.**

Local residents and businesses look to their local governmental leaders to lead the immediate response efforts as well as to support long-term recovery initiatives, particularly if they have trusted relationships with them. Community and business leaders are also the most invested in the long-term concern of the affected area.

Local government is responsible for providing the first level of response in emergency management. Local government assesses the local situation and activates an Emergency Operations Center (EOC) following a major incident. The EOC serves as the primary location where key decision makers gather information about the incident in order to manage the entire disaster response, including the facilitation of field operations for emergency service and disaster personnel. If the magnitude of the disaster exceeds the resources of the local community, the local government may request assistance from their provincial or territorial government.

## ROLE OF THE ECONOMIC DEVELOPER

Economic development organizations may be a function of the local government or may have public officials on their board of directors. In some cases, they are incorporated as a non-profit agency or society. Regardless of their structure, they serve as an intermediary between local government leadership and the private sector.

A key role for economic developers in the response and recovery stages is to help facilitate effective communication between the public and private sectors. Communication on such important subjects as availability of power, access to transportation networks and facilities, temporary facility space for displaced businesses, etc. is a critical activity in the initial days and weeks after a disaster. In recent disasters, communities are **making sure that an economic development representative sits at the EOC** in order to help facilitate this critical communication. The economic developer may also choose to form an Economic Recovery Team as a focal point for information sharing between emergency management personnel, corporate leaders, and local business owners. These economic recovery teams not only serve a purpose of aggregating information on damage assessment on businesses and the local economy, but also help to develop long-term strategies for economic recovery. They also may be involved in helping to establish a business recovery center to serve impacted local businesses.

**A key role for economic developers is to help facilitate effective communication between the public and private sectors.**

Economic recovery is a critical area of focus for recovery as many community leaders have suggested that getting the local economy operational helps to spur community recovery. Without jobs and income, few residents are going to remain in the affected area. Local businesses need to open their doors as quickly as possible, local workers need access to those facilities, and all of the public services, infrastructure and utilities that help support business activity need to be operational to facilitate the movement of people, goods and services. Local government, utilities, and public safety personnel need to partner with local businesses and their intermediaries to make all of this happen in an expedited manner.

## DISASTER PREPARATION MEASURES – BUILDING CAPACITY FOR RECOVERY

All communities are vulnerable to some form of disaster or emergency situation and therefore all communities should prepare to protect their local economies from the effects of a disaster. It is critical for economic development organizations to develop their own capacity to respond to, and recover from, a disaster. The local government will put emergency management plans into action after a crisis that are likely to have a direct impact on business recovery, such as community re-entry, access to property, cleanup activity, etc. Therefore, the business community should be aware of these emergency management response plans in advance of a major incident.

Also, small businesses, which provide critical business services for the local community, are unlikely to have business continuity plans in place to ensure continued operations after a disaster. There is a great need for education on business continuity planning and what steps to take to limit the effects from potential hazards. **Economic development organizations have a key role to play in connecting small businesses with these resources** and encouraging them to be properly insured for even the smallest of disasters. The organization should also evaluate local business assistance programs to determine which will need to be expanded in the event of a major catastrophe to help businesses and their recovery.







## IDENTIFY CRITICAL BUSINESS FUNCTIONS

Economic development organizations are likely to be operating at reduced capacity following a disaster. Any number of factors could affect operations, such as displaced staff, damaged facilities, reduced operational funds, utility outages, etc. Your organization needs to respond to the immense post-disaster economic recovery needs in the community regardless of your situation. In order to do this economic development organizations need to understand the critical business operations they rely on internally in order to be useful in assisting the community.

Identifying critical business functions is integral in resuming operations following a disaster. Typically, the critical business functions are those functions that:

- Are most sensitive to downtime
- Fulfill legal or financial obligations to maintain cash flow
- Have a key role in maintain your business' market share and reputation, and/or
- Safeguard an irreplaceable asset

As part of the economic development organization's business continuity plan, there should be a plan for at least one backup office location – preferably two backup office locations – to use in case of an emergency. This ensures that if the first alternative location is also impacted, a second location is available.

A plan needs to be developed to arrange for a remote data backup of your organization's computer network. Your organization should seek to backup all vital records that include employee data, payroll, financial records, strategic plans, customer or client lists, vendor lists, building plans/blueprints, the lease, insurance records and other valuable documents that contribute to the organizations bottom line.

For example, your organization's key functions may be its Business Retention and Expansion program. If the BRE database is only stored at the office, the information may be inaccessible or even lost permanently depending on the damage to the facility. Having a backup will allow you access no matter where you are.

# ENGAGING THE BUSINESS COMMUNITY IN DISASTER PREPAREDNESS

**Small businesses are unlikely to have a business continuity plan – does your economic development organization have one?**

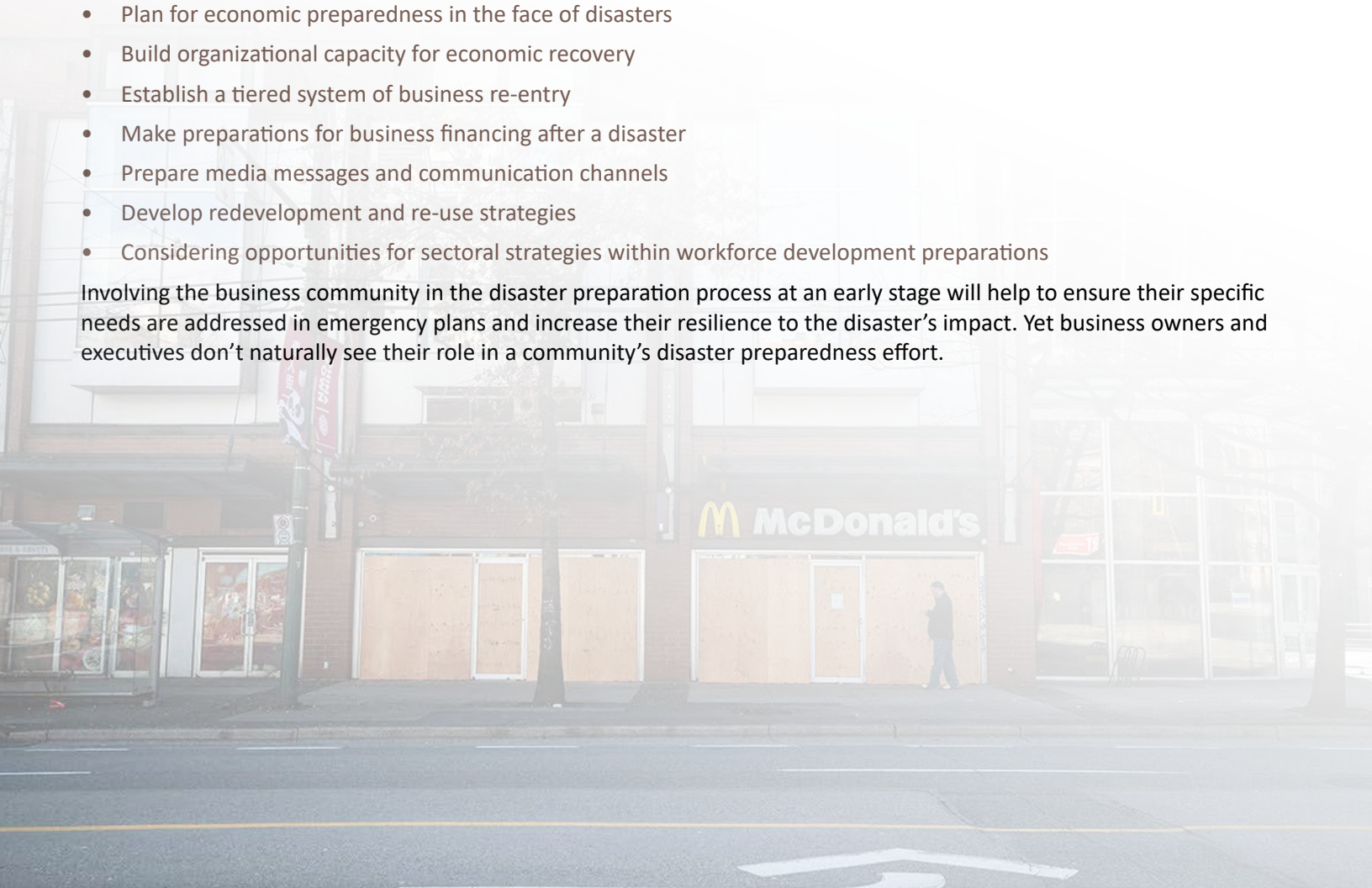
When a major disaster strikes, communication channels are commonly disrupted at a time when the community needs them most. Economic developers should prepare to have several different ways of contacting local businesses. Disasters can disrupt power sources, which means that internet and email are inaccessible. Cell phones can also be down for a period of time, but their text functions may still work in an emergency situation. Therefore, make sure to collect the cell phone numbers, or other alternative contact information, of key executives in the business community ahead of time. Having the contact information available before a disaster happens will be it easier to engage with your businesses during and after a disaster.

Economic development organizations have the unique ability to coordinate involvement and leverage resources from the business community after a disaster. They can take a leadership role in facilitating job recovery and stabilizing the community's economic base.

To facilitate this role, there are a series of preparedness activities that should be conducting, such as:

- Engage and educate the business community in disaster preparation
- Plan for economic preparedness in the face of disasters
- Build organizational capacity for economic recovery
- Establish a tiered system of business re-entry
- Make preparations for business financing after a disaster
- Prepare media messages and communication channels
- Develop redevelopment and re-use strategies
- Considering opportunities for sectoral strategies within workforce development preparations

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. Yet business owners and executives don't naturally see their role in a community's disaster preparedness effort.





The following are practical suggestions to effectively engage local business representatives in activities that not only will protect their business assets but also expedite the recovery of the local economy in the event of a major catastrophe.

## CREATE AN ECONOMIC RESPONSE/RECOVERY TEAM

Economic development plays a critical role in engaging business leaders in disaster preparedness efforts, particularly those businesses that may have important resources for response and recovery. **It is recommended that an Economic Recovery Team be formed ahead of a disaster** to specifically address the post-disaster economic recovery issues that a community may face. The team would review 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. This economic recovery team would also play a role in working with emergency management personnel to influence a tiered system of re-entry for critical businesses that need early access back in the community following a disaster.

## IDENTIFY COMMUNITY STAKEHOLDERS FOR RECOVERY TEAM

A mix of strategic representatives from both the private and public sectors should be invited to participate in the economic recovery team. Otherwise, decision-making on economic recovery topics is left to non-business, and potentially inexperienced, individuals. Even a well-intentioned public official may not understand the scope of economic impacts with the seemingly simple decision of closing a few streets. That one decision can slow recovery, force businesses to relocate or close, and drive residents and customers away – thereby affecting the available workforce and economy.

Team members should involve the following groups of stakeholders:

- Economic development stakeholders (representative from economic development organization, chamber of commerce, small business and workforce development organizations, business or trade association, business district, etc.)
- Public and elected officials (emergency management and public safety personnel; council members, etc.)
- Significant representation from the business community

Private and public sector involvement on this team will ensure that communication flows between these two groups to reveal any potential conflicts and/or duplication of effort in the recovery process. The public sector is better informed of their decisions that could delay the recovery effort and is informed of the private sector's priorities for re-investment and redevelopment. Trust is built as these stakeholders cooperate in the pre-planning phase so that these relationships can be relied on when the disaster strikes, and there is need for an expedited decision-making process.

**An Economic Recovery Team should be formed ahead of a disaster to specifically address the post-disaster economic recovery issues.**

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. His or her 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.

## ECONOMIC RESPONSE/RECOVERY TEAM INITIATIVES

The following are practical suggestions to effectively engage with your Economic Response/Recovery Team. These activities will help you to engage with your businesses, protect business assets and also expedite the recovery of the local economy in the event of a major catastrophe.

### Review Comprehensive Emergency Management Plans

The economic recovery team's first initiative should be reviewing the community's existing emergency management and mitigation plans with a focus on the plans' impact on the business community and the local economy. Most emergency management plans are primarily concerned with health and public safety issues and may overlook the economic recovery aspect. These plans discuss business re-entry, access to property, and other issues that impact local businesses' ability to respond and recover.

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

- Economic development component of a comprehensive plan
- Economic development strategic plan
- Community economic development strategy
- Capital improvement plan

Economic development can play a critical role in engaging business leaders in disaster preparedness efforts, particularly those businesses that may have important resources for response and recovery.

### Discuss Roles and Responsibilities for Economic Development Organization Post-Disaster

The role of the economic development organization will vary based on the economic development structure of your community. Each organization has its own network of community and business stakeholders that should be engaged for information dissemination purposes. The team's role can be to help identify and secure the network. There should also be clear identification of the economic development organization's role and responsibility post-disaster.







## Business Continuity Planning Training

Economic development should take a key role in ensuring the community has training in place for business continuity for the local business community. Small- and medium-sized businesses have strong roots in the local economy and are often more vulnerable to disasters than large businesses. Most experts agree that one in four small businesses are expected to experience a disruptive disaster in the near future – regardless of their location. Approximately 60 percent of those small businesses do not have even a basic emergency response plan and a 2017 study by Touche Ross states **that less than 10 percent of companies survive a major disaster when they have no disaster recovery plan in place.**

Since small business owners are busy and may not feel they have the time or resources to prepare a plan, the recovery team can help. They can first ensure the community has available resources and training for local businesses to develop their business continuity plans. In addition, they can identify how to disseminate important disaster-related information such as business continuity efforts as well as the need for obtaining business interruption insurance.

## Local Business Emergency Contact Information Database

Economic development should have several different ways of contacting local businesses in the event of a major disaster – particularly when the incident causes widespread damage to power and transportation systems. As discussed above, cell phone numbers should be collected so that text messages can be sent in a blast format to business owners. They will need access to critical and reliable sources of information such as when the power restoration, the location of critical supplies such as generators, gas, water, etc., and where they can access business recovery resources.

Immediate outreach to business owners within your network will demonstrate that you are concerned for their personal welfare as well as their business concerns. Through a text blast, the economic development organization with assistance from the Economic Response Team as needed can inform the business community of important recovery services and initiatives that they should be involved in.

## Establish a Business Re-entry Program Following an Evacuation

After a disaster, business owners may be restricted from returning to their property depending on the nature and scale of the incident. In the process, these businesses may lose their inventory (if perishable), employees, and their customer base. The closures also mean decreased employment opportunities for local residents and a significant decline in the tax revenue base.

To respond to this issue, in partnership with your emergency management personnel the Economic Response Team should develop a tiered system of community re-entry following a wide-scale evacuation. 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.

Establishing a tiered system of business re-entry to facilitate priority businesses gaining early access to their facilities can essentially work 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 don’t guarantee re-entry, but they can be used by law enforcement officials to expedite the return of critical personnel.

A tiered re-entry system will facilitate timely re-entry of critical businesses to assist in the community's recovery effort. Without a re-entry 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 re-entry system also assists community stakeholders in administering recovery efforts in a more timely and organized manner.

#### Identify Location for a Business Recovery Centre

Within the first or second week following a disaster, a community should establish a business recovery centre (BRC) to meet pressing needs in the business community. A BRC serves as a one-stop shop to provide local, provincial, and federal resources to businesses after a catastrophic event. The BRC can play a crucial role in getting local companies the assistance needed to re-open and/or stay open as well as carry out a number of communications and outreach strategies. Services not tailored to businesses or the owner's needs should be separated from a BRC.

The economic development organization, together with the Economic Response Team, should develop a plan for establishing business recovery to outline the proposed location, services, and economic recovery partners that will serve the center. These centers can be located in a local business' conference space, a vacant retail space in a mall or downtown location, vacant space in a business or industrial park, or trailer. They often need to be centrally located for those businesses most impacted by the event. Typical partners to have representatives at the centre are usually business assistance providers. The plan for a business recovery centre should be shared with all other economic recovery stakeholders and partners.

#### Your Financial Partners for Business Recovery

Before a disaster, local banks and other financial institution should be invited to the table to discuss how they can make business loans available to disaster-impacted businesses for recovery purposes. Although federal grants and disaster recovery loans are important resources, these resources take time to be distributed and come with a unique set of federal requirements.





### Local Government Business Preparedness

Communities are often unprepared for the chaos that is likely to emerge after a disaster strikes, and have difficulty planning for long-term economic recovery when there are pressing humanitarian, cleanup and rebuilding needs to address. A community engaging in difficult conversations regarding redevelopment choices before a major disaster strikes can help the community avoid dissatisfaction in an already challenging situation afterwards. Through the Economic Response Team the community and business stakeholders should be engaged in a process to discuss sensitive topics such as land use, property re-use, and redevelopment priorities, particularly in environmentally sensitive areas.

The community should hold discussions around improving building codes and using improved building materials to build more resilient communities. Community and business leaders should consider both disaster resiliency as well as energy efficiency in these conversations. Improved building codes are likely to increase the cost of construction, which can meet with some resistance from the business community. Conversations with local government need to include discussions on changes to bylaws, expedited processing permits and deferral options.

**Communicating with your local businesses pre- and post-disaster is key to recovery.**

### Communications Before a Disaster

Communication is always compromised in a post-disaster situation. Local channels of communication are disrupted due to a breakdown of both physical and social infrastructure (telecommunications and power outages, displaced residents and employers, transportation blockades, etc.). There is confusion regarding where local businesses can access accurate information to assist in their business recovery operations and to get access to additional business recovery resources.

The Economic Response Team needs to **appoint a lead individual who will be responsible for all communications as it relates to businesses and economic recovery**. This individual has two important roles in communicating with businesses in a post-disaster situation. The first is listening to businesses to understand their needs. The second is quickly disseminating relevant information to businesses regarding available resources and service providers who can help with cleanup, financing, and rebuilding efforts. In a post-disaster response environment, communication to businesses should be frequent, consistent, and provide useful information to help businesses and other economic recovery stakeholders to rebuild.



# SMALL BUSINESS ASSISTANCE

Small businesses are often more financially vulnerable than large businesses in the wake of a disaster. Large businesses have significant resources and business continuity plans to draw on to continue their operations and remain financially viable, while small businesses typically lack these resources. According to many experts approximately 25 percent of small businesses do not reopen after a major disaster. This rate increases over time as the impacts of a disaster are not always immediately felt.

Yet, small businesses are the backbone of a local economy, employing nearly 70% of Canadian workers. These small businesses provide essential items such as groceries, gas, childcare, and health services in the local community. Thus, economic development organizations and community partners (Chambers. Community Futures, etc.) need to ensure that small businesses are connected to additional assistance, particularly in terms of capital and technical assistance needs.

**25 percent of small businesses do not reopen after a major disaster.**

Other issues that small businesses face include challenges working with their landlords around covering renovation costs, not receiving insurance payments for damages (many businesses don't have the appropriate insurance including business interruption and property damage insurance), a lack of clear direction on who to contact for available recovery resources. Another major issue is the negative perception of the area that may be keeping residents, tourists and future business owners away as adjacent stores are left vacant leaving gaps along the commercial corridor.

Below are some suggestions for programs or initiatives to quickly respond to the small business needs that are mentioned above – providing the link to capital access but also connecting small business owners with one-on-one counseling that can help address their individual needs in terms of business planning, marketing and accounting.

## Delivering Technical Advice and Counseling to Impacted Businesses

Businesses often need wise counsel following a major incident on critical decisions they should take to reconstruct or salvage their business operations. In the wake of a disaster, new market realities emerge and a host of both opportunities and challenges present themselves to the impacted markets. In this unsettling environment, small business owners need counsel on navigating through the waters so they avoid pitfalls and pursue opportunities that will ensure the survival of their business. Small businesses need business assistance in the form of business planning, market intelligence, finance and taxes, and how to further market and promote their product.







The type of business counseling services to be considered include:

- Tax and accounting preparation
- Preparing financial records (to assist with loans or grant applications)
- Grant and loan application writing
- Marketing and promotion
- Finding appropriate resources

#### Delivering Business Recovery Workshops

An economic development organization can hold workshops to address both common and unique recovery issues to local businesses. Workshop speakers should include representatives from local, provincial and federal agencies and organizations related to small business, taxation, economic development, labour, housing, local permitting and other local professional service advisors such as tax preparers, insurance agents and lawyers. These representatives should be invited to make presentations and answer questions from impacted businesses. *BCEDA has specific economic recovery workshops for communities to assist in the development of recovery plans.*

#### Business Continuity Workshops

Experience from recent disasters across Canada has shown that businesses that already have business continuity plans respond to and recover from unexpected events more quickly and effectively. A detailed emergency response and business continuity plan can maximize the chances of a successful recovery by eliminating hasty decision-making under stressful conditions. Many organizations can deliver high-level and effective workshops. The workshops typically include information for businesses to:

- Plan emergency procedures
- Develop a communications plan
- Identify key business processes
- Resolve employee displacement
- Prioritize and protect critical business processes

# BUSINESS RETENTION AND EXPANSION – PRE- AND POST-DISASTER

As discussed, disasters strike with little or no warning, causing dramatic social, humanitarian, and economic consequences to local communities. In this environment, economic development should play a leading role in the retention of existing businesses – particularly ones that drive the local economy. Local businesses are likely to be struggling with responding to impacted employees, facilities, customers, and supply networks. However, your organization can stay in touch with these impacted businesses and can help connect them to the resources they need for long-term recovery.


Existing relationships with businesses are crucial during a disaster as communication channels can become disrupted and chaotic. Local businesses are likely to call on your organization for guidance and direction. Others may not call but should receive some form of outreach in order for them to know they are a valued part of the local area and will play a vital role in the community's recovery process.

What is critical is that **there needs to be multiple outreach methods that economic development staff use to care for impacted businesses**, to gather information on how they've been impacted and then to use that information as a means for providing them critical business assistance. It is important to stress the need to tailor these ideas to what makes sense in your own individual community.

**A business retention and expansion program should be your number one economic development activity.**

Business retention and expansion (BRE) is one of the key practices of any economic development organization. The purpose of a BRE program is to provide assistance with the business challenges that may force a company to fail and subsequently close, and to prevent companies from relocating to a new community. Either through personal visits, surveying, focus groups, going door-to-door or other methods, an economic development professional will seek to understand the needs of impacted businesses, particularly those at risk of closing or relocating elsewhere, respond to those needs by connecting them with needed resources, and address local issues that detract from a healthy business climate in which local businesses can prosper and grow. *BCEDA has specific Business Retention and Expansion Workshops and other resources for communities.*





BRE efforts should result in strong relationships with businesses and developing a deep understanding of their challenges they face so that your organization can provide the most appropriate suggestions of private and public resources – either at the local, state and federal level. When a disaster hits, those organizations with existing relationships will facilitate better communication with impacted businesses and trust that your organization will deliver on pointing them in the right direction for recovery resources.

In large-scale disasters, it is important to remember that many business owners are likely to be dealing with a number of overwhelming challenges. They may be facing losses within their business as well as damage to their personal home and possibly, the loss of loved ones. Many of the economic developers in disaster-impacted communities talk about how they first served as an unofficial counselor with business owners crying, sharing frustrations and other emotions when first meeting shortly after the event. It is important that your staff serving in this function be prepared to demonstrate that they care for them and assist them in the hour of need. In some cases, training on how to be sensitive to these issues may be necessary.

It is hoped the majority of communities have an active BRE program in place prior to any disaster. It is during this time (pre-disaster) that your BRE program can be implementing activities that will assist in post-disaster BRE. These activities have been discussed previously and include:

- Collect critical emergency contact information from local businesses
- Establish a remote service to back-up BRE database
- Establish a tiered system of business re-entry
- Convene local banks to discuss the need for flexible financing
- Prepare media messages and communication channels

Even if there is an active BRE program pre-disaster, communities are often unprepared for the chaos that emerges after a disaster. The needs may be overwhelming, and resources are stretched in every direction. Businesses may need short- and long-term financing and planning resources, and economic development organizations are tasked with how to best meet these needs. There is a need to quickly locate recovery information, financial, technical assistance, and planning resources, and determine the best method to deliver its services to businesses.

A disaster-impacted community also needs to develop a long-term vision for how it will rebuild its economy. It takes time, leadership, and resources – all of which will be in short supply – to develop an economic recovery plan with buy-in from community stakeholders. Yet, a post-disaster strategic plan provides the opportunity to re-evaluate economic objectives in light of vulnerabilities and establish strategies and action steps to make progress toward long-term recovery.

Strategies for a post-disaster BRE program can include:

- Establish a Business Recovery Centre
- Establish a business recovery hotline
- Develop an online web portal to facilitate communication and information
- Establish an outreach campaign for priority businesses
- Survey local businesses
- Deliver business recovery workshops



# CRISIS COMMUNICATIONS

Traditional channels of communication are almost always compromised following a major disaster due to the disruption of telecommunications and transportation systems as well as the chaos environment caused by the disaster itself. Businesses struggle with getting in touch with their employees, their vendors, and their customers – as well as their local government, economic development organization or chamber. Businesses don't always know who to trust or where they can get accurate information. Rumors and wrong information spread quickly in this type of environment, which can greatly impede the recovery of businesses and industry or encourage them to permanently move away from your impacted community or region.

Therefore, the business community must have a seat at the table with the community decision-makers who are making critical choices in regard to disaster response and recovery. This can be done at the Emergency Operations Center (EOC) and the Economic Recovery Team, where business and industry should be represented.

## Communicating with the Business Community

The key role of the economic development organization, or an Economic Recovery Team, in economic recovery, is to address the following urgent communication needs of business and industry following a major incident: Listening to businesses to understand their needs in order to:


- Help connect businesses with available resources and services providers
- Understand the need to work with all local partners to persuade decision-makers at the local, provincial and federal level of any needed additional resources to meet local business needs
- Quickly disseminate relevant information to businesses regarding available resources and connect them to service providers who can help with cleanup, financing, business counsel, and rebuilding efforts

## Communicating with Stakeholders at the Emergency Operations Centre (EOC)

Economic development organizations should make sure they have a senior staff member serve at the local area's Emergency Operations Centre (EOC) to facilitate communication and dispel rumors and misinformation among the business community. The EOC functions as the central location for coordinating and carrying out the emergency planning, training, and response and recovery efforts of the local jurisdiction. The EOC helps to ensure the continuity of government operations in the event of a crisis. 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.







Communication regarding local business damages and what they need to recover is an important function that the economic development representative can play at the EOC. This representative can learn about available federal and provincial state resources that may be available to local businesses and help facilitate this communication in the days and weeks following a disaster. This position of business and industry representation at the EOC should be established well before a major crisis.

### Communicating with Media

In addition to communicating with the business community, the lead economic development organization, along with the Economic Response Team its partners, must **develop a communications strategy for dealing with the media, before a community experiences a major crisis**. Depending on the magnitude of the disaster and the competition for news coverage, the media will be seeking to fill space in their 24/7 news cycle with details on your community's disaster. Is your community prepared to handle that type of attention from regional, national and global media outlets?

## CREATING A COMMUNICATION STRATEGY BEFORE A CRISIS

Regardless of the nature and severity of the disaster, a key responsibility of any economic development organization playing a lead recovery role is to develop a crisis communication strategy. There are four essential steps involved to create your crisis communication plan. These steps should be completed with input from the Economic Recovery Team and other partners.

**Step 1: Designate the Key Members of Your Crisis Communications Team – and Their Backups.** This includes a primary spokesperson, a secondary spokesperson, a technical expert, and a chief communications or public relations officer.

**Step 2: Brainstorm “What-ifs?” Be Creative – and Pessimistic!** Explore all aspects that might precipitate a crisis, including your geographic area, political climate, security issues, financial concerns, weather, logistical issues, health considerations, etc.

**Step 3: Determine Who You Will Need to Contact in Various Crises and Gather Their Contact Details.** It is important to have a contact list of those who play a critical function either internally or externally for your organization (employees, vendors, clients, and key local officials). Make sure to have ALL of their home and office contact details so you can communicate with them even if the power is out, and it's a Sunday or a holiday weekend.

**Step 4: Update Your Plan, Frequently!** Review your plan at least once year, particularly the ‘what-if’ scenarios, the crisis communications team roster, and contact list.

## COMMUNICATION STRATEGIES

After a disaster, it is essential to communicate on all platforms to reach businesses with essential information for their own recovery process such as the timing on restoring utility service, the city's inspection and rebuilding requirements, a list of local- and/or provincial-licensed contractors, how to select and pay a contractor, how to deal with insurance companies and more.

Businesses, particularly small businesses, also need information on how to navigate local, provincial and federal government assistance programs and other sources of financial assistance such as a bridge loan for working capital. Local business leaders also need to be aware of response efforts and involved in the decision-making process of plans to rebuild the community. Even when decisions about the process have not yet been made by local government, it is still important for local officials to communicate with community stakeholders about the progress rather than leave a vacuum, which is likely to be filled with speculation and misinformation.

Communication needs include every method possible to ensure information is being disseminated out to as broad an audience as possible. This includes:

- Texting – Due to differences in networks between texting and cell phone services, texting is often available even when cell phone networks are down. Key tips:
  - Collect numbers before the disaster
  - Know your audience
  - Keep it simple and clear
  - Arrange for a mass text messaging service before the crisis
- Social Media – Social media has become an essential component of disaster communication. Due to wireless networks, the internet can be accessed by smartphones even when telephone or cellular networks are down. This makes it an essential tool for communication in the aftermath of a disaster. Tips for communicating through social media, channel by channel are:
  - Facebook – depending on the disaster you may want to create a dedicated group with reference to the crisis in your title
  - Twitter – Twitter provides the opportunity to get the word out very quickly and when posting make sure to link to your own response page
  - LinkedIn – Use this service in the recovery phase to connect with larger organizations to solicit support or spread messages on a broader scale
  - Instagram – strength of Instagram is the photo uploads to create the visual required
  - Blogs – if your organization has a blog make sure to update regularly, it can be extremely valuable in recovery efforts
  - Online message board and bulletin boards – used primarily for post-disaster and are effective for locating missing persons or offering or seeking assistance



- **Web Portal for Businesses** – Websites work best as post-disaster economic recovery tools, ideally as a page housed on an existing website, most likely that of the lead economic recovery group. It will contain business information that addresses both preparing for a disaster and critical resources for a post-disaster situation.
  - Central source of information. The lead group and all partners should promote the site to business constituents as the place to turn for key information post-disaster.
  - Create a business contact database. A web portal can house a database for displaced businesses to provide updated contact information. This process is easily achieved with accessible technology found on Google Drive.
  - Enable the site for mobile visitors. Increasingly, mobile technology is used to browse the internet. A web portal should be easy to use via phone or tablet.
  - Ensure accessibility. Provide business recovery materials and loan/grant applications in relevant languages to assist major demographic groups in your communities.
- **Business Recovery Centre and Hotline** – A business recovery center (BRC) is a one-stop shop set up to provide local, provincial, and federal resources and services for businesses after a disaster. Because their services are tailored to address business needs, they typically are established separately from a local disaster recovery center to avoid confusion with individuals needing social services.
- **Media Strategy** – Communities need to understand how their economic assets are perceived to be damaged by the national public, and craft effective marketing campaigns to change perceptions. More often than not, there is need to implement a strong “We are Open for Business” marketing campaign on behalf of the local community and its businesses. As part of your media strategy, consider that media outlets will often update the progress of recovery within the community on the one-year anniversary of the event as well as the five-year anniversary. Be prepared to develop a media strategy for the anniversary in connection with a memorial event.
- **Developing Media Releases** – Communicating with the media traditionally requires sending key information through a press release, media alert, or other proactive communication. As a common tool, developing press releases before a crisis can help the organization to structure appropriate key messages to convey under various scenarios. It is best to consider drafting a sample press release in a calmer environment. This is another activity that can be done with your Economic Recovery Team.
- **Working with Media** – If your organization is an appropriate source to comment on a crisis, then make sure to provide a written fact sheet or press release with contact information that is being monitored on a 24/7 basis (a news reporter’s deadline is often after hours). Your organization should establish a primary spokesperson who is known to the media and is trained to handle media inquiries.
- **Do Not Use “No Comment”** – Even in the case of ambiguity, it is important for your organization to not use the phrase “no comment” as it conveys a message of guilt or fault. It is far better to state that specific details are unknown at this time than to remain silent on a subject with the media.

# STRATEGIC PLANNING FOR DISASTER RECOVERY

Disaster recovery planning and preparedness is no longer strictly for communities that regularly experience earthquakes or hurricanes. Whether the potential disasters are natural or manmade, communities must plan for disaster recovery in order to mitigate the impact that such a disaster could have on local businesses and residents. Economic development organizations are uniquely positioned in the community to facilitate a strategic planning process for economic recovery - both before and after a disaster. Through their established connections with local businesses, they can coordinate involvement and leverage resources from the business community and are likely to take a leadership role in facilitating job recovery.

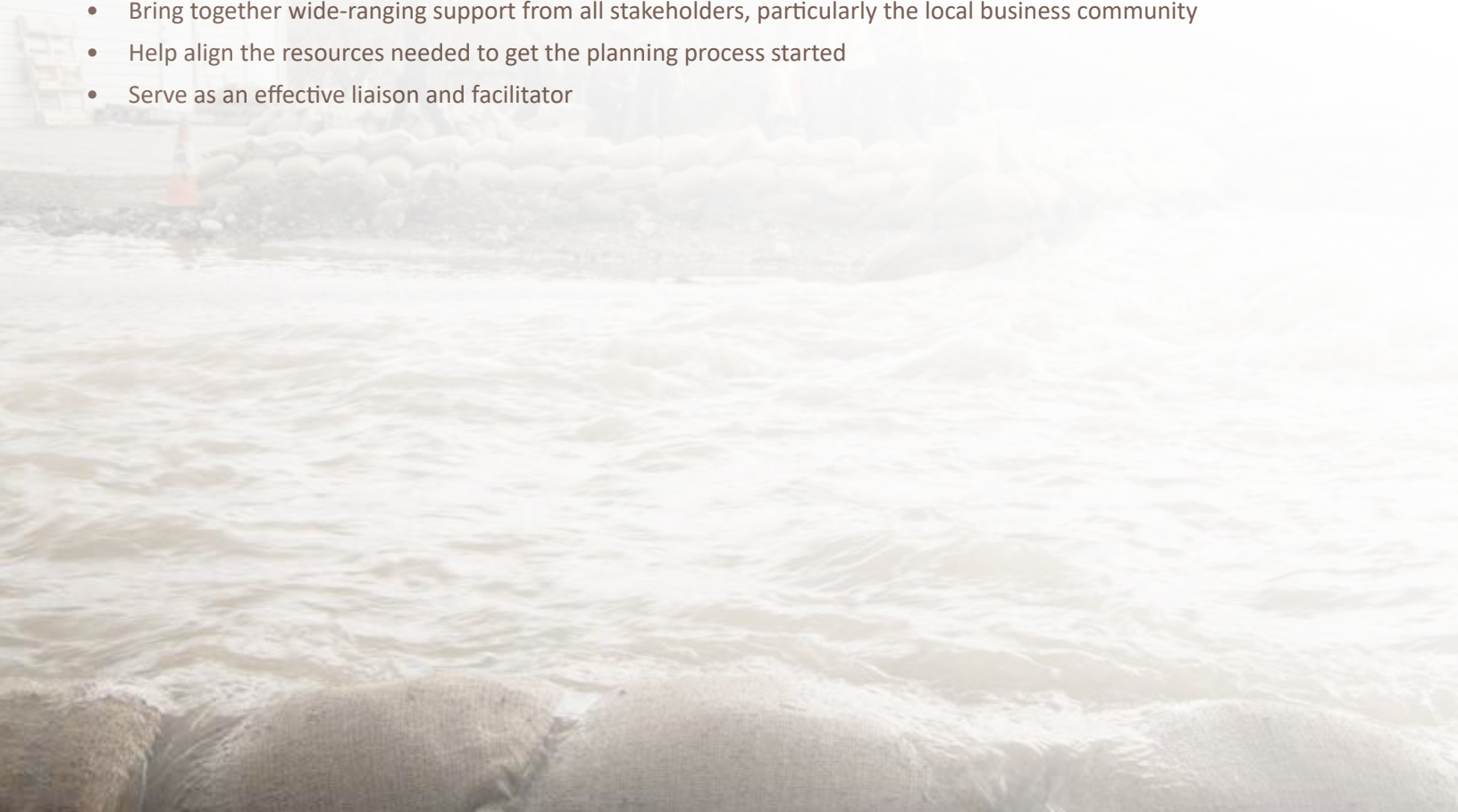
## PRE-DISASTER – ECONOMIC PREPAREDNESS PLAN

A pre-disaster economic preparedness plan prepares a community for disaster situations with a focus on the business community and the local economy. The plan defines roles and lays out action steps that economic recovery stakeholders can take in the face of a disaster. **Having a plan in place before a disaster enables a community to respond more quickly** and efficiently in order to help jumpstart the recovery process and limit the disaster's negative impacts. *BCEDA has developed an Economic Recovery and Resiliency Workshop that provides the steps required to develop an Economic Preparedness Plan.*

The economic preparedness plan should work in conjunction with a larger, comprehensive community-planning framework led by the local government for a disaster situation. The plan should coordinate with issues such as land use, infrastructure, and housing. In addition, it should also complement the community's emergency management plan. The following are suggested actions steps for the community to consider when starting a planning process for economic resiliency.

**Step 1: Designate the economic development organization to facilitate the planning process.** The economic development organization will:

- Bring together wide-ranging support from all stakeholders, particularly the local business community
- Help align the resources needed to get the planning process started
- Serve as an effective liaison and facilitator







**Step 2: Identify all economic recovery stakeholders and hold kickoff meeting.** When identifying and inviting various stakeholders, keep in mind:

- Representatives from the public, private, and non-profit sectors as well as elected officials involved in local economic issues
- Regional and provincial representatives should also be invited and encouraged to participate as necessary
- Representation from industries that are economic drivers in the community will be important

**Step 3: Strategically evaluate how a disaster could affect the local economy.** Specific actions here include:

- Identify the community's economic assets
- Perform an economic vulnerability analysis
- Conduct scenario planning for community redevelopment

**Step 4: Develop action strategies and steps.** Based on different scenarios and highlighted vulnerabilities in the community, an action plan with strategies, resources, responsible agencies, and suggested timelines should be developed. Amendments to existing disaster recovery and economic development plans may also be suggested for improved disaster preparedness. Both short- and long-term action strategies should be developed as part of the action plan.

**Step 5: Develop a communications plan and compile contact information.** A communications strategy will enable local and regional economic development organizations to remain in contact with their constituents, their peer organizations, and other groups that are critical to the community's economic recovery. One the simplest, and yet important, action steps is developing several contact lists that include local business owners, agencies playing a role in short-term recovery efforts, and key stakeholders throughout the region and state.

**Step 6: Develop a list of possible funding sources.** Potential funding sources for disaster recovery and redevelopment should be identified, including local, provincial, and federal sources. Although a variety of resources are available for humanitarian relief and housing, resources for business recovery can sometimes be scarce. It will be necessary for economic development organizations to creatively utilize available resources and leverage public and private funds.

**Step 7: Follow up with the plan.** Take the following steps to ensure that the economic preparedness plan is adopted by the community and that collaborations remain active:

- Integrate the plan with other relevant plans
- Monitor, evaluate, and update the plan

## POST-DISASTER – ECONOMIC PREPAREDNESS PLAN

Even if your community has engaged in pre-disaster planning, communities invariably face chaos after a disaster. A post-disaster strategic plan should be developed to guide the economic recovery process, this should be completed along with the implementation/review of an existing Economic Preparedness Plan. The community has an opportunity to re-assess their economic objectives in light of disaster risks and other vulnerabilities. They can establish bold new strategies and action steps to make progress toward long-term recovery and emerge a more resilient community to future disruptions. Starting the process for long-range planning and economic recovery within three to six months following the disaster is recommended in order to take advantage of the urgency surrounding rebuilding efforts and the existing momentum within the community. The following are suggested actions steps for the community to consider when starting the post-disaster planning process for economic resiliency.

**Step 1: Conduct a post-disaster economic impact study.** The community should perform an independent economic impact assessment immediately after a major disaster, even though the province may perform its own damage assessments. The study provides intelligence for local decision-makers and supports any request for further provincial funding for rebuilding/recovery. The study should measure the following economic impacts:

- Tax revenue loss (sales, property, employment)
- Job loss
- Loss of wages
- Business closures and interruption (loss of productivity)
- Damage to infrastructure
- Damage to property (commercial, industrial, residential)
- Damage to natural resources (that have an impact on local industries)





**Step 2: Identify a lead economic development organization to initiate a post-disaster economy recovery planning process.** This process should begin within three to six months following a disaster and include:

- Identifying key economic stakeholders and hold a kickoff meeting
- Identify the roles and responsibilities of all economic recovery stakeholders
- Establish working groups to gather relevant data and information
- Produce a complete economic analysis

**Step 3: Create a plan with action strategies.** Intelligence gathered through the economic analysis will serve as the basis for the development of the community's long-term economic recovery plan. Specific action strategies and tactics should be developed to provide direction on economic recovery priorities.

While the strategic plan should be updated every five years to reflect progress and adjust strategies, the action plan which outlines these tactics for the next one to two years should be regularly updated every year.





In 2012, the British Columbia Economic Development Association established the Economic Disaster Recovery Program following the Burns Lake Mill Explosion. Following this work, BCEDA then was asked to assist the International Economic Development Council and the US Department of Commerce in refining the US Economic Recovery Framework. Since then, BCEDA has participated in economic disaster recovery worldwide - 2013 Southern Alberta floods, 2017/18 BC wildfires, US Virgins Islands, Flin Flon, MB, Grand Forks, BC, Montgomery County, OH and the US Mariana Islands.

While each disaster is unique, the basics are the same. Residents, Businesses and Communities are impacted and the support needs to be given to help them recover. Programs must be developed to meet the immediate needs of the community. BCEDA has developed workshops to help communities be better prepared to overcome the economic impacts of disasters. Please contact BCEDA for pricing and more details.

#### **Community-Delivered Training: Making Resilience and Recovery the New Norm**

We offer a 90 minute crash course, a full day condensed but comprehensive session that will get you well on your way to developing a plan, or a two-day extensive session that will provide you with the tools and resources to help you become a more resilient community.

#### **Community-Delivered Training: Business Continuity Planning**

This workshop will provide useful tools and information for communities to be better prepared for recovery. Recovery requires the business community to also be prepared in order to not become a tragedy of the disaster.

#### **Community-Delivered Training: Business Retention and Expansion (1, 3, and 5-day options)**

This course explores strategies to retain the existing economic base by making businesses and the communities that house them more competitive. Issues covered include how to apply a wide range of economic development resources, tools, and techniques to support local businesses through the creation of a successful business retention and expansion program.

#### **Community-Delivered Training: Economic Development for Local Leaders**

The workshops, designed for local and regional governments and Indigenous communities, aim to assist communities to expand their capacity, knowledge and skill sets to ensure economic sustainability and future growth.



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