AMERICA'S SBDC CALIFORNIA
LOS ANGELES NETWORK

EDC SBDC

DISASTER PREPAREDNESS AND RESILIENCY GUIDE



DISASTER PREPAREDNESS AND RESILIENCY GUIDE 2019

EDC ECONOMIC DEVELOPMENT COLLABORATIVE

POWERED BY SBA U.S. Small Business Administration

The Economic Development Collaborative hosts the Small Business Development Center and is funded in part through a cooperative agreement with the U.S. Small Business Administration.

TABLE OF CONTENTS

EDC SBDC Disaster Preparedness and Resiliency Guide

Introduction 1

Current Disaster Trends 2
- California Disaster Trends 2
- U.S. Disaster Trends 3

Stages of Emergency Management 4
- Emergency management 4
- Emergency preparedness and response 7

Center Preparedness 8
- Center Preparedness 8

Building Center Capacity 11
- Building Center Capacity 11

Deployment of Services 11
- Local Assistance Centers 11
- Field Operations 12
  - One-On-One Consulting 12
  - Aggregation And Dissemination Of Information 12
- Business Recovery 13
  - Moving from Survival to Stability
  - Business Recovery Best Practices 13
- Case Study Examples 14

Road to Resiliency 16

Conclusion 16

Business Recovery Guide 17

EDC SBDC Disaster Preparedness and Resiliency Toolkit for Businesses 29

INTRODUCTION

On the evening of December 4, 2017, a deadly combination of high wind and low humidity resulted in what would become at the time the largest wildfire in California history. More than 500 residences burned that first night, as the Thomas Fire quickly spread across Ventura and Santa Barbara Counties, burning approximately 281,893 total acres before it was fully contained on January 12, 2018. At its peak, more than 8,500 firefighters were mobilized to stop its advance – the largest mobilization of firefighters ever for the state.

As residents, storekeepers and public officials began the long process of clearing away the smoky debris, unusually late rains began deluging the region. With no natural vegetation remaining to absorb the rainfall, flash floods and mudflows overcame neighborhoods in the unincorporated community of Montecito, located in eastern Santa Barbara County. A total of 23 lives were lost – two from the fire and 21 from the massive mudflow. The mudslides obliterated more than 100 homes.

The Thomas Fire burned more than 1,000 structures and cost $2.2 billion in damages. The Montecito Mudslide caused the closure of US Highway 101, the transit lifeblood of the region. It is estimated that approximately $25 to $30 million in wages were lost due to the lack of tourists, commuters and commercial traffic. Many businesses reduced their operating hours during the height of the winter tourist and holiday shopping season and others simply closed.

The Economic Development Collaborative's Small Business Development Center (EDC SBDC) found itself playing a leadership role in business recovery efforts for the Thomas Fire and Montecito Mudslide, and the role was reprised the following year when the destructive Hill and Woolsey Fires of November 2018 crisscrossed Ventura and Los Angeles counties and forced the evacuation of more than 295,000 people. For the past two years, the EDC SBDC has found itself in the unenviable position of gaining tremendous hands-on experience in assisting businesses through the lifecycle of major disaster.

This guide is designed to be a practical and effective resource for technical assistance (TA) providers and SBDC directors and advisors as they plan and prepare for major disasters. As disasters nationwide continue to trend upward in severity and frequency, it is hoped that our lessons from the California "New Normal" will help in the development of preparedness and resiliency plans for your center and community.

We are grateful to the businesses that have allowed us to use their individual stories as examples within this guide and to partners such as the U.S. Small Business Administration, the Federal Emergency Management Agency, the California Office of Emergency Services, California Governor's Office of Business and Economic Development, Counties of Santa Barbara and Ventura and Los Angeles SBDC Lead Center for their support during challenging times in our region.

Sincerely,
Bruce Stenslie
President & CEO, Economic Development Collaborative

CURRENT DISASTER TRENDS

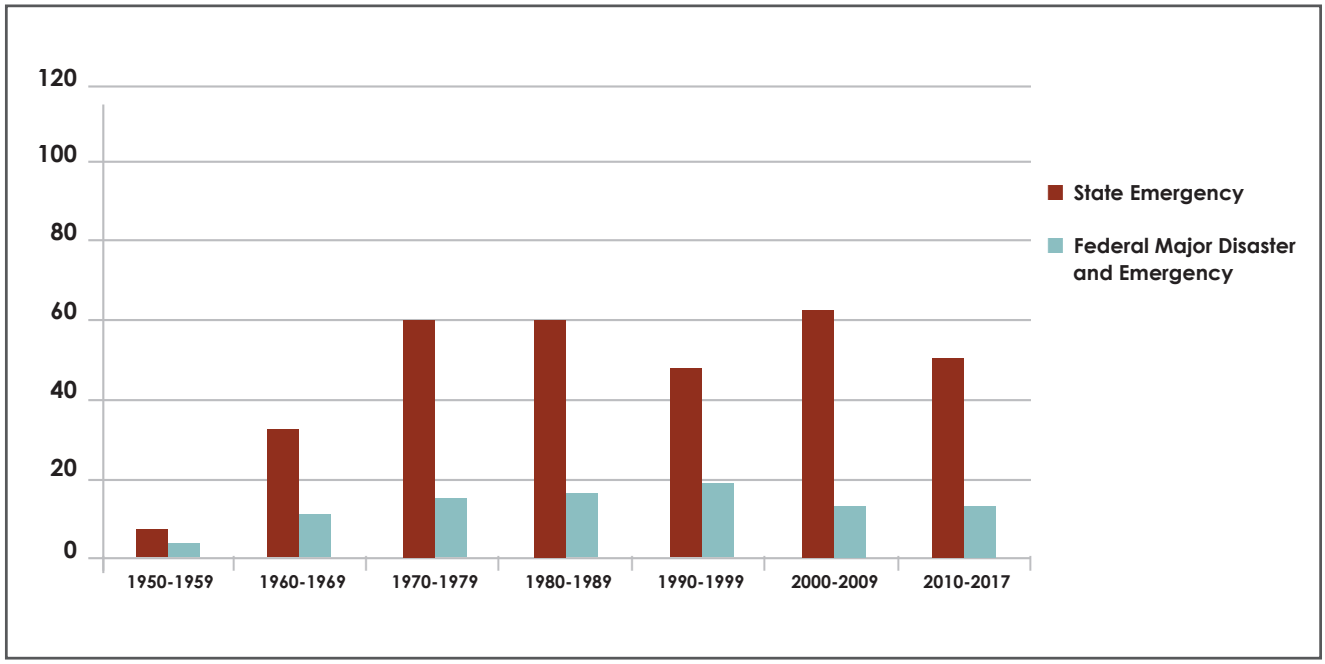


Editorial credit: Media Bakery13 / Shutterstock.com

CALIFORNIA DISASTER TRENDS

Though susceptible throughout its history to extremes in weather and resultant disaster, recent trends for California reveal a dramatic increase in both the frequency and scale of disasters. The California Legislative Analyst's Office (LAO) tracks this data, for state and federally declared disasters, as displayed below. In the past 20 years alone, California has endured 16 of the worst fires ever in its history. The damage caused by those fires has resulted in more than 1.75 million acres burned, over 41,000 structures destroyed and 176 deaths[I].

FIGURE 1: CALIFORNIA STATE AND FEDERAL DISASTER DECLARATIONS BY DECADE



Source: California Legislative Analyst's Office (LOA)[I]
Note: the period from 2010-2017 does not represent a full decade.

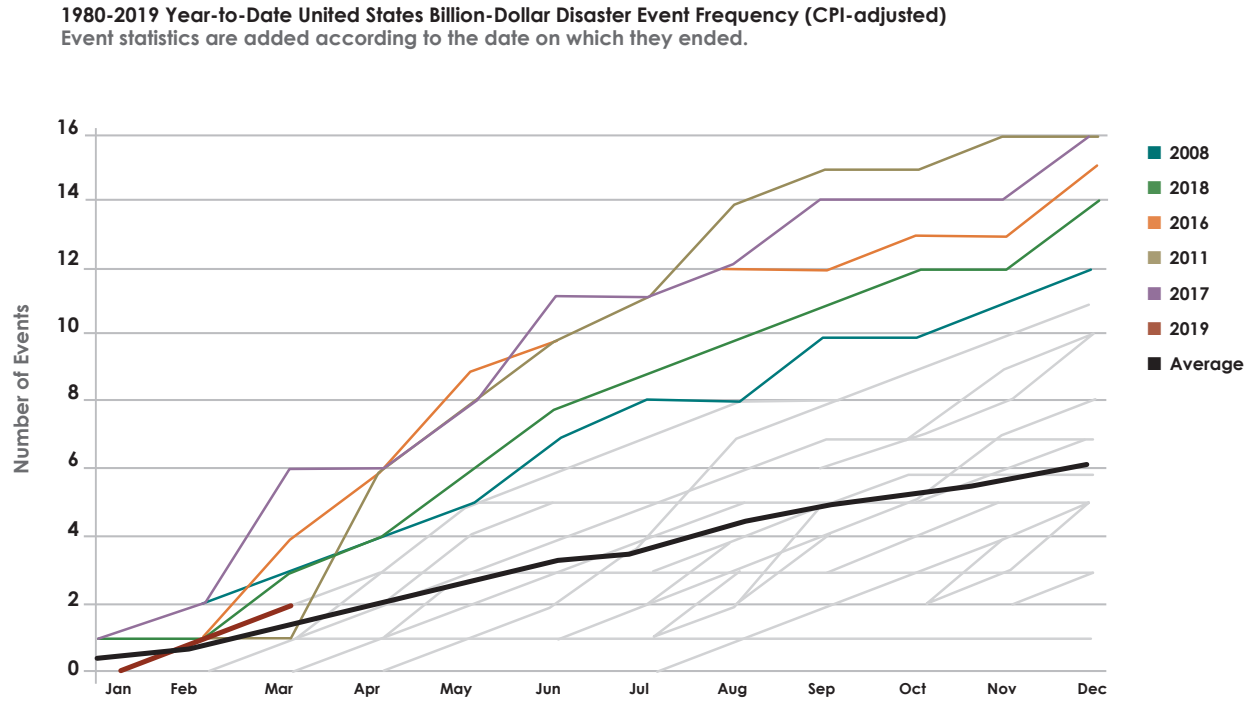
I California Legislative Analyst's Office. Main Types of Disaster and Associated Trends. (2019). Retrieved from: https://lao.ca.gov/Publications/Report/3918.

U.S. DISASTER TRENDS

Moreover, according to the National Oceanic and Atmospheric Administration (NOAA) National Centers for Environmental Information[II], billion-dollar disaster events are increasing in frequency in the United States. During 2018, the U.S. experienced an active year of billion-dollar disaster events including the 4th highest total number of events, only behind the years 2017, 2011 and 2016. In 2018, the U.S. also experienced the 4th highest total costs ($91 billion) only behind the years 2017, 2005 and 2012.

The responsibility for resiliency is shared by individuals, governments, non-profit organizations and businesses. The message to the business community is clear- self-reliance is the path to resiliency.

FIGURE 2: DISASTER EVENT FREQUENCY



Source: National Oceanic and Atmospheric Administration (NOAA)[II]

The U.S. Department of Homeland Security (DHS) introduced the National Mitigation Framework[III] to assist individuals and communities, the private and nonprofit sectors, faith-based organizations, all levels of government, and nongovernmental organizations improve their disaster mitigation capabilities. The Framework is focused on reducing the loss of life and property by lessening the impact of disaster, and it states directly that the responsibility for resiliency is shared by individuals, governments, non-profit organizations and businesses. The message to the business community is clear – self-reliance is the path to resiliency.

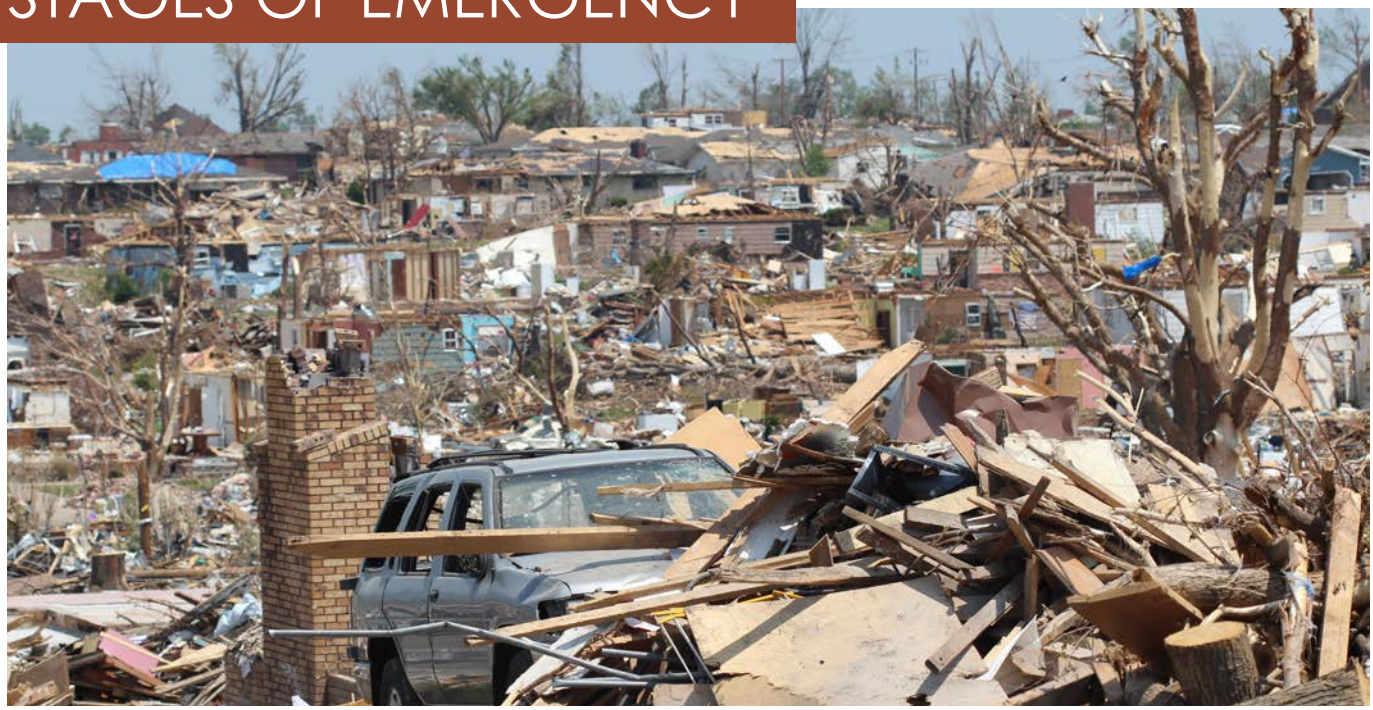
Now, more than ever, TA providers are called upon to help prepare businesses for disaster and to be part of the post-disaster recovery team.

For TA providers, there is a new shared responsibility to act as navigator and guide for the business community as they work to address risk mitigation. Now, more than ever, TA providers are called upon to help prepare businesses for disaster and to be part of the post-disaster recovery team. Both roles require unique skill sets and strategies for success.

II National Oceanic and Atmospheric Administration National Centers for Environmental Information. Billion-Dollar Weather and Climate Disasters: Overview. (2019). Retrieved from: https://www.ncdc.noaa.gov/billions/.

III U.S. Department of Homeland Security. National Mitigation Framework. (2013). Retrieved from: https://www.fema.gov/media-library-data/20130726-1914-25045-9956/final_national_mitigation_framework_20130501.pdf

STAGES OF EMERGENCY

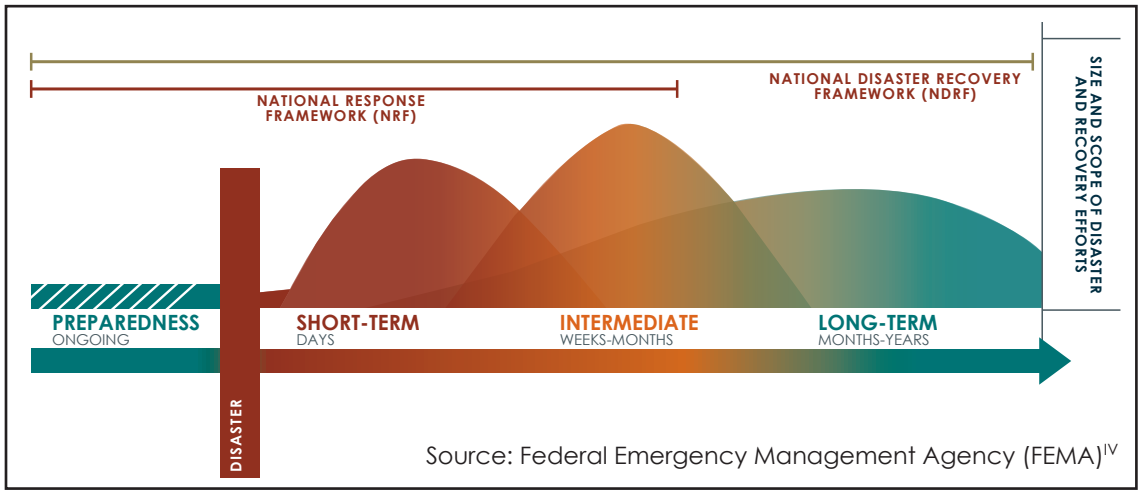


EMERGENCY MANAGEMENT

Emergency management is commonly understood to be comprised of four key stages: Mitigation, Preparedness, Response and Recovery - often viewed as occurring in a sequential order as depicted in Figure 3 below. Every disaster scenario is unique and often fraught with unexpected circumstances that may impede deployment of services.

For example, it may take days or weeks before a TA provider is allowed access to a community, and it may be an even longer period before an impacted business owner is able to shift their attention from the needs of their family to their business needs. When the fast-moving 2017 Tubbs fire severely impacted the Northern California City of Santa Rosa, it took five days before government officials lifted evacuation orders for thousands of residents living in the impacted neighborhood of Skyhawk. During the 2018 Camp Fire, residents endured a month-long evacuation from the area and when they were finally allowed to return to their neighborhoods, many found simply charred remains of the homes. Some displaced residents found themselves looking for available shelter in local hotels.

FIGURE 3: RECOVERY CONTINUUM



Source: Federal Emergency Management Agency (FEMA)[IV]

Every state has its own approach for disaster, as determined by their State Hazard Mitigation Plan. TA providers should review those plans and the accompanying Local Hazard Mitigation Plan to gain an understanding of their regional and state approach to disaster. For example, the California LOA has created a helpful guide called "How California Governments Respond to Disasters" that provides an overview of the different types of disaster declarations, which act as prerequisites for disaster assistance, and how they can be enacted. A table summary is provided in the following pages.

IV https://www.fema.gov/media-library-data/1466014998123-4bec8550930f774269e0c5968b120ba2/National_Disaster_Recovery_Framework2nd.pdf)

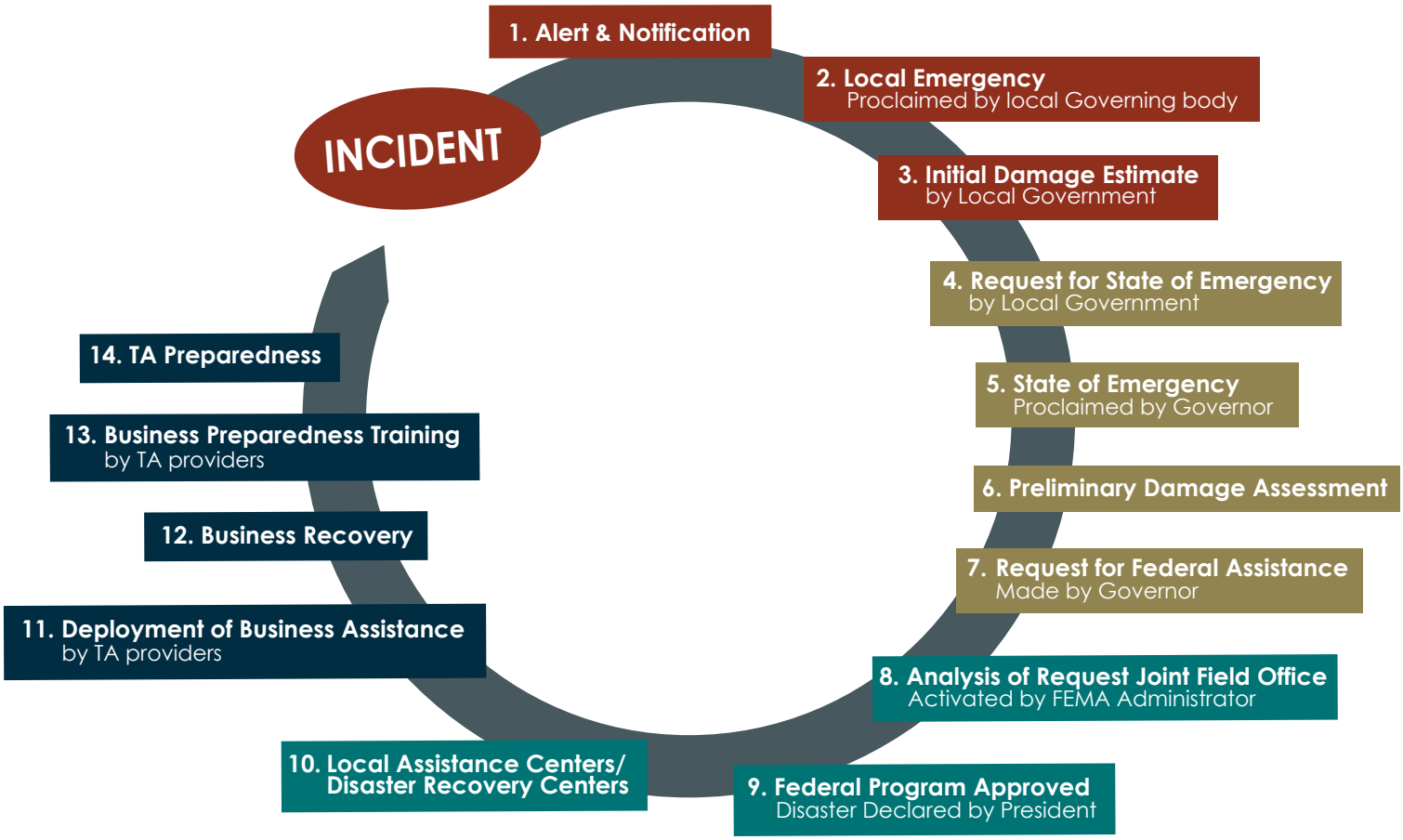
TYPE OF DISASTER DECLARATION	SUMMARY
LOCAL DECLARATION	
Local Emergency Declarations	• Declaring Body: Local government such as a city council • Under What Circumstance: When a natural or manmade disaster occurs if it is determined that conditions are or are expected to be beyond its capacity to respond and recover. • Expected Outcome: In some cases, a local proclamation is the only type of disaster declaration made. In other cases, it is the first step towards receiving state and federal disaster declarations, which the local government needs in order to request many types of state or federal financial assistance. (It is not required, however, for local governments to access the mutual aid system.) The local emergency proclamation also provides the local government with additional authority—such as for imposing curfews or exercising special expedited contracting authority—to ensure that it can take the steps needed to protect the community.
STATE DECLARATIONS	
Emergency Services Director's Concurrence	• Declaring Body: State's Office of Emergency Services • Under What Circumstance: At the request of a local government in concurrence with a local agency's declaration of a local emergency. • Expected Outcome: This concurrence makes state financial assistance available to the local agency to offset emergency response costs and repair and replace damaged public facilities.
Governor's Declaration of State of Emergency	• Declaring Body: State Governor's Office • Under What Circumstance: When the resources of a local jurisdiction have been exceeded, such as when a large flood occurs. • Expected Outcome: Makes financial assistance available to repair and replace damaged public facilities. However, this declaration also provides the Governor with additional authority under the California Emergency Services Act—such as to exercise police powers and to direct state agencies to use personnel and equipment to respond or recover from the disaster. Additionally, a State of Emergency is required for many types of federal assistance. For instance, it is a prerequisite for the state to request that the President make a Major Disaster or Emergency Declaration, which provides opportunities for the state to seek financial assistance from the federal government.
FEDERAL DECLARATION	
Major Disaster Declaration	• Declaring Body: The President of the United States • Under What Circumstance: At the request of the Governor and when there is a natural event beyond the capacity of the state and local governments to respond. Typically, the amount of damage to public infrastructure caused by disaster events must exceed certain per capita dollar thresholds in order to qualify for a Major Disaster Declaration. In addition to these per capita thresholds, the President also considers other factors when making a Major Disaster Declaration, such as whether the state has experienced other recent disasters, the mitigation activities that the state has undertaken to prevent disaster damage, and the availability of other funding. A Major Disaster Declaration may include Public Assistance or Individual Assistance depending on the damage. Public Assistance can fund the repair, restoration, reconstruction or replacement of a public facility or infrastructure damaged or destroyed by a disaster. Individual Assistance is provided by FEMA to individuals and families who have sustained losses due to disasters.

TYPE OF DISASTER DECLARATION	SUMMARY
FEDERAL DECLARATION	
Major Disaster Declaration Cont.	• Expected Outcome: A Major Disaster Declaration is a prerequisite to the state receiving various types of federal disaster assistance.
Emergency Declaration	• Declaring Body: The President of the United States • Under What Circumstance: At the request of the Governor, the President can make an Emergency Declaration when there is a natural or man-made event or other circumstance beyond the capacity of state and local governments to respond. The President has discretion to issue Emergency Declarations in a broad range of situations, including those that that would not qualify as natural events that could trigger a Major Disaster Declaration. • Expected Outcome: While Emergency Declarations can be granted for some disasters that might not qualify for Major Disaster Declarations, they also provide more limited assistance. For example, the amount of assistance provided in response to an Emergency Declaration may not exceed $5 million unless the President makes certain findings and provides a report to Congress, whereas the amount provided in response to a Major Disaster Declaration is not limited by federal statute.
Fire Management Assistance Grant (FMAG) Declaration	• Declaring Body: FEMA • Under What Circumstance: When the state is experiencing an uncontrolled wildfire that may become a major disaster if additional firefighting resources are not provided. In making the decision to issue an FMAG declaration, FEMA considers factors such as the threat to lives and property and the availability of state and local resources. In doing so, FEMA considers whether the estimated/projected response costs exceed at least one of two thresholds—one for individual fires and one for multiple fires within a calendar year—based on the state's population. • Expected Outcome: Provides additional federal funding to help the state fight the fire. This funding can be used for firefighting supplies, equipment, and overtime costs, as well as for other activities such as evacuating residents. Because of the time sensitive nature of these requests for additional firefighting resources, the process of reviewing FMAG declarations is expedited. The state can make requests by phone, and FEMA generally makes decisions within hours.
Agency-Specific Disaster Declarations	• Declaring Body: Some federal agencies such as SBA or U.S Department of Agriculture • Under What Circumstance: When certain conditions are met, such as when at least 25 homes and/or businesses in a county have uninsured losses of 40 percent or more of their estimated fair market value. • Expected Outcome: These declarations make certain additional types of assistance available, such as emergency loans, as discussed in our post on the main types of disaster assistance.

EMERGENCY PREPAREDNESS AND RESPONSE

As depicted in Figure 4 below, the typical disaster response scenario is a complex and interwoven dance of factors and actions. Every disaster situation is unique to the crisis and the region. It can be difficult to determine when is the most appropriate time to deploy services. There are times when a request for support may arrive directly in the form of a request from a federal, state or local agency, a business association or an elected official, and there may be times when a TA provider will have to take action at their own discretion based on their own understanding or observation of business community needs. **In the experience of the EDC SBDC, while it is essential to maintain communication with partner agencies, it is best to be proactive and to actively seek out opportunities to provide value to the impacted community.**

FIGURE 4 EMERGENCY PREPAREDNESS AND RESPONSE SEQUENCE OF EVENTS



Source: California Office of Emergency Services (Cal OES)[V]

A proactive response to disaster preparedness and resiliency by TA providers is a key component to swift economic recovery in areas hit by disaster. Take steps in advance of any disaster to understand the business community threats to recovery and develop relationships with local community and business leaders. Your preparedness today is directly connected to their financial success tomorrow.

V https://www.caloes.ca.gov/PlanningPreparednessSite/Documents/California_State_Emergency_Plan_2017.pdf

CENTER PREPAREDNESS



Editorial credit: Geartooth Productions / Shutterstock.com

CENTER PREPAREDNESS

Disaster can happen at any time and can come in many forms – a fact that poses a serious challenge for TA providers seeking to develop an effective plan of action in event of a major disaster. The Federal Emergency Management Agency (FEMA) Local Mitigation Planning Fact Sheet[IV] provides a simple and effective overview of the key steps to preparedness, including:

- **Risk Assessment**
  Identify natural hazards and risks that can impact your community based on historical experience and horizontal scanning of potential threats.
- **Public Involvement**
  Solicit and consider input from a variety of diverse interests from the community you serve.
- **Mitigation Strategy**
  Based on public input and identified risks and available capacities, develop goals and objectives to mitigate the impact of an incident.

To better assist TA providers, EDC SBDC proposes the following framework to assist in the creation of preparedness plan: External Assessment, Internal Assessment, Response Deployment and Stakeholder Feedback.[IV]

IV https://www.fema.gov/media-library-data/1466014998123-4bec8550930f774269e0c5968b120ba2/National_Disaster_Recovery_Framework2nd.pdf)

1. EXTERNAL ASSESSMENT

Effective disaster planning and response begins with an understanding of the potential external risk. This includes the following:

- **Likelihood of Disaster**
  Utilizing historical information and current data, determine what the likely form, duration and frequency, of disaster may occur in your service region. Determine the levels of harm that may occur by disaster. Additionally, look forward and assess what emerging or evolving risks may pose a threat to your region.
- **Small Business Community Assessment**
  Determine the size and makeup of your business community by looking at each industry sector, skilled labor requirements, customer base, etc. and consider the likely impact that disaster will have on the ability to manage their business."
- **Key Stakeholders Assessment**
  Determine the key stakeholders that your center would be engaged in a disaster response effort and identify the potential consequences that a disaster may have on their ability to join in a response effort.
- **Response Deployment**
  Determine what plans currently exist in regards to response deployment, including which organization will be leading those efforts and if there is a planning body that your center can join.

2. INTERNAL ASSESSMENT

Internal assessment for a center can be broken down into the following serial steps:

- **Role and Goal Setting**
  Following an external assessment, a key next step for a center is determining what specific roles and goals the center will play in the event of disaster. For some, this may mean maintaining an active presence at a designated Local Assistance Center (LAC) and/or addressing any business support request that either comes directly to them or through referral from a resource partner. For others, they may decide to play a larger role by facilitating strategic meetings with response partners or launching a door-to-door business assistance effort. Determining the manner and objectives for the center is important in order to address the next two steps of internal assessment process: Gap Analysis and Risk Analysis.
- **Gap Analysis**
  Gap analysis is best described as determining what the differences are between your current state of business and your future state of business. Typically, a gap analysis will involve an evaluation of strategy, structure, capabilities, processes, technologies, practices and services. Below is an example of a gap analysis for business advising:

  Current State:
  Our center has an advising team that has strengths in financial packaging to banks, international trade and assistance to manufacturers. We rarely provide workshops due to our preference to work with referrals from partners. Our advisors are all independent contractors and they typically provide between 10 to 15 hours of advising a week.

  Desired State:
  Based on our external assessment, we understand that the business segments that are likely to suffer the greatest negative consequences of a natural disaster are sole proprietors and small retail stores. We expect the primary business requests to involve non-traditional financing, cash flow management and permit assistance. Our team will likely need to hold several community workshops to introduce our services to these businesses and gain their trust. We expect to provide a minimum of five hours of advising per client and to have to serve at least 20 clients per week given our large retail business community.

  Identified Gaps:
  We have identified the following deficiencies:

  1. We are not knowledgeable on the primary forms of alternative financing such as crowd funding or lending clubs.
  2. While adept at financial packaging, we need training on SBA disaster loans.
  3. We do not have an advisor with expertise on permit assistance.
  4. We do not have enough experience in coordinating and conducting disaster assistance workshops.
  5. Our current independent contractor agreements are not designed to flex to accommodate a sudden increase in hours.
  6. We do not have social media accounts that allow us to quickly notify a broad audience of business owners of our services.

2. INTERNAL ASSESSMENT CONT.

Desired improvements to address the gap:

1. We will work with our SBA District Office for training on disaster loans.
2. We will form relationships with entities that work in the alternative financing space to learn more about their products and services.
3. We will modify our independent contractor template to allow for an ability to easily ramp up hours for an advisor in the event of urgent need.
4. We will determine a go-forward social media strategy that will enable us to communicate with the business communication without compromising our brand.
5. We will create a disaster workshop toolkit and provide presentation training for our advising team.
6. We will form a partnership with another SBDC in our network that specializes in permit assistance that will enable their team to mobilize and provide direct assistance to our business community in the event of disaster.

• **Risk Analysis**

The simple question at the root of risk analysis is: What can prevent us from achieving our goal? Centers should identify what impediments resulting from a disaster are likely to thwart their ability to adequately serve their business community. This may include factors such as: poor air quality which may pose a health hazard to staff, inaccessible pathways such as blocked roads, or incapacitated staff that are addressing their own property damage or family concerns. Identified risks should be reasonable and meaningful. From there, the work will be to determine what actions the center should take to cope with or mitigate those risks.

3. RESPONSE DEPLOYMENT PLAN

Once a disaster has occurred, the center will be focused upon deployment of services. As part of a preparedness framework, it is recommended that the center incorporate a deployment plan that, includes at minimum, the following:

- Determination of leadership, information flow structure and contingency plan for the center.
- Determination of how the center will review the hazard scenario.
- Determination of how the center will review the objectives for their team response.
- Determination of how the center will assess available resources and tools and capabilities.
- Determination of how the center will coordinate with first responders, government officials and other key stakeholders.
- Determination of how the center will execute upon their objectives and institute regular progress assessments.
- Determination of how the center will practice the plan through live exercise and continuous improvement.
- Determination of recovery coordination in the region. What plans already exist, who is leading what aspects of recovery, is there a regional or local recovery planning group?

4. STAKEHOLDER FEEDBACK

Upon completion of the Internal and External Assessments and Response Deployment Plan, it is recommended that the center seek feedback from partners and stakeholders, including the small business community in order to identify any areas for improvement. The framework should be a living document that is regularly updated by the team and easily accessible to the team and public.

- Determination of how the center will review the hazard scenario.
- Determination of how the center will review the objectives for their team response.
- Determination of how the center will assess available resources and tools and capabilities.
- Determination of how the center will coordinate with first responders, government officials and other key stakeholders.
- Determination of how the center will execute upon their objectives and institute regular progress assessments.
- Determination of how the center will practice the plan through live exercise and continuous improvement.

BUILDING CENTER CAPACITY



BUILDING CENTER CAPACITY

The process of developing a Disaster Preparation Framework is likely to reveal resource gaps that can limit a center's ability to effectively respond to a disaster. A center will need to engage in an evaluation process to determine which of these limitations represent a critical barrier to success and engage in a capacity building effort to remove those barriers. How and to what extent a center can address their barriers to success will be highly variable given their unique organizational circumstances such as access to funders and subject matter experts, training practices. **The EDC SBDC cannot emphasize enough the importance of building capacity in resources and team development before a disaster occurs.**

For a center, there are few issues as frustrating as an inability to deploy disaster-related services due to a lack of adequate funding. The best time to address funding concerns for disaster-related work is in advance of the disaster as part of a preparation framework or as part of the annual budgeting process for the center. Funding sources for disaster-related work may include special funding requests to a primary grantor such as an SBDC Lead Center, host institution funds, state or municipal agency grants, grants from foundations or corporate contributions, among other sources of funding. For centers that are unable to access additional funds, strategies may include partnership with other resource partners that may be able to provide the required services, securing pro bono assistance from other entities or enlisting the support of other centers within the SBDC Network to provide services.

Counseling disaster-impacted businesses is typically a time-intensive effort that requires a significant increase in hours of counseling and training provided by center advisors. Centers that are seeking to build advisor competencies and skills to deliver disaster-related services should first start with an assessment and understanding of what specific services they are seeking that advisor to provide to their business community. This may include such activities as consulting on disaster loan packaging, working with a client to develop strategies for overcoming economic injury or providing expert advice on navigating state programs for disaster assistance. With that clear understanding, centers can determine if the capacity building effort will involve professional training, individual coaching or hiring expertise that is currently not available within the center, among other strategies. Within the national SBDC network, there are many stakeholders who have conducted comprehensive disaster-related work including states such as California, New York, Florida, and Louisiana, to name a few – all of whom may have best practices and assistance models to share with centers in need of support.

Two common barriers are limitations in funding and counseling competencies.

DEPLOYMENT OF SERVICES



Editorial credit: Lakeview Images / Shutterstock.com

LOCAL ASSISTANCE CENTERS

Following a disaster, a Local Assistance Center (LAC) often emerges as the key hub for disaster recovery work. As defined in the Cal OES "A Guide for Establishing a Local Assistance Center[V]," the LAC is a single facility at which individuals, families and businesses can access available disaster assistance programs and services. It is common that an LAC will provide the first opportunity for a TA provider to interact with an impacted business owner as individuals enter the LAC seeking assistance for other matters such as recovery of critical documents or debris removal. A TA provider should expect to interact with a range of business owners from those who come prepared with specific questions to others who may be uncertain as to how to engage with the TA providers. For the latter situation, a checklist may be helpful in helping to settle the impact business owner and guide the conversation.

TA providers should work diligently with their local governments to secure a visible space within the LAC to offer services.

Local governments bear the responsibility for coordinating the participation of the local government agencies, volunteers, community-based and private nonprofit organizations at the LAC and TA providers should work with their local governments to secure a visible space within the LAC to offer services. There may be a point in which the LAC converts into a Disaster Recovery Center (DRC) upon the arrival of federal assistance such as FEMA and U.S. Small Business Administration. The TA provider should stay in close communication with local government officials to learn when and where a LAC or DRC will be operated and work with those officials to secure a dedicated space in the facility.

V https://www.caloes.ca.gov/PlanningPreparednessSite/Documents/California_State_Emergency_Plan_2017.pdf

FIELD OPERATIONS

One-on-One Consulting

Providing effective business advising in the weeks following a major disaster can be a complex and arduous task. In addition to the nuanced work of counseling business owners who may be undergoing significant personal trauma, there may be significant logistical impediments to the work. Before launching a coordinated advising effort, it is recommended that the TA provider center take the the time to adequately prepare their advising team for the rigors of the work, which may include longer than expected hours, emotional counseling sessions, clients incomplete records, complicated business scenarios and other factors.

2018 Montecito Mudslides



Editorial credit: Shutterstock

Preferably, training has been conducted far in advance of an incident as part of a regular center professional development prorgam; however, in absence of that, the center should at minimum take a day or two to strategize and train their advisors. In some situations it may be difficult for an impacted business owner to physically visit a LAC and receive services. It will be up to the TA provider to make the best determination of how to conduct an effective business outreach program to provide relief to impact businesses.

In the weeks following the 2018 Thomas Fire in Ventura and Santa Barbara Counties, the region experienced heavy rain that resulted in sudden flooding and debris flows. In addition to causing the death of more than 20 people and destroying hundreds of buildings, the mudslide pushed its way onto the 101 Freeway, a major transportation artery for the region. As a result, many impacted business owners found themselves landlocked and unable to reach a LAC.

Business recovery guides can be particularly effective in sharing key information with multiple stakeholders. These publications are an updated aggregation of currently available resources and programs to assist small businesses that have been impacted by disaster.

In response, the EDC SBDC deployed business advisors to impacted communities to search out impacted business owners that were unable to reach the LACs for assistance. This was a door-to-door effort in various business and retail districts. The EDC SBDC also relied on phone and email to conduct remote business advising. TA providers in similar situations with limited staff resources may also consider utilizing web technology for video consulting and webinars for training events.

Aggregation and Dissemination of Information

In addition to strategic business outreach, another key element of an effective field operation is the coordinated aggregation and dissemination of disaster relief information. This may be comprised of announcements on available services, grants, loan programs, tax relief, permit assistance, foundation programs, no-cost consulting, workshop and other related services that may be helpful to the business owner. These announcements may be issued from a variety of sources such as FEMA, the U.S. Small Business Administration, state agencies, county and city officials and local economic development agencies, among others. The TA provider can play a central role in aggregating and pushing out this information. Examples of such an effort may include creating special guides for business owners in english and spanish, launching a central disaster assistance website, broadcasting information via social media channels, asking local radio and television to share the information with their viewers and listeners or enlisting chambers of commerce, non-profits and community-based organizations to share the information.

Business recovery guides can be particularly effective in sharing key information with multiple stakeholders. These publications are an updated aggregation of currently available resources and programs to assist small businesses that have been impacted by disaster. Among the benefits of creating such a guide are:

- Guides can be easily disseminated to partners and businesses by posting on a website, sharing across social media, by printing hard copies and by email distribution.
- Guides serve as a "one-stop" document to understand what programs and services and key contacts are currently available to support businesses impacted by a specific disaster. They can be modified to be region specific and should be updated every one to two weeks to make sure that information is timely and relevant.
- By taking the lead in guide creation, the TA provider establishes itself as a key aggregator and disseminator of information – a crucial role in response. It provides access to key information stakeholders.

An example of a complete business recovery guide and a disaster preparedness and resiliency toolkit for businesses is published by EDC SBDC is provided at the end of this document.

BUSINESS RECOVERY

Moving from Survival to Stability

Working with business owners that have experienced a major disruption, whether natural or man-made, requires a significant amount of mental, emotional and physical effort. As TA providers, it is essential to understand that during times of disruption, each business owner experiences their own form of trauma which limits their capacity to process "normal" life experiences. Simple tasks may seem arduous and keeping up with the amount of paperwork requirements from insurance claims, loan applications, etc. can be overwhelming. Emotions are high and patience is thin during these moments, and those working directly with survivors should demonstrate extreme grace and patience as each survivor processes their loss and comes to terms with a new reality.

As one working with survivors, service partners and the general public, it is essential to diligently practice self-care during the immediate and long-term recovery efforts that often last well beyond six months. It is possible to experience secondhand trauma as a result of working with survivors of disaster and major disruption. The following best practices are included to help assist TA providers and business owners navigate the recovery process successfully.

Business Recovery Best Practices

Best practices for technical assistance providers for managing a crisis:

1. Remember that recovery can be a long-term process depending on the severity of the disaster. Recovery can last many weeks, months and even years. TA providers should keep this in mind as financial and human resources are allocated to the recovery effort.
2. Be diligent in the practice of self-care. Ensure your team and those working directly with survivors have access to mental health services and are resting from work activities often. During the immediate aftermath of a disaster it is common to work 10 to 12-hour days. Working a normal schedule when possible provides balance and stability for staff as the mental and emotional demands are higher during this time.
3. Survivors may need extra time processing information that is given to them. Exercise patience as individuals who need help may not have the ability to engage with services until three-to-six months after the disaster event.
4. Develop a communication plan to connect with clients who have requested assistance. TA providers may experience a large amount of business owners requesting assistance immediately after a disaster only to find them inaccessible or unreachable in the following days and weeks. An effective communication plan will include a long-term strategy to contact clients in the weeks and months following a disaster. It could very well be two to three months post-disaster that the client is finally ready to begin, and even up to a year that they acknowledge they actually need financial help. If a client has applied for an SBA disaster loan, be prepared to walk with the client through the loan process and in the event of a loan denial, work with the client until they are in better financial standing and able to reapply.
5. Communicate disaster resources across all platforms (e.g. social media, web, etc.) as many times as possible. It is always best to over-communicate resources offered than under communicate. Be sure to keep all platforms regularly updated with current disaster recovery resources as deadlines for state and local resources often change, and resources can suddenly become available.
6. Develop business outreach strategies with other service partners. If your center is limited in capacity developing a relationship with another service partner is a great way to reach a broader audience as you conduct business outreach.

CASE STUDIES OF DIRECT ASSISTANCE

EDC SBDC Disaster Assistance 2017-2019

Summary: In December 2017, Ventura and Santa Barbara County were affected by the rapidly spreading Thomas Fire and subsequent mudflow in Montecito caused by unexpected torrential rains which left much of the community devastated. In immediate response to these disasters the EDC SBDC, with the help of additional funding through Go-Biz and the greater SBDC Los Angeles Network, actively deployed business support services and focused outreach to local disaster recovery centers, business support organizations and community disaster recovery meetings.

Less than a year later in November of 2018, two simultaneous fires broke out in Ventura and Los Angeles Counties. These Hill and Woolsey Fires brought their own unique intensity, given their stretch across two major counties, and coming on the heels of a traumatic shooting event in the City of Thousand Oaks. With the state battling fires on multiple fronts, the EDC SBDC stepped up its role as a coordinator of recovery efforts with local, state and federal officials, including FEMA, U.S. Small Business Administration, and Los Angeles County.

Playing a lead role in the business recovery effort, EDC SBDC gained valuable first-hand experience in working with disaster survivors, first responders and business resource organizations. Out of that experience came key observations and practices that have since been adopted including disaster resiliency assessments at initial client intake, ongoing communication around disaster support services and increased training of EDC SBDC staff and advisors around disaster preparedness.

EDC SBDC Disaster Assistance



Pictured from left to right: EDC SBDC Communications Director & Disaster Specialist Clare Briglio, EDC SBDC Director Ray Bowman, California State Assemblymember Monique Limon, Azu Restaurant Co-Owner Liz Haffner and Azu Restaurant Co-Owner Laurel Moore

Key Outcomes:

- EDC SBDC produced stakeholder and business listening sessions to help local, state and federal officials better understand community needs and align resources.
- Created and distributed a business recovery guide with regularly updated information on federal, state and local resources to over 8,600 business and 7,760 individuals and businesses through the greater SBDC network.
- Maintained a regularly updated website with a Disaster Recovery Page for businesses seeking resources and assistance.
- Hosted SBA Business Recovery Center at 4001 Mission Oaks Blvd. Camarillo, Ca.
- As of August 2019, EDC SBDC has conducted 3,250 hours of direct engagement with businesses including technical advising and direct door to door outreach in Ventura, Santa Barbara and Los Angeles Counties.
- Is currently working with 166 businesses to create short and long-term recovery strategies across the three impacted counties.

Letter Perfect Stationary



EDC SBDC Business Assistance - Letter Perfect Stationary

Summary: Leslie Person Ryan owns Letter Perfect, a stationery store located on Coast Village Road in Montecito. Coast Village Road experienced approximately 30 days of closure due to weather conditions created by the Thomas Fire and subsequent mudflow. It was difficult for her to access the Local Disaster Center located in Santa Barbara to speak to an SBA loan officer, and in response to her need, EDC SBDC Specialist Clare Briglio and SBA Public Information Officer Michael Flores traveled to her to conduct consulting sessions. During the 2018 Thomas Fire/Montecito Mudslide, Leslie set up pop-up shops in Santa Barbara to generate income. She expanded this effort to Summerland, which lies directly adjacent to Montecito, and experienced many business closures due to monthlong freeway closures. Leslie has chosen this location to help rebuild the local economy by setting up pop up shops, art galleries and events in unused spaces.

Key Outcomes:

- Because of business inaccessibility issues, Leslie started pop up shops in Santa Barbara and became a lead coordinator in revitalizing of the neighboring downtown district of Summerland, which had become a ghost town.
- EDC SBDC successfully helped Leslie apply for a $117k SBA loan.
- As of August 2019, EDC SBDC has provided 40 hours of one-on-one technical advising, including researching financing opportunities with SBA, financial counseling and strategic planning.

EDC SBDC Business Assistance - Azu Restaurant

Summary: Four months before the start of the 2018 Thomas Fire in Ventura County the Vistor's Bureau was defunded, adding further stress to a city that was already struggling with a dwindling confidence of the local business community. The devastating fire resulted in approximately two weeks of "soft closure" of the Ojai commercial district due to the air quality being too poor for foot traffic. For Liz Haffner, co-owner of Azu Restaurant, the fire caused three months of slow sales and a drop in revenue of $100k. For the other retailers in Downtown Ojai, the fire sharply exacerbated their business problems. The EDC SBDC responded to Liz's business needs and worked closely with her to quickly develop a business retention strategy, revamp her current business model and support her role as a business leader in her community.

Key Outcomes:

- EDC SBDC successfully helped Liz apply for $45k in business loans.
- As of August 2019, EDC SBDC has provided 35 hours of one-on-one technical advising, including researching financing opportunities with SBA, financial counseling and strategic planning.
- Liz created the Ojai Business Association to help deliver vital local, state and federal resources to the commercial district of downtown Ojai, comprised of approximately 100 business owners.
- After many financial advising sessions, Liz and her partner decided to expand the business and open a brewery.

Liz Haffner, Owner Azu Restaurant



ROAD TO RESILIENCY

Every disaster provides a new opportunity to examine and improve policies, procedures and tactics to address future incidents. For TA providers like SBDCs, it can be challenging to determine exactly what steps to take to move towards resiliency. From its own analysis and hands-on experience with disaster in many forms, EDC SBDC recommends four priorities for SBDCs working towards resiliency:

1. **Re-examine and Revise Your Disaster Preparation Framework**
   Determine your center's areas for improvement, refresh your business community data points, and identify areas to boost internal competencies.
2. **Strengthen Your Stakeholder Relationships**
   Be part of the community resiliency conversation. Meet with partners to work together on an integrated strategy. If leadership is absent, take the initiative to drive the conversation.
3. **Make Room for Trauma**
   Disasters response can be an emotionally draining time for business owners and staff alike. It would be difficult for a TA provider like an SBDC to develop an effective resiliency plan without addressing the toil and trauma encountered by small businesses and those who serve them. Give your center time to adjust to your own new normal. Ask for and provide emotional and informational support.
4. **Communicate Your Revised Plan and Advocate for Improvements**
   Share your revised framework and approach with key stakeholders – small business owners, elected officials and community-based organizations – and share your findings and recommendations on how your community can take steps to improve processes and operations for the next incident.

CONCLUSION

Developing and implementing effective and impactful disaster preparedness, recovery and resiliency efforts is a team exercise. In order to be successful, TA providers must seek out and involve their key stakeholders in the process, including government officials and their local small business community. Every disaster will be unique and specific to the impacted community and will require the TA provider to be flexible and creative in approach and atypical practices when providing one-on-one mentorship and outreach to business owners.

How you prepare today will have a direct impact on a successful disaster deployment response tomorrow. In 2015, the California SBDC Network collaborated with the California Seismic Safety Commission to develop a Disaster Resource Guide and an accompanying Disaster Survey for Small Businesses. The checklist and survey questions contained in those documents may be helpful to TA providers as they seek to better prepare their business owners to mitigate a disaster scenario. Excerpts from those materials are included in the "Disaster Toolkit for Business" provided in this document. The survey included in the toolkit will help create a benchmark of disaster preparedness understanding and encourage business owners to take the necessary precautions they need.

For programs such as the Small Business Development Centers, which has its origins in disaster response, there is significant opportunity for the organization to develop a comprehensive set of best practices and tools for use in disaster preparedness and response that can be leveraged across the national SBDC community. The EDC SBDC is proud to play a contributing role in this ongoing effort and to share its best practices at any time with centers seeking to develop their own disaster frameworks and services to best serve their region.

EDC ECONOMIC DEVELOPMENT COLLABORATIVE

EDC SBDC
BUSINESS RECOVERY GUIDE

Our hearts go out to all those who have lost homes, property, revenue and much more in this disaster. We are standing in this recovery effort with you. For those impacted as business owners, we know it can be daunting to know how to respond and where to start in the aftermath of such a disaster.

To assist in your business recovery efforts, we have put together a list of resources and agencies to contact for more information regarding benefits that may be available to you pertaining to business recovery assistance including free technical consulting, low-interest loans, tax relief, extended filing deadlines and unemployment insurance benefits. For immediate assistance we encourage you to visit a local Disaster Assistance Center.

FEDERAL RESOURCES FOR INDIVIDUAL AND BUSINESS INJURY

New federal declarations have secured additional resources for those who have suffered personal and business injury as a result of the Hill and Woolsey Fire through FEMA and the SBA. To take full advantage of these new federal resources, business owners are encouraged to follow this four-step process. To speak to one of our small business advisors, please call our Business Recovery Hotline 805.409.9159 to request an appointment.

STEP 1: REGISTER WITH FEMA

Clients who have been impacted by the Hill/Woolsey Fires and are interested in government assistance (either FEMA or SBA) should apply online at DisasterAssistance.gov by phone at 1-800-621-3362 or by visiting a local recovery center. The toll-free numbers are open 7 a.m. to 10 p.m. seven days a week.

NOTE: The filing deadline to return applications for property damage is January 31, 2019. The deadline to return economic injury applications is August 12, 2019.

Applicants should have the following information at hand:

- Social Security number,
- Address of the damaged primary residence,
- Description of the damage,
- Information about insurance coverage,
- A current contact telephone number,
- An address where they can receive mail,
- Bank account and routing numbers for direct deposit of funds.

STEP 2: REGISTER WITH THE SBA FOR LOW-INTEREST LOANS

Low-interest disaster loans from the SBA are available for businesses of all sizes including landlords, private non-profit organizations, homeowners and renters. Disaster loans cover losses not fully compensated by insurance or other recoveries. This includes Economic Injury Disaster loans for businesses that may or may not have sustained any damage, but have experienced a downturn in business because of the disaster. The SBA customer service center is also available to answer questions at 1-800-659-2955. Note: All loans

SAMPLE

approved under the CA-00295 event will be eligible for the initial payment deferment set at 12 months from the date of the Note. Ventura and Los Angeles County applicants may also visit a local Disaster Recovery Center (DRC) for person-toperson assistance in completing their applications. See hours of operation listed below. For further information, see SBA fact sheets included at the end of this guide or visit the SBA website.

STEP 3: CONNECT WITH YOUR BUSINESS INSURANCE PROVIDER

If you've had any interruption in service or lost sales, immediately inform your insurance agent and request a copy of your policy to determine whether you have any coverage. You may or may not be covered, but for accessing any future disaster assistance, it may be critical that you've made and exhausted any insurance claims. Visit the California Department of Insurance for more information and resources surrounding support with insurance claims.

STEP 4: EDD ASSISTANCE

Employers in Los Angeles and Ventura Counties directly affected by the Hill/Woolsey fires which began on November 8, 2018, may request up to a 60-day extension of time from the EDD to file their state payroll reports and deposit payroll taxes without penalty or interest. This extension may be granted under Section 1111.5 of the California Unemployment Insurance Code (CUIC). A written request for extension must be received within 60 days from the original delinquent date of the payment or return.

Additionally, if you are a self-employed person, or if any of your employees has lost work, immediately file or advise your workers to file for disaster unemployment assistance (DUA). Deadline for filing DUA claims is March 15, 2019. Be sure to indicate the first date of lost work and clearly state that the fire is the cause for the loss. Visit EDD for more information.

DISASTER RECOVERY CENTER LOCATIONS AND HOURS

Malibu Courthouse
Malibu Civic Center
23525 Civic Center Way
Malibu, CA 90265
Monday- Saturday
10:00 am to 8:00 pm

Conrad Hilton Foundation
30440 Agoura Hills Rd
Agoura, CA 91301
Monday- Saturday
10:00 am to 8:00 pm

RESOURCES FOR FARMERS AND RANCHERS

Farmers and ranchers who have experienced physical loss or economic injury as a result of a federally declared disaster may be eligible for assistance from the USDA and FSA. Please visit www.farmers.gov to determine if you are eligible to receive relief through their disaster assistance programs. Note: The EDC recommends connecting with the SBA first in order to determine which agency is able to provide the best resources to assist with potential loss.

TAX SUPPORT RESOURCES

The Franchise Tax Board - FTB provides guidance in obtaining tax relief for disaster casualty losses. Contact FTB at 1-800-852-5711 (TTY/TDD for hearing or speech impaired: 1-800-822- 6268) or visit the website at: FTB

The California Department of Tax and Fee Administration- Emergency tax or fee relief is available from the California Department of Tax and Fee Administration (CDTFA) for business owners and feepayers directly affected by disasters declared as state of emergencies. Relief may include the extension of tax return due dates, relief of penalty and interest, or replacement copies of records lost due to disasters. Visit CDTFA for more information.

MENTAL HEALTH RESOURCES

Individuals directly impacted by the Hill/Woolsey Fires can contact the Disaster Distress Helpline at 1-800- 985-5990 or text "TalkWithUs" to 66746 for emotional support and resources. Phone lines are open 24 hours a day 7 days a week. All support services are free of charge.

SAMPLE

LOCAL BUSINESS RECOVERY RESOURCES

The Economic Development Collaborative, in partnership with the Small Business Development Center (SBDC) offers programs that assist businesses in key areas with one-on-one technical advising. All programs provide entrepreneurs with high-level business consulting at no cost. The SBDC provides advising services in the following areas:

- **BUSINESS TURNAROUND ASSISTANCE** - When companies are facing crisis or have been impacted by disaster, the SBDC offers immediate turnaround assistance through free, confidential consultations on topics ranging from business resiliency, operations, staff management, debt reduction and more. Additionally, EDC offers a wide range of loan products to assist in economic recovery. To sign up for our program and learn more click here. For businesses in Ventura and Los Angeles County who would like to meet with an advisor in person, please visit a center nearest you. Additional locations in San Fernando and Antelope Valley are available by appointment. Flexible appointments available as requested. Please call in advance to schedule.

  EDC SBDC
  4001 Mission Oaks Blvd, Suite B Camarillo, Ca 93012
  Hours: Mon-Fri 9 a.m. – 5:00 p.m. 805.409.9159

  COC SBDC
  College of the Canyons
  26455 Rockwell Canyon Road University Center, Room 272 Santa Clarita, CA 91355
  Hours: Mon-Fri 8:30 a.m. – 5:00 p.m. 661.362.5900

- **FINANCING** - As a community-based lender, EDC offers both new and existing businesses a wide range of loan products up to $250,000 to help ensure competitive growth for businesses in many different types of industries. In addition, EDC offers a wide range of loan products to assist in economic recovery. Contact Marvin Boateng, Lending Manager to apply. Email marvin@edcollaborative.com or call 805.409.9158.
- **DISASTER RESPONSE MICRO LOAN** - In addition to our traditional EDC loan funds, EDC is offering micro loans from $5,000- $50,000 at 4% interest through our Fire Disaster Loan Fund to give a cash flow boost to businesses impacted by reduced sales or lost inventory due to the recent wildfires. Contact Marvin Boateng, Lending Manager to apply. Email marvin@edcollaborative.com or call 805.409.9158.
- **INTEREST FREE LOANS** - The Jewish Free Loan Association offers interest-free loans up to $15,000 for individuals and up to $75,000 for small businesses that have been impacted by the recent fires. For more information please visit www.jfla.org
- **SCHEDULE AN APPOINTMENT** - For more information or to schedule an appointment, please contact our Business Recovery Hotline at 805.409.9159 or visit our website www.edcollaborative.com

SAMPLE

GETTING DISASTER HELP FROM SBA

WHAT YOU NEED TO KNOW

- SBAoffersfederallow-interestdisasterloanstobusinessesofallsizes,mostprivate nonprofit organizations, homeowners and renters.
- Businesses of any size may borrow up to $2 million to repair/replace disaster property damage.
- Small businesses, small businesses engaged in aquaculture and most private nonprofit organizations may also borrow to help meet disaster-caused working capital needs. The $2 million maximum applies to the combination of property damage and working capital loans.
- If you are a homeowner or renter, FEMA may refer you to SBA. SBA disaster loans are the primary source of money to pay for repair or replacement costs not fully covered by insurance or other compensation.
- Homeowners may borrow up to $200,000 to repair or replace their primary residence.
- Homeowners and renters may borrow up to $40,000 to replace personal property, including vehicles.

WHAT YOU NEED TO DO

- Register with FEMA at *www.disasterassistance.gov*. This is the fastest way to register for help.
- **Homeowners and renters should submit their SBA disaster loan application, even if they are not sure if they will need or want a loan. If SBA cannot approve your application, in most cases we refer you to FEMA's Other Needs Assistance (ONA) program for possible additional assistance.**

THREE WAYS TO APPLY TO SBA

- Apply online using SBA's secure website at https://disasterloan.sba.gov/ela.
- Apply in person at any Disaster Recovery Center and receive personal, one-on-one help from an SBA representative. For additional information or to find a location near you, visit our website at https://disasterloan.sba.gov/ela, call SBA at (800) 659-2955 or email disastercustomerservice@sba.gov. Individuals who are deaf or hard-of-hearing may call (800) 877-8339.
- Apply by mail: Send completed paper application to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

SAMPLE

Date: 11/13/2018

U.S. Small Business Administration

U.S. SMALL BUSINESS ADMINISTRATION
FACT SHEET - DISASTER LOANS

CALIFORNIA Declaration #15798 & #15799
(Disaster: CA-00295)
Incident: WILDFIRES

occurring: *November 8, 2018 & continuing*

*in the **California** counties of:* ***Butte, Los Angeles & Ventura;***
*and for economic injury only in the contiguous **California** counties of:* ***Colusa, Glenn, Kern, Orange, Plumas, San Bernardino, Santa Barbara, Sutter, Tehama & Yuba***

Application Filing Deadlines:
Physical Damage: *January 11, 2019* **Economic Injury: *August 12, 2019***

If you are located in a declared disaster area, you may be eligible for financial assistance from the U. S. Small Business Administration (SBA).

What Types of Disaster Loans are Available?

- Business Physical Disaster Loans – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Private, non-profit organizations such as charities, churches, private universities, etc., are also eligible.
- Economic Injury Disaster Loans (EIDL) – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.
- Home Disaster Loans – Loans to homeowners or renters to repair or replace disaster-damaged real estate and personal property, including automobiles.

What are the Credit Requirements?

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay all loans.
- Collateral – Collateral is required for physical loss loans over $25,000 and all EIDL loans over $25,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but requires you to pledge what is available.

What are the Interest Rates?

By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when SBA determines the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant, which SBA determines to have the ability to provide for his or her own recovery is deemed to have Credit Available Elsewhere. Interest rates are fixed for the term of the loan. The interest rates applicable for this disaster are:

Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Home Loans	2.000%	4.000%
Business Loans	3.740%	7.480%
Non-Profit Organizations	2.750%	2.750%

Economic Injury Loans

Loan Types	No Credit Available Elsewhere	Credit Available Elsewhere
Businesses & Small Agricultural Cooperatives	3.740%	N/A
Non-Profit Organizations	2.750%	N/A

What are Loan Terms?

The law authorizes loan terms up to a maximum of 30 years. However, the law restricts businesses with credit available elsewhere to a maximum 7-year term. SBA sets the installment payment amount and corresponding maturity based upon each borrower's ability to repay.

SAMPLE

What are the Loan Amount Limits?

- Business Loans – The law limits business loans to $2,000,000 for the repair or replacement of real estate, inventories, machinery, equipment and all other physical losses. Subject to this maximum, loan amounts cannot exceed the verified uninsured disaster loss.
- Economic Injury Disaster Loans (EIDL) – The law limits EIDLs to $2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. EIDL assistance is available only to entities and their owners who cannot provide for their own recovery from non-government sources, as determined by the U.S. Small Business Administration.
- Business Loan Ceiling – The $2,000,000 statutory limit for business loans applies to the combination of physical, economic injury, mitigation and refinancing, and applies to all disaster loans to a business and its affiliates for each disaster. If a business is a major source of employment, SBA has the authority to waive the $2,000,000 statutory limit.
- Home Loans – SBA regulations limit home loans to $200,000 for the repair or replacement of real estate and $40,000 to repair or replace personal property. Subject to these maximums, loan amounts cannot exceed the verified uninsured disaster loss.

What Restrictions are there on Loan Eligibility?

- Uninsured Losses – Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.
- Ineligible Property – Secondary homes, personal pleasure boats, airplanes, recreational vehicles and similar property are not eligible, unless used for business purposes. Property such as antiques and collections are eligible only to the extent of their functional value. Amounts for landscaping, swimming pools, etc., are limited.
- Noncompliance – Applicants who have not complied with the terms of previous SBA loans may not be eligible. This includes borrowers who did not maintain flood and/or hazard insurance on previous SBA loans.

Note: Loan applicants should check with agencies / organizations administering any grant or other assistance program under this declaration to determine how an approval of SBA disaster loan might affect their eligibility.

Is There Help with Funding Mitigation Improvements?

If your loan application is approved, you may be eligible for additional funds to cover the cost of improvements that will protect your property against future damage. Examples of improvements include retaining walls, seawalls, sump pumps, etc. Mitigation loan money would be in addition to the amount of the approved loan, but may not exceed 20 percent of total amount of physical damage to real property, including leasehold improvements, and personal property as verified by SBA to a maximum of $200,000 for home loans. It is not necessary for the description of improvements and cost estimates to be submitted with the application. SBA approval of the mitigating measures will be required before any loan increase.

Is There Help Available for Refinancing?

- SBA can refinance all or part of prior mortgages that are evidenced by a recorded lien, when the applicant (1) does not have credit available elsewhere, (2) has suffered substantial uncompensated disaster damage (40 percent or more of the value of the property or 50% or more of the value of the structure), and (3) intends to repair the damage.
- Businesses – Business owners may be eligible for the refinancing of existing mortgages or liens on real estate, machinery and equipment, up to the amount of the loan for the repair or replacement of real estate, machinery, and equipment.
- Homes – Homeowners may be eligible for the refinancing of existing liens or mortgages on homes, up to the amount of the loan for real estate repair or replacement.

What if I Decide to Relocate?

You may use your SBA disaster loan to relocate. The amount of the relocation loan depends on whether you relocate voluntarily or involuntarily. If you are interested in relocation, an SBA representative can provide you with more details on your specific situation.

Are There Insurance Requirements for Loans?

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance. SBA requires that flood insurance coverage be the lesser of 1) the total of the disaster loan, 2) the insurable value of the property, or 3) th e maximum insurance available.

Applicants may apply online, receive additional disaster assistance information and download applications at https://disasterloan.sba.gov/ela. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email disastercustomerservice@sba.gov for more information on SBA disaster assistance. Individuals who are deaf or hard-of-hearing may call (800) 877-8339. Completed applications should be mailed to U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

SAMPLE

Fecha: 16 de Noviembre de 2018

U.S. Small Business Administration

HOJA DE DATOS DE LA AGENCIA FEDERAL PARA EL DESARROLLO DE LA PEQUEÑA EMPRESA PRÉSTAMOS PARA DESASTRES

CALIFORNIA Declaración #15798 y #15799

(Desastre: CA-00295)

Incidente: INCENDIOS FUERA DE CONTROL

ocurriendo: *8 de Noviembre de 2018 y continuando*

en los condados de: ***Butte, Los Angeles y Ventura, California;***
y por daños económicos sólo en el condados contiguos de: ***Colusa, Glenn, Kern, Orange, Plumas, San Bernardino, Santa Barbara, Sutter, Tehama y Yuba, California***

Fechas Límites Para Solicitar Préstamos:
Daños Físicos*: 11 de Enero de 2019* **Daños Económicos: *12 de Agosto de 2019***

Si usted está ubicado en un área declarada de desastre, usted puede ser elegible para asistencia financiera por la Administración Federal de Pequeños Negocios (SBA).

¿Qué Tipos de Préstamos de Desastre están Disponible?

- Préstamos de Desastre para Negocios Con Daños Físicos – Préstamos a negocios para reparar o reemplazar propiedad dañada perteneciente al negocio, incluyendo: propiedad inmobiliaria, inventarios, mercaderías, maquinarias y equipos. Negocios de cualquier tamaño son elegibles. Organizaciones privadas sin fines de lucro, tal como organizaciones de caridad, iglesias, universidades privadas, etc. son también elegibles.
- Préstamos de Desastre para Pérdidas Económicas (EIDL) – Préstamos para proveer capital de trabajo para ayudar a pequeños negocios, pequeñas cooperativas agrícolas, pequeños negocios involucrados en acuacultura y la mayoría de organizaciones privadas sin fines de lucro, de todos tamaños. Son préstamos para cubrir las obligaciones ordinarias y necesidades financieras que no pueden ser cubiertas, debido al resultado directo del desastre. Estos préstamos están destinados para la asistencia durante el período de recuperación del desastre.
- Préstamos de Desastre para Hogares – Préstamos para dueños de hogares o inquilinos para reparar o reemplazar la propiedad inmobiliaria y propiedad personal dañada por el desastre, incluyendo automóviles.

¿Cuáles son los Requisitos de Crédito?

- Historial de Crédito – El solicitante deberá tener un historial de crédito aceptable a SBA.
- Habilidad de Pago – El solicitante deberá demostrar su habilidad para pagar todos los préstamos.
- Colateral – Colateral es requerido para préstamos de pérdidas físicas de más de $25,000 y préstamos para pérdidas económicas de más de $25,000. SBA toma propiedad inmobiliaria como colateral cuando está disponible. SBA no desaprobará un préstamo por falta de colateral, pero requiere que usted ofrezca aquella que esté disponible.

¿Cuáles son las Tasas de Interés?

Por ley, la tasa de interés dependerá si el solicitante tiene Otros *Créditos Disponibles.* Un solicitante no tiene *Otros Créditos Disponibles* cuando SBA determina que el solicitante no tiene suficientes fondos u otros recursos, o la habilidad para obtener préstamo de otras agencias no gubernamentales para proveer para su propia recuperación por daños sufridos por el desastre. Aquellos solicitantes los cuales SBA determina que tienen la habilidad para proveer para su propia recuperación, se entiende que tienen Otros Créditos Disponibles. Las tasas de intereses son fijas durante el término del préstamo. Los tipos de interés aplicables para este desastre son:

Tipos de Préstamos	Si usted no tiene Otro Crédito Disponible	Si usted tiene Otro Crédito Disponible
Préstamos para Hogares	2.000%	4.000%
Préstamos para Negocios	3.740%	7.480%
Préstamos a Organizaciones Sin Fines de Lucro	2.750%	2.750%

Daños Económicos

Tipos de Préstamos	Si usted no tiene Otro Crédito Disponible	Si usted tiene Otro Crédito Disponible
Negocios y Pequeñas Cooperativas Agrícolas	3.740%	N/A
Organizaciones Sin Fines Lucro	2.750%	N/A

¿Cuáles son los Términos del Préstamo?

La ley autoriza términos de préstamo hasta un máximo de 30 años. Sin embargo, para negocios con Otros Créditos Disponibles la ley limita su término a un máximo de 7 años. SBA establece la cantidad de pago y la madurez del préstamo correspondiente de acuerdo a la habilidad de pago de cada prestatario.

SAMPLE

¿Cuáles son los Límites de la Cantidad de Préstamo?

- Préstamos para Negocios – La cantidad de los préstamos son limitadas por ley, hasta $2,000,000 para reparar/reemplazar bienes inmobiliarios, inventarios, maquinarias, equipos y otras pérdidas físicas. Sujeto a este máximo, la cantidad máxima de los préstamos no podrá exceder la cantidad de daños verificados sin seguro.
- Préstamos para Daños Económicos (EIDL) – La cantidad de los préstamos por daños económicos son limitadas por ley, hasta $2,000,000 para aliviar el daño económico causado por el desastre. La cantidad actual de cada préstamo es limitada por el daño económico determinado por SBA, menos lo recuperado por seguros de interrupción de negocios y otras fuentes de recuperación hasta el límite administrativo. La asistencia para EIDL está disponible sólo para las entidades y sus dueños que no pueden proveer para su propia recuperación, a través de recursos no gubernamentales, determinado por la U.S. Administración Federal de Pequeños Negocios (SBA).
- Límites del Préstamo para Negocios – El límite reglamentado de $2,000,000 es aplicado a préstamos de negocio en combinación de pérdidas físicas, pérdidas económicas, mitigación y/o refinanciamiento, y se aplica a todos los préstamos de desastre para negocios y sus afiliados, por cada desastre. Si el negocio es una fuente mayor de empleos, SBA tiene la autoridad para elevar el límite estatutario de $2,000,000.
- Préstamos para Hogares – Son limitados por regulaciones de SBA a un máximo de $200,000 para reparar/reemplazar propiedad inmobiliaria, y $40,000 para reparar o reemplazar propiedad personal. Sujeto a estos máximos, las cantidades de los préstamos no podrán exceder los daños verificados sin seguro.

¿Qué Restricciones Existen Sobre la Elegibilidad de Préstamo?

- Pérdidas Sin Seguro – Sólo pérdidas sin seguro o sin compensación son elegibles. Pagos de seguro que son requeridos para reducir el monto de la hipoteca y no están disponibles para financiar la reparación de daños causados por el desastre no reducirán la elegibilidad. Sin embargo, beneficios de seguro aplicados voluntariamente a la reducción de la hipoteca reducirán la elegibilidad.
- Propiedades que no son Elegibles – Propiedades secundarias, botes para diversión personal, aeroplanos, vehículos recreativos, y propiedades similares no son elegibles, a menos que sean parte de un negocio. Propiedades como antigüedades y colecciones califican hasta el valor máximo de funcionamiento. Cantidades del préstamo para restaurar jardinería, piscinas, etc., son limitadas.
- Incumplimiento – Solicitantes que con anterioridad no han cumplido con sus obligaciones en los préstamos de SBA no son elegibles. Esto incluye prestatarios que no han cumplido con su obligación de mantener seguro contra inundaciones y/o incendio en anteriores préstamos de SBA.

Nota: Los solicitantes de préstamo deberán verificar con las agencias/organizaciones que administran subvenciones u otros programas de asistencia, bajo esta declaración, para determinar si un préstamo de desastre aprobado por SBA podría afectar su elegibilidad.

¿Hay Ayuda para Financiar Mejoras de Mitigación?

Si su solicitud de préstamo es aprobada, usted puede ser elegible para fondos adicionales para cubrir los costos de mejoras para proteger su propiedad de daños futuros. Ejemplos de mejoras incluye; paredes de retención, muralla de contención marítima, etc. El dinero designado para mitigación será adicional a la cantidad del préstamo aprobado, pero no podrá exceder un 20% de la cantidad total de las perdidas físicas y así verificadas por SBA hasta un máximo de $200,000 para préstamos de hogares. No es necesario que la descripción de las mejoras y de los costos estimados sean enviados junto con la solicitud. La aprobación de SBA sobre las mejoras de mitigación será requerida antes de cualquier aumento en la cantidad del préstamo.

¿Hay Ayuda Disponible para Refinanciar?

- SBA puede refinanciar todo o parte de hipotecas previas, siempre que estén registrados debidamente, cuando un solicitante (1) no califica para obtener fondos por otros medios, (2) ha sufrido daños de desastre sustanciales no compensados (del 40% o más del valor de la propiedad, o del 50% o más del valor estructural), y (3) hay intención de reparar daños.
- Negocios – Dueños de negocios pueden ser elegibles para refinanciar hipotecas en la propiedad inmobiliaria, maquinarias y equipos, hasta la cantidad del préstamo para reparar o reemplazar la propiedad inmobiliaria, maquinarias y equipos.
- Hogares – Dueños de hogares pueden ser elegibles para el refinanciamiento de hipotecas existentes hasta la cantidad del préstamo para reparar o reemplazar la propiedad inmobiliaria.

¿Qué si Decido Reubicarme?

Usted puede utilizar su préstamo de desastre de SBA para reubicarse. La cantidad del préstamo de reubicación depende de si usted se reubicara voluntariamente o involuntariamente. Si usted está interesado en reubicarse un representante de SBA puede proveerle más detalles sobre su situación específica.

¿Hay Algún Requerimiento de Seguro para los Préstamos?

Para la protección de cada prestatario y la Agencia, SBA requiere a los prestatarios el obtener y mantener un seguro apropiado. Por ley, los prestatarios cuya propiedad dañada o de colateral están localizadas en un área especial de inundación, deben comprar y mantener seguros de inundación. SBA requiere que la cobertura de seguro contra inundaciones sea el valor menor de: 1) el total del préstamo por desastre, 2) el valor asegurable de la propiedad, o 3) el seguro máximo disponible.

Los solicitantes pueden solicitar en línea, recibir información adicional sobre asistencia en casos de desastre y descargar aplicaciones en https://disasterloan.SBA.gov/ela. Los solicitantes también pueden llamar al centro de servicio al cliente de SBA al (800) 659-2955 o enviar un correo electrónico a disastercustomerservice@sba.gov para más información sobre asistencia para desastres de SBA. Las personas sordas o con dificultades auditivas pueden llamar al (800) 877-8339. Las solicitudes completas deben enviarse por correo a U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.

SAMPLE

U.S. Small Business Administration

DISASTER ASSISTANCE

U.S. Small Business Administration's California Resource Partners

Offer the Following Services to Help Businesses Recover from the Effects of the Wildfires

California Small Business Development Centers (SBDCs)

SBDCs are providing the following services to help small businesses impacted by the disaster (no charge for any services):

- Counseling for financial, accounting, marketing and other post-disaster challenges
- Management and technical assistance
- Business planning to help business owners re-establish their operations and plan for their future
- Help in reconstructing damaged or destroyed business records
- Assistance with updating or rewriting business plans
- Assistance with accessing government contracts and procurement related to the disaster

Contact an SBDC below or visit America's nationwide network of SBDCs website at *https://americassbdc.org/*.

LOS ANGELES COUNTY
College of the Canyons SBDC
University Center Room 272
26455 Rockwell Canyon
Road Santa Clarita, CA
91355
(661) 362-5900
https://cocsbdc.org

VENTURA COUNTY
Economic Development collaborative
SBDC 4001 Mission Oaks Blvd., Suite A-1
Camarillo, CA 93012
(805) 384-1800
info@edcollaborative.com

Veterans Business Outreach Center

Through a cooperative agreement, SBA has 20 organizations participating as Veterans Business Outreach Centers designed to provide entrepreneurial development, business training, counseling, and mentoring for eligible veterans who own or are starting a small business.

Contact the Veterans Business Outreach Center below or visit their website at *http://www.socalvboc.org*.

SAN DIEGO COUNTY
MiraCosta Community College District
SoCal Veterans Business Outreach
Center 2075 Las Palmas Drive
Carlsbad, CA 92011
(760) 795-8739
socalvboc@miracosta.edu

— continued on back—

SAMPLE

SCORE - Helping America's Small Businesses

SCORE has experts in virtually every area of business management to mentor small businesses. Mentors are available to help small businesses with their disaster recovery (no charge for individual and team counseling). Services include:

- Free online disaster preparedness/recovery resources for small business at *www.score.org/disaster-preparedness-recovery*
- Matching volunteer business-management mentors with clients in need of expert advice
- In-depth counseling and training with small business owners and managers
- Help to identify business problems, determine the causes and find solutions
- Maintaining a confidential and personal relationship

Contact a SCORE Chapter below or visit the SCORE website at *https://www.score.org/*.

LOS ANGELES COUNTY

Glendale SCORE LA Office
330 North Brand Blvd., Suite 190
Glendale, CA
91203
(818) 552-3206
https://losangeles.score.org

VENTURA COUNTY

Ventura County SCORE
516 Pennsfield Place,
#206 Thousand Oaks, CA
91360 (805) 204-6022
https://ventura.score.org/

Women's Business Center - (WBC)

WBCs provide technical training and counseling to women and others who are currently in business or thinking about starting a business. Assistance is targeted to meet specific needs whether a beginner or seasoned entrepreneur.

Contact a WBC below.

LOS ANGELES COUNTY

PACE Finance Corporation
1055 Wilshire Blvd., Suite 900B Los Angeles, CA 90017
(213) 353-9400
http://pacelabdc.org/programs/vbc/

VENTURA COUNTY

Women's Economic Ventures 290 Maple Court, Suite 268
Ventura, CA 93003
(805) 667-8004
BY APPOINTMENT ONLY, please call first
http://www.wevonline.org

SAMPLE

U.S. Small Business Administration

ASISTENCIA PARA DESASTRES

Los socios en California de la Administración Federal de Pequeños Negocios
Ofrecen los Siguientes Servicios para Ayudar a los Negocios a Recuperarse de los Efectos de los Incendios Fuera de Control

Los Centros de Desarrollo de Pequeños Negocios de California (SBDCs)

SBDCs están ofreciendo los siguientes servicios para ayudar a los pequeños negocios afectados por el desastre (son servicios gratuitos):

- Asesoramiento financiero, de contabilidad, mercadeo, etc. y otros desafíos después de los desastres
- Asistencia administrativa y técnica
- Planificación empresarial para ayudar a los dueños de negocios a restablecer sus operaciones y planificar para el futuro
- Asistencia en la recopilación de registros comerciales dañados o destruidos
- Asistencia para actualizar o crear un nuevo plan de negocio
- Asistencia para participar en contratos y adquisiciones de gobierno que están relacionados con el desastre

Contacte a un representante de SBDC en los siguientes centros o visite su sitio web *https://americassbdc.org/*.

CONDADO DE LOS ANGELES
College of the Canyons SBDC
University Center Room 272
26455 Rockwell Canyon
Road Santa Clarita, CA
91355
(661) 362-5900
https://cocsbdc.org

CONDADO DE VENTURA
Economic Development collaborative
SBDC 4001 Mission Oaks Blvd., Suite A-1
Camarillo, CA 93012
(805) 384-1800
info@edcollaborative.com

Centro de Negocios para Veteranos

A través de un acuerdo de cooperación, SBA tiene 20 organizaciones participando como Centros de Negocios para Veteranos diseñados para ofrecer desarrollo empresarial, entrenamiento de negocios, asesoramiento y asistir a los veteranos elegibles que tienen su propio negocio o están comenzando un pequeño negocio.

Contacte a un representante de VBOC en el siguiente centro o visite su sitio web *https://www.vbocix.org/*.

CONDADO DE SAN DIEGO
MiraCosta Community College District
SoCal Veterans Business Outreach
Center 2075 Las Palmas Drive
Carlsbad, CA 92011
(760) 795-8739
socalvboc@miracosta.edu

SAMPLE

SCORE - Ayudando a los Pequeños Negocios de los Estados Unidos

SCORE tiene expertos en prácticamente todas las áreas de la gestión empresarial para asesorar a los pequeños negocios. Los asesores están disponibles para asistir a los pequeños negocios a recuperarse del desastre (el asesoramiento individual y/o de grupo es gratuito). Los servicios incluyen:

- Servicios gratuitos por internet, para pequeños negocios, para estar preparados o para recuperarse de un desastre, en el sitio web www.score.org/disaster-preparedness-recovery
- Poner en contacto a los asesores de administración de negocios con los clientes que necesitan el asesoramiento de los expertos
- Amplio asesoramiento y entrenamiento a los dueños de negocios y administradores
- Asistencia para identificar los problemas del negocio, determinar las causas y encontrar soluciones
- Manteniendo una relación confidencial y personal

Contacte a un representante de SCORE en los siguientes centros o visite su sitio web *https://www.score.org/*.

CONDADO DE LOS ANGELES

Glendale SCORE LA Office
330 North Brand Blvd., Suite 190
Glendale, CA 91203

CONDADO DE VENTURA

Ventura County SCORE
516 Pennsfield Place, #206 Thousand Oaks, CA 91360 (805) 204-6022
https://ventura.score.org/

Centro de Mujeres Empresarias - (WBC)

WBCs ofrecen entrenamiento técnico y asesoramiento a las mujeres, y para aquellas que ya tienen un negocio o que piensan abrir un negocio. La asistencia está dirigida a necesidades específicas, ya sean de un principiante o de un empresario experimentado.

Contacte a un representante de WBC en los siguientes centros.

CONDADO DE LOS ANGELES

PACE Finance Corporation
1055 Wilshire Blvd., Suite 900B Los Angeles, CA 90017
(213) 353-9400
http://pacelabdc.org/programs/vbc/

CONDADO DE VENTURA

Women's Economic Ventures 290 Maple Court, Suite 268
Ventura, CA 93003
(805) 667-8004
BY APPOINTMENT ONLY, please call first
http://www.wevonline.org

SAMPLE

AMERICA'S SBDC CALIFORNIA
LOS ANGELES NETWORK

EDC SBDC

DISASTER PREPAREDNESS AND RESILIENCY TOOLKIT FOR BUSINESSES



DISASTER PREPAREDNESS AND RESILIENCY TOOLKIT FOR BUSINESSES 2019

EDC ECONOMIC DEVELOPMENT COLLABORATIVE

POWERED BY SBA U.S. Small Business Administration

The Economic Development Collaborative hosts the Small Business Development Center and is funded in part through a cooperative agreement with the U.S. Small Business Administration.

TABLE OF CONTENTS

Disaster Preparedness Survey 1

Disaster Preparedness Checklist 5

Steps to Take After a Disaster 6

Business Recovery 7

Working with Your Insurance Company 8

Business Interruption Worksheet 10

Commonly Asked Questions 11

This document has been prepared for business owners that are interested in increasing their disaster readiness or have just experienced disaster or man made disruption. We trust the following survey, checklist and best practices will serve to help you navigate your business through recovery to resiliency.

DISASTER PREPAREDNESS SURVEY

Which of the following best describes your business?

- S-Corp
- Incorporated
- Sole Proprietor
- LLC
- No response

What industry is your business in?

- Retail
- Service
- Restaurant
- Construction
- Manufacturing
- Finance, Insurance, Real Estate
- Other

How long have you been in business?

- Start-up phase
- 1 year or less
- 2 to 5 years
- 5 to 10 years
- 10 to 20 years
- 20 years or more

Do you own or lease a physical business location?

- Own
- Lease
- None of the above, I work at home or have a virtual office
- Other

Do you currently have a monthly business loan that you make payments on?

- Yes
- No

How many employees does your business employ, including yourself?

- One (self full-time)
- One (Self part-time)
- 2 to 5
- 6 to 10
- 11+
- Other

DISASTER PREPAREDNESS SURVEY CONT.

What type of internet connection do you have at your place of business?

- Direct internet connection via "wire cable" into my physical business location
- A wireless or "hot spot" internet connection via my cell phone provider
- I have both types of connection to the internet available
- No, I don't have an internet connection at my business

Do you back up your business data regularly?

- Yes, to a server located at my place of business
- Yes, to a server not at my place of business i.e. "the cloud"
- Yes, I make paper copies of everything and store them at a location other than my place of business
- No, I haven't backed up any of my business information
- Other

Do you have a disaster recovery plan in place for your business?

- Yes
- No, but I have thought about it
- No, never thought about it

What do you perceive as the greatest disaster threat to your business?

- Fire
- Earthquake
- Flood
- Extreme storms
- Burglary, riots, disgruntled employees, etc.
- Other

Do you currently have disaster supplies, i.e. emergency water, food, etc, (enough for you and your employees) at your place of business should a disaster occur during business hours?

- Yes
- No, but I've thought about it
- No, never thought about it

How long would it take you to reopen your business after disruption from a disaster?

- Instantly, not a problem
- One week
- Two weeks
- Beyond a month
- Not Sure
- I would not be able to reopen

DISASTER PREPAREDNESS SURVEY CONT.

How long can you operate your business without potable drinking water before it affects the function of your business and your company's bottom line?

- I can't operate at all without running drinking water
- 1 day
- 2-3 days
- Up to 5 days
- A week or more
- Does not have an effect on my business

How long can you operate without electricity before it affects the function of your business and your company's bottom line?

- I can't operate at all without electricity
- 1 day
- 2-3 days
- Up to 5 days
- A week or more
- Does not have an effect on my business

Other than rapidly restoring water and power, what is the most important action(s) the State can take to assist your business immediately after a disaster?

Do you have a backup generator at your place of business?

- Yes
- No

If a disaster occurred, would you be able to operate your business from another location?

- Yes
- No
- No response

If Yes, how long?

- 1 Day
- 2-3 Days
- Up to 5 days
- A week or more
- Does not have an effect on my business
- No response

Do you currently carry natural disaster insurance for your business? Choose all that apply:

- Yes, flood insurance
- Yes, fire insurance
- Yes, earthquake insurance
- No, I don't currently have natural disaster business insurance
- Other

DISASTER PREPAREDNESS SURVEY CONT.

Do you currently carry business interruption insurance?

- Yes
- No
- I don't know

f you are a home-based business, do you have separate business insurance?

- Yes
- No
- I don't know

Please rate the items listed below in terms of their importance for your business operations. Select one rating for each:

1 = Least Important, 2 = Not That Important, 3 = Neutral, 4 = Important, 5 = Most Important

- Electricity
- Water
- Natural Gas
- Phone/Internet
- Sewer and Waste Water Treatment
- Postal
- Transportation i.e. roads, rail, air
- Physical Location

How would you keep in touch with customers after a disaster disrupted your business? Please select all that apply:

- Email
- Phone/Text
- Website
- Facebook
- Other

DISASTER PREPAREDNESS CHECKLIST

WHAT TO DO BEFORE, DURING AND AFTER A DISASTER

- Know Your Risk. Check with FEMA maps to determine if your business location is vulnerable to flooding, fire or other natural disasters. Have your building(s) inspected by a licensed professional to find out if your work place is vulnerable to natural disasters and what is recommended to retrofit.

- Take the Necessary Precautions. If a disaster threatens and you are able, secure your building. Cover windows. Cover and move equipment/ furniture to a secured area.

- Always Protect Your Data With Backup Files. If dependent on data processing, consider an alternate site. Make provisions for alternate communications and power.

- Make Plans to Work with Limited Cash, No Water, Sewer or Power for up to Two Weeks. Store emergency supplies at the office.

- Protect Your Employees. Employee safety comes first! Prepare, distribute and discuss your business disaster plan for recovery. Consider providing shelter to employees and their families and helping employees with supplies after a disaster. Establish a rendezvous point and time for employees in case damage is severe and communications are disrupted. Establish a call-down procedure for warning and post-disaster communications. Provide photo IDs and a letter of authorization to enter the building.

- Contact Your Customers & Suppliers and share your communications and recovery plan in advance. Prepare a list of vendors to provide disaster recovery services.

- Review Your Insurance Coverage. Have your business appraised at least every five years. Inventory, document and photograph equipment, supplies and workplace. Have copies of insurance policies and customer service/home numbers. Obtain Business Interruption Insurance. Consider "Accounts Receivable" and "Valuable Papers" coverage and "Income Destruction" insurance. If you have a Business Owners Protection Package, check the co-insurance provisions. Remember: Flood damage typically requires separate coverage. Check your policy for coverage.

- After the disaster: use caution before entering your business. Check for power lines, gas leaks and structural damage. If any electrical equipment is wet, contact an electrician. Prepare loss information for insurance claims and get independent estimates of damages. Take pictures before cleanup. Minimize additional damage.

STEPS TO TAKE IMMEDIATELY AFTER A DISASTER

STEP 1

Find your business insurance policy. Be sure to read the policy carefully to clarify what losses your insurance company covers and what losses are your responsibility.

If your insurance documents were destroyed in the disaster, do not panic. Call your insurance agent or insurance company and request a copy of your policy. Ask for the entire policy --not just the cover page or the declarations. If you do not know the name of your insurance company or insurance agent, check with your mortgage lender or with your bank. They may have records of your insurance information. If those options are unavailable, call the California Department of Insurance (or your states Department of Insurance) which can be reached at 1-800¬927-HELP (4358) or at http://insurance.ca.gov/.

STEP 2

You should contact your insurance agent or insurance company IMMEDIATELY to begin the claim process. Most policies require that the business owner promptly notify the insurance company of damage or losses. For that reason, it is important that you begin the claims process as soon as possible. You should contact your insurance agent or insurance company even if you do not know if you are covered or if your claim may not exceed your deductible. If you have separate flood insurance, also call your flood insurance agent to report your claim. Your insurance agent will prepare a Notice of Loss form, and an adjuster will be assigned to assist you. Most insurance carriers and state departments of insurance offer a toll-free telephone number to facilitate the claim filing process.

When you call your insurance agent or insurance company, be prepared to provide:

- The name of your insurance company (your agent may write policies for more than one company)
- Name and address of insured
- Your policy number
- Contact name, phone and fax number
- Location of loss
- Brief description of loss

When you contact your insurance company, ask when an insurance adjuster (a person professionally trained to assess the damage to your property) can be expected to visit your property so that you can plan for the visit. Also ask the insurance company for the specific information required for the proof of loss. Some companies may have a detailed list of documents they seek or require you to fill out a particular form. A proof of loss provides details identifying the property destroyed or damaged and documents the amount of loss incurred.

Keep your insurance company informed of your current contact information. If you are in a shelter or cannot easily be reached, make sure to give your insurance company or agent the contact number of a friend, relative or someone else who knows how you can be reached.

When dealing with your insurance company, document every conversation. Be sure to write down the name of the person with whom you speak, the date and the substance of your call and your claim number. It may be helpful to keep all of this information in a notebook so that it is in one place. This will help in future dealings with the insurance company.

STEPS TO TAKE IMMEDIATELY AFTER A DISASTER CONT.

STEP 3

If reasonably possible, protect the property from further damage. Damaged property that presents a health hazard or that may hamper local clean-up operations should be disposed of. Be sure to adequately describe and photograph discarded items so that when the adjuster examines your losses and your records, these articles are included in the documentation.

Photograph the outside of the premises, showing any damage or flooding. Photograph the inside of the premises as well, showing the damaged property and the height of the water if your property was flooded. However, do not enter your property if it is not safe to do so. Separate the damaged from the undamaged property, and put it in the best possible order for the insurance adjuster's examination.

Collect and organize backup documents. Gather additional information and documents for the proof of loss. Generally, any information substantiating the claim (photographs, receipts, records) can become proof of claim. Gather vital records, ledgers and other proof that supports valuation.

Prior to signing an agreement/contract with a cleaning, remediation or maintenance contractor, consult with your adjuster or insurer concerning coverage.

If damage in your area is widespread, check with local authorities to see if they are coordinating debris clean-up.

STEP 4

Make a list of areas with structural damage. As you look over your property, make a list of structural damage you want to point out to the insurance adjuster.

If you've purchased contents coverage, make a list of damaged property. List the quantity of each item, a description, brand name, where purchased, its cost, model and serial number (if appropriate) and your estimate of the loss amount. Attach your bills, receipts, photos and any other documents. Good records speed up settlement of your claim.

BUSINESS RECOVERY

Best practices for businesses surviving a major disaster or disruption:

1. Remember that recovery can be a long-term process depending on the severity of the disaster. Recovery can last many weeks, months and even years.
2. Be diligent in the practice of self-care. Take advantage of mental health resources that are available to you. Do not skip meals. Be sure to exercise. Get enough sleep. These simple daily activities will help create stability as you navigate a new reality.
3. Know that you may need extra time processing information that is given to you. Be patient with yourself and engage with services and resources when the time is right.
4. Be your own advocate. Know your rights as an insurance holder and what federal and state resources are available to you. Connect with your local Small Business Development Center, Women's Business Center, SCORE or SBA office to learn about available local, state and federal resources you may be entitled to.
5. Ask for assistance even if you do not think it is necessary in the moment. If your business has been impacted by a federally declared disaster, be sure to take advantage of all federal resources available to you. For example, in the event of a federally declared disaster, the SBA offers low interest loans to businesses that have been impacted. You may not think you that you need a loan immediately after a disaster but depending on the severity, cashflow and sales may be impacted in the coming weeks and months.

WORKING WITH YOUR INSURANCE COMPANY

If an adjuster is not assigned to you within several days, contact your insurance company or the state department of insurance. It is a good idea to make the request for an adjuster in writing. Keep in mind that an adjuster will not be able to visit your property until officials declare that is safe.

WORKING WITH YOUR ADJUSTER

Generally, your adjuster will contact you within 24-48 hours after receiving your notice of loss. However, depending on local conditions and the severity of the disaster, it may take more time. Once the adjuster contacts you, a time will be set for the adjuster to view your property. You may ask the adjuster for an advance or partial payment.

During the initial visit to your property, the adjuster will take measurements and photographs and note direct damage. This is called "scoping" a loss. Be assured that your adjuster will be an experienced claim professional and will notice many points of damage you could overlook. You are, however, encouraged to point out all damage you have noticed. After the "scope" is finished, the adjuster will give you a local contact telephone number and will tell you whether any additional visits are needed.

The adjuster then uses the evidence from the visit(s) and the documentation you have provided to complete a detailed estimate of damages. You will get a copy of the estimate. Use it as a guide when you ask for bids for repair work from licensed professional contractors.

You can also ask your insurance company for an advance on your insurance proceeds. Funds disbursed in the form of an advance will be deducted from the final settlement. If you have a mortgage, your bank will need to sign the advance check.

You may also be eligible for expedited assistance from the federal government through FEMA. You can apply for such assistance through FEMA on line at http://www.fema.gov, or by calling 1-800-621-FEMA (3362), TTY 800-462-7585. FEMA representatives typically visit disaster assistance centers.

Your official claim for damages is called a Proof of Loss. This must be fully completed and signed and in the hands of your insurance company within 60 days after the loss occurs. The Proof of Loss includes a detailed estimate to replace or repair the damaged property. In most cases, the adjuster, as a courtesy, will provide you with a suggested Proof of Loss. However, you are responsible for making sure that it is complete, accurate and filed in a timely manner. Be sure to keep a copy of the Proof of Loss-and copies of all supporting documents-for your records.

PAYMENT OF CLAIMS

Your claim is payable after:

- You and the insurer agree on the amount of damages.
- The insurer receives your complete, accurate and signed Proof of Loss.

In general, insurance companies should acknowledge receipt of your claim within 15 days of receiving it and should communicate decisions on claims within 40 days of receiving them. Payouts should occur within 30 days of your acceptance of their offer. More information on claims payment is in your policy.

SUPPLEMENTAL CLAIMS

If you notice additional damage to your building property or personal property after filing your claim, you may file a supplemental claim. This means, essentially, that you must repeat the documentation and filing process for your original claim --including a proof of loss --but only for the newly discovered damage. Supplemental claims should start by immediately notifying your adjuster, agent and/or company representative. Once you have completed documentation, present it to your adjuster, who may need to make another property visit to verify your loss.

Once you receive the letter stating that the cost to repair damage to your building is 50 percent or more of its market value, you may file an increased cost of compliance claim (ICC). You should contact your adjuster or your insurer's claims representative to file the ICC claim. You have four years from the date of the letter declaring the building to be substantially damaged to complete your chosen mitigation activity under the terms of the standard flood insurance policy. Your insurer will provide you with additional information to assist you in completing your ICC claim.

WORKING WITH YOUR INSURANCE COMPANY

BUSINESS INTERRUPTION LOSSES

Business interruption coverage is a typical and important part of most businesses' property insurance programs. Business-interruption coverage is purchased to cover the loss of business income and at least some of the extra expenses associated with restoring business operations. There are many types of business interruption insurance policies. It is important for you to review yours to ensure that you maximize your ability to continue operations with minimal disruption.

DO NOT DELAY in contacting your insurance company. Give notice quickly to avoid penalty or voided coverage. Refer to the steps listed above in making a property insurance claim.

CALCULATING BUSINESS INTERRUPTION LOSSES

Business interruption claims can become more difficult and even contentious when differences of interpretation emerge about the reliability of projections or the meaning of policy provisions. A successful claim entails maneuvering through the gray areas inherent in business interruption, including financial projections, consumer demand and policy interpretation, to reach a number that's reasonable, credible, defensible and well supported.

The following is a common example of a worksheet that can be used to calculate your business-interruption loss:

SAMPLE BUSINESS INTERRUPTION WORKSHEET

1. Gross Sales $ _____
2. Adjustments to gross sales $ _____
   (includes discounts given, returns and allowances, bad debts, freight)
3. Net Sales (1 minus 2) $ _____
4. Other income that would be lost if $ _____
   operations were interrupted (includes rent, interest, service fees)
5. Total Revenues (3 minus 4) $ _____
6. Merchandise or materials consumed
   a. Purchases during the year $ _____
   b. Changes in inventory $ _____
   i. Beginning inventory $ _____
   ii. Ending inventory $ _____
   iii. Change (beginning minus ending) $ _____
   c. Total (a plus b) $ _____
7. Gross earnings (5 minus 6c) $ _____
8. Discontinuing expenses $ _____
   (includes payroll that would not continue, rent, heat, light, delivery, advertising, maintenance cost, etc.)
9. Gross Earnings Discontinued $ _____
   Expenses (7 minus 8)

Adjust Gross Earnings After Discontinued Expenses for period or Interruption Expected

Insurance Needed:
1 year: Line 9* 1.00 = $ _____
9 months: Line 9*0.75= $ _____
6 months: Line 9*0.5 = $ _____

COMMONLY ASKED QUESTIONS

CAN I MAKE TEMPORARY REPAIRS?

Before making any repairs, get written permission from your insurance company. Once you have that permission, even if the adjuster has not visited yet, make all necessary temporary repairs such as boarding up windows and repairing holes in the walls or roof. Move your personal property to a protected area. Do not dispose of items you believe are a total loss until the insurance adjuster has inspected them or unless you are instructed to do so by local officials. If you must dispose of damaged items, photograph them and take a swatch or sample. Take photographs before you begin repairs or cleanup, and keep all of your receipts for your expenses.

Make sure anyone you hire to make temporary repairs is properly licensed by the CA Contractors State License Board (www.cslb.ca.gov) or in the state the business is located.

CAN I HIRE SOMEONE ELSE TO MAKE EMERGENCY REPAIRS?

Usually you can hire someone else to make temporary or emergency repairs, depending on the coverage your policy provides. Such policies usually cover materials and reasonable labor expenses for temporary and emergency repairs in addition to final repairs. Get several estimates. Also, contact your insurance company to find out if you will be reimbursed for repairs you conduct yourself. Keep all of your receipts for your expenses.

I OWN A BUSINESS. WHAT KINDS OF INSURANCE COVERAGE COULD I HAVE FOR CLAIMS MADE AGAINST ME OR MY COMPANY?

Workers' compensation claims can be brought against you by injured employees or their families for disability and lost wages. Injured visitors or those employees who are exempt from workers' compensation may have claims under health insurance, short and long-term disability and travel accident policies. You may be covered by commercial general liability policies for lawsuits brought against you for bodily injury or property damage. Commercial and personal umbrella and excess policies may provide additional coverage.

MY INSURANCE COMPANY HAS DENIED ME COVERAGE OR HAS OFFERED ME LESS THAN I THINK I SHOULD RECEIVE. WHAT CAN I DO?

Insurance companies are required to acknowledge receipt of claims, communicate their decisions on claims and pay claims in a timely manner. In general, insurance companies should acknowledge receipt of your claim within 15 days of receiving notice of your claim and should communicate decisions on claims within 40 days of receiving your claim.

Payouts should occur within 30 days of your acceptance of their offer.

If coverage is denied, in whole or in part, ask the insurance company to provide you with its reasons ***in writing,*** as well as whether it has an appeals process. You should ask for any reports prepared by the insurance company in assessing your property or evaluating your claim. You may also want to seek an advance of the undisputed portion of your claim, if you can do so without giving up your rights to the disputed portion. Contact your state department of insurance if you feel your claim has been wrongfully denied. You may want to seek help from an attorney, but be aware that their fee often will reduce your total recovery.