



THOMAS FIRE DISASTER RESPONSE AND BUSINESS RECOVERY SUMMARY

OBJECTIVE- The purpose of this report is to highlight the economic injury of businesses affected by the Thomas Fire and subsequent Montecito mudflow and summarize previous and ongoing outreach and recovery efforts made by the SBDC. We are the Small Business Development Center for Santa Barbara and Ventura County as designated by the SBA. Our mission is to outreach for the specific purpose of engaging small businesses with free one on one technical assistance and provide lending of public and private capital for economic growth.

INTRODUCTION - As our community continues to recover from the effects and aftermath of the Thomas Fire, we want to take a moment and thank all of the individuals and organizations that have been helping with response and recovery. This summary of our response and results has been made possible because of the collaborative effort of many organizations and individuals that have stepped up during this time to offer guidance and support to our business community at large. We have met with Chamber directors, state officials, business owners, local government officials and community leaders who all share a similar goal and continue to collaborate in order to bring the best resources and guidance to businesses that have suffered economic injury. The collaboration and willingness by all is something worth noting as it demonstrates the generosity of spirit that our community embodies.

In immediate response to the Thomas Fire and subsequent mudflow the SBDC, with the help of additional funding through Go-Biz and the greater SBDC Los Angeles Network, actively deployed business support services and focused outreach to local disaster recovery centers, business support organizations and community disaster recovery meetings beginning December 15, 2017. Since that time our outreach has spread to include all local recovery centers and territory from Santa Paula to Solvang. As we began our outreach to impacted communities, it became immediately clear that each community experienced a different level of economic injury but that all were looking for clarity on what resources were available to them and how could they could be accessed.

HIGHLIGHTED REGIONAL ECONOMIC IMPACT

While the economic impact of the disaster is still being assessed, early indications are that regional impact across multiple business sectors in Ventura and Santa Barbara County has been moderate to severe. Specifically in the west county communities of Ventura, Ojai, Santa Paula and Fillmore, the fire may have impacted some 17,000 jobs in the retail, hospitality and food service sectors. Extrapolating from regional economic data for Ventura County, the loss in retail and other services sales in the fire impacted areas could be as much as \$175 million. The Ventura County Agricultural Commissioner's Office, suggests the Agriculture/Farm economy was hit by a \$171 million loss, and that does not wholly recognize lost hours and wages to labor and impacts to

infrastructure and sales. In Ojai, the leisure and hospitality sector was all but closed for 5 weeks, impacting some 1,300 jobs and 30 percent of the Valley's economy. An informal but conservative calculation of Ojai Valley lost hotel room rental income is more than \$3.5 million. Looking at just two of the major hotels, the Ojai Valley Inn closed for about 5 weeks for cleaning up smoke damage. The Oaks of Ojai still hasn't opened as of late February. The lost TOT revenue to the City may be some \$400,000.

Business owners who have suffered economic injury have approached many sources of private and public lending as they have sought recovery. Recent reports from the SBA indicate that they have approved 42 business loans in Ventura and Santa Barbara County totaling more than 3.2 million.

An Economic Impact Survey has been created by Visit Santa Barbara, Women's Economic Ventures, The Chamber of the Santa Barbara Region and the Economic Forecast Project at UCSB. While the survey includes language specific to Santa Barbara County, it is intended to collect data across Ventura and Santa Barbara County. We look forward to sharing the results and impact with our partners when the survey has been completed. [Economic Impact Survey](#)

As we work closely with our business partners and service organizations to determine regional economic impact, listed below are some of the direct economic impacts observed by county. Note: Names of businesses and individuals have been removed for privacy.

SANTA BARBARA COUNTY

SANTA BARBARA

- The Downtown Santa Barbara Organization reported a 35% decrease in sales for downtown retailers in December
- Hotel located near downtown reported sales down by 40% in December and closure for 2 weeks
- Transportation company reported revenue loss of approximately \$100,000
- Pilates studio reported revenue loss of 40K

MONTECITO

- The Coast Village Association reported an estimated \$15 million combined loss of revenue for December and January and 28 days of business closure due to fire and mudflow
- Home Décor Boutique reported business closure for 3 weeks. Reported revenue loss of \$70,000

SOLVANG

Due to the 101 closure, the city of Solvang saw a sharp decline in tourism. Solvang reports approximately 18 buses visit the city center per day. During the 2 week closure, the city saw 0 buses.

- Wineries collectively reported 30 total employee layoffs
- Jewelry store reported sales down by 50% in December and January
- Most businesses surveyed reported a 5-30K loss of revenue

VENTURA COUNTY

VENTURA

- Massage Therapist reported revenue loss of over 6K
- Antique store reported revenue loss of over 40K
- Pilates studio reported revenue loss of 25K
- Downtown restaurant reported revenue loss of over 40K
- Car dealership reported sales loss of approximately 40% in December

OJAI

- Rancher reported loss of 6 acres of avocado and citrus. Lost 635 trees representing a replacement cost of \$19,000. Additional loss in water supply system of approximately \$60,000.
- Restaurant reported revenue loss was greater than \$21,000
- Restaurant reported revenue loss of approximately \$100,000. Requested \$200,000 in loan support
- Downtown Hotel reported closure due to smoke damage after Thomas Fire. Estimated open date March 2018. Reported layoff of 150 employees.

SUMMARY OF SBDC OUTREACH AND RESPONSE

Since the fire and subsequent mud flow we have been actively working to bring direct response and assistance to the business community at large. At this time our goal is to assist in the short and long term recovery effort and help businesses reengage with a world that looks different than it did before Dec 4th. We have met with business owners who have lost 15K in revenue to over 100K but in the midst of the tremendous need and response for assistance we have seen a resilient business community that still practices generosity by serving food to first responders or sharing resources with their neighbor. We are hopeful for a strong recovery and are honored to participate in the process.

FINANCIAL SUPPORT - In direct response to financial need and in addition to our traditional loan offerings, the EDC-VC created a Disaster Recovery Micro Loan for businesses up to \$15,000 @ 4% interest for those businesses that had lost revenue or inventory as a result of disaster. Post disaster, the SBDC has received over 1.9 million in capital requests to assist in business recovery. This number includes requests from EDC-VC and SBA loan programs.

COMMUNITY OUTREACH

As the recovery process goes on, the assistance numbers continue to grow. As of today:

- We have worked closely with the SBA and resources partners to co-sponsor local business recovery and resource events to ensure that business owners are aware of what is available to them at this time.
- We created and distributed a *Disaster Recovery Guide* through our business partners including local chambers, downtown organizations and non traditional business organizations to over 4,400 business and 7,760 individuals and businesses through our SBDC network.
- As a center, we have logged over 400 hours of direct engagement with businesses including technical advising and direct door to door outreach in Montecito, Santa Barbara, Carpinteria, Summerland, Solvang, Ventura and Ojai and have maintained a presence at all FEMA Local Disaster Centers.
- Post disaster, we have actively engaged 98 businesses from Santa Barbara and Ventura County (52 and 46 businesses engaged respectively) and are now in the process of working closely with them to create short and long term recovery strategies.

CONCLUSION

As partners in recovery we want to thank you again for the work you have been doing to support impacted businesses at this time. If you would like the SBDC to know more about your efforts in economic recovery post disaster, please reach out so that we may work together on behalf of the greater community.



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