

Tourism Resilience Index Interview Summary
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I. Introduction

In early 2017 twenty-two local business owners or managers in the coastal southern Maine beach communities Kennebunkport and lower village Kennebunk were interviewed by the Wells National Estuarine Research Reserve using the Tourism Resilience Index (Cox 2016 adapted from Swann et al 2015). The index provides an assessment of businesses' ability to maintain operations before, during and after a disaster (flood, fire, blizzard, economic recession). Many interviewees own or manage multiple holdings providing a collective cross-section of 30 businesses. Businesses interviewed (section IV) are characterized under the following sectors: shopping and specialty retail, lodging, restaurants, finance and insurance, real estate, and sports and recreation. This work was done in partnership with the Kennebunk-Kennebunkport-Arundel Chamber of Commerce and the Town of Kennebunkport. Businesses interviewed received a discount on their Chamber dues. Interviews ranged from 30 minutes to an hour and half and were conducted by Wells Reserve employees: Annie Cox and Lynne Vachon. Funding for this project was provided by the National Estuarine Research Reserve Science Collaborative.

The project was developed in part, because Kennebunkport and lower village Kennebunk are vulnerable to climate change impacts and have significant economic assets on the tidal portion of the Kennebunk River and coastline (Colgan and Merrill 2008; Maine Geological Survey Sea Level Rise/Storm Surge Viewer). The frequency and intensity of natural and man-made disasters continues to increase and nearly half of small businesses (<20 employees) never reopen after a disaster (Scarinci 2016). Local impacts from climate change that effect local businesses include flooding and storm surge associated with extreme weather events, increased precipitation, extreme heat, and beach erosion (NECAP 2014). From October 2017 to March 2018, Ocean Avenue in Kennebunkport had to be closed 8-9 times up from an average of 1-2 times per year (personal correspondence, Chief Sanford). The Halloween 2017 storm, a federally-declared disaster, left nearly two-thirds of the state without power, including the Kennebunks (Graham 2017). The January 4, 2018 bomb cyclone flooded the Kennebunkport back parking lot and two businesses, which was preceded by a seven-day cold snap causing one business to close for the season before one of their largest nights: New Year's Eve, because of burst water pipes (WGME 2018). The March 3-4, 2018 Nor'easter caused similar flooding and was followed by the March 8-9, 2018 Nor'easter. The town of Kennebunk presently is waiting for the first March Nor'easter to be federally declared a disaster to receive funding to fix their blown-out timber seawall ("Digging In" 2018).

II. Best Practices/Recommendations

Listed below are best practices, lessons learned, and recommendations provided by businesses during the interview process to maintain operations or recover after an incident or event. Included are recommendations from a Post-Superstorm Sandy Study (Scarinci 2016) and Post-Irene lessons learned shared at the North East Climate Preparedness Conference "Business Continuity Panel" (May 2018).

Business and Operations Plans

- Diversify suppliers/contractors, if there is an incident in the suppliers' region (e.g., flooding in Houston impacted Home Depot operations; flooding from Super Storm Sandy impacted Brattleboro Savings data processing server) it will impact business supply locally (NECPC 2018).
- Develop staff succession plans for key personnel, particularly their contact information for suppliers, etc; have it updated annually.
- Businesses impacted by Super Storm Sandy found the most costly and time consuming tasks were restoring their computer system and recovering necessary documents and files (Scarinci 2016).
- Retain hard copy of contact information for employees, vendors, insurance agents, supplier, etc, and a backup copy stored in another secured location (Scarinci 2016).
- Have a landline (service restored before cell phones during Sandy). Use different cell phone carriers within a business to optimize service recovery (Scarinci 2016).
- Maintain cash on hand for emergencies, when credit card and cash machine-use is limited after a disaster (Scarinci 2016).

Disaster Preparedness Plans

- Develop and maintain a continuity of operations plan (payroll, services, equipment, critical records access).
- Work with Fire Department to practice an emergency drill annually; train employees on use of a fire extinguisher.
- Have carbon monoxide detectors.
- Have plywood cut-outs ready to place in a window (to prevent theft and/or water damage).
- Set up a memorandum of understanding or contracts with service providers to execute during and after a disaster (security, generators, debris removal, clean up service).
- Identify businesses that offer planning and recovery assistance before a disaster (to avoid predatory behavior) (Scarinci 2016).
- Be prepared for loss of cell phone coverage and electricity. Gasoline becomes scarce and expensive (Scarinci 2016).
- Discuss disaster preparedness needs with your CPA, attorney and technology information professional (Scarinci 2016).
- Have employees CPR certified.
- Verify data can be accessed at a different location without internet access and power (Scarinci 2016).
- Register with Small Business Association so the town can access recovery funds (NECPC 2018)

Insurance

- Use a Point of Sale service to maintain inventory for sharing with insurance company.
- Have flood insurance for structural damage and building contents (even for businesses outside of the FEMA flood hazard area; for Super Storm Sandy the floodplain boundaries were exceeded

by 53%). Also many recovery loans and grants are only made available to businesses with flood insurance (Scarinci 2016).

- Hire a public adjuster after a disaster.
- Reassess insurance coverage annually. Does it cover sewage backup?
- Have gap coverage insurance.

Marketing

- Sell inventory online (maintain sales after an event)
- Work with other local businesses to offer secondary services
- Be part of a local or regional marketing organization (Chamber, National Association of . . .). Businesses impacted by Super Storm Sandy reported being a member of the Chamber helped with identifying appropriate funding for recovery, completing applications and locating sites for temporary relocation (Scarinci 2016).

III. Interview Summary

The greatest strength of the businesses' is their interdependent connection to the community; they work together as committees with the Chamber and respective towns to draw locals and tourists in by creating a vibrant and quaint setting. The businesses also support local efforts by donating money, time, goods and services to community initiatives (local fundraisers, auctions). A strong sense of community was mentioned multiple times and interviewees shared the belief that after an event, like a natural disaster, they felt the community would come together to pitch in. The businesses and towns (police, fire, and emergency management departments) independently shared they have a good relationship with each other, and have a good communication through the Chamber.

Preparedness measures for a business will differ based on ownership of their building: they can own the building out-right, own it with a mortgage, own it as part of a condo association or rent the space. As a renter or member in a condo association, the business owner is reliant on their landlord, property management company, or condo association to maintain, repair and/or upgrade the dwelling particularly after a disaster. Attached dwelling units are reliant on their neighboring units to be on board for any major upgrade, such as building elevation. Barriers mentioned to flood protection (e.g dwelling elevation) are building codes, ADA compliance, foundation limitations (pilings), and road/sidewalk height.

The following is a summary of interview responses. Bold text demarcates the nature of the question asked.

1) Business and Operation Plans

Businesses ranged from **updating their business plans** (containing mission statement, company overview, industry analysis, customer analysis, marketing plan, operations plan, and financial plan) every 2-5 years, to maintaining a mental plan in their head, or among emails with their partners. Many rely on

their profit and loss statements to guide their future work. Businesses owned outright are not obliged to develop a business plan and may forgo making one.

Internal employee communications typically are not formalized; rather they exist as maintaining employee contact information in their cell phones and communicating by text message. Larger businesses use a chain of command approach (manager gets in touch with head of housekeeping to disseminate to other housekeepers). Employers relayed they do not need to **address Non-English speaking employees**, while some temporary employees come from abroad via H2B visas, they speak English fluently.

The majority of businesses felt their **equipment/technology maximizes their profitability**. Businesses ranged from having state-of-the-art technology to handle their operations (online booking, tracking inventory, payroll) to preferring less advanced, yet practicable (and less time consuming to learn) approaches (paper bookkeeping, paper registration).

Businesses felt they have adequate access to local or regional suppliers and/or contractors who provide reliable and adequate products and services. Owners with multiple holdings have the advantage of sharing supplies. Most businesses have their inventory delivered.

A succession plan for most businesses is a document they felt would be useful to have yet lacked. Barriers to developing one included setting aside the time to develop it or needing top management (owner, board of directors) to require it. Many owners and managers felt that their business would not be able to operate without them much longer than a week, this includes their knowledge of operations, payroll, paying bills, contacting suppliers, and personal contacts.

2) Disaster Preparedness Plans

When asked if they have a **disaster preparedness plan** incorporating: emergency contact information for employees, evacuation or shelter-in-place plan, continuity of operations plan, agreements and contracts with suppliers and contractors for critical operations, mobile communications ready for use in the event of a disaster, internal communications plan, communication plan for media, customers, and public the majority of businesses had several components in place; but only financial institutions with federally required regulations had all of them in written form. Having a continuity of operations plan and agreements and contracts with suppliers for critical operations were considered the most critical for a disaster plan yet were generally not formalized; however, business owners and managers had a mental plan they kept in their head that was easily shared during the interview.

Larger businesses (lodging, finance) practice fire drills. The towns and financial institutions participate in **tabletop exercises** to test their ability to respond to a disaster.

All small businesses rely on **cross-training employees** in duties outside of their normal duties. Only employees brought in under the H2B visa are not allowed to be cross-trained.

All businesses are able to designate an employee or themselves to serve as a **spokesperson to manage questions** from the general public and media. Facebook is the most common platform used to interface with the public.

Only financial institutions have contracts **in place to execute during a disaster**; however business owners and managers keep a mental list of whom to work with in the event of a disaster. Many businesses rely on their management property company or landlord to execute disaster recovery operations to their dwelling. During the interview the Reserve shared a lesson learned from Superstorm Sandy during the Sandy Dialogues (2014), to have contracts in place before an event (for debris removal) to avoid exorbitant rates. Similarly, while no formalized **contracts were in place with other business** to help during a disaster (rebooking with other local hotels) businesses owners and managers keep a mental tally of which they would work with and can use the Chamber of Commerce for support.

The majority of businesses have **3 months of emergency operating funds**; for smaller businesses in the winter, this is not always the case.

Businesses felt they have **adequate insurance to cover them following a disaster**; however, businesses that have experienced a disaster (flooding, lightning strikes, hail, sinkholes, fire) shared frustration with insurance not covering everything and advised having a point of sale service to inventory goods to keep a record for insurance company, using a public adjuster, using a company to survey what needs to be covered by insurance, having gap coverage insurance, and training employees in fire safety (e.g., how to use a fire extinguisher). The majority of businesses did not have key personnel with **first-hand disaster recovery experience**.

3) Marketing

While most businesses have not **updated their written marketing plan** since they first wrote one, they adjust their techniques as needed. They utilize different messaging vehicles to communicate to customers and the public, the most common being: Facebook, their website, and local, regional, and/or state newspapers and magazines. Most businesses are members of the Chamber of Commerce (**local professional association**), almost half of the businesses belong to a **national professional industry association** (retail, inn-keepers, real-estate) and **participated with a tourism/destination marketing organization** (Maine Beaches Association). A small number of local businesses are well established and choose not to pay for marketing and/or join a local or national association and/or use a tourism marketing organization.

Businesses agreed that their **customer base is diverse** (local, regional, national, and international). It was shared that tourists are often from a-tank-of-gas away which includes the New England states and Canada. Additionally, tourists are bused-in for day trips from cruise ships docking in Portland, Maine. When possible, or appropriate, businesses (lodging, recreation) **offer diverse secondary attraction and/or activities** such as use of-, discounts on-, or rentals of bikes, scooters, kayaks. Only a small number of businesses partner with other businesses on these services.

4) Workforce

Businesses from each sector varied within their sector whether they **have enough staff for normal operations**. Some had long-term employees; others relied on high school students in the summer; others brought in workforce through the H2B visa program; and others felt they could not fill their positions with reliable workers. Barriers to maintaining enough staff included the cost of living, low-wage jobs, shortage of workers, degradation of workforce ethic, and federal capping of the H2B visa program. **Employees are recruited** through ads in the local papers, local community Facebook groups, sign-in-the-windows, word-of-mouth, High School children of business' clients, Chamber of Commerce job fair, and websites (craigslist, Indeed). Most employers felt their **personnel have reliable transportation** to and from work. There is no public transportation, aside from a local trolley in the summertime catering to tourists stops at shopping (retail, restaurants) and experiential destinations (beaches, lighthouses). Few employers and employees live in Kennebunkport, the majority live in Kennebunk and surrounding towns (Arundel, Biddeford, Wells and Sanford). A small amount provide lodging for summer employees. Employers varied in **providing employee incentives**: most could not be flexible with hours during the summer months and provided fringe benefits to upper-level management.

Businesses anticipate family, friends, and neighbors will **volunteer in post-disaster recovery efforts**, but none have formally identified volunteers to help or have **procedures to assist in working with non-employees during disasters**. Due to data sensitivity, financial institutions would not request volunteers but rather would lend their staff in volunteer support as volunteering is integral to their mission. A small number provide scheduled **health and safety training** specific to their business (first aid/CPR). None of the businesses have provided **resources for their employees to prepare for their personal safety** (family evacuation plan); however, the police force does.

5) Federal, State and Local Resources

Three of the 5 questions did not pertain to the businesses: there has not been a disaster to do a **post-damage assessment**; York County Emergency Management Agency and Maine Emergency Management Agency do not sponsor **disaster drills**, and; the Kennebunks do not have a **re-entry plan**.

The town of Kennebunk provides a texting alert system, both use reverse 911/code red, and business owners look to local news stations and radio for up-to-date disaster information. Long-term establishments are aware of **FEMA floodplain maps** particularly because of impacts to changes in their insurance. Resources included in the Tourism Resilience Index booklet included information on FEMA, disaster-preparedness agencies and organizations (Red Cross, ready.gov), and tools for preparing communities for coastal issues provided by NOAA Office for Coastal Management.

6) Resource Access and Knowledge

Many businesses support local natural resource efforts in the form of donations to the local land trusts with cash or donating goods to auctions (as well as other causes).

The majority of businesses employ some form of sustainable operation practices by buying local, recycling, upgrading to energy efficient appliances, composting, using "green cleaning products" inside and outside, using paper bags (per Kennebunk Town Ordinance), and a small number of businesses

volunteered that they do not fertilize their lawn. The lodging sector promotes water conservation by allowing customers to choose to have their linens and towels changed.

IV. Interviewees

- Mark Brunell, Owner, Home Ingredients
- Denis Byrd, Senior Executive Vice President, Kennebunk Savings
- Bonnie Clement, Owner, HB Provisions
- Rochelle Clinton, Manager, Stoneham Estates Jewelers
- David Cluff, Owner, Duffy's Tavern and Grill
- Tina Gordon, General Manager, Nonantum
- Justin Grimes, Director of Operations, The Kennebunkport Resort Collection, Tide's Beach Club
- Jessica Jenkins, Owner, Day Trip Society, Day Trip Society Jr.
- Nazba Jenulevich, Owner, Striper's Restaurant, Breakwater Inn, Beach Club
- Charlotte Kincade, Operations Manager; Aaron Kegley, Dockmaster, Chick's Marina
- Jane Landry, Owner, P.J.'s Unique Peek
- Martin Lodish, Executive Director, Kennebunk Beach Improvement Association
- John Martin, General Manager, Colony Hotel, Marine Room, Pineapple Ketch
- Ken Mason, Inn Keeper, Seaside Inn
- Heather Motes, Owner, Sand Dollar Real Estate
- Cathy Norton, Manager, Kennebunkport Marina
- David Reid, Co-owner, Fontenay Terrace, Edgewater Inn
- Nathan Shmalo, Owner, Saxony Imports, Seize the Day
- Theresa Willet, Owner, Coastal Maine Kayak, Coastal Maine Scooters

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