



Economic Recovery – Short Term Recommendations

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Disclaimer: The British Columbia Economic Development Association (BCEDA) has been engaged by Community Futures Boundary (CFB) to develop and implement the Economic Disaster Recovery Program (EDRP). The goal of the EDRP is to provide the community with relevant information and additional resources to help restore the economy in the short and longer-term. BCEDA neither warrants nor represents that the information contained in this report is accurate, complete, sufficient, or appropriate for use by any person or entity other than CFB or for any purpose other than set out in the Engagement Agreement.

Introduction

The goal of the Economic Disaster Recovery Program (EDRP) is to provide the community of Grand Forks and surrounding area with relevant information and additional resources to help restore the economy in the short and longer-term. The program helps to answer questions many community leaders have asked in the wake of the flooding.

- What are the unmet needs of the business community?
- What is currently not addressed by existing programs (i.e. Disaster Financial Assistance)?
- How do we create and implement effective economic recovery efforts?
- How can we best support our local business community?
- How can we increase awareness that our community is open again for trade and investment opportunities?
- How can we help our community better position itself to inform domestic and international tourists that the region is once again an attractive tourist destination?
- What programs can we put in place locally and regionally to assist small and medium sized enterprises (SME's) to be globally competitive again and reach critical customers?
- How can our community create a pre-disaster preparedness plan that will better define roles and action steps for economic recovery stakeholders should a disaster happen again?
- How can our community be better and stronger than it was before?

This report focuses on the short-term programs and initiatives that can start to answer the above questions and to assist the community in their economy recovery efforts. This report is based on the knowledge, experience and insights of those involved in the May 2018 flooding. BCEDA and the EDRP team members would like to thank all the stakeholders who provided input into this report for their openness and commitment to continuous improvement, in particular, those businesses who took the time from your own individual recovery efforts to meet with us and share their stories. This report is a testament to the individuals that demonstrate remarkable resourcefulness, compassion and resilience in response to this devastating event.

Local governments play a critical role in emergency management. Local Government Staff are often the first to respond to emergencies, while federal and provincial governments are involved in emergency planning, the operational activities that address emergencies and the impacts that they create are addressed locally. This report will recommend specific programs or initiatives that local government can implement in the short-term while addressing how the provincial or federal government can play a role in the ongoing recovery efforts.

This report is not what could or should have been done. It is about addressing the immediate economic recovery needs for Grand Forks and area and to identify recommendations that can be implemented

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within a short timeframe – less than six (6) months. Economic recovery is a long-term process and can take several years to achieve. These immediate and short-term recommendations are to provide initial actions that can be undertaken to help start the economic recovery process and overcome immediate challenges. The EDRP will provide additional medium and long-term recommendations following a second team visit to the community in September.

Economic Recovery Efforts to Date

The Regional District of Kootenay Boundary (RDKB) and the City of Grand Forks (CGF) have developed a framework for assessing, planning, implementing and reporting on priority flood recovery issues over the next two years. Five pillars have been identified (Appendix A):

- Infrastructure
- Housing & Land Use
- Economic/Small Business
- Human Dimensions
- Environment and Stakeholder Support

This report falls within the Economic/Small Business Pillar. Community Futures Boundary (CFB) is the lead organization and quickly reacted to the needs of business and has provided ongoing programming and support. To date CFB has completed:

- **Business Development** – worked with existing clients to provide payment relief and additional loan funds. Approximately \$300,000 has been disbursed.
- **GoFundMe/Short Term Funding** – CFB played an integral role in setting up and distributing funds from various GoFundMe accounts. Funding to date exceeds \$130,000.
- **Economic Development Remediation Processes** – CFB contracted with BCEDA to bring in an Economic Disaster Relief Team. BCEDA reached out to the Insurance Bureau of Canada who met with businesses struggling with insurance claims on June 25th.
- **Work BC/Employee Supports** – CFB Case Managers have been working with individuals who have been out of work, laid off as a result of the floods, and others who are looking for a career change.
- **Business Recovery Committee** – The CFB, Downtown Business Association and Chamber have formed this committee to discuss initiatives, move forward with short-term event planning and marketing strategies.
- **Rural Dividend Projects** – Discussions with the Province regarding the Community Centre/Resiliency Centre project along with other potential projects.
- **Business Loans** – CFB has indicated that they have already processed 18 loans since the flooding which is higher than what they would normally process in a year.

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CFB is the contracted service provider for economic development and their immediate response and the value of their work for economic recovery is to be commended. The recommendations contained in this report are meant to support the work CFB has already undertaken and needs to be considered by external stakeholders (City of Grand Forks, Regional District of Kootenay Boundary, Province of BC, etc.). Success will only be achieved if all parties act collaboratively and with the same goals for economic recovery.

Economic Disaster Recovery Program

The role of the EDRP is to work with communities affected by disasters and to focus on meeting the needs of the business community. This is done by gathering information on the current economic situation from the community utilizing a variety of methods, including stakeholder meetings and one-on-one interviews with local businesses. The EDRP consists of a volunteer member team with unbiased expertise in disaster recovery and economic development who are deployed into the community to begin information gathering and identifying potential opportunities for future actions to assist the community with its immediate, short, medium and long-term economic recovery efforts.

The initial EDRP team for Grand Forks consisted of six external, unbiased and highly-skilled economic development practitioners to lead and participate in this critical first community visit. These individuals possess experience ranging from “on-the-ground” recovery experience and strong economic development skills and knowledge including entrepreneurship, international trade and investment, agriculture, workforce development, community development, resiliency planning, tourism, marketing and overall economic recovery.

The team’s first visit to Grand Forks was June 25 – 27, 2018 to collect the information necessary to develop immediate and short-term recommendations. The team will be expanded to include additional members with economic recovery experience and revisit the community in September to collect additional information and develop medium and long-term recommendations for economic recovery.

Economic Disaster Recovery Program Team Members:

- Dale Wheeldon, President and CEO, BCEDA and EDRP Project Lead
- Jim Anderson, Executive Director Venture Kamloops
- Colleen Bond, Partner, EDCD Consulting
- Brian Coombes, President, Chilliwack Economic Partners Corporation
- Ingrid Jarrett, Principle, IJ Management Consulting
- Sue Kenny, General Manager, Community Futures Peace Liard
- Larry Olson, Regional Manager, Ministry of Forest, Lands, Natural Resource Operations and Rural Development, Province of BC

Engagement Process:

Prior to the community visit EDRP team members were provided with a briefing document and other supporting materials including relevant reports, correspondence and studies completed to date. *Note:*

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the first visit was in the early days of economic recovery and existing data or statistical information on the impact was a challenge to find.

The EDRP Project Manager worked closely with CFB to develop a schedule for the community visit:

June 24 – 27, 2018 Engagement and Consultation

- Initial briefing with CFB
- Tour of community with focus on impact areas

- Individual and confidential meetings with stakeholders and businesses
 - Downtown Business Association
 - Chamber of Commerce
 - Visitor Information Centre
 - City of Grand Forks Council/Red Cross/RDKB
 - Christina Gateway Community Development Association
 - 25 individual businesses
- Debrief with CFB regarding overall findings and discussions on report recommendations

Stakeholder Feedback – What We Heard

The community engagement process involved meeting with individual stakeholders and businesses along with community representatives from various organizations, agencies and local government. This section reflects the feedback our team received during the engagement process. The comments and concerns we heard were unfiltered and provided the opportunity for those affected by the flooding to express their thoughts freely and without judgement. During our discussions there were both negative and positive comments. It is important to remember that any criticism is not meant to be interpreted as pointing blame but rather should be used to improve recovery actions should any future disasters occur.

Communications:

Local officials and community stakeholders expressed concern and frustration with the communication process during and post-flooding. There was a lack of reliable communications during the flooding and many stakeholders stated the post-flooding communication has been extremely limited. The businesses expressed high interest in having communication increased, having the City come and visit them, and hearing about what are the mitigation plans.

Capacity Challenges:

CF has taken the lead for economic recovery and has ramped up and implemented a number of programs to immediately respond to local business needs. However, they cannot do it alone. It is clear capacity for economic recovery is severely stretched and it is only a matter of time before the resources – financial and perhaps more importantly human – are exhausted.

Business Supports:

Small businesses are often more vulnerable than large businesses in the wake of a disaster. There are usually immediate needs for working capital to meet payroll, replace damaged inventory and equipment and fund other operational costs. All these challenges were heard from local businesses and many expressed a concern that they may not be able to get their business back up and running.

Insurance and Disaster Financial Assistant Program:

There was a general lack of understanding or confusion surrounding insurance and the eligibility process for the Disaster Financial Assistance (DFA) program. The majority of businesses we met with had insurance issues including no insurance, confusion with interpreting policies and benefits, disparity over settlement amounts, inadequate, insufficient or inconsistent policies for individual businesses, lack of response from insurers and lack of business interruption insurance. In addition, many businesses had not yet applied for the DFA while those that had applied are still waiting for approval. There were some businesses that have been rejected by DFA with the explanation that they could have applied for insurance. At the time of the EDRP visit, DFA was still considering a number of applications, and were trying to be sensitive to the fact that while some businesses would have been eligible for flood insurance, they had not been informed of this option.

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Business Retention:

According to the Institute for Business and Home Safety, at least one in four businesses will not re-open after a catastrophic event for many reasons. These business closures can have a significant impact on a local economy and the community's recovery. The businesses expressed a lack of connection with local government with most commenting that there was little or no interest in what local business contributes to the community and what their challenges and issues are.

Specific Concerns Heard:

- Lack of communication between City and businesses – unclear of what the next steps are – no two-way, accurate, clear, consistent communications on multiple subjects
- Little or no assistance from the City/Regional District
- Process for deferment of payments (i.e. property taxes, utilities, etc.) is critical
- Does the City have a plan in place should this happen again
- Little or no assistance from the Province – economic assistance is seen as being significantly less than the wildfires in 2017
- No single source of reliable, accurate and up-to-date information
- Lack of suitable access to information
- Insurance brokers advising flood insurance not available while other businesses had no problems getting it
- Can't wait for insurance or any other assistance – have taken on more debt to remediate their business
- Little or slow response to insurance issues
- Lack of understanding the economic loss of individual businesses
- Lack of understanding of the economic loss within the community
- Majority of businesses felt they were not a priority to the City – feeling of alienation and the municipality not being business-friendly
- Lack of community vision
- No marketing campaign in place – “open for business”
- No signage to get people into the downtown
- Lack of awareness of any programs that may be applicable to their recovery
- Perception that there are no programs available and lack of any funding availability
- Disaster Financial Assistance process is slow moving and no assistance for the process
- Majority of businesses do not have a business plan or business continuity plan
- Businesses eager to learn how to be more resilient
- Business and personnel burn-out with no resources available to assist
- Lack of available and immediate cash flow

Recommendations for Economic Recovery

This section provides the recommendations that should be implemented in the immediate or short-term (within six months). These recommendations are based on the review of recovery efforts to date, community engagement, and other input received since the team's community visit. These recommendations are for economic recovery.

Capacity

It can be argued that Economic Recovery following a disaster is one of the most critical pillars of returning the community to a level of normalcy. In order to adequately perform essential activities associated with economic recovery it is important to know that you will no doubt need to increase current capacity of those agencies responsible for implementing recovery plans and for communicating with businesses on generating economic activity. Capacity is not limited to just human capacity but also to financial capacity. Failure to address capacity will result in the loss of economic recovery and future opportunities for business investment.

Business Recovery and Transition Manager

The Business Recovery and Transition Manager (BRTM) will provide program management and business development support. The main role will be to ensure the recommendations approved within both the Short and Long-Term Economic Development Plans are implemented. The BRTM will be a newly created full-time position under the direction of CFB and should be in place for a period of no less than three years. The position should also report to the Regional Manager of the Regional Economic Operation from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development as the lead provincial agency for economic recovery. The position is expected to lead and coordinate ongoing economic relief and recovery programs and provide day-to-day support to the business community within the region. Duties and responsibilities of the BRTM will include:

- business engagement services including ongoing needs assessment and assistance with accessing resources for local businesses
- oversee the implementation of the short-term economic recovery plan
- oversee the implementation of the long-term economic recovery plan
- identify opportunities for local business sustainability and growth
- ensure regular monitoring and modification on ongoing programming
- prepare relevant reports on activities, indicators and achievements
- develop and maintain effective coordination with external stakeholders including all relevant agencies and organizations, government departments and ministries, community-based organizations and partners

The BRTM will act as a “one-stop shop” to meet the needs of local businesses. The position will serve an important role in assisting impacted businesses with critical recovery information and resources. The position also can serve as an important post-disaster focal point for the multitude of economic recovery

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stakeholders to integrate their business assistance services in a single spot to avoid duplication of effort and conflicting or confusing guidance to local businesses.

Business Recovery and Transition Advisory Team

While disasters create a chaotic environment that can make communication and partnership difficult, remember that no one organization can be the solution for complete recovery. Economic recovery is a team effort and requires cooperation among multiple economic development entities. The Team will discuss services and identified programs being considered or already under implementation to meet local business needs. The Team will also manage communication programs with businesses about recovery efforts, conduct and review disaster assessments and oversee the community's business recovery efforts. Failure to coordinate activities will result in unnecessary confusion and duplication, and frustration amongst businesses who just want to see recovery occur and the return of economic normalcy. The Team should be managed by CFB and consist of the following individuals/organizations, plus others that may be involved in "Economic" recovery in one form or another:

- Business Recovery and Transition Manager (Lead)
- RDKB Recovery Manager (to report on the other four pillars of recovery)
- Chamber of Commerce
- Downtown Business Association
- Regional Manager, Ministry of Forest, Lands and Natural Resource Operations and Rural Development, Province of BC
- RDKB Regional Agriculture Committee
- City of Grand Forks, Deputy Manager of Operations and Sustainability
- Christina Gateway Community Development Association
- Visitor Information Centre

Business and Downtown Improvement Coordinator

The downtown area was severely impacted by the floods and recovery in the area continues to be a challenge as approximately 40 businesses are still closed, other have reduced hours and local customers and visitors are not shopping in the downtown as they have in previous years. There is a need to increase capacity to stabilize and resume normal activity not only in the downtown core but for all business areas.

The Downtown Business Association (DBA) is a volunteer-based organization and represents approximately 130 businesses in downtown Grand Forks. The DBA was restarted in May 2016 and focuses on supporting events to attract residents and visitors to the area. The Boundary Country Regional Chamber of Commerce (BCRCC) has one staff member and a mandate to market Boundary Country to visitors and promote area businesses and communities through publications, events, advertising and publicity.

Businesses, particularly those in the downtown area, are looking for initiatives that will tell visitors and locals that Grand Forks is open for business. For the initiative to be successful there needs to be

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expanded capacity. It is recommended that a coordinator be hired to focus on increasing customers to the downtown and other business areas, to implement initiatives including:

- shop local
- coordination of events,
- encouraging the relocation of the Farmers Market to the downtown
- use of social media and other promotional methods

The position should be funded for two years during which time efforts must be put into place for revenue generation that will continue to support the position. The Coordinator position will take direction from CFB and will provide feedback and suggestions to the Business Recovery and Transition Advisory Team.

Regional Economic Development Advisory Committee

CFB receives annual funding from the City of Grand Forks and the RDKB as the contract agency for delivering economic development services. During the engagement process there was discussion regarding how the regional approach to economic development could be enhanced. It is recommended that a review of the existing program be completed and that a new regional structure be considered. The review would look at various options for structure and program delivery which would still likely remain with CFB. It is important when establishing a working economic development structure that it be done strategically and that a broad cross section of the economic sectors be engaged and involved. This review will consider the best ways in which to ensure that a regional function is as inclusive and as effective as possible. Given the current delivery of economic development services in the RDKB the following areas should be considered during this review:

- Area 'C'
- Area 'D'
- Area 'E'
- Area 'E' - Big White (tentative)
- Grand Forks
- Greenwood
- Midway

In addition to area representation it is important that the private sector be involved in economic development activities for the area. Successful economic development committees and boards have sector representation that provide information and input regarding key sectors to help identify growth opportunities and industry trends and needs.

By doing this review now, instead of as part of the long-term recommendations the work can be completed to align with the 2019 budget for both the City of Grand Forks and the electoral areas of the RDKB.

Business Recovery

Businesses are hit hard by catastrophic weather events. According to the Federal Emergency Management Agency (FEMA), nearly 40 percent of small businesses never reopen following a natural disaster, which can have a costly impact on their physical space, employees, customer base and more. For a small community like Grand Forks the loss of one business, never mind a large number of businesses will have a large impact on the community's ability to recovery from the disaster. Small businesses are the largest employer of any community and the loss of these jobs will result in fewer residents, less taxation, and less income by local residents who businesses depend on to operate.

Revitalization Zones

With the disaster comes opportunities to improve existing facilities to better serve customers and to improve the look and appearance of an area. With this though also comes a potential increase in property values which could result in an increased expense for property taxes. This could discourage some business owners and residents desire to improve their property. For those that do improve properties it could come as a surprise when the tax bill increase is substantial due to the property improvements.

Section 226 of the Community Charter provides authority to exempt property from municipal property value taxes. According to the Community Charter, a revitalization program may apply to a small area or areas, a certain type of property or properties, a particular activity or circumstance related to a property or properties, or an entire municipality. The District of Logan Lake took the proactive step to encouraging revitalization of older residential areas as well as commercial and industrial areas by designating the entire community as a revitalization zone.

Grand Forks needs to consider designating the entire community as a revitalization zone, or at least at a minimum the downtown and the areas where the hotel and campground were located across the bridge. The Revitalization Tax Exemption should be established to allow for up to ten years of tax exemption or at a minimum of 5 years with a 20% increase per year until year 10 when the taxes would be based on current assessed value. Special permission will need to be requested from the Minster responsible to allow for the retroactive granting of a Revitalization Tax Exemption for those businesses that have already started reconstruction.

The Revitalization Tax Exemption should not be considered as a loss of revenue for the City as the businesses will continue to pay the same taxes on the assessed value before the flooding, instead of on the value following the improvements. It is an easy and affordable way to show support for redevelopment of the community and allows for future planning based on projected new revenues.

City of Grand Forks and RDKB Business Financial Relief Program

Communities are often unprepared for what happens after a disaster and there is typically no plan in place for economic recovery and bringing back stability to local businesses. Yet small businesses are often the backbone of a local economy. These small businesses provide essential items such as groceries, gas, childcare, and health services in a local community. Often the culture, character, and the spirit of a town is entwined with the small business community. Given the contributions of small

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business to the local economy and quality of life there needs to be significant efforts in place to ensure small businesses are able to get back to doing business as quickly as possible and to providing a sense of normalcy for the community after a disaster.

There are a number of actions that can be implemented to provide immediate relief to impacted businesses. Although these recommendations are focused on businesses it is important to note that they can also be provided to residents. It is recommended the City develop a Business Financial Relief Program that will include:

- Waiver of disconnect and reconnection fees for City of Grand Forks utilities
- Waive or defer City of Grand Forks property taxes

FortisBC Natural Gas and Electricity Billing Relief

FortisBC has a reputation of being a company that respects the needs of businesses and residents impacted by natural disasters. This was demonstrated during the wildfires of 2017 with the support of the BCEDA Business Hotline and with the eventual credit for charges incurred during the period customers were under evacuation orders. For impacted natural gas customers, this included the basic, commodity, storage and transport and delivery charges. For impacted electricity customers, this includes the prorated monthly customer charges and applicable per kilowatt hour charges. In both cases, this includes all consumption charges incurred during the evacuation period. FortisBC also paused collection-related activities for customers in these regions, including calls to customers to remind them of outstanding amounts and are waiving late payment charges on impacted accounts.

FortisBC as a publicly regulated company must apply for approval from the BC Utilities Commission to provide this type of credit. The RDKB and the City of Grand Forks should make a formal request to FortisBC to offer the credit, including any other additional hook-up fees, for Natural Gas Customers and those businesses, farms and residents impacted by any electrical charges (those located outside of the City owned Electrical Grid). Businesses located within the City of Grand Forks would not be eligible for a rebate on electrical charges as this is managed by the City.

Business Assessments and Economic Impact

As businesses move from response to recovery there now is a need to collect comprehensive information on the economic impact of the flood. Immediately after the floods the DBA did an informal survey of its members. Of their 130 plus members 35 businesses responded and of those only ten businesses were able to estimate their anticipated loss. Based on the limited data available the long-term loss was estimated by the DBA was \$294,000 (average of approximately \$30,000 per business). During the EDRP teams visit in June businesses were asked to estimate their economic loss. Many of the businesses were still unable to determine their revenue loss, costs of repair, etc., but of those who did the economic loss totaled in excess of \$6,000,000.

It is clear that additional data needs to be collected to fully determine the economic impact of the flood. This can be accomplished through business assessments to collect data and quantify the economic loss.

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The assessments will also be used to provide a gap analysis of support programs and other resources that should be available. In addition, the information can provide the government with reliable data on business impacts and can provide the information necessary for government support programs and funding. The assessments can be done utilizing a number of methods to ensure as many businesses have the opportunity to participate including in-person interviews and online survey tools.

BCEDA has a comprehensive survey database that is designed for economic disaster recovery. In combination with the ExecutivePulse platform, a web-based business retention and expansion CRM, BCEDA is able to take the information collected to create customized reports and map the data (geographically). The comprehensive reports can then be prepared using aggregate data by sector or other user defined methods. This program was used in other disasters in BC and Alberta, including Burns Lake, BC Wildfires 2017, Southern Alberta Flooding 2013, and the Fort McMurray fire of 2016. The program is used by the US Economic Development Administration and the International Economic Development Council during the disasters that have impacted many states, including Texas, Florida and the US Virgin Islands.

CFB has a license to BCBusinessCounts which utilizes the ExecutivePulse platform. It is recommended BCEDA work with CFB and the BRTM to utilize the BCBusinessCounts program to complete business assessments. The information collected will be available to be used for future BRE projects and help gauge the level of recovery in the years ahead. In addition, the program can map where the ongoing challenges may be in the community.

Short and Long-term Business Support

Immediately following a disaster, businesses face the need for working capital to meet payroll, replace damaged inventory and equipment, and fund other operations costs. Yet, small businesses are the ones with the most limited amount of resources. They are often in the position to need financing in the most expedited manner, and yet they struggle with capital access due to a host of reasons including lack of financial documentation, collateral, credit issues and being perceived as not bankable. In the immediate weeks and months following a major crisis, small businesses are in desperate need of working capital to get back up and running.

After the wildfires in 2017, the provincial government provided funding to small business owners who suffered financial and business losses. The fund was established through the Canadian Red Cross and provided phase 1 support of \$1,500 to each eligible applicant and phase 2 provided a maximum of \$18,500 for eligible businesses.

The impacts on Grand Forks and area businesses were substantially different than those of the wildfires. For example, the majority of businesses experienced a loss of business only during the time of the wildfires whereas the businesses in Grand Forks and area experienced considerable physical damage resulting in significant loss of business due to a much longer recovery period. Of the 130 businesses in downtown Grand Forks approximately 40 are still closed due to flooding damage. That translates to nearly 1/3 of all downtown businesses still closed. When looking beyond the downtown core the number of businesses still closed increases, and many of those will remain closed for up to a year or

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more. Some businesses have accessed the DFA, some were insured for the impacts while others have been deemed ineligible for insurance. This has placed many businesses in a difficult position with no ability to plan for the future or to restart operations. While it is fair to say that businesses could have purchased insurance many were not even made aware that insurance was an option. Insurance will also only cover the loss during the closure and potential repairs. It does not cover the long-term impact of the perception that downtown was destroyed and is closed. Perception has a long-term impact and support will be required to help these businesses remain open and sustainable.

There needs to be a clear understanding of what individual business loss is and the overall impact on the community. The information collected from these business assessments can help to approach the provincial and federal governments as well as the private sector and other agencies with a firm request for funding or programs to assist affected businesses. The assessments need to be completed as quickly and as thoroughly as possible to allow for the appropriate asks to be made to the external agencies.

In the absence of any current agreement with the Red Cross to provide short and/or long-term business financial supports, Community Futures Boundary is asking for funding for business in the Boundary that have been impacted. The approach would be similar to a “trust” with a portion being invested to ensure longevity and the rest being distributed to businesses utilizing a case by case approach. This approach is similar to one recommended by BCEDA following the flooding in Southern Alberta. BCEDA suggested that a trust fund be established for business supports in either the way of loans or grants or a combination of both. The fund would be managed by BCEDA, or some other external organization, only to be used in the event of a natural disaster. No matter what the format is it is important in managing the disbursement of funds that a local organization be worked with to know the local circumstances which will be unique to every community. *(note: Community Futures Boundary has suggested that \$1.5 Million is needed for the Small Business Supports, however this is not based on a complete assessment of the needs. Once the assessment and economic impacts are determined the funding amount can be better determined).*

It is also recommended that the Province of BC and perhaps Western Diversification could establish a loan guarantee program for businesses that may have been in financial difficulty prior to the flooding to compliment the support program.

Insurance and DFA Workshops

Businesses expressed significant frustration and confusion surrounding insurance and the DFA process. The majority of businesses we met with had insurance issues including no insurance, confusion with interpreting policies and benefits, disparity over settlement amounts, inadequate, insufficient or inconsistent policies for individual businesses, lack of response from insurers and lack of business interruption insurance. The businesses also expressed a need for a better understanding of DFA, their eligibility, the process including application through to approval.

To help businesses better understand insurance and DFA issues it is recommended that workshops be developed with no charge to attend. There should be a number of workshops scheduled throughout the

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short-term that allows for the maximum number of businesses to attend. For example, the workshops could be held over a 3 – 5-day period with both morning, afternoon and evening workshops. During the time in between the workshop sessions individual one-on-one meetings could be held with businesses and in partnership with the Insurance Bureau of Canada and DFA representatives. Workshop topics should include:

- Insurance basics
- Insurance risks and options
- Claims process
- Insurance resources
- DFA process

Monthly Business Recovery Workshops

Though insurance was a major concern for businesses there are other recovery issues for businesses to consider. Workshops to address both common and unique recovery issues to local businesses should be developed and delivered. Workshop topics should be modified on a monthly basis and should include relevant topics that will assist businesses to increase their recovery time period, build resiliency and identify opportunities for growth. Workshop speakers should include representatives from local, provincial, federal and topic “experts” such as accountants, lawyers, etc. These representatives should be invited to make presentations and answer questions from impacted businesses. The workshops can be implemented on a relatively small budget and can serve both a local and regional audience. Promotion of the workshops can be done in partnership with other agencies including the DBA and Chamber. Topics for workshops can include:

- Building Business Resiliency
- How to Prepare Your Business for a Disaster
- Financial and Taxation Impacts after a Disaster
- Rebuilding and Marketing Your Business
- Succession Planning

Communications and Marketing

Communication is always compromised in a post-disaster situation. The lead economic recovery organization, or multiple economic recovery organizations, play(s) two important roles in communicating with businesses in a post-disaster situation:

- Listening to businesses to understand their needs
- Quickly disseminating relevant information to businesses regarding available resources and service providers who can help with cleanup, financing, and rebuilding efforts

Communications Programs

The lead economic recovery organization, Community Futures Boundary, with its partners, will need to develop a two-pronged communications and media plan for the recovery process. This communications plan includes information directed at an internal audience (within the community) and messages directed at an audience external to the community. In a post-disaster response environment, communication to businesses should be frequent, consistent, and provide useful information to help businesses and other economic recovery stakeholders to rebuild. Lack of information compounds an already stressful situation and gives the impression of a vacuum in leadership. It is recommended that the following steps be taken to increase communications both internally (local) and externally.

1. **Website Landing Page – www.grandforksresiliency.org**

Businesses will need access to critical information for their own recovery process such as the city's inspection and rebuilding requirements, a list of local licensed contractors, how to select and pay a contractor, how to deal with insurance companies and more. Businesses, particularly small businesses, also need information on how to navigate local, provincial and federal government assistance programs, such as the DFA, Agri-Recovery, as well as any other programs from government or the private sector that may be available. They also need to be aware of the location and services of an Economic Recovery and Transition Manager in order to seek out assistance when needed.

Local business leaders also need to be aware of response efforts being undertaken for recovery and rebuilding the community, including the replacement and mitigation efforts to ensure that the chances of the disaster happening again are being reduced. Even when decisions about the response or recovery process have not yet been made by local, regional and provincial government, it is still important for local officials to communicate with community stakeholders about the progress rather than to provide no information at all.

A website that pulls together information from all five pillars of recovery will allow for all aspects of the community to be well informed of the progress and can increase the awareness to an external audience of the work being done to build a strong and sustainable economy for the region.

2. Social Media Campaign:

Social Media can be a powerful tool for the region to use to highlight the efforts being undertaken to support business and the overall economic recovery of the community. Using social media to announce business reopening's, advertise various events, business workshops, etc., can help to make sure local residents and businesses are aware of what is available. It can also be used to drive visitors to the community – even those curious people who just want to see the damage will spend money and time in the community – and will be surprised to see the incredible recovery of the community.

The Visitor Information Centre has students that could be used to launch an initial Social Media campaign during the summer.

- **Facebook** – Use Facebook to highlight current and future events, announcements of businesses reopening and anything else that shows the community in a positive light.
- **Twitter** – Use Facebook to provide “Teasers” on the positive steps being taken in the community and encourage people to visit to experience the revival themselves.
- **LinkedIn** – Use LinkedIn to “Talk to Business” about the work happening, the programs available, and to highlight opportunities for new investment.

3. Develop an Effective “Open for Business” Campaign

Communities need to understand how their economic assets are perceived to be damaged by the external audiences, and craft effective marketing campaigns to change perceptions.

External messages need to dispel common myths and promote opportunity. It's important to inform key markets outside of the Grand Forks region that the downtown is vibrant, tourism is active, the agriculture industry is active, the forest sector is actively working and that the community is well on its way to an even stronger future.

Determine the target audience for the message(s) and seek funding to plan and execute the strategy. It is critical to understand the target audience and how to effectively reach them with limited marketing resources. This task should be the responsibility of the BRTM and the BRTAT lead economic recovery organization and that partnerships with experienced agencies like TOTA or others are created.

The CFB and the CGCDA have both purchased the BCEDA 468 Insider App that can be downloaded onto cell phones or tablets and connected to Wi-Fi or cellular networks. These apps can be used to not only promote various points of interest but also to promote local businesses. The app supports shop local initiatives and tourism, and allows municipalities to maintain their own branded mobile app that can reward users for visiting places in the community.

Grand Forks Economic Disaster Recovery Program

Short Term Recommendations

A variety of other activities should be pursued immediately to inform that the region is open for business, including but not limited to the following:

- Publicize information about incentives available for business investment, including the establishment of the Revitalization Tax Credit.
- The launch of the 468 Insider App in both Cristina Lake and the regions covered by the CFB license in order to support shop local.
- Develop materials to highlight the importance of Shopping Local. This could be developed by the DBA and the Chamber of Commerce
- Aggressively promote any new business activity, such as business expansion (Marvelous Munchies), through Social Media and Press Releases.
- Develop regular positive recovery stories that are interesting and affirmative and distribute through all media channels.
- Announce the hosting of a “A Year After the Flood” celebration inviting media and others to visit the community to see the efforts that have been achieved and the resulting successes.

4. Post Flood Business Walks

A business walk program offers an excellent opportunity to listen to and communicate with the local business community. Typically, it can be used to identify common themes for action while bringing together resources, municipal services and representatives from the business community for specific actions. A business walk offers an excellent opportunity for local leaders to connect with businesses face to face in an informal way. A post flood business walk where members of Council connect with the businesses in the downtown core to increase their awareness of the how the flood affected the businesses and how the City can provide support and improve economic recovery response. The purpose of the business walk is to increase communication between business and the City.

Wayfinding

Wayfinding refers to systems that help people find their way from one place to another. Many elements contribute to regional wayfinding, from landmarks to maps to handheld GPS systems, to asking for directions from a friendly stranger. Good wayfinding is a blend of art and science. When executed well, wayfinding can give visitors key information on what is around to experience. It can lead to additional time being spent in the region and can increase awareness to future residents on what is available to see and do if they lived in the area. Wayfinding can be done by signage and also with an app for use on smartphones.

Wayfinding signage can be used to:

- Identify various points of interest throughout the region – usually multiple sites on one sign
- Celebrate heritage sites to visitors and residents
- Takes advantage of the major transportation corridors and centres in the community

Grand Forks Economic Disaster Recovery Program

Short Term Recommendations

The CGF has been discussing the placing of wayfinding signage throughout the community and CFB and the CGCDA have both purchased the BCEDA 468 Insider App that can be downloaded onto cell phones or tablets and connected to Wi-Fi or cellular networks. These apps can be used to not only promote various points of interest but also to promote local businesses. The app supports shop local initiatives and tourism, and allows municipalities to maintain their own branded mobile app that can reward users for visiting places in the community.

The wayfinding signage and the 468 Insider App should be implemented as soon as possible in order to drive business back in to the downtown core and to encourage longer visits in the region. The City, along with CFB and CGCDA, should submit a Rural Dividend Fund application (deadline July 31) to support the creation of the wayfinding signage and to provide contract support for the populating of the app with the information needed to increase business and shop local.

Acronym Definitions

BCEDA	BC Economic Development Association
BCRCC	Boundary Country Chamber of Commerce
BDIC	Business and Downtown Improvement Coordinator
BRTM	Business Recovery and Transition Manager
CFB	Community Futures Boundary
CGCDA	Christina Gateway Community Development
CGF	City of Grand Forks
DBA	Downtown Business Association
EDRP	Economic Disaster Recovery Program
IBC	Insurance Bureau of Canada
RDKB	Regional District of Kootenay Boundary
SME	Small and medium-sized enterprises
TOTA	Thompson Okanagan Tourism Association
VIC	Visitor Information Centre
RDF	Rural Dividend Fund

Financial Programs and Supports

(As of July 5, 2018)

Community Supports

Community Gaming Grants:

Funded by: Government of British Columbia

Program Overview: Community Gaming Grants support eligible not-for-profit organizations that deliver community programs that benefit the citizens of British Columbia.

Who is Eligible? Not-for-profit organizations providing programs or services of direct benefit to the broader community.

How Much Financing is Available? Local organizations – up to \$100,000 per year; Regional organizations – up to \$225,000 per year; and, Province-wide organizations – up to \$250,000 per year

How to Apply? One application per year and application dates are determined by sector.

Additional Information: [Community Gaming Grants](#) 250-387-5311

Invest Canada – Community Initiatives (ICCI):

Funded by: Government of Canada

Program Overview: ICCI provides financial support to communities for their foreign direct investment initiatives and activities.

Who is Eligible? Eligible recipients are Canadian communities and non-profit, locally based organizations that are seeking assistance. ICCI adjudication committees may support the provision of a contribution to a community or not-for profit organization acting as a third party or intermediary on behalf of a number of eligible communities. Communities have used ICCI to focus and improve long-term economic development prospects.

How Much Financing is Available? The initiatives supported by the program must focus on supporting the attraction, retention, and expansion of foreign direct investment through specific types of activities. Non-repayable contributions range from \$3,000 to \$300,000, and agreements are made for a one-year period, from January 1 to December 31. ICCI provides reimbursement of up to 50 percent of eligible expenses. If an applicant accesses other federal government support, the total federal support cannot exceed 50 percent.

How to Apply? The 2018 application period is now closed. The application period for 2019 ICCI projects will take place in September-October 2018.

Additional Information: [Invest Canada-Community Initiatives](#) 1-888-306-9991

Grand Forks Economic Disaster Recovery Program

Short Term Recommendations

Rural Dividend Program:

Funded by: Government of British Columbia

Program Overview: The program provides \$25 million a year to assist rural communities with a population of 25,000 or less to reinvigorate and diversify their local economies. Program categories include Community Capacity Building; Workforce Development; Community and Economic Development; and, Business Sector Development.

Who is Eligible? A community with a population of 25,000 or less, located outside the geographic boundaries of Metro Vancouver and the Capital Regional District. An eligible applicant must be a legal entity that is either a local government; unincorporated area with a population of less than 25,000; a First Nation; or, not-for-profit organization.

How Much Financing is Available? Three funding streams are available: Project Development – maximum of \$10,000; Single Applicant – maximum of \$100,000; and, Partnership – maximum of \$500,000. Local funds are required for the Single Application (20%) and Partnership (40%) streams of funding.

How to Apply? Applications for funding in the fifth intake of the BC Rural Dividend program will be accepted June 1 to July 31, 2018. This is the only application window for 2018-19.

Additional Information: [BC Rural Dividend Program](#) ruraldividend@gov.bc.ca 250-356-7950

Southern Interior Development Initiative Trust (SIDIT):

Funded by: Government of British Columbia

Program Overview: SIDIT's funding programs are specifically targeted toward investments in self-sustaining projects that support the ten mandated themes as defined in legislation. Performance measures include job creation, retention and enhancement, increased revenues, sustainability, leverage and economic diversification to the Southern Interior area of British Columbia.

Who is Eligible? SIDIT's service area covers the Southern Interior of British Columbia, an area generally described as bounded by the US border to the south, the Alberta border to the east, Hope to the west and Blue River to the north. Projects from both incorporated and unorganized areas will be given equal consideration when determining eligibility for funding.

How Much Financing is Available? Annual grant funding will be determined based on SIDIT's investment returns and operational performance. Grant maximums are \$25,000 per applicant or a maximum of 25% of total project budget.

How to Apply? Applications for funding are continuously accepted to this program.

Additional Information: [sidit-bc.ca](#) admin@sidit-bc.ca 250-420-3680

Grand Forks Economic Disaster Recovery Program

Short Term Recommendations

The Federal Gas Tax Fund:

Funded by: Government of Canada

Program Overview: The Gas Tax fund is guided by three national program objectives, which include productivity and economic growth, a clean environment and strong cities and communities. In British Columbia, the Gas Tax fund is delivered through three program streams: Community Works Fund; Strategic Priorities Fund; and Greater Vancouver Regional Fund.

Who is Eligible? The federal Gas Tax Fund provides all municipalities across the country with a permanent, stable and indexed source of infrastructure funding.

How Much Financing is Available? The fund was made permanent in 2011 at \$2 billion per year, and is indexed at 2 per cent per year, starting in 2014-15, with increases to be applied in \$100-million increments from 2014-15 to 2023-24. This represents \$21.8 billion in flexible, long term funding for municipal infrastructure.

The federal Gas Tax Fund is allocated on a per-capita basis for provinces, territories and First Nations, but provides a base funding amount of 0.75 per cent of total annual funding for Prince Edward Island and each territory. This funding will be administered through renewed bilateral agreements outlining the terms and conditions for the use of the federal Gas Tax Fund.

Additional Information: [Federal Gas Tax Fund](#) gastax@ubcm.ca 250-356-5134

Business Supports

AGRI Recovery Program:

Funded by: Cost-shared program between the federal government and participating provinces and territories on a 60:40 percent ratio

Program Overview: The AgriRecovery Framework is part of a suite of federal-provincial-territorial (FPT) Business Risk Management (BRM) tools under the Canadian Agricultural Partnership. AgriRecovery is an FPT disaster relief framework intended to work together with the core BRM programs to help agricultural producers recover from natural disasters.

Who is Eligible? Agricultural producers who have experienced a natural disaster.

How Much Financing is Available? Based on the findings and conclusions from an assessment, participating governments agree to compensate affected producers for up to 70% of the extraordinary costs including: repairing/re-establishing crop and forage land; re-establishing fruit trees; cleaning and infection of buildings and property; destruction/replacement in infected plans; and, carrying costs for animals.

How to Apply? AgriRecovery is not a program. It is a disaster relief framework which defines the principles and criteria under which FPT governments can work together to help agricultural producers recover from the impacts of disaster events. Once an initiative has been developed under the AgriRecovery Framework, the program details of that initiative, such as the initiative's terms and conditions and application process, will be made available.

Additional Information: www.agr.gc.ca/agrirecovery 1-855-773-0241

Farm Business Recovery Advisory Services Program:

Funded by: Cost-shared program between the federal government and provincial governments on a 60:40 percent ratio

Program Overview: The program is administered by the BC Farm Industry Advisory Services Program

Who is Eligible? Agricultural producers who have experienced a natural disaster.

How Much Financing is Available? Based on the findings and conclusions from an assessment, participating governments agree to compensate affected producers for up to 70% of the extraordinary costs including: repairing/re-establishing crop and forage land; re-establishing fruit trees; cleaning and infection of buildings and property; destruction/replacement in infected plans; and, carrying costs for animals.

How to Apply? AgriRecovery is not a program. It is a disaster relief framework which defines the principles and criteria under which FPT governments can work together to help agricultural producers recover from the impacts of disaster events. Once an initiative has been developed under the AgriRecovery Framework, the program details of that initiative, such as the initiative's terms and conditions and application process, will be made available.

Additional Information: www.agr.gc.ca/agrirecovery 1-855-773-0241

Grand Forks Economic Disaster Recovery Program

Short Term Recommendations

Agriculture and Agri-Food Canada: Advanced Payments Program:

Funded by: Agriculture and Agri-Food Canada

Program Overview: The Advance Payments Program (APP) is a federal loan guarantee program which provides agricultural producers with easy access to low-interest cash advances.

Under the program, producers can access up to \$400,000 per program year in advances based on the value of their agricultural product, with the Government of Canada paying the interest on the first \$100,000 advanced to a producer. Advances are repaid as the producer sells their agricultural product, with up to 18 months to fully repay the advance for most commodities (up to 24 months for cattle and bison).

Who is Eligible? For producers to be eligible you must be:

- a Canadian citizen or permanent resident; or
- corporation, cooperative or partnership of which the majority interest is held by Canadian citizens or permanent residents;
- be the age of majority in the province of operation;
- have produced/be producing and own the agricultural product; and
- be responsible for its marketing.

For a corporation, cooperative or partnership, one or more of the stakeholders must be the age of majority in the province of operation.

Eligible agricultural products include: crops; grains and oilseeds; fruits and vegetables; livestock; certain breeding animals; bees; fur pelts and cervid antler velvet; honey and maple syrup.

How Much Financing is Available? Under the Advance Payments Program (APP), you may be eligible to receive up to \$400,000 per program year, with:

- the federal government paying the interest on the first \$100,000 per program year; and
- preferential interest rates on advance amounts over \$100,000.

Your cash advance is calculated based on up to 50% of the anticipated value of the eligible agricultural products that you are producing or have in storage. You cannot have more than \$400,000 in advances outstanding at any one time.

How to Apply? Participating producer organizations act as Advance Payments Program (APP) Administrators and deliver the program on behalf of Agriculture and Agri-Food Canada (AAFC). You can apply for an APP advance through more than 40 Advance Payments Program Administrators across Canada. Their staff will guide you through the application process and advise you of any administration fees that they may charge. Application processing times can vary between administrators. They can normally be completed within two weeks. Your APP administrator will contact you to notify you of the status of your application.

Additional Information: [Advance Payments Program](#)

fgp-pgf@agr.gc.ca

1-866-367-8506

Grand Forks Economic Disaster Recovery Program

Short Term Recommendations

British Columbia AgriStability Protection Program:

Funded by: Government of British Columbia

Program Overview: AgriStability protects agricultural producers against declines in their net farming income due to market conditions, production loss or increased costs of production. Payments are made if a producer's current year margin falls more than 30% below their reference margin.

Who is Eligible? Applicants must have income from the primary production of agriculture commodities; have carried on the business of farming in Canada and reported farming income (or loss) for income tax purposes; have completed a minimum of six consecutive months farming activity; and, have completed a production cycle that includes growing and harvesting of a crop, and/or, the process of rearing livestock, and/or, the purchase and sale of livestock within a program year in the case of feeding finishing enterprises.

How to Apply? Producers who participated in the previous program year are automatically sent an enrolment notice of the new program year. New applicants need to contact the program.

Additional Information: [Agriculture Income Protection \(AgriStability\)](#) AgriStability@gov.bc.ca 1-877-343-2767

British Columbia Agriculture Income & Savings Account (AgriInvest):

Funded by: Program is a partnership with the Government of BC and Agriculture and Agrifood Canada

Program Overview: AgriInvest helps you manage small income declines and provides support for investments to mitigate risks or improve market income.

Who is Eligible? Individuals, partners in a partnership (except in Quebec), co-operatives, corporations, estates, trusts, limited partnerships (except in Quebec), and landlords in a joint venture are eligible to participate. To be eligible, you must have been engaged in the business of farming and reported sales of eligible commodities for tax purposes. Status Indians farming on reserves in Canada who do not file a tax return are also eligible to participate in AgriInvest.

How to Apply? Application for an AgriInvest account is made through Agriculture and Agrifood Canada.

Additional Information: [Agriculture Income and Savings \(AgriInvest\)](#) 1-866-367-8506

Disaster Financial Assistance:

Funded by: Government of British Columbia

Program Overview: Following a disaster, the provincial government may declare the event eligible for Disaster Financial Assistance (DFA). Once declared, the DFA program may compensate individuals for essential uninsurable losses and/or reimburse local governments for damaged infrastructure. The Grand Forks 2018 Floods have been declared eligible.

Who is Eligible?

- Disaster Financial Assistance is only available for provincial disasters after the provincial government has declared them eligible.
- The provincial government works closely with local governments to determine if and when an event should be eligible.
- Private sector damage must be from an event that is uninsurable, such as overland flooding.

Grand Forks Economic Disaster Recovery Program

Short Term Recommendations

- Insurable damages in the private sector from wildfires, earthquakes, snow load, wind storms, sewer or sump pit back-up, water entry from above ground (including roofs, windows or other areas of the building), are NOT eligible for DFA.
- Damages from certain landslides may be eligible, if it can be shown that the landslide is the direct result of heavy rainfall or other sudden catastrophic event, and not caused by pre-existing slope instability.

How to Apply? Information and forms for application are available online or by emailing or calling the program office.

Additional Information: [Disaster Financial Assistance](#) dfa@gov.bc.ca 1-888-257-4777

Canada Small Business Financing Program:

Funded by: The Canadian Federal Government

Program Overview: The Canada Small Business Financing Program makes it easier for small businesses to get loans from financial institutions by sharing the risk with lenders.

Who is Eligible? Small businesses or start-ups operating for profit in Canada, with gross annual revenues of \$10 million or less.

Not eligible under this program are farming businesses (for a similar program for the farming industry, visit www.agr.gc.ca), not-for-profit organizations, or charitable and religious organizations.

How Much Financing is Available? Up to a maximum of \$1,000,000 for any one borrower, of which no more than \$350,000 can be used for purchasing leasehold improvements or improving leased property and purchasing or improving new or used equipment.

How to Apply? Financial institutions deliver the program and are solely responsible for approving the loan.

Discuss your business needs with a financial officer at any bank or credit union in Canada. The financial officer will review your business proposal and make a decision on your loan application. Once the decision is made to offer financing under the program, the financial institution will disburse the funds and register the loan with Innovation, Science and Economic Development Canada.

Additional Information: [Canada Small Business Financing Program](#) 1-888-576-4444.

Employment Assistance Work Sharing Program:

Funded by: The Canadian Federal Government

Program Overview: Work-Sharing (WS) is an adjustment program designed to help employers and employees avoid layoffs when there is a temporary reduction in the normal level of business activity that is beyond the control of the employer. The measure provides income support to employees eligible for Employment Insurance benefits who work a temporarily reduced work week while their employer recovers.

Who is Eligible? Businesses who have operated in Canada year-round for at least two years. Must be a private business, a publicly-held company, or a not-for-profit organization.

How to Apply? The employer and the employees must agree to participate in a Work-Sharing agreement and must apply together.

Additional Information: [Work Sharing Program](#) 1-866-891-5319

Appendix A – Recovery Team Functional Chart

Draft June 21, 2018

RECOVERY TEAM: Functional chart

