

Chapter IX: Strategic Planning for Disaster Recovery

Disaster recovery planning and preparedness is no longer strictly for communities that regularly experience flooding, forest fires 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. Planning for post-disaster situations can be a complicated, challenging, and controversial process. Yet, 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.

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. Still, a disaster-impacted community needs to develop a vision for how it will rebuild its devastated local economy. Communities must take the opportunity to redevelop their economic and social assets in order to not only emerge stronger from a disaster, but also be better prepared for future disasters. A post-disaster strategic plan provides the opportunity to re-evaluate economic objectives in light of vulnerabilities to disaster, and establish strategies and action steps to make progress toward long-term recovery.

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 and business organizations, they can coordinate involvement and leverage resources from the business community and are likely to take a leadership role in facilitating job recovery. This chapter provides guidance to EDOs and business organizations in the strategic planning process for disaster preparedness and economic recovery to stabilize the community's economic base after a disaster.

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.

An 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 section will reference community planning efforts.

Action Steps

Planning for post-disaster situations - which involves making redevelopment choices - can be a challenging process. Yet, it is important to design a thoughtful process to engage community stakeholders in valuable discussions to better prepare the community. The steps listed below are suggested actions for the community to consider when starting a planning process for economic resiliency in the event of a disaster.

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

Developing an economic preparedness plan is a lengthy process requiring input from a variety of stakeholders. The local economic development organization or department should lead this process.

This organization will:

- Galvanize wide-ranging support from all stakeholders, particularly the local business community
- Help align the resources needed to get the planning process off the ground, and
- Serve as an effective liaison and facilitator between all parties

Step 2: Identify all economic recovery stakeholders and hold kickoff meeting.

Identifying and building consensus among myriad stakeholders is one of the most important tasks in the planning process. Having engaged and committed stakeholders will likely result in a more comprehensive and actionable plan. 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

Examples of the various types of organizations and individuals engaged as economic development stakeholders are listed below.

Create stakeholder groups:

- Divide the stakeholders into subgroups that will focus on specific topics to be covered in the plan.
- Hold a kickoff meeting where all stakeholders are made aware of the planning goals and objectives and process. It is important that they agree to work through the decision-making process.
- Evaluate what planning efforts the stakeholders have already made, and assess how resources can be leveraged or combined for maximum impact and efficiency.

Establish clear goals and timeline(s) for the planning process:

- Ensure that adequate time is given to the planning process. Establish a regular meeting schedule for subgroups and the group as a whole.
- Establish clear timeframes for each step. This will ensure that the process continues to move forward, keep the stakeholder groups on target, and inform the community of the group(s)' progress. It will also ensure that the lengthy planning process remains finite.

Economic Development Stakeholders: Disaster Redevelopment Planning

- Economic Development Director/Chair
- Tourism Agencies
- Planning Department Director
- Building and Development Review Services Director
- Airport Manager
- Finance Director
- Municipal Economic Development Staff
- Representative(s) of the private sector (e.g. chambers of commerce, banking industry, tourism industry, business improvement organizations)
- Workforce agencies
- Universities and Colleges

Step 3: Strategically evaluate how a disaster could affect the local economy.

An inventory of current assets and economic drivers as well will help the community better understand the local economic dynamics as well as the resources to harness in the event of a disaster. Current information for this effort may be available in existing strategic plans and economic analysis. It will not only serve as the basis for the development of the economic recovery plan, but it can also be helpful in evaluating the impact of the disaster. The assessment should include a strong understanding of:

- Demographics
- Key industries and/or clusters
- Key employers and their location
- Labour and workforce characteristics
- Buildings and infrastructure of economic importance
- SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis
- Local policy framework (e.g., building codes, local and provincial incentives and regulations, environmental mitigation policy, etc.).

An economic vulnerability analysis helps identify the risk factors for economic recovery as well as those

businesses and geographic areas that are most vulnerable. The inventory developed in the previous step should be mapped against analysis from hazard mitigation and land-use plans to see what businesses, industries, or industry clusters are most vulnerable to disasters. Current local and regional employment in different industries/clusters, projected growth, earnings and wages, etc. should be studied as part of this analysis.

Many of the everyday challenges a community faces are exacerbated after a disaster. Therefore, analyzing current economic weaknesses in the community is an important component of the vulnerability analysis. This analysis should include items like declining industry clusters, workforce challenges, transportation and infrastructure issues, and other current concerns about economic growth in the community.

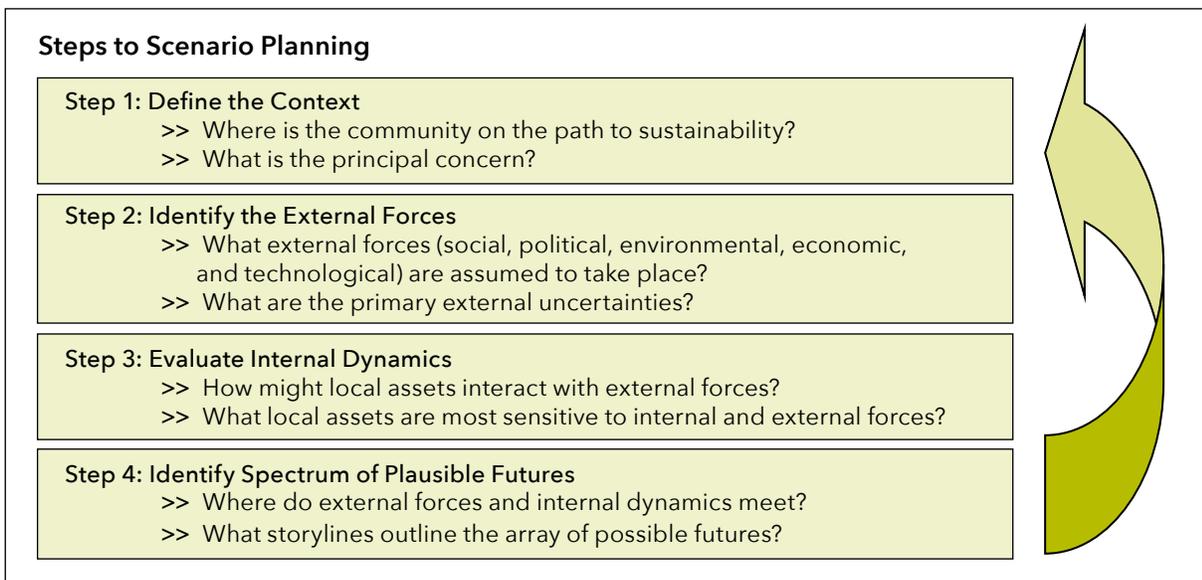
Conduct scenario planning for community redevelopment:

- Not all disasters impact a community in the same way, so different types of responses and resources must be deployed to assist the recovery. Although a vulnerability analysis can help provide generalized information about a community's exposure to potential risk factors, scenario planning can help the community evaluate alternatives, such as redevelopment options, as well as impacts to various types of disasters.

- Scenario planning, as the name suggests, allows communities to envision plausible futures based on an analysis of internal and external factors and their interactions. A community can then determine how different policies, programs, and resources can be put in place under different scenarios to effectively mitigate negative impacts while improving the chances of positive economic outcomes. This method has been adapted from military intelligence practices and is widely used for disaster planning by organizations both large and small.

- Steps to scenario planning for disaster planning and preparedness include:

- 1. Defining the context.** What kind of disaster(s) can the community face? Does it have programs, policies, and resources in place that will help the community with a speedy recovery in the face of a disaster? What are the gaps and challenges faced by the community should a major disaster occur in the near future? How prepared is the business community for a major disaster?
- 2. Identifying the risk factors that can impact the community by leading the group through scenario exercises.** Will businesses permanently relocate to another community in the event of a major disaster? What is the local capacity to respond to local business needs? Are critical anchor businesses and other assets located in a vulnerable area? How will the image of the community be impacted by a major disaster?



3. Asking stakeholders to identify what local community and economic assets are most vulnerable to these factors. Engage stakeholders in a process to identify their community's economic vulnerabilities in light of different disaster scenarios. What happens to the local economy if an important economic anchor were to relocate out of the community?

4. Developing a scenario framework of plausible futures by combining the information and analysis from all the previous steps. Develop scenarios of what the community could do in terms of redevelopment or mitigation to protect these community and economic assets. What could be done to workforce programs, economic development programs, or permitting and licensing? This is part of a process for generating and evaluating the community's strategic options when it comes to redevelopment and economic recovery after a disaster. The following graphic summarizes the steps and questions that should be asked during scenario planning.

Step 4: Develop action strategies and steps.

Based on different scenarios and highlighted vulnerabilities in the community, an action plan should be developed with strategies, resources, responsible agencies, and suggested timelines. 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.

Having an action plan that outlines key activities in the event of a disaster will increase efficiencies once a disaster strikes and help stakeholders make smart post-disaster recovery decisions.

It is also recommended that groups develop an implementation timeline that lists the steps that should be taken when and if a disaster occurs. This will ensure that the recovery process continues to move along once a disaster hits.

Sarasota County, Florida's PDRP provides a timeline of various action steps during the different disaster stages (categorized into pre-disaster, emergency period, short-term recovery, and long-term recovery).

Step 5: Develop a communications plan and compile contact information.

Communication challenges are one of the primary issues that businesses and EDOs face during the economic recovery period. Physical disruptions to the telecommunications network and the lack of clear and timely news and information leads to the spread of false rumors and misinformation.

A communications plan 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. When developing a communications plan, the following factors should be taken into consideration:

- A lead organization that will be responsible for ensuring the smooth flow of information to media outlets, businesses, and recovery agencies, should be identified.
- One the most simple, 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 province. The lead organization can use these lists to disseminate information immediately after the disaster as well as coordinate information gathering and economic analysis for short- and long-term recovery efforts.

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, non-profit and private funds.

Step 7: Follow up with the plan.

Take the following steps to ensure that the community adopts the economic preparedness plan and that collaborations remain active.

- *Integrate the plan with other relevant plans:*

Though the pre-disaster economic preparedness plan is part of the larger comprehensive disaster planning effort, it should also be linked with other community plans to reconcile inconsistencies. Additionally, it will enable the community to implement “a multifaceted planning program that is much more effective than the standalone plans.”²⁵ Local government leadership should adopt the plan to increase awareness and ensure implementation. For example, the Panama City PDRP evaluates multiple city and county plans that impact economic development activities in the community and provides recommendations on how each plan can integrate elements of the PDRP during future updates. The plan is available at: <http://www.pcgov.org/publications-3#TOC-Planning-Department>

- *Monitor, evaluate, and update the plan.*

The economic preparedness plan should be revisited regularly, preferably on an annual basis. One of the greatest benefits of the planning process is the collaborations and relationships created amongst stakeholders. Convening stakeholders annually to evaluate and update the plan should foster these connections. The Palm Beach County, Florida PDRP calls for revisions and updates ahead of the annual hurricane season. In addition, major revisions and rewrites are conducted every five years.

Post-disaster

Even if they have engaged in pre-disaster planning, communities invariably face chaos after a disaster. Planning for long-term recovery seems like a difficult task when there are pressing humanitarian, cleanup, and rebuilding needs to address in the immediate term.

Still, a disaster-impacted community needs to develop a vision for how it will rebuild its economy over the long haul. It takes time, leadership, and resources—all of which will be in short supply—to develop an economic recovery plan that has buy-in from community stakeholders.

A post-disaster strategic plan should be developed to guide the economic recovery process. The community has an opportunity to reassess its 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.

If an economic preparedness plan already exists, it can provide a strong foundation upon which to build the post-disaster planning process. It may also provide information on organizations and resources that can be accessed for long-term recovery. Following a disaster, a community may be forced to discontinue planning efforts that were already underway in order to work on a new plan that addresses any dramatic changes to the local and regional economy.

Disasters can also provide the catalyst needed to shake things up and force the community to reassess their economy in relation to the rest of the world.

Case Study: Jefferson Parish Alters their Strategic Plan after Katrina

Jefferson Parish Economic Development Commission (JEDCO) had only recently completed an update to its five-year plan, Jefferson EDGE 2010, when Hurricane Katrina wreaked havoc along the Louisiana and Mississippi Gulf Coast. A community adjacent to New Orleans, Jefferson Parish received significant damage to its commercial and industrial space after Katrina and Rita. It was apparent that the effects of these hurricanes on the local and regional economies would be far reaching. Therefore, JEDCO decided to re-examine its economic development strategic plan only two months after the storm. They convened a meeting between their organization and the Jefferson Business Council and had a large amount of participation from the business community. They updated it with additional short- and long-term measures to support business recovery and long-range economic development, and the parish council quickly adopted the plan. The revised plan, The Jefferson EDGE 2010: Road to Recovery, was released by the end of 2005. The plan has since been replaced by a more recent strategic plan, but it is still available on the JEDCO website: www.jedco.org.

²⁵ The Panama City Post Disaster Redevelopment Plan, <http://www.pcgov.org/publications-3#TOC-Planning-Department>

Action Steps

Although planning in a post-disaster situation can be a daunting task, disaster-impacted communities must remember that they have the unique opportunity to rally recovery stakeholders and lead their economies in a new direction. The steps listed below are suggested actions for the community to consider when starting a process to develop a post-disaster economic recovery plan.

Step 1: Conduct a post-disaster economic impact study.

The community should seek to 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. This impact study should be conducted as quickly as possible following the disaster knowing that a detailed economic analysis may be completed at a later stage (as discussed in step 2D below).

An economic impact study assesses both physical damage (properties, inventory, etc.) and economic damage to industry and the local/regional economy. Communities that have performed this type of analysis indicate many challenges in acquiring both pre-disaster and post-disaster data. This is particularly true in the initially chaotic environment.

To the extent possible, the study should measure the following economic impacts (where data is available):

- 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), and
- Damage to natural resources (that have an impact on local industries).

For more details on performing or using an economic impact study following a disaster, visit Chapter VI in this toolkit.

Greensburg, Kansas, Long-Term Community Recovery Plan (LTCRP)

Following an EF-5 tornado in May 2007, Greensburg, Kansas was faced with the challenge of rebuilding its economy although its population of less than 1,400 was halved by the disaster. The tornado caused serious damage to 90 percent of the structures in the community. Though insurance companies paid substantial claims, most plans only covered the value of the buildings. Because of the aging building stock, substantial subsidies were necessary to rebuild.

The community undertook a detailed comprehensive planning process to develop the LTCRP. The plan recommended the creation of a Sustainable Development Resource Office, building all public facilities to LEED-Platinum level, and creating a Greensburg Green certification program. The plan emphasized that rebuilding Greensburg in a sustainable manner will not only reduce long term financial expenses but also create a tourism draw. By blending past tourist attractions with a sustainable living model, Greensburg hopes to attract an increasing number of tourists, lengthen stays, and create an economic driver.

The LTRP included an outline of action steps necessary for developing a comprehensive economic development plan. The recommendations include a SWOT analysis, an assessment of community assets, an evaluation of business sectors and leakage, strategies to benefit current small businesses, and an assessment of the need for a tourism director and an economic development director.

For more information on Greensburg please see [Case Study Appendix 4](#).

It will take creativity and partnering on behalf of the economic development organization to gather this impact data. As an example, in 2004, Polk County Florida's Office of Economic Development (OED) quickly reached out to the 13 chambers of commerce within their jurisdiction to participate on their economic recovery team after the county was struck by three hurricanes. The local chambers conducted business surveys and reported information back to OED to collect and aggregate. Without this partnership, OED would not be able to disseminate this valuable economic information back to local, state and federal officials.

Step 2: Identify a lead economic development organization to initiate a post-disaster economic recovery planning process.

One economic development organization (EDO) in the community should take the lead in initiating the economic recovery planning process with support and engagement from other businesses, local government and other community organizations. This process should begin within three to six months following a disaster. Some communities have started this process even sooner to take advantage of the sense of urgency and unity after a disaster.

- **Identify key economic stakeholders and hold a kickoff meeting:**

Champions of the recovery planning process should start by identifying all economic stakeholders, both local and regional, in the community. Refer to the pre-disaster section for a sample list of economic recovery stakeholders in a community. The lead EDO should hold a kickoff meeting and invite key stakeholders and local government leaders. The EDO may want to co-host the meeting with another business organization. A professional facilitator should be considered to help develop an agenda and facilitate a productive meeting.

- **Identify the roles and responsibilities of all economic recovery stakeholders:**

Identify roles and responsibilities among partner organizations for both short- and long-term recovery. Part of this process should include assessing the capacity and resources of each organization.

- **Establish working groups to gather relevant data and information:**

Economic recovery working groups should be established to cover major topics like business retention, small business assistance, and downtown redevelopment. Each working group should have a chairperson and be responsible for compiling relevant data and identifying current issues for each topic. The groups will ultimately be responsible for recommending strategies and action steps to address those issues.

- **Produce a complete economic analysis:**

This economic analysis is different from the economic impact study conducted earlier, as it includes a detailed look at key industries, anchors, workforce characteristics, transportation and infrastructure issues, and how they have been impacted by the disaster. The analysis will provide insights into the current state of the economy and explore whether economic development targets should be reevaluated. Also, it will offer a better understanding of competitive positioning and will ultimately lay the foundation of the community's long-term economic development strategy.

It may be beneficial to have a third party conduct this economic analysis, because of:

- o Limited local capacity issues,
- o The assurance of a speedy planning process, and
- o The need for a fresh perspective.

As suggested in the pre-disaster planning section, it would be worthwhile for the community to perform an economic vulnerability analysis. Using such resources as GIS, the community or regional planning organization can map economic data against analysis from hazard mitigation and land-use plans to see what businesses, industries or industry clusters are most vulnerable. This type of information would be helpful to local decision-makers and business leaders.

The following actions should be considered when undertaking the economic analysis:

- o Review existing strategic plans and studies to determine the extent to which they need to be updated to reflect the new realities on the ground.
- o Evaluate existing business development targets and revisit economic issues faced by the community before the disaster. While certain economic issues could have exacerbated following the disaster, others might become irrelevant.
- o Solicit information and input from the working groups as well as the community at large.
- o Conduct focus groups around key topics to help identify specific challenges and opportunities for the community's long-term economic recovery.

- o Hold an economic redevelopment charrette with various stakeholders (economic developers, planners, local government, businesses, citizens, etc.) to develop strategies for specific geographic areas like downtowns, industrial park(s), and the neighbourhoods most impacted by the disaster.

It is important that all economic stakeholders understand the findings of the economic analysis before any action steps are proposed or implemented. A deep understanding of the current situation, as well as the long-term vision for the community, will provide critical insight on how the community should move forward.

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.

A phased approach to economic recovery where clear goals and objectives are set for the short-, medium-, and long-term should be developed. Emphasis should be placed on long-term goals, which could be 10

years, 20 years, or longer depending on the extent of damage. At the same time, strategies should be specific and include measurable outcomes to monitor progress and provide adequate guidance for the implementing agencies regarding what is expected.

Assign appropriate organizations to take ownership of and carry out each task. Ensure these organizations have the resources—in terms of in-house capacity, ability, and finances—to carry out the tasks.

Business retention and expansion (BRE) should be addressed before any recruitment efforts take place. Existing businesses are the ones that are most likely to rebuild the economy. In addition, programs and policies supporting new business development and entrepreneurs should be established. Not only will these programs complement BRE efforts in the community, but they are also likely to spur job growth and private investment in the community.

Communication is always compromised in a post-disaster situation, but an effective economic development organization will seek to re-establish contact with businesses and quickly disseminate relevant information regarding available resources, critical issues, and community restoration and recovery efforts. The EDO will also use the media as an effective communication vehicle. The economic development organization should regularly promote to the public and media their planning efforts and share how resources, projects, and funds will be prioritized.

