

Assessment of Strategies to Support Economic Resiliency



Bureau of Land Management

Mid-Columbia Economic Development District

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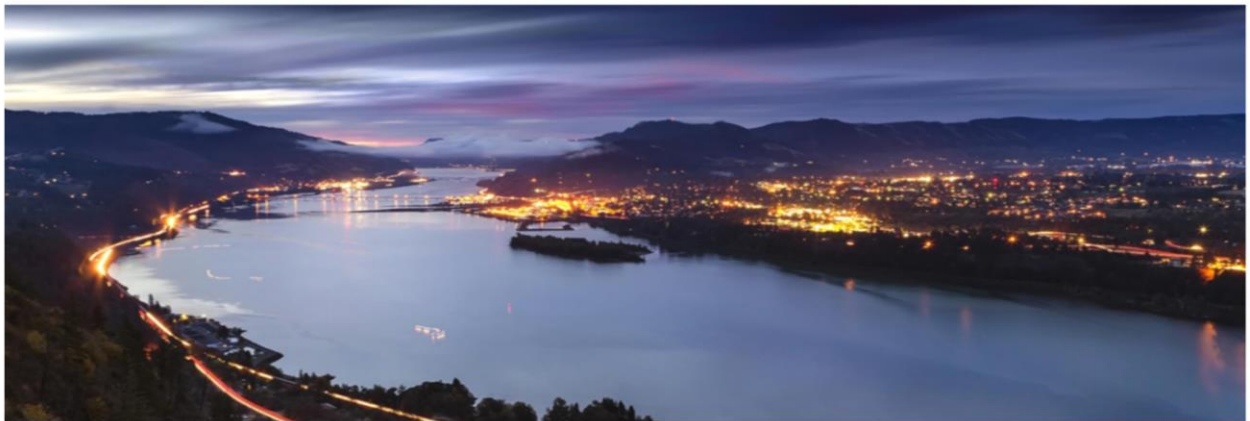
INTRODUCTION

In the last five years, the mid-Columbia region of Oregon and Washington has experienced multiple disasters, leading to a variety of economic shocks for local communities. Economic shocks impacting the region in this period have been caused by natural disasters, including wildfires and snow and ice storms, with additional threats due to flooding and landslides. They have also resulted from major accidents, including a train derailment. Finally, economic shocks have occurred related to reduction in the workforce of employers in a major industry sector.

As these events unfolded, collective impacts have included disruptions to business operations, damage to infrastructure, communication challenges, temporary or permanent job displacement, property and crop damage, loss of revenue, and others. Regardless of the cause, these disruptions to the economy can influence the breakdown of social and

economic structures in a local community and threaten long-term viability. Economic resiliency, or an area's ability to prevent, withstand, and recover quickly from shocks or disruptions to the local economy, is vital to ensuring the mid-Columbia region can continue to thrive in these shifting conditions.

The Comprehensive Economic Development Strategy compiled by Mid-Columbia Economic Development District (MCEDD) includes a chapter focused on economic resiliency highlighting the critical nature of these strategies. MCEDD has developed this report to assess effective strategies, identify areas for improvement, and outline opportunities to enhance tools and services that will support the region in addressing future events.

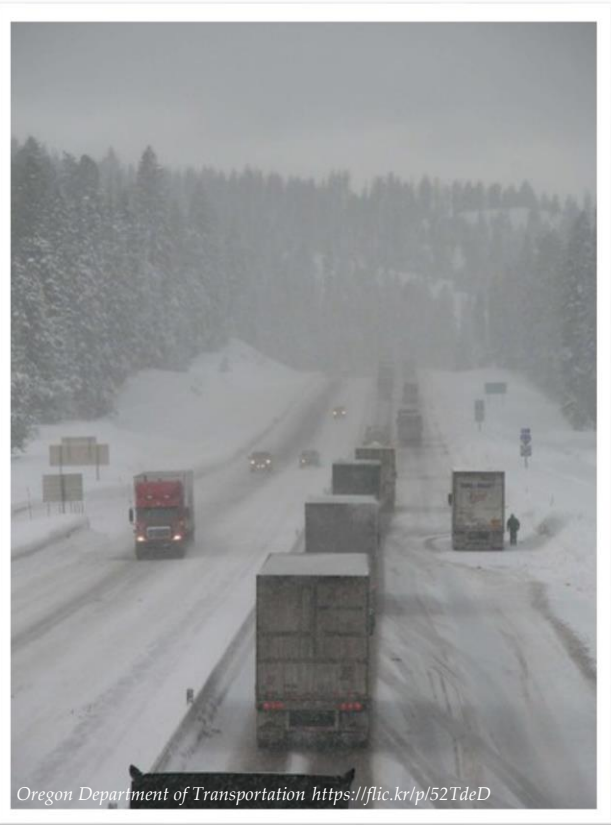


RECENT ECONOMIC SHOCKS IN MID-COLUMBIA REGION (2017-2019)

This section provides information on several recent disasters in the mid-Columbia region of Oregon and Washington, the impact of those disasters, the strategies implemented in the short and long term to address economic resiliency and the gaps in tools and resources to support business and economic resiliency. These profiles are not comprehensive but are based on publicly available information, MCEDD knowledge, and interviews with entities operating at the local, regional, and state level providing direct services, technical assistance, and overall support to businesses and communities.

Winter Storms and Eagle Creek Fire 2017

In the winter of 2017, a series of severe snow and ice storms struck the region. Several cycles of snowfall, accompanied by rain and freezing rain, created a layer of heavy snow and ice that damaged property, trees and power lines. Federal major disaster declarations were issued in Oregon and Washington due to severe winter storms, flooding, landslides, and mudslides during January and February. The federal disaster declarations incorporated Hood River County, Oregon, and Skamania County, Washington. These extreme weather conditions caused the loss of power in communities for an extended



period and led to the closure of Interstate 84 and challenging passage over local roadways. The closure of Interstate 84, a major East-West transportation route for the region, caused the impact of the disaster to widen to the entirety of the mid-Columbia region. Many businesses were unable to open and commerce was greatly reduced as delivery trucks, customers, and employees were unable to navigate around or to local communities. In addition, local governments and special districts were heavily burdened by the financial impact of the winter storms due to the damage to infrastructure. For instance, the City of Cascade Locks spent \$210,000 repairing and rebuilding downed power lines immediately after the storms in order to restore power to

customers. This kind of financial burden can represent a significant portion of a small community's budget. The City was able to obtain federal dollars to reimburse a portion of the costs, but received the funds months after the event and for an amount that covered less than 50% of costs.



The impacts of the winter storm on businesses and local governments were exacerbated in the fall of 2017. As communities sought to recover from the winter storms' economic shock and to rebuild from financial losses incurred, the Eagle Creek fire started. The compounding nature of the two events on business economic recovery required coordinated resource supports, particularly in access to capital.

The Eagle Creek Fire started in September of 2017 on public lands in Hood River County, Oregon, and burned approximately 50,000 acres over

three months before the fire was officially declared contained. The fire grew quickly and jumped the Columbia River into Washington. The fire had myriad impacts on the region. The City of Cascade Locks and other small communities in the area were issued mandatory evacuation orders. Air quality was listed as unhealthy from Portland through the Columbia River Gorge, impacting working conditions and travel. The fire's proximity to Interstate 84 caused a complete shutdown from Troutdale to Hood River for an extended period, with eastbound lanes closed for 19 days. Additionally, Highway 14 in Washington prohibited truck traffic along the same stretch to avoid gridlock and the Columbia River was closed to marine traffic. Due to these transportation system closures and evacuations, access to the region was severely limited.

The compounding nature of the two events on business economic recovery required coordinated resource supports, particularly in access to capital.

The reduced access had several immediate impacts. Non-traded sector businesses were hit particularly hard as visitors were cut off from the region. Businesses in evacuated communities were shut down for the duration of the fire, other than providing local services. Interiors of buildings in the immediate vicinity were damaged by smoke. For one manufacturer, equipment failure led to smoke damage to a sensitive product. Many local businesses faced issues maintaining operations and experienced a loss of revenue, reporting 50-60% (and in some instances as high as 80%) year-over-year downturn in food service and other tourism related industries. Traded sector businesses experienced freight disruptions with the closure of the highways. These disruptions caused certain value-added agriculture manufacturers to temporarily shut

down production. Other businesses sought alternate transportation routes, but at a higher cost. An established business in the region reported a threefold increase in shipping costs, while another noted they were unable to move product altogether. Employee layoffs included temporary and long term impacts. About 15 businesses and 200 employees took advantage of the Oregon Employment Department's presence on the ground in an evacuated community shortly after it was reopened. Because the fire occurred during peak tourist season, seasonal businesses felt the effects more acutely. Longer term, businesses were challenged with the ripple impacts of the event to their available working capital and ability to retain employees.

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U.S. Forest Service- Pacific Northwest Region

EFFECTIVE STRATEGIES

IMMEDIATE

- North Central Oregon Regional Solutions, in coordination with MCEDD, Business Oregon, Oregon's Small Business Development Center, Oregon Insurance Commissioner's Business and Consumer Services, Oregon Employment Department, Travel Oregon, Hood River County Emergency Management, Port of Cascade Locks, US Small Business Administration, and congressional staff held a meeting to get businesses connected to immediate resources during the fire. The Oregon Employment Department's Rapid Response Team also participated to help businesses and employees access unemployment resources on-site.
- Local businesses in Cascade Locks coordinated with each other to pool resources and support the fire crews who set up base camps in the area. This activity provided revenue to local businesses and an opportunity to interact with the first responders protecting the community. The size of the community and the number of businesses in the area likely helped facilitate the pooling of resources.
- The Columbia River Gorge Oregon Investment Board (OIB), staffed by MCEDD, adapted an existing resource, a pilot loan program, to provide a flexible response to capital needs for local businesses during and after the fires. The pilot program allowed for expedited processing of requests, providing businesses immediate access to capital needed to sustain operations. These small loans were of short duration to address immediate working capital needs to move through the economic shock and back to normal operations.
- Travel Oregon, local chambers, and businesses in the Gorge developed several marketing campaigns encouraging support for impacted firms. The "[Show the Gorge Some Love](#)" campaign encouraged visitors to come out to the Gorge after the fire impacts had decreased and while the shoulder season was beginning. Additionally, [Cascade Locks Strong](#) provided a centralized opportunity for customers to purchase gift cards to provide some cash flow during business closures resulting from the fires and subsequent evacuations/transportation system impacts.

LONG TERM

- The state formed a Wildfire Recovery Council in the Columbia Gorge and one in Southern Oregon to assess the impacts of major fires in both areas, prioritize assistance needs for future responses, and work with the state's Regional Solutions program to coordinate state agency tools. These councils identified needs, including access to capital for small businesses, environmental recovery, public safety, and protecting regional brands as business and tourist destinations. The State also appropriated \$500,000 to the

Local Economic Opportunity Fund based on recommendation from the Recovery Councils to assist with resiliency and gap funding post-wildfires.

- The Eagle Creek Fire damaged significant recreational resources in the western Gorge, creating a potential for longer term impacts to tourism-reliant businesses.



Existing communications tools

employed by the local chambers of commerce and Travel Oregon and existing campaigns, such as the [Ready, Set, GORge!](#) campaign were used to provide up-to-date information on trail closures and alternative recreation opportunities.

- MCEDD staff worked with the OIB to extend the pilot program to meet the financing needs of business impacted by the disaster. Some businesses were reluctant to access the program until cash flow challenges became more apparent during the slower winter season.
- A number of local economic development partners distributed surveys to assess the damage and the short term economic impacts of the disaster.
- Congress allocated supplemental disaster funding to the US Economic Development Administration to support economic recovery. Applications have been submitted by two impacted power providers and one impacted wastewater provider in the MCEDD region.

GAPS

- Interviewees noted that while there were a variety of resources available to help small businesses, they were not catalogued in one place, which made it more difficult to locate the appropriate resources for specific purposes during recovery efforts. Materials were developed quickly, but if language is vetted and tools compiled prior to an event, communication can start immediately.
- Officials in the City of Cascade Locks learned that communication systems were not adequate to disseminate information after evacuations began. The City relied on state and federal agencies to distribute information to the public but heard from residents that they would have preferred to receive information from the local government. However, due to evacuations, community members became scattered throughout the area, so communication was challenging.
- Entities that provide financial capital access to businesses, including Business Oregon, the US Small Business Administration, MCEDD, and the Columbia River Gorge Oregon Investment Board, made low-interest loans available to small business owners to help combat losses. However, many businesses did not access capital due to concerns about taking on additional debt.

Substation, Boxcar, Long Hollow, South Valley, and Jack Knife Fires 2018

In the summer of 2018, a series of wildfires struck multiple locations throughout Wasco and Sherman counties in Oregon. Tens of thousands of acres of private and public land burned, resulting in cumulative negative impacts for the ecology and economy of the region.

In June 2018, the Boxcar Fire started southeast of Maupin and the South Junction Fire started west of the Highway 97/197 junction. The fires merged and together they burned over 10,000 acres of private and public land before being fully contained. The fires caused parts of Highway 197 to be closed and restricted or blocked access

to the Deschutes River and several campgrounds in the area for several days. Also in June, the Jack Knife Fire started in Sherman County, eventually burning over 15,000 acres before being fully contained.

In July 2018, the Substation Fire started south of The Dalles. Strong winds and dry conditions in the area caused the fire to rapidly spread and cross multiple jurisdictions. Evacuation orders were issued for residents in affected areas of Wasco and Sherman counties. The fire burned more than 78,000 acres of public and private land, heavily damaging agricultural land, burning four houses and a number of other buildings, and resulting in one fatality. Due to the fire's severity and the already tapped resources from fighting several fires in



the month prior, a federal Fire Management Assistance Declaration was made a day after the fire began and Oregon's request for a federal Fire Management Assistant Grant was approved to help provide additional resources to help combat the fire. The fire was declared contained approximately two weeks later.



Two additional fires followed the Substation fire: the Long Hollow Fire southeast of Dufur, which burned over 33,000 acres and the South Valley Fire, southwest of Dufur, which burned over 20,000 acres. The Long Hollow Fire's rapid growth eventually led to the closure of segments of the Deschutes River and Highway 216. The South Valley Fire received a federal Fire Management Assistance Declaration and Governor Kate Brown invoked the Emergency Conflagration Act and sent additional resources to the affected areas. Evacuation orders were issued, Highway 197 was closed, and recreational activities along the Deschutes River were impacted as evacuation orders were issued for those locations.

The combined effects of the 2018 fires in such a short period resulted in logistical challenges and huge impacts to local communities. Immediate impacts included a major loss of crops, extensive property damage, and loss of life. Communication was challenging due to the rural locations of the fires, including in places with no cell phone coverage. Small and volunteer fire districts worked to fight the multiple fires over the course of the summer. However, the cumulative costs of multiple fires drained the finances of local districts, leaving them with few reserves for regular costs and future firefighting efforts.

Critical infrastructure was threatened during the fires, especially the electrical system. There was the potential for the Substation fire to shut down the system serving a wide range of customers, including those in the metro region. A loss of power locally impacted the ability to access water in certain areas, further complicating efforts to contain the fire. The fire burned many of the physical components of the electrical system as well, which resulted in a multi-million dollar financial burden for the local electric cooperative. Utility crews were out daily for almost a month trying to prevent poles from being burned and to replace burned poles and lines in order to restore service. Nearly 200 power poles and miles of line had to be replaced. Neighboring electrical co-ops provided direct support in bringing

crews to support the local co-op, but ultimately the costs to repair and rebuild will be borne by those most impacted by the fires.

Farmers, ranchers and agricultural co-ops also experienced direct financial losses, with cumulative impact expected to be north of \$20 million. Habitat for wildlife and grazing land was lost and it will likely take years before the habitat can fully support the wildlife that was in the area prior to the fires. Farmers

who lost crops were faced with acres of bare ground that was more vulnerable to soil erosion, which will have longer term economic impacts.

The practical knowledge that was gained through response to the Eagle Creek Fire served to benefit the entities responding during the 2018 fires because communication and collaboration systems had been developed.



EFFECTIVE STRATEGIES

IMMEDIATE

- Entities collaborated to host two resource fairs, one each in Wasco and Sherman counties, with the purpose of connecting individuals and businesses impacted by the fire to resources.
- Economic development and tourism organizations partnered to distribute information to residents and visitors and connect affected businesses to the services they needed to mitigate economic losses and resume operations.
- North Central Oregon Regional Solutions held an open house session, with live streaming available for those who could not attend in person, to gather entities that offer support to provide details about the resources available.
- Entities developed a series of one-page marketing tools that highlighted recommended next steps based on an individual's or business' needs and programs available.
- Legislators and organizations such as the Oregon Wheat Grower's League advocated to obtain waivers to federal programs requirements to allow cover crop planting in burned areas and emergency grazing on land currently enrolled in the Conservation Reserve Program without impacting future benefits.
- Information regarding available resources was distributed via various media outlets such as the radio, social media, and websites.

LONG TERM

- MCEDD replicated the OIB pilot program, with a small allocation for microloans, to support businesses throughout the region.
- The US Economic Development Administration extended the eligibility of its Disaster Supplemental dollars for disasters in 2018. Communities will explore application opportunities when funds are made available.
- The Wasco County planning department communicated permitting and process requirements to communities, prioritizing responses to those impacted in the disaster to support efforts for reconstruction.
- The cities of Moro, Rufus and Wasco identified the need to install a 3-phase emergency backup generator for their primary municipal wells to help mitigate hazards associated with grid down events, such as a wildfire. A backup power source would help ensure clean/adequate water supplies for sanitation and fire suppression efforts during a grid down scenario.
- The Wildfire Recovery Council convened one of their meetings in Sherman County. Actions coming out of the state legislature included passage of Oregon

Senate Bill 290 which makes a “person voluntarily fighting wildfire immune from civil liability for injury resulting from good faith performance of firefighting efforts.”

- Federal agency funds were made available to support post-fire tasks, such as cover crop planting or restoration of burned fences. Oregon State University also waived their fees on proprietary seed when needed to plant a cover crop.
- The Wy’East Resource Conservation and Development Area Council, Inc. raised funds for the Wasco County Community Fire Relief Fund to assist residents impacted by the wildfires and support efforts that will benefit the community in future wildland fires. The Oregon Farm Bureau and Oregon Cattlemen’s Bureau also established a fund to provide support to farmers and ranchers impacted by the Substation Fire.
- The Natural Resources Conservation Service (NRCS) allocated funds to support restoration efforts for areas impacted by wildfires, which will target critical areas with erosion concerns and areas that have a high probability of conversion to invasive annuals due to wildfire.
- Federal agencies, such as NRCS, developed resource guides for farm businesses to make sound decisions regarding farm practices to mitigate fire impacts while understanding the impacts of those decisions on resource programs

GAPS

- Local businesses reported frustration in obtaining the most up-to-date and verifiable information. Updates were posted on entities’ websites but there was a lack of coordination in the timing.
- Resource support programs need to be flexible to be more responsive to the impacts from specific events. Guidance about available programs and resources should be adaptable to be geographic or industry specific when needed.

Loss of Jobs in an Industry Sector 2019

In 2019, the region's largest employer in the tech sector announced anticipated layoffs due to a restructuring of the company to meet market challenges in a shifting competitive landscape. Initial reports indicated 10-15% of their workforce would be laid off in mid-

2019. With an extensive supplier network throughout the region, the potential impact to other businesses was pronounced. One supplier had already experienced two rounds of layoffs prior to the announcement. However, others had shifted their customer base to diversify and stabilize.

EFFECTIVE STRATEGIES

IMMEDIATE

- MCEDD coordinated an initial meeting of Oregon and Washington workforce and economic development partners following the announcement. As the employer operates on both sides of the river, workforce partners included Rapid Response workforce teams for both Oregon and Washington. Economic development partners also included individuals from both states, with county economic developers, industry alliance leads and individuals with the Governor's office/State Business Development offices participating. The importance of partnering bi-state and having a single bi-state resource and tools that can support a regional employer and workforce that crosses the state boundary was highlighted within this economic shock.
- Entities discussed hosting a job fair to retain talent/skill in the area from those recently laid off by a couple of manufacturers in the industry sector. Retaining existing talent is important to the region which has made continual efforts to recruit talent to fill highly skilled positions. The inability to obtain lists of individuals impacted by the layoff, however, hampered hosting a job fair. Instead, announcements on social media were circulated by partners.
- A previously coordinated meeting and tour with the lead for the Washington Governor's Sector Lead Director of Aerospace at Washington State Department of Commerce provided an opportunity for conversation on regulatory impacts of Federal Aviation Administration rules on the development of the commercial applications for unmanned systems. Economic development partners and the relevant industry alliance are following up with information on the impact as the region focuses on supporting the vibrant industry sector in the region.
- On an ongoing basis, entities are identifying opportunities for diversification and seeking resources. Columbia Gorge Community College established meetings

- with two major tech industry leaders to discuss training opportunities as their skill center programming is evolving.
- Messaging the strength of the industry and sector moving forward. Despite the fervor over the announcements, there remain key businesses in the industry and indications for continual/future growth.

CHALLENGES/GAPS

- Operating with limited information from the company and limited access to impacted workers required revisions to the typical process for response, particularly for the Rapid Response workforce teams.
- New staff/leadership at some resource entities required multiple points of contact. Ensuring agencies cross-train staff, especially in a transition point, is important.
- Even during disasters, bureaucracy can inhibit reasonable action and economic shocks can further strain relationships. Having the flexibility to act either in a leadership or partner role- depending on the needs of the circumstance- is important.

Overall Lessons Learned

- 1 Develop bi-state, cross-jurisdictional tools.** Materials to plan for and respond to economic shocks need to take into account the bi-state nature of business operations and workforce.
- 2 Adapt existing tools when possible.** For example, the Columbia River Gorge Oregon Investment Board's pilot program and the Ready Set Gorge platform were already in place, but adapted to meet the needs of the economic shock. Think creatively as to what is already available that can support immediate recovery activities.
- 3 Build local capacity in flexible access to capital.** Locally managed patient capital sources can usually be more immediate in response to a disaster/shock, which is critical for cash flow needs of businesses.
- 4 Coordinated messaging and a single pre-existing platform for resources are important,** as is awareness of that platform pre-, during, and post- event.
- 5 Focus on preparedness for businesses and communities before a disaster** to minimize adverse impacts.
- 6 Ensure tools developed can be adapted to new circumstances; geographic/industry specific issues.** For example, while the Eagle Creek and Substation fires were both disasters involving fire, the impacts to industry were very different and the tools needed to respond (and the agencies involved) were, by necessity, quite different also.
- 7 Mobilize resources and make them accessible.** A coordinated presence in communities is important for resource providers, as is having an easily accessible online portal for information.
- 8 Encourage collaborative problem solving and give deference to local knowledge,** which may mean a non-traditional lead entity responding to elements of a disaster. Actively work to identify and bring in new partners and ideas before an event and be flexible to new resources during an event.
- 9 Build organizational capacity and leverage resources to assess the economic impact of a disaster.** In each of the disasters referenced above, it was challenging to assess the full extent of the economic impact.
- 10 Consciously nurture networks and relationships.** A strong social fabric and strong connections between entities pre-existing an event allows for more immediate and more effective response during and after an event.

STRATEGIES TO SUPPORT FUTURE ECONOMIC RESILIENCE

Based on gaps identified in responses to past disasters, opportunities to build upon effective strategies the region employed in past disasters and expertise from outside economic resilience/

recovery guidance, this report outlines a set of recommended strategies to support enhancing future economic resilience. These strategies are divided into six major categories:

Planning/Preparation, Effective Communication Networks, Streamlined Regulatory Processes, Access to Capital, Workforce Support, and Infrastructure.





Planning/Preparation

Recommended actions for entities supporting economic resiliency:

Provide an easily accessible page on a regional website (mcedd.org) with tools and resources for business preparedness, including a checklist outlining business records that should be retained and updated regularly.

Promote existing training opportunities through the Small Business Development Center that provide businesses with step-by-step details on how to develop continuity and emergency response plans. Seek additional funding to further support dedicated preparedness trainings.

Identify and develop incentives that may be used to encourage businesses to coordinate with regional planning efforts and utilize planning tools available. For example, provide reimbursements for small businesses costs to engage in continuity planning.

Highlight businesses that have taken advantage of business preparedness resources to provide those that have not with a first-hand experience and lessons learned. Use formats successful in other efforts, such as:

- Develop written profiles to include in publications, newsletters websites. Model: MCEDD loan profiles.

- Develop short videos for an EveryBusinessReady campaign. Model: Everybody Rides/ Todos Arriba.

- Offer presentations from businesses. Model: Webworks.

Promote #ReadyBusiness and Business Resiliency efforts (e.g., in special campaign for small business week) via social media platforms.

Further develop the economic resiliency chapter in the regional strategy to include an action plan for business and economic recovery to outline strategies for recovery after a disaster and to strengthen the network of local businesses and the economic development community.

Restoreyoureconomy.org has guides, toolkits and webinars that can be referenced for more information.

Regardless of the type of disaster, businesses and communities should be prepared for a possible disruption to

their normal operations. Local officials, emergency managers, and planners should identify risks to their community

and take steps to reduce the probability of those risks impacting the community by developing mitigation strategies. Hood River, Sherman, Skamania, and Wasco counties have developed natural hazards mitigation plans and Klickitat County began development of a similar plan in early 2019. The plans establish a foundation for coordination among entities and citizens in the county and provide information on risk assessment, strategies for risk reduction, and an outline for mitigation efforts. The plans also make the counties eligible for federal funding for mitigation projects. Entities involved with economic development in a region, local government, and businesses should develop pre- and post-incident plans. MCEDD has worked with stakeholders in the region to identify steady-state and responsive initiatives to bolster the region's ability to withstand or avoid shocks and to be responsive to recovery needs after a disaster. Further efforts should include a business and economic recovery plan that outlines a collective vision for recovery, focusing on strategies for retaining businesses after a disaster and defining roles and responsibilities and including how to ensure operational capacity to support the defined roles during a disaster. These strategies and plans should also be updated regularly to incorporate new information or new priorities in the region.

As recommended by multiple interviewees, businesses should also do their own planning for possible disruptions or economic shocks. Interviewees also identified that businesses fail to prioritize this planning step despite a number of tools being available to them to support resilience and continuity. Without sufficient planning, businesses may struggle with making rapid decisions during a disaster, including decisions that affect employees, that will impact their ability to stay open or that will impact their ability to resume normal business operations. It is highly recommended that individual businesses develop a continuity plan that includes a risk assessment, identification of possible impacts or consequences to the business in the event of a disaster (including risks to their employees and supply chains), steps to mitigate risks, identification of critical business functions, and an emergency response plan to reduce the possible risks and impacts of unexpected disruptions to business operations. Businesses should be proactive in developing plans, practicing for potential disasters, and updating their plans regularly. They should also have complete planning, financial, and operational records that they are able to access. Businesses should also consider purchasing contingency insurance to cover economic losses generated by third-party risks not covered by primary insurance plans.



Effective Communication Networks

Recommended actions for entities supporting economic resiliency:

Convene a regional resiliency team to meet regularly to address resiliency issues. Incorporate this team into an existing meeting function (MCEDD board, Regional Solutions, County Economic Development Council) to assure continuity of gatherings. This team should have a communications plan and an action plan for communicating with others during a disaster.

Provide a central, online location with catalogued resources to connect businesses to various local, state, and federal programs and resources after a disaster occurs. This should be the same site as used for business preparedness (mcedd.org), to keep all resources in a single location.

Prepare a messaging toolkit that can be used by agencies and businesses during and after a disaster.

Focus on accessibility: Have materials available in both Spanish and English.

Focus on accessibility: In the event of a disaster, be prepared to mobilize resources to be on-site in communities for economic recovery activities.

Enhance education and outreach efforts to ensure that businesses are aware of the resources that are available to them.

Assess the economic impact of disasters to support decision making by communities and businesses. Pre-event: grow the capacity of local organizations to conduct economic disaster assessments and acquire necessary tools to support assessments. During/post-event: actively partner with organizations internal and external to the region that may be able to support assessments.

Effective communication is one of the most important components for the resiliency of any community. During the most recent update to the regional strategy, MCEDD's regional partners

identified the desire and capacity to work across jurisdictional boundaries and collaborate between entities as areas the region is doing well in addressing economic resiliency. Interviewees

indicated that the region is effective in creating formalized channels that are accessible to all; encouraging partnerships between different entities; pooling resources and distributing services to impacted communities more efficiently and effectively. Also effective were base camps for entities to gather and distribute official, current and accurate information between themselves and partners, and using a variety of ways to provide information and direct impacted business owners to the appropriate resources.



Recommendations for next steps include developing formal plans to enhance existing communication systems and creating or updating resources to be distributed to the community and businesses. Details related to distribution of information, to each other and to the public, should be included in the plan. It is important to line out how information about condition updates and available resources will be made accessible to everyone and distributed via multiple outlets. For example, an effective

communication strategy highlighted by interviewees was presenting information to the public in an open house event in the community that included a live streaming option for those who could not attend in person.

Since regular channels of communication can be disrupted due to breakdowns in physical and social infrastructure during a disaster, a communications plan should include details on distributing up-to-date information via multiple media channels. It should also include details for compiling information from businesses and providing information to businesses related to recovery efforts. One example would be to set up a resource center in the community during a disaster where businesses can meet with someone to discuss the status of their business, resources available, insurance claims, etc. Additionally, tools that provide details on support programs and resources, how to navigate them, and contacts at the local, state and federal level, such as those developed during the Eagle Creek Fire response, should be updated and housed in a common portal in preparation for a future event. These materials can be used in outreach efforts to ensure that people are aware of the resources available to them. Consideration should be given for translating these materials into Spanish as well.



Streamline Regulatory Processes

Recommended actions for entities supporting economic resiliency:

Identify and advocate for changes to agency regulations/ policies/ processes inhibiting successful recovery and future economic resilience.

-Begin with a focus on policies and processes hindering recovery from past disasters.

-Engage with the US EDA to clarify a pathway for more expeditious review of disaster funding applications.

Advocate for adjustments to regulations that prevent economic diversification or adoption and application of technologies in key industries. For example, regulations related to allowing commercial applications of unmanned systems.

Support efforts of local building/planning departments to prioritize expedited review of applications seeking to rebuild/rehab facilities/homes/infrastructure damaged in a disaster.

With two states, a National Scenic Area overlay and high percentages of federal land ownership, the level of regulations affecting economic development and recovery activities in the region is a significant concern. All five counties in the mid-Columbia region have zoning ordinances and land use comprehensive plans. Additional state and federal regulatory agencies also affect activities in the region. MCEDD's regional strategy has identified support for interagency coordination and streamlining of regulatory processes as key priorities to address economic

resiliency. It is also critical to address the utility of post-disaster regulatory processes and funding and advocate for updates based on community needs. The US Economic Development Administration has supplemental disaster funds available to areas impacted by disaster in certain years as identified by Congress in funding allocations. However, the eligible applicants are limited to those areas who have received an official major disaster designation and the application process/funding decision can be quite lengthy.



Access to Capital

Recommended actions for entities supporting economic resiliency:

Build the Business Recovery/Emergency Loan Fund: Advocate for more funding into locally managed capital access programs that provide quick and easy access to capital during a disaster with expedited application review and low interest rates. Grow the Columbia River Gorge Investment Board and MCEDD emergency loan programs.

Review the application/process for business recovery loan funds to further streamline the application and process.

Host a meeting for a consortium of local lenders to identify resources that can be leveraged to support businesses in future economic disasters.

Enhance community-based business recovery fund programs. Establish a general business recovery fund with the Gorge Community Foundation. Support local fundraising efforts (such as Wyeast Fire Fund and Cascade Locks Strong), offering a regional nonprofit umbrella through FourRivers Community Corporation as a mechanism if needed.

Provide technical assistance to navigate federal programs and support businesses in securing capital. The Small Business Development Center is generally well situated to provide this type of assistance.

During a recovery phase after a disaster, it is important to understand and support the immediate financial needs of businesses in the region that will help them maintain critical business functions and replace critical equipment and inventory. Having capital that is quickly and easily accessible is a key component in helping businesses recover or maintain critical business functions during a disaster. As small businesses are often the most financially vulnerable in the event of an economic shock, a focus on enhancing resources-

and providing assistance to- is recommended.

The mid-Columbia region has excelled in strategically growing capital in locally-managed flexible financing tools available through MCEDD and associated entities, including the Columbia River Gorge Oregon Investment Board. Adapting the pilot loan program through the Investment Board and increasing funding into a similar model for MCEDD allows a small level of financial capital that can be used in future economic disaster

recovery. The region also has an advantage in being able to use pre-existing structures, such as the Gorge Community Foundation and regional nonprofits, to support additional financing models for emergency business needs. Finally, a well-established technical assistance network, with supports through Chambers and the Small Business Development Center, has the expertise to help businesses navigate through federal programs, when available.

The region has areas for improvements related to ensuring sufficient access to capital in order to be more resilient in the event of future economic shocks. Increasing funds in the recovery/emergency loan fund is key

and there is an opportunity for multiple entities (including states, federal programs and commercial finance institutions) to play a role in building this fund. Additionally, financing in the form of a low-interest loan will not meet the needs of businesses heavily impacted by a disaster. Addressing the need for alternative funding models, with consideration for a regional campaign to establish a general business recovery fund that is available before disaster strikes, is an opportunity to explore through existing mechanisms (e.g., Gorge Community Foundation). It is extremely challenging, however, to ensure these funds are targeted appropriately and do not disincentivize good planning/preparation/insurance.



Increasing funds in the recovery/emergency loan fund is key and there is an opportunity for multiple entities (including states, federal programs and commercial finance institutions) to play a role in building this fund.



Workforce Support

Recommended actions for entities supporting economic resiliency:

Provide support to transition trained, skilled employees to other industries during a disaster to avoid losing talent out of the region.

Explore options, in collaboration with workforce agencies and economic development organizations in Oregon and Washington, to address gaps in unemployment benefits for all workers.

Assess options to alleviate the financial burden of increases in unemployment insurance to employers related to temporary layoffs triggered by a disaster. A regional business recovery fund as noted in the access to capital section (e.g. through Gorge Community Foundation) may be a method for targeted distribution of funds.

Incorporate mental health providers in the event response team when meeting with communities/individuals/businesses to offer services in response to economic shocks/disasters.

The region recognizes the critical role of a qualified workforce in addressing sustained economic growth of the region. During a disaster, if businesses cannot maintain current operations or are forced to close, they will likely have to reduce employee hours or lay off employees. It is critical for the region's stability and resiliency to identify resources that can support those who are temporarily or permanently out of a job. As noted during interviews, there is a deficiency in unemployment benefits for employees unable to work due to a disaster that disrupts their employer, especially for part-time or seasonal employees. Without resources to

support them, these employees are likely to look for employment outside of the region. Continuing efforts to diversify the workforce and support business development creates more opportunities that will allow displaced workers to stay in the region and for the region to retain its skilled workforce. For example, when there was a building fire in a local fruit processing and packing company that temporarily closed the business during a peak season, others in that industry sector provided support to the company in fulfilling its obligations and providing employment opportunities for affected employees.



Infrastructure

Recommended actions for entities supporting economic resiliency:

Prioritize funding for critical infrastructure enhancements. Conduct a cost/benefit analysis to explore essential or nonessential and determine where infrastructure investments should be made to better withstand future disasters.

Advocate for building redundancy into infrastructure, specifically broadband and transportation systems.

Engage in regional efforts to enhance communications mechanisms, including radio and cell. Coordinate efforts through the Gorge Broadband Consortium.

Provide technical assistance for small districts (e.g., local volunteer fire districts) seeking funding to enhance their communications infrastructure.

Support entities in establishing and maintaining backup power systems, particularly critical institutions such as hospitals and emergency shelters.

Provide training for small cities infrastructure needs, with incorporation of resiliency components. For example, the Wasco County Economic Development Commission is working with the Rural Community Assistance Corporation to develop training for small cities in Wasco County.

While some jurisdictions in our region have sufficient infrastructure to meet current demand and future needs, many facilities or structures are aging and need upgrades. Some have reached or are exceeding capacity and overuse will ultimately limit productivity and livability for the region. MCEDD's regional strategy highlights prioritization of key infrastructure for funding to support enhancements to

systems, increased access to resources and opportunities for residents, and resiliency. The strategy recognizes that the region increasingly has been faced with infrastructure concerns, but has also been highly innovative in our approach to dealing with these constraints. During a disaster, infrastructure limitations will play a key role in the region's ability to respond and recover, specifically for hard

communication networks, transportation, and utilities. The same prioritization for infrastructure needs and innovative solutions are needed during disaster response and recovery

efforts. In addition, including backup systems and building in redundancy to our critical infrastructure will help maintain operations during a disaster and help alleviate impacts.

Effectively addressing infrastructure limitations will play a key role in the region's ability to respond and recover.



CONCLUSION

Given the close tie between economic prosperity and resiliency, it is important for local governments, economic developers and businesses to be engaged in planning for, and implementing, resilience strategies.

As discussed throughout the report, taking preventative measures is a key strategy in reducing the level of risk to infrastructure, business operations, and property from economic disasters. Other critical, proactive strategies include coordinating regular meetings of communication networks; addressing regulatory processes that impede

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development, including those that affect the workforce; prioritizing enhancements to infrastructure; and supporting businesses in enhancing their capacity (preparation, financial) to withstand a variety of economic shocks. Several recommendations for actions to support these strategies are steady state and will require long term support, including industry diversification, advocating for more funding and better unemployment benefits, and streamlining regulatory processes.

Recommendations for immediate actions:

- Develop a central, online location with catalogued resources to connect consumers and businesses to various local, state, and federal programs and resources after a disaster occurs. *Ensure the resource covers the bi-state region.*
 - *Develop visually stimulating one page guide documents to support preparedness and to distribute in the event of a disaster.* Enhance education and outreach efforts to ensure that businesses are aware of the resources that are available to them.
 - Promote training for businesses to develop continuity and emergency response plans.
 - Develop a business and economic recovery plan focused on business retention and collaboration.
 - Convene a regional team that will meet regularly to address resiliency issues.
 - Advocate increasing access to capital during a disaster.
 - Support entities in establishing and maintaining back-up power systems, particularly critical institutions such as hospitals and emergency shelters.
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Local businesses are the economic backbone of many communities in the mid-Columbia region, and consequently the economic success of local businesses serves as a reflection of the overall vitality of the region.

An emphasis on proactive rather than reactive efforts will ultimately reinforce the capacity of local communities to recover and maintain economic resilience into the future.

