

# BUSINESS RESILIENCE TO COASTAL FLOODING

## IF YOUR BUSINESS IS IN A COASTAL COMMUNITY, IT COULD BE AT RISK

Southern Maine is at increasing risk of coastal flooding from storms and sea level rise. The region already experiences damaging storm surge and precipitation-based flooding, both of which are expected to worsen in the future as environmental conditions shift and sea level increases. In Maine, sea level will likely rise between 1.1 and 1.8 feet by 2050, and between 3.0 and 4.6 feet by the year 2100, with higher amounts possible. Higher sea level means more frequent and severe flooding, putting coastal businesses at risk. Understanding your business's risk and taking steps to protect it from flooding can help reduce damage, speed up recovery, and safeguard business operations and employees. Find out if your business is located in a regulatory flood zone by looking at flood maps.

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## INVESTING IN COASTAL FLOOD RESILIENCY PLANNING NOW WILL SAVE YOUR BUSINESS MONEY IN THE FUTURE

The National Institute of Building Sciences found that for every one dollar invested in hazard mitigation, communities save six dollars in avoided future disaster costs.<sup>1</sup>

## COASTAL FLOOD RESILIENCY PLANNING IS CRUCIAL TO LONG-TERM SUCCESS

According to the Federal Emergency Management Agency (FEMA), approximately 40% of businesses never reopen after a natural disaster occurs. Having an emergency preparedness plan greatly reduces this risk and even improves recovery time for businesses.

## FLOODING CAUSES BILLIONS IN DAMAGE - PLAN NOW

A Maine Climate Council study of statewide impacts of not taking action on climate change found that with 1.6 feet of sea-level rise by 2050, Maine can expect \$17.5 billion in coastal damage and 21,000 coastal jobs lost.<sup>2</sup> Additionally, it found that tourism spending in the Maine beaches region could drop by \$1.67 billion annually with 8.8 feet of sea-level rise. The study estimates that with 1.6 feet of relative sea-level rise between 2020 and 2050, the state's coastal communities can expect \$16.9 to \$18.2 billion in cumulative building damage between now and 2050; \$512.1 million of building and building contents damage from a single flood event; Loss of \$118.8 million in annual GDP; and Loss of 11,344 to 23,880 jobs due to the combined effects of permanent sea level rise and repeated storms. Planning for the future by investing in protection against the storms of tomorrow is important for long-term business operation.

<sup>1</sup> Multi-Hazard Mitigation Council. (2019). Natural Hazard Mitigation Saves: 2019 Report. National Institute of Building Sciences. Washington, DC. [www.nibs.org](http://www.nibs.org)

<sup>2</sup> Eastern Research Group, Inc. (ERG) and Synapse Energy Economics, Inc. (Synapse). (2020). Assessing the Impacts Climate Change May Have on the State's Economy, Revenues, and Investment Decisions: Summary Report. Prepared for the State of Maine Department of the Governor's Office of Policy Innovation and the Future.

## HOW CAN I PROTECT MY BUSINESS, EMPLOYEES, AND CUSTOMERS?

Use this checklist to help your business prepare for coastal storms and flooding.

### KNOW YOUR RISKS – identifying how a storm and flooding might affect your business operations and equipment can help you plan accordingly to reduce negative impacts

- Review flood hazard maps to see if your business is located in an area subject to storm flooding or sea level rise.
- In case of a power outage, consider having a backup power source in place. This can drastically reduce recovery time and income loss.
- Consider what an interruption in business income would mean for yourself and your employees. Take time to estimate your costs and expenses and how long you could cover those without cash flow.
- Determine if your insurance policy includes business interruption coverage and flood damage.



### DEVELOP A PLAN – When a storm hits, having a plan for you how you and your employees should respond can help you recover more quickly

- Create a financial plan for your business to cover expenses if it's closed and/or inaccessible for 3 to 7 days.
- Create a business continuity plan and an emergency response plan (Ready.gov/business template: [Ready Business Emergency Response Plan](#)).
- Inventory all critical machines, equipment, and technology at risk of water damage or destruction.
- Create an employee storm and flooding preparedness guide and practice it similar to a fire drill (evacuation procedure, shelter plans, storm surges, and flash flood response).
- Establish communication methods for employees, customers, and vendors on the safety and recovery process, before, during, and after a flooding event via social media, phone, text, etc.
- Create a storm/flooding preparedness checklist (closing windows, sandbags, elevating important things off of the floor, etc.).



### TAKE ACTION

#### *Coastal Resiliency Planning Actions Designated by S) Short-term, M) Medium-term, L) Long-term*

- S)** Create an emergency fund to handle a week's worth of unexpected damages and lost income.
- S)** Update the employee and vendor call list to ensure effective communication during emergency.
- S)** Check windows and drainage systems to ensure they are properly sealed and operating.
- S)** Have duplicate copies of important documents and store them in floodproof containers and/or multiple locations such as electronically, off of the floor above possible floodwater depth, or even a location off-site to ensure vital information is protected.
- M)** Elevate important items and electrical and mechanical equipment off the floor and above possible floodwater levels.
- M)** Consult an electrician about elevating electrical equipment such as outlets, switches, sockets, circuit breakers, and wiring to reduce damage and shock risk.
- M)** Designate a plan or storage option for supplies or property that could be at risk of damage or loss in the case of high winds and strong currents.
- L)** Conduct an employee flood & emergency readiness drill quarterly.
- L)** Consult with your Town's code enforcement officer or a professional engineer about ways to [protect your business against flooding](#).

