



# COMMUNITY ECONOMIC PREPAREDNESS AND RECOVERY GUIDEBOOK

**SAFEGUARDING YOUR  
ECONOMY FROM DISASTER**

# THIS GUIDE IS DESIGNED FOR:

## ECONOMIC DEVELOPMENT ORGANIZATIONS CIVIC LEADERS AND ELECTED OFFICIALS CHAMBERS OF COMMERCE AND BUSINESS SUPPORT GROUPS

These core stakeholders are flanked by small business owners who could be affected by disaster and by emergency managers who provide preparedness and response leadership for the community. Coordination among them is essential for stabilizing and preserving the local economy before, during and after a natural disaster.

Without an economic recovery strategy, a disaster incident can cause a micro-recession, which could negatively affect your community for years. Steps taken by local leaders in the first critical hours, days and weeks can make a significant difference in offsetting this detrimental side effect of an already unfortunate situation. Provided here is a framework of discussion for local business and community leaders to develop an economic recovery strategy for their own community. This manual connects disaster management functions with economic principles to identify key issues and suggested actions to prepare and recover from a disaster.

For ease in applying this information to each phase of the disaster time line, information is divided into four core functions that need to be addressed. These four core functions are:

### **BUILDING RELATIONSHIPS**

Identifies key stakeholders and demonstrates how they work together in each phase.

### **COMMUNICATING**

Provides mechanisms for key stakeholders to communicate and coordinate other efforts in the community before, during and after a disaster.

### **FINANCING**

Identifies sources of funding or innovative financing for disasters.

### **PLANNING AND LOGISTICS**

Describes a plan, identifying resources and anticipating how they will change in each emergency phase.

### **How to use this guide**

The color-coded sections are designed to guide your community to economic stability before, during and after major disaster events such as floods, earthquakes and tornadoes. Each section correlates to a phase in the standard emergency management (EM) disaster cycle. As you move through the time line, this guidebook provides specific economic tips and insights for each phase.

# THE DISASTER CYCLE AND YOUR ECONOMY

The disaster cycle is a tool used by emergency management professionals that applies to the health, safety and welfare of the general public in response to natural or man-made disasters. Community recovery after a disaster includes maintaining a healthy economy, and this requires prioritizing elements that are not always as obvious as those aimed at preserving safety and health.

Therefore, disaster cycle terminology is used here to frame key business sector recovery strategies and improve economic resilience. Why? The frequency and cost of natural disasters has increased significantly. The cost of thunderstorms alone has increased three-fold in just ten years. Stabilizing local businesses is an important but often overlooked aspect of preserving and serving human interest needs. When people are able to work, they have a better chance of putting their homes and lives back together after a disaster.

In many communities, no plan exists to prepare the private sector (businesses, trade associations, manufacturers and retailers) for disaster. According to the IRS, between 40 percent and 60 percent of businesses affected by disaster may ultimately close. A well-constructed recovery plan will help prevent that from happening in your community.

## PREPAREDNESS

Preparedness is a continuous cycle of planning, organizing, training, equipping, exercising, evaluating and taking corrective action to ensure effective coordination in the event of a disaster. Community economic preparedness is the responsibility of both business owners and the Local Economic Advisory Recovery Network (LEARN see page 5 for more info) to ensure plans are in place to most effectively respond to and work through a disaster event.

## RESPONSE

Response encompasses the activities that address the short-term, direct effects of a catastrophic event, including immediate actions to save lives, protect property and meet basic human needs. Response includes execution of emergency operations plans and mitigation activities to limit unfavorable outcomes. Immediate response typically lasts up to 72 hours. Community economic response starts after activation of the LEARN to establish a Business Recovery Center (BRC) and communicate directly with impacted businesses.

## RECOVERY

After a disaster, it is crucial to restore government, individual/household and economic functions in the community. Recovery involves the development, coordination and implementation of operations, services, infrastructure, facilities and programs. Immediate recovery is typically measured in weeks or months, while long-term recovery is measured in the years following an incident.

Community economic recovery focuses on continued efforts to stabilize and enhance individual businesses as well as the community's overall economic climate following a disaster.

## MITIGATION

Hazard mitigation actions are designed to reduce the long-term risk to human life and property from hazards. These preventive actions can be simple, such as elevating a furnace in a basement that floods, or can involve a comprehensive approach that includes relocating buildings out of the floodplain or retrofitting critical facilities to provide stronger shelter. Mitigation also includes efforts to reduce the risk of damage to the environment during a disaster, such as planting lines of trees to reduce the impact of dust storms, installing breakwaters to protect a harbor, or devising sound land-use ordinances and building codes. The long-term actions are undertaken during periods of calm and stability. Community economic mitigation efforts incorporate many efforts to lessen the impacts of disaster events on businesses and the overall economy in the event of a disaster.



## RESOURCES AVAILABLE

This guide provides a framework and introduction to actions that can prepare your local economy for a disaster. Useful links to other references, maps and downloadable content can be found at [wedc.org/economic-recovery](http://wedc.org/economic-recovery).

## ABBREVIATIONS

Acronyms shown here are referred to in this guidebook and or used by practicing professionals in the field.

- Indicates potential funding sources

<b>BID</b> .....	Business Improvement District
<b>BRC</b> .....	Business Recovery Center
<b>BRPASW</b> ..	Business Recovery Professionals Association of Southeast Wisconsin
■ <b>CDBG</b>	Community Development Block Grant /HUD
■ <b>CDFI</b> .....	Community Development Financial Institutions
<b>COOP</b> .....	Continuity of Operations Plan
<b>CRS</b> .....	Community Rating System
<b>CRA</b> .....	Community Reinvestment Act
<b>DNR</b> .....	WI Department of Natural Resources
<b>DOL</b> .....	U.S. Department of Labor
<b>DOT</b> .....	WI Department of Transportation
<b>DPW</b> .....	WI Department of Public Works
■ <b>DWD</b> .....	WI Department of Workforce Development
<b>ED</b> .....	Economic Development
■ <b>EDA</b> .....	US Economic Development Administration
■ <b>EDC</b> .....	Economic Development Corporation
■ <b>EDO</b> .....	Economic Development Organization
<b>EM</b> .....	Emergency Management
<b>EOC</b> .....	Emergency Operations Center
<b>EPA</b> .....	Environmental Protection Agency
<b>FEMA</b> .....	Federal Emergency Management Agency
<b>GIS</b> .....	Geographical Information Systems
<b>HAZUS</b> .....	GIS Based Hazard Loss Model used by FEMA
■ <b>HUD</b> .....	Housing and Urban Development
■ <b>HMGP</b> .....	FEMA Hazard Mitigation Grant Program
<b>IEDC</b> .....	International Economic Development Council

<b>JFO</b> .....	Joint Field Office
<b>LEARN</b> .....	Local Economic Advisory Recovery Network
<b>MOU</b> .....	Memorandum of Understanding
■ <b>NEG</b> .....	National Emergency Grant
<b>NFIP</b> .....	National Flood Insurance Program
<b>PIO</b> .....	Public Information Officer
■ <b>RLF</b> .....	Revolving Loan Fund
<b>RPC</b> .....	Regional Planning Commission
■ <b>SBA</b> .....	Small Business Administration
<b>SBDC</b> .....	Small Business Development Center
<b>SCORE</b> .....	Service Corps of Retired Executives
■ <b>USDA</b> .....	U.S. Department of Agriculture
■ <b>VOAD</b> .....	Volunteer Organizations Active in Disaster
■ <b>WIB</b> .....	Workforce Development Boards
■ <b>WEDC</b> .....	Wisconsin Economic Development Corporation
■ <b>WEM</b> .....	Wisconsin Emergency Management
■ <b>WHEDA</b> ....	WI Housing and Economic Development Authority
■ <b>WisWARN</b> .	WI Water Agency Response Network

## WHERE IN THE DISASTER TIMELINE ARE YOU?

### PREPAREDNESS

Pre-disaster

### RESPONSE

72 hours during the disaster

### RECOVERY

Weeks, months and years after

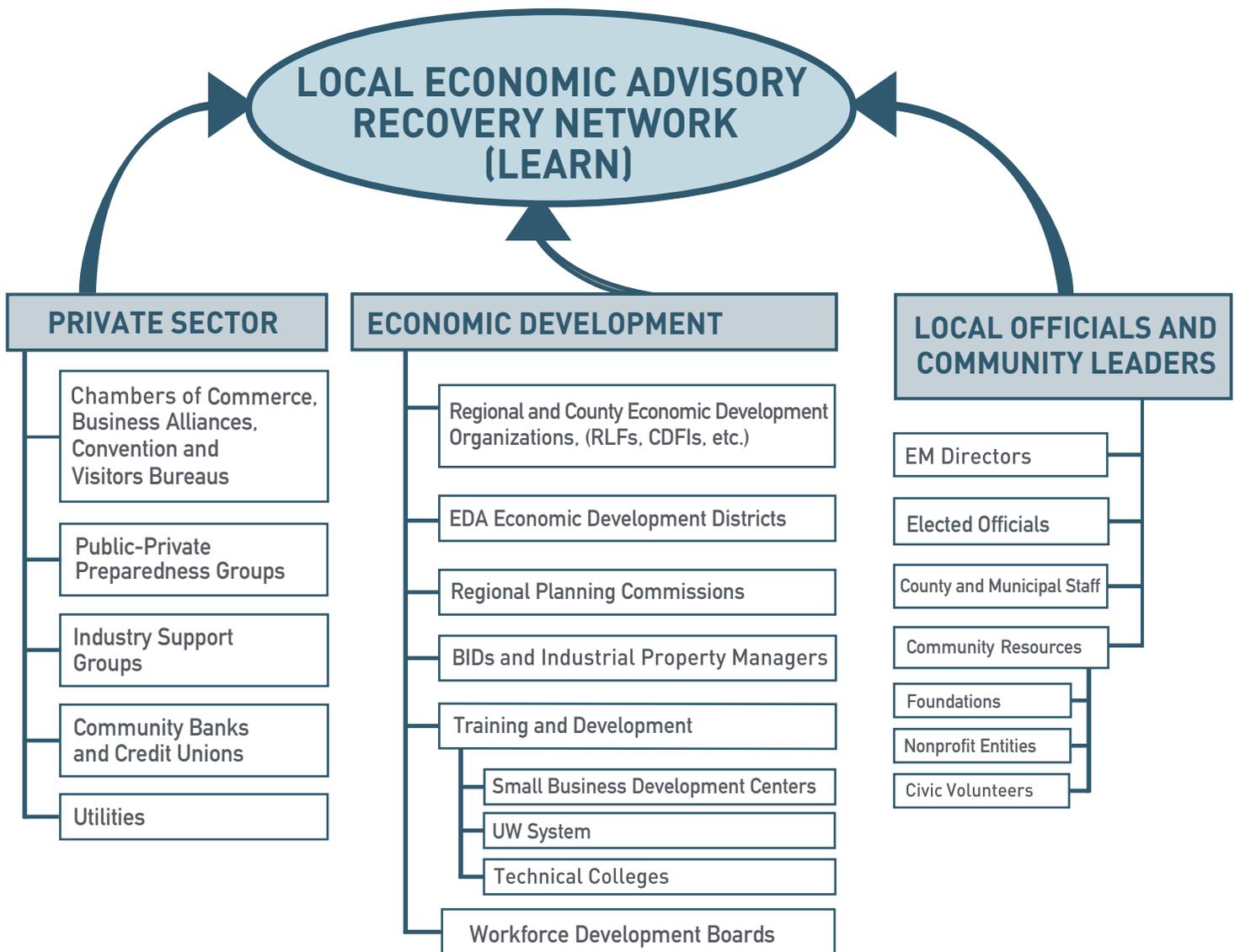
### MITIGATION

Ongoing

# ECONOMIC CONTINUITY AND COMMUNITY RESILIENCE

Formation of a Local Economic Advisory Recovery Network (LEARN) group that will lead the economic response in a disaster is essential. The LEARN group should be formed in the preparedness phase to ensure that the lines of communication among key players are established well before the disaster. When

a disaster is unfolding, it is essential to have an accurate roster of critical entities that need to be involved in communication and outreach to business. The diagram below identifies potential stakeholders and resource providers in your community that should be part of the LEARN group.



The listed structure represents a roster of potential participants.

Communities should customize rosters to establish a balance between committee size and efficiency.



# PREPAREDNESS BUILDING RELATIONSHIPS

## WHAT TO CONSIDER:

The chief elected official is responsible for ensuring the health and safety of residents and the economic stability of the community. Economic development leaders are responsible for forming strong relationships among stakeholders by convening meetings of the LEARN group to develop and update economic disaster response plans and to execute training opportunities and exercises.

The East Central Wisconsin Regional Planning Commission invited stakeholders from Calumet County to a 2.5-hour cross-training session. Attendees included the local chamber of commerce, planners, community development staff, elected officials, businesses, emergency managers and economic developers. Participants discussed gaps in responsibilities and how to address them. Everyone felt more informed and empowered after the gathering, and thus, were better positioned to coordinate preparedness efforts. Disaster Ready Chippewa Valley is a public-private partnership that offers ongoing education and networking for its members focused solely on business disaster preparedness and response. Consider starting sessions like this with local leaders in your own area. These small investments in time can pay dividends along the way.

Individual businesses should take an active interest in their communities by getting to know their neighboring businesses, industry sector groups, economic development leaders and elected officials to ensure open lines of communication at all times, particularly during a disaster.

## ✓ ACTIONS FOR LEARN GROUP

- Invite stakeholders (see page 5) to participate in a meeting to discuss your community's current level of economic disaster response preparedness and create a formal LEARN group.
  - Invite emergency managers to build a broad understanding of response and recovery responsibilities.
  - Form relationships with economic development and business partners beyond your immediate geographic area.
- Create a public-private partnership focused solely on business disaster preparedness education, situational awareness and relationship development.
- Develop and continually update your economic disaster response plan. Consider the following elements:
  - Possible locations for a BRC
  - Communication methods if technology is limited
  - The liaison between emergency management and businesses
  - Outreach channels: traditional media, social media, face-to-face, etc.
  - Services and outreach to affected businesses with resources
  - Disaster-specific FAQ guide (develop a generic one that can be modified at the time of a disaster)
  - Business resources list, including: contractors, restoration companies, temporary staffing agencies, city or county planning office, utilities, business counseling services, etc.
- Arrange meetings for the LEARN group.

# PREPAREDNESS COMMUNICATING

## WHAT TO CONSIDER:

Businesses of all sizes are expected to have the capacity to protect their employees, infrastructure and facilities in case of a disaster. Business continuity planning, along with protecting information and being able to access it remotely, is essential. Chambers of commerce and economic development organizations are key partners in expanding private sector understanding of disaster management.

Using communication channels already in place can speed up response capabilities. For example, in Pleasant Prairie, an industrial park developer and local chamber executives worked with emergency managers in a public-private partnership to plan a response strategy and update communication protocols in the event of a major train derailment. As a result, communication protocols were revised, and contact lists updated.

## ✓ ACTIONS FOR LEARN GROUP

- Establish a plan to work with local businesses to put business continuity plans in place.
- Recruit a local leader who will champion the need for, and importance of, business continuity planning.
- Find business continuity planning tools at [wedc.org/economic-recovery](http://wedc.org/economic-recovery).
- Offer business workshops on a variety of preparedness topics such as insurance, information technology and risk reduction.
- Designate a sub-committee of the LEARN group to take the lead in coordinating business communication in a post-disaster situation.
  - Meet with emergency management directors and public information officers to be sure the business and economic development communities are included on information distribution lists.
  - Identify communications channels that will be used by partners. Document how messages can be sent and should be formatted during an emergency (211, municipal websites, reverse 911 etc.)
  - Compile the results of your actions into a communications plan, distribute copies to partners and publish the document online so businesses can reference it when needed.
- Publish your economic disaster response plan along with your body of work related to business disaster preparedness and continuity planning. This helps build relationships and gives partners a single place to go for information and updates.



# PREPAREDNESS

## FINANCING

### WHAT TO CONSIDER:

Optimally, disaster financing programs will be designed and in place before a disaster. Because loan funds from the U.S. Small Business Administration (SBA) are available only for officially declared disasters, those funds can take longer to obtain. Access to local sources of emergency working capital is vital. A proven national best practice is to provide small, very low-interest emergency microloans quickly. Small amounts, low-interest rates, simple collateral requirements and quick lending decisions are vital for emergency microloans. For example, Fond du Lac repurposed unrestricted reserves of its economic development corporation to provide immediate \$5,000 microloans following a significant flood. The program provided loans to 17 businesses within a matter of weeks, and even those businesses that eventually closed repaid the loans.

### ✓ ACTIONS FOR LEARN GROUP

- ❑ Create a disaster emergency microloan program that can be quickly deployed following a disaster to provide small amounts of operating cash for immediate recovery.
  - Consider a program structure that includes short applications and fast decision-making.
  - Identify local sources of unrestricted funding that could be repurposed for emergency loans (e.g., EDO retained earnings, BID funds, community/foundation loans).
  - Identify an organization to be involved in approving and administering a microloan program. Include funds to pay for necessary personnel and draft an MOU between groups.
- ❑ Amend your community's revolving loan fund manual to allow for quick processing of post-disaster loan applications.
- ❑ Provide education to the business community on insurance issues. Local agents and business owners frequently misunderstand flood insurance.
- ❑ Create a list of additional post-disaster financing resources.
- ❑ Develop a plan to work with the emergency management director to gather loss data for a possible SBA declaration, which will provide access to additional loan funds.
- ❑ Research creative, successful financing options used in other areas and customize these to your local needs and fund availability.



# PREPAREDNESS PLANNING AND LOGISTICS

## WHAT TO CONSIDER:

What would happen if a large employer suddenly shifted jobs to another location or if half of a community's Main Street businesses failed within a few months? Job losses and business failures after a disaster drag down a community's economy long after debris is cleared away.

An estimated 25 percent of all flood damage happens outside the floodplain. In Jefferson County, the interstate highway closed, significantly affecting businesses which were not themselves flooded. Evaluate historic risk factors and develop a plan for alternate routes, resources and markets.

## ✓ ACTIONS FOR LEARN GROUP

- Identify the businesses and infrastructure that are most vulnerable to disaster.
- The floodsmart.gov website has a free address-based risk assessment tool to help businesses and home owners know what to expect in the event of a flood.
- Encourage your community to look into the FEMA Community Rating System.
- Encourage businesses to develop a continuity plan
- Encourage them to discuss possible private sector mutual aid agreements and how they might be enacted.
- As a part of the county hazard mitigation plan, consider using GIS analysis to show vulnerabilities for key economy driver enterprises.
- Integrate emergency management into the community's comprehensive plan.
- Ensure economic development considerations are included in the emergency response plan.
- Inventory major facilities and spaces within your community that could be used as a business recovery center. To avoid confusion, establish a location separate from the FEMA disaster recovery centers.



# RESPONSE BUILDING RELATIONSHIPS

## WHAT TO CONSIDER:

Emergency managers focus first on health and safety, followed by critical infrastructure and services. When the Emergency Operations Center (EOC) is activated, a single point of contact from the LEARN group relays status updates and information needed by emergency managers. The LEARN group is also responsible for providing economic considerations to discussions at the response stage, and immediate recovery decisions are made.

Following widespread flooding across northern Wisconsin, state agencies including Emergency Management, the Department of Transportation, the Department of Natural Resources and WEDC held a series of informational meetings in affected communities. This allowed local officials, business owners and residents to get a firsthand update on the situation and learn about response and recovery plans as they were being formulated.

## ✓ ACTIONS FOR LEARN GROUP

- ❑ Convene a meeting of the LEARN group. Identify any contacts who should be part of the group but have not yet been part of the conversation.
- ❑ Evaluate, adjust and begin making plans to deploy your disaster response plan. Clarify the needs and make staff assignments so the organizations are ready to start recovery assistance actions as soon as possible.
- ❑ Develop a disaster-specific list of frequently asked questions and make it readily available to businesses.
- ❑ Establish safe and stable facilities where response actions can be coordinated.
- ❑ Provide up-to-date communication via a single point of contact to the emergency managers. Make sure emergency managers are aware of compelling business distress and provide useful information on physical damage and projected impacts.
- ❑ Determine what damage assessment tools are best suited to the anticipated recovery situations. Consider, discuss and confirm how implementation will work.
- ❑ Plan on frequent meetings immediately following the disaster to update stakeholders. Demonstrate willingness to listen and integrate new information into emerging strategies.
- ❑ Refer to the Wisconsin Emergency Management website ([www.emergencymanagement.wi.gov](http://www.emergencymanagement.wi.gov)) for resources and disaster-specific information.



## WHAT TO CONSIDER:

When the immediate danger has passed, and safety is secured, emergency managers begin preliminary damage assessments. Data collection is limited to the information needed in determining if a formal disaster declaration is warranted. The business community is responsible for communicating a comprehensive assessment of economic damages for potential recovery assistance.

Until approved by authorities, business owners or employees should not attempt to return to their facilities. Dangerous conditions can persist and must be addressed before access is granted. Examples include downed power lines, water traps, weakened walls and hazardous material spills. Using communication channels already in place can accelerate response activities and information sharing. For example, in one Wisconsin community, the chamber of commerce used its member email list to send out a request to conserve water. This minimized the added burden on the wastewater treatment plant, which was strained by stormwater volumes during a flood.

## ✓ ACTIONS FOR LEARN GROUP

- ❑ Designate a LEARN group member to attend briefing sessions. Use this opportunity to learn more about the situation and to communicate regarding the response and recovery resources offered by the LEARN group.
- ❑ Coordinate with the assigned public information officer on business sector messaging.
- ❑ Use existing member lists of organizations and businesses to communicate regarding the response and recovery resources offered by the LEARN group.
- ❑ Prepare media messages so business sector information can be distributed and collected through identified channels. Confirm information sharing protocols.
- ❑ Conduct door-to-door business outreach if necessary to reach specific businesses.
- ❑ Assist local businesses in implementing their business continuity plans.



# RESPONSE FINANCING

## WHAT TO CONSIDER:

Recognize many small businesses lack adequate business continuity planning and do not have significant operating reserves. Having an accurate picture of operating capital needs is critical for the recovery period. Business owners need cash flow to cover uninsured damages and lost production, sales and other revenues. Saving and accessing financial records will be important. The way the community responds to this need can significantly impact the cost and duration of recovery.

When an explosion and fire destroyed a portion of Sun Prairie, downtown in July 2018, many businesses and homes were destroyed or damaged. A local bank stepped forward to offer zero-interest, unsecured loans to affected businesses and residents. The bank also spearheaded a fundraising campaign to deploy additional resources to the recovery.

## ✓ ACTIONS FOR LEARN GROUP

- ❑ Assess the impact on the business community and tailor the response to needs based on the disaster type, damage and severity. Gather and update information that will be needed for the emergency microloan program.
- ❑ Market and deploy your disaster emergency microloan program (see page 8). If one does not exist, quickly work to create one.
- ❑ Ensure that the “financial dashboard” of information (recovery funds available, business impacted, cost of damages) is included in outbound communications.
- ❑ Educate impacted businesses on other recovery funding sources, such as SBA loans, which may be available to them in the future.
- ❑ Encourage businesses to take lots of photos and save receipts. SBA loans have strict requirements about duplication of benefits, so keep good records of recovery expenditures.
- ❑ Coordinate distribution of free clean-up kits (available through the Red Cross or public health departments) to businesses.

### WHAT TO CONSIDER:

When the immediate danger has passed and safety is secured, emergency managers begin preliminary damage assessments. FEMA and SBA damage assessments are designed to collect qualifying data and determine if a formal disaster declaration is warranted. A separate business damage assessment tool coordinated by the LEARN group must be deployed quickly to ensure that economic considerations are included in the decision-making process and for potential future recovery assistance.

In Jefferson County, the local economic development corporation developed a business damages survey and accessed National Emergency Grant staff assistance from their workforce development board. The staff conducted door-to-door assessments after the flood waters receded. The information helped identify needs and shape county and regional recovery strategies and was successfully used in applying for additional state and federal assistance.

### ✓ ACTIONS FOR LEARN GROUP

- ❑ Establish a business operations center in a safe and stable facility where response actions can be coordinated.
- ❑ Reach out to area businesses as quickly as possible. Frustration is more likely to occur when citizens and businesses perceive a lack of action and preparedness on the part of municipal, economic and emergency management professionals.
- ❑ Implement the chosen damage assessment tool after evaluating resources that may be able to assist in outreach and data collection.
- ❑ Use the damage assessment data to gauge business impact. The data will help in further developing recovery programs and can simplify later grant-writing.
- ❑ Keep track of recovery assistance amounts and efforts. Plan for transparency in reporting.
- ❑ Adapt existing organizations to meet needs instead of starting from scratch (e.g., SBDC, technical colleges, etc.).
- ❑ If applicable, provide information on available commercial or industrial space in the community. Encourage business owners to relocate equipment temporarily to ensure that critical production line equipment is protected.
- ❑ Facilitate business-to-business assistance. For example, in a recent disaster, a trucking company sent unused trucks to rescue thousands of dollars in inventory from encroaching flood waters.
- ❑ Consider personal losses that business owners may be facing at the same time their businesses are suffering. Connect these individuals with resources and organizations that may help them with personal losses, such as Volunteer Organizations Active in Disasters (VOAD).



# RECOVERY BUILDING RELATIONSHIPS

## WHAT TO CONSIDER:

Response and short-term recovery can overlap. Streets may be cleaned up and everything may look fine on the surface, but small businesses may still be extremely fragile. Elected officials and economic stakeholders should encourage dialogue in the business sector to proactively identify and address economic challenges using a case management system and put “boots on the ground.” Businesses need to adjust their strategies on finance, marketing, human resources and operations, so a variety of expertise is required.

Following severe flooding throughout southern Wisconsin in 2018, economic development leaders conducted Post-Disaster Business Resource Partner Meetings throughout the region. The meetings allowed business owners and economic development professionals to hear from and connect with agencies and organizations that were available to assist their businesses in recovering from the floods. This included both financial assistance tools but also business planning resources and more.

## ✓ ACTIONS FOR LEARN GROUP

- Recognize that short-term recovery usually takes six to twelve months, and long-term recovery is generally considered to take three years. Rebuilding can take even longer.
- Accept new members in the LEARN group and continue to meet regularly.
- Connect with state and federal partners. Collaborate locally to tap into new funding sources. Recognize the need for perseverance when seeking assistance from county, state or federal resources. Become knowledgeable about economic issues; the impact on jobs and wages can be a compelling argument when requesting aid.
- Tap into resources like the International Economic Development Council (IEDC) and [restoreyoureconomy.org](http://restoreyoureconomy.org), which have current information and best practice expertise from across the country.
- Adapt local economic plans and strategies to reflect new realities and opportunities available during recovery.
- Reach out to nonprofits that are helping in recovery efforts, and coordinate with them wherever possible to minimize duplication of effort.
- Help businesses feel less isolated by hosting outreach sessions led by the LEARN group.



**WHAT TO CONSIDER:**

The bigger the disaster, the more critical it is for a community to have a shared vision of how a successful recovery will look. Future economic strength will depend on how well the vision and opportunities for recovery assistance are communicated and pursued. Maintain communications over the entire course of recovery, however long it may last. Communication priorities should focus on letting community residents and visitors know that businesses are still open. This is especially true for tourism-dependent areas or when general access to businesses is affected.

Following a significant flood event in Wisconsin Dells, which breached a dam and emptied Lake Delton in June 2008, visitors from around the world heard the news story and decided not to visit this tourist destination that summer. The Wisconsin Dells Visitor & Convention Bureau stepped up its marketing efforts to share that the community indeed had many other attractions and businesses that were not affected by the disaster.

**✓ ACTIONS FOR LEARN GROUP**

☐ Continue to use a “one-stop shop” business recovery center approach to link all agencies and organizations providing resources for business recovery. Establish a hotline and web presence and post hours for walk-in assistance.

- ☐ Use all available communication channels to get the word out regarding the business recovery center resources. Promote the availability of business counseling and recovery financing options.
- ☐ Hold informational sessions for businesses to learn first-hand about the technical and financial resources available to them in the recovery and rebuilding process.
- ☐ Ensure that individual businesses manage their messaging to employees, customers, suppliers and other partners. Regular updates should be relayed to these groups about recovery efforts and progress.
- ☐ Continually assess business recovery progress and needs via relationships between members of the LEARN group and local businesses.
- ☐ Continue to communicate regularly, even as media attention wanes and the community seemingly returns to normal.
- ☐ Schedule interviews with local journalists and media contacts three, six, nine and twelve months after the disaster.
  - When businesses repay their microfinancing loans, update the community. These successes help keep progress visible.
  - Publicize the stories of companies that had a continuity plan in place and recovered faster because of it.
- ☐ Document techniques that are successful for future reference and best practice sharing.



# RECOVERY FINANCING

## WHAT TO CONSIDER:

Maintain an understanding of the economic conditions of businesses and advocate for programs that might offer solutions. Federal or state disaster recovery assistance is provided through loans. Local resources will need to fill the gap before Small Business Administration loans become available. FEMA does not offer business assistance.

In Fond Du Lac, program funds were available and announced to the business community within a week, and the first loan was made within eight days. As more needs were identified, access to larger amounts was orchestrated through the Department of Commerce and USDA Rural Development.

## ✓ ACTIONS FOR LEARN GROUP

- Continue publicizing the availability of recovery loan resources.
- Enlist SBDC offices, technical colleges and other business support organizations in providing disaster recovery finance counseling for affected businesses.
- Engage the EDA, USDA Rural Development and the SBA in discussion about the longer-term financial recovery plan.
- Encourage businesses to re-evaluate their business plans and redefine themselves and their markets. Recovery steps can present opportunities to change or grow, which may help shorten payback times.
- Urge businesses to avoid relying on credit cards to offset losses. Such strategies unfortunately mask the cost of recovery and create a larger financial burden in the future.
- Monitor the progress of businesses who utilize micro loans, and publicize progress when they are repaid.
- Keep good documentation: SBA funding requires financial statements and tax returns. Keep receipts for everything purchased during recovery. It's especially important to document these if more than one loan source is use, to avoid duplication of benefits.

# RECOVERY

## PLANNING AND LOGISTICS

### WHAT TO CONSIDER:

The economic multiplier for locally owned businesses is relatively high. More of the money spent in locally owned business stays in the community versus money spent in non-locally owned businesses. Therefore, targeting specific programming assistance to locally owned firms may be beneficial.

Re-evaluate existing economic development plans and adjust priorities to better match the scope of the disaster and the entirety of regional needs. For example, when floods and auto plant closures simultaneously impacted four counties in Wisconsin and two in Illinois, a collective strategy was designed to address both issues.

### ✓ ACTIONS FOR LEARN GROUP

- ❑ Provide emergency managers with a list of the business resources available through the LEARN group so they can distribute this information as they continue to work on recovery across the community. Continue to communicate the business needs to emergency managers as well.
- ❑ Gather data and mapping information from the actual results of the disaster to make sure there is comprehensive information for full recovery and future mitigation. The business and economic impacts need to be fully documented to serve future economic interests.
- ❑ Partner with local units of government to add disaster-specific data from the business sector to all hazard mitigation and response plans and maps.
- ❑ Business recovery centers should have regular hours at first. As needs change, the online presence and case management system will reduce the need for on-site staffing.
- ❑ When a federal disaster is formally declared, share community and economic information with the Joint Field Office (JFO). Include an economic profile and tourism guides. Encourage JFO staff to visit locally owned businesses.
- ❑ The LEARN group and individual businesses should keep records of what happened, what worked and what didn't. Use the information to adjust future response actions and modify continuity plans. Be willing to share your story to help build awareness.



## WHAT TO CONSIDER:

Long-range mitigation decisions should consider future economic factors. Develop mitigation strategies based on hazard identification and economic risk assessment to reduce or eliminate future economic losses.

Repeated flooding in Darlington, significantly impacted downtown businesses, so the city developed a mitigation plan to identify long-term solutions. As a result, they applied for and received multiple state and federal grants to assist with relocating businesses out of the floodplain to a new business park. The vacated floodplain was developed into a park and riverwalk, boosting the local tourism economy. In addition, the city floodproofed historic downtown businesses.

## ✓ ACTIONS FOR LEARN GROUP

- Encourage businesses to review and update existing insurance coverage.
- Encourage businesses to update their business continuity plans with specific attention to funding in the case of a future disaster.
- Pursue participation in the National Flood Insurance Program Community Rating system, which will result in flood insurance discounts throughout your community.
- Work with local, state, federal and nonprofit agencies to identify potential funding sources to mitigate future disaster impacts in your community. Continually track outcomes and return on investment.
  - Leverage FEMA, DOT and other disaster-related funding to recreate infrastructure that is prepared for disaster.
  - Work with EM directors to explore FEMA Hazard Mitigation Grant Program opportunities.
- Encourage local governments to evaluate capital improvement plans to ensure they invest in infrastructure that better protects the economy from future disasters.

### WHAT TO CONSIDER:

Identifying hazards that could affect the local economy is vital for the whole community. Include economic developers in hazard mitigation planning. Analyze where challenges in the communication of needs and resources occurred and define a better system. Conduct forums to discuss hazards, vulnerabilities and mitigation opportunities.

When the City of Milwaukee, began redeveloping the Menomonee Valley industrial area, it raised the elevation by several feet before allowing new construction. This resolved past flooding problems and ensured that new buildings would be out of the floodplain and therefore less vulnerable to damage in the future.

### ✓ ACTIONS FOR LEARN GROUP

- Review and update the current county hazard mitigation plan.
  - Include local economic developers on the hazard mitigation planning team to ensure that economic considerations are properly represented.
  - Ensure that the mitigation plan recognizes key business infrastructure and needs.
  - Attend training offered by the state in mitigation programs.
  - Analyze how identified hazards may impact the economic community. Conduct outreach to industry groups and public-private partnerships to promote private sector investments addressing them.
- Update plans (comprehensive overview, specific operations, capital improvement, etc.) to address high-risk areas identified in the hazard mitigation plan.
- Encourage enforcement of building codes, standards and floodplain ordinances during the building process.
- Check national resources with disaster recovery expertise. Groups such as IEDC and the U.S. Chamber Business and Civic Leadership Center report on recent incidents and emerging best practices. Research and learn from other communities' success and best practices.
- Document and share your own successes through professional networks. Highlight successes in local mitigation, especially when the return on investment and planning are realized.
- Identify partners who have not been involved in the LEARN group and add them to the team.

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## IN COLLABORATION WITH:

East Central Wisconsin Regional Planning Commission  
Mississippi River Regional Planning Commission  
North Central Wisconsin Regional Planning Commission  
Southwestern Wisconsin Regional Planning Commission

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Calumet County  
Envision Greater Fond du Lac  
Fox Cities Chamber of Commerce  
International Economic Development Council  
Jefferson County Economic Development Consortium  
League of WI Municipalities  
Local Government Institute of WI  
Milwaukee Economic Development Corporation  
Milwaukee Urban Area Security Initiative  
Public Entity Risk Institute  
SE WI Citizens and Organizations Active in Disaster  
Southeastern WI Regional Planning Commission  
Sauk County Economic Development Corporation  
U.S. Economic Development Administration  
USDA Rural Development - WI  
U.S. Small Business Administration  
UW-Milwaukee School of Continuing Education  
UW-Milwaukee Urban Planning Program  
WI City/County Managers Association  
WI Counties Association  
WI Economic Development Corporation  
WI Department of Natural Resources  
WI Department of Transportation  
WI Emergency Management  
WI Economic Development Association  
WI Office of Justice Assistance  
WI Volunteer Organizations Active in Disaster  
WI Women's Business Initiative Corporation  
WI Department of Tourism

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Never doubt that a small group of thoughtful  
committed citizens can change the world;  
indeed, it's the only thing that ever has.

~ Margaret Mead

The Wisconsin Economic Development Corporation (WEDC) leads economic development efforts for the state by advancing and maximizing opportunities in Wisconsin for businesses, communities and people to thrive in a globally competitive environment. WEDC provides resources, operational support and financial assistance to companies, partners and communities in Wisconsin. WEDC achieves its mission through initiatives driven by five strategic pillars: business development; community and economic opportunity; strategic economic competitiveness; state brand management and promotion; and operational and fiscal excellence.

Working with more than 600 regional and local partners, WEDC develops and delivers solutions representative of a highly responsive and coordinated economic development network.

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