



Joplin EF 5 Tornado Recovery
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Joplin Area Chamber of Commerce
Written Testimony

Thank you for the opportunity to describe the devastating tornado that struck Joplin and the neighboring village of Duquesne on May 22. I know you have seen the news video and photographs. While horrendous, none of them do justice to the sheer level of devastation in our two communities.

The fourteen mile long tornado cut a swath nearly eight miles long, and at times almost one mile wide, from the far west side of Joplin through the city, into Duquesne, then back into Joplin. For more than half of the path, through the most densely developed residential and business part of Joplin, the tornado was an EF 5, with sustained winds of more than 200 miles per hour. On the original Fujita scale, used until 2007, an F-5 tornado had winds of 260 to more than 300 miles per hour. It has been determined a good portion of the tornado in Joplin had wind speeds of approx. 300 miles per hour. In creating the EF scale, it was determined that winds greater than 200 miles per hour resulted in total destruction, so the EF 5 designation is anything over 200 miles per hour. If the new scale, like the old, recognized winds in excess of 260 miles per hour, Joplin would have the distinction of reaching EF 6 or EF 7 status.

Nearly 8,000 housing units, about 1,000 of them in apartment complexes, were impacted by the tornado. 4,250 of those units were destroyed or severely damaged. The storm did not discriminate, destroying some of the highest priced homes in Joplin as well as those in low and moderate income neighborhoods. Unfortunately, those lower income neighborhoods are also some of Joplin's oldest with small houses on small lots, 14 to 16 homes in a block. These are very densely developed and populated areas. The tornado devastated those neighborhoods. In all around 18,000 people, 35% of the population in our communities were immediately displaced. Around 9,000 were displaced for the long-term. Of those, 1,500 are still on the lists for FEMA housing.

Also in the direct path of the storm were nearly 500 places of employment, from the news media's icon of the storm, St. John's Regional Medical Center with more than 2,000 employees, to scores of mom and pop operations. Overall, nearly 5,000 job positions were impacted directly. Hundreds of other businesses in our area have also been touched by the storm, from being physically damaged, to being without power for days, to being completely unharmed, yet losing a good portion of their customer base.

I have been asked to give you our thoughts on our response, and that of the Federal and state agencies, to the destruction in the business sector. It is important to note that our Chamber is also the economic development focal point for our community and region. The Chamber has direct programs marketing our area, aiding existing businesses and supporting small business. Through contract with economic development partners, we also developed and manage two business parks, construct speculative buildings and run an innovation center with an emphasis on small business and entrepreneurs. On the Monday following the storm, we needed to assess staff available, since several were dealing with

damage to or loss of their homes. We were fortunate to be in operation, but were swamped by calls and drop-ins by residents, business owners and the first wave of volunteers seeking information. Thanks to our neighboring chambers who volunteered their staff, as well as some of our own volunteers, we were able by Tuesday to have two to three people in the office just to address questions. That allowed our staff to focus on our impacted businesses.

From Tuesday on, we had two to three of our staff in the devastated area each day, including Saturdays, using addresses, GIS maps, memory and other means to find the wreckage of businesses. There we often found the owners or top management on the site. Several other staff members were working the phones, including texting cell phones when we had numbers, to check on the businesses. By the end of the third week, our team had made direct contact with nearly 420 businesses of the 450 in the devastated area, about 200 of them Chamber members. By the end of week four, we had contacted our other 800 business members, just to check on their status.

As noted, we have an innovation center next to our Chamber. On Monday afternoon we had our first contact with the SBA Business Recovery team. We strongly encouraged the team to locate in our innovation center, since our Chamber is the focal point for the business community. In addition, we asked them to share the space with counselors from the Small Business and Technology Development Center at Missouri Southern State University, with whom we were already working.

We understand it is rare for the SBA to place a business recovery center with a Chamber and even more rare for SBTDC counselors and the SBA team to be in the same place. We found, and continue to find, this to be an excellent arrangement. Businesses could not only apply for SBA assistance, but also visit with SBTDC staff about how to retrieve records, key issues they needed to consider immediately and, for many, just someone to listen to their story and lend support. As time has gone on, the state of Missouri has realigned two of its small business loan programs to be accessible through application to the SBTDC staff. These loan programs are first directed at those businesses that were not able to qualify for SBA support.

In addition to being able to direct business people to the Business Recovery Center, our team on the streets also had packets of information, including lots of lists. As our team heard from businesses, we found a critical need for basic information, including available space, contractors, building supplies, sources for computers and cell phones and much more. There were also evolving needs that often required research to find good sources for the goods or services. Our staff in the office added that research to their efforts. These lists were also available to the internal staff, including volunteers, to assist them in answering the questions of callers and walk-ins.

In the first few days, we also received support from the U.S. Chamber's disaster help desk and from local chambers in communities that had previous natural disasters. Based on the input offered, one of our immediate actions was to form a Business Recovery Fund within our existing Chamber Foundation. We heard from numerous sources that having such a fund would help in leveraging needed state and Federal assistance. In addition, many communities indicated they found businesses still struggling years after a large scale disaster. A general fallacy seems to be that business's insurance, SBA support and

good bank relationships are sufficient to return businesses to the status quo. But the status quo is gone. Demographics change, markets change, traffic patterns are disrupted, the list of new challenges is overwhelming and even previously strong businesses need additional technical and financial support to stay afloat until the overall economy stabilizes.

Our Business Recovery Fund is already being used to leverage additional SBA resources to enhance the SBTDC counseling staff. In addition, we also formed the Joplin Tomorrow fund. This fund is focused beyond recovery to helping local firms expand or to help attract new firms. New jobs and new investment is the focus of Joplin Tomorrow.

As these two funds were put in place, we also did an analysis of the organizations that play a role in our local/regional economic development efforts. We looked at what each organization does currently, as well as what each has capacity to do under its specific charter or bylaws. (attached). This analysis is being used as we move forward to assess which organization is best suited to expand its current mission to aid in recovery or to be the focus of new resources or programs that we determine are needed. The leadership of each of these eleven organizations, as well as other stakeholders, comprise the advisory board for the Joplin Business Recovery and Expansion Initiative. Although most of these organizations have a long history of working together, and many are managed by the Chamber, this advisory body creates a mechanism for all the entities to discuss issues and opportunities and implement a coordinated approach to business recovery. While focused first on the immediate recovery and establishing a series of strategic plans to sustain businesses over the next several years, this Initiative is also looking at how our community and our region repositions to attract new, higher skilled and higher paying jobs in the future.

As noted above, we were greatly aided in our initial and continued recovery efforts by the personnel from the Small Business Administration Business Recovery Team. By the third day after the tornado, we were introduced to FEMA's private-sector recovery team. The FEMA private-sector support is a relatively new approach, since the organization has not typically supported the business sector and still does not have funding directly for firms as does the SBA. However, the FEMA team has been a good conduit in keeping us and, consequently, the business community aware of the larger recovery efforts. All of the people representing these organizations are professionals that have a sincere desire to help our businesses and our community. All of these people do an excellent job of representing their organizations. We have seen, however, some instances where the organizational structure of FEMA itself is a problem.

As noted, we understand the FEMA private-sector support team is a relatively new concept. The idea, as we understand it, is to help businesses with resources since FEMA does not make loans or grants to businesses. Often, these resources are regional and national corporations with which FEMA has partnered. In our case, FEMA staff was able to make a connection with Microsoft that is leading to a number of laptops for small businesses and for the Joplin Schools technology programs. This is a good example of what is working. On the larger scale though, when we ask what resources are available, the response is "tell us what you need and we'll see if we have a partner". Our experience is that business people are overwhelmed by what has happened. They are overloaded with information. When our

team asks what they need, they just don't know. But when given a few examples of what we have locally, they can focus in and are much better able to tell us the resources they are lacking.

The same is true when it comes to the regional/national resources FEMA has available. Even if FEMA's private sector partners are not named, it is important to at least be able to convey examples of available resources for business. We have asked for such a list several times and not received it. Our business people consistently ask us what resources FEMA has but we can not tell them.

I believe most of the issues we see are within the system itself. Large-scale disaster requires a large-scale response, and both SBA and FEMA, especially FEMA, have a lot of people on the ground, with many more supporting them from afar. Coordination of information is often difficult and consistency and accuracy of information these organizations are disseminating is imperative. At times, though, the ability to share information internally seems to be difficult. There are basic pieces of information, such as examples of available private sector resources, which the people on the ground should have and be able to share with the citizens of a community. The SBA and FEMA teams have experience with large scale disasters, which most communities do not. We understand that the FEMA team members want to ensure they respond to our needs and not be, in reality or perception, running over us. However, FEMA personnel have the experience and resources to share with those of us without disaster experience. As part of that process, we consider ourselves experienced and professional enough to evaluate the FEMA input and resources and make a determination of what works for our communities.

Again though, I want to stress that our experience with the teams from SBA and FEMA have been professional and beneficial to our businesses. As the initial impact of the disaster has been replaced with recovery, the team members from SBA business recovery and FEMA private-sector have worked closely with our staff and SBTDC counselors. They have, as schedules permit, accompanied our Chamber team in going to the devastated area to meet with business people. They have taken every opportunity to attend Chamber and other events where a number of business people will be present to better determine how they can provide assistance.

Along with the above, the FEMA Long-Term Recovery team has been of great help in organizing our city, chamber, schools and the broader community to begin the recovery process. This also includes arranging a trip, on which one of our staff members participated, to Greensburg, KS to discuss the issues and opportunities for long-term recovery.

We believe the Federal effort in the recovery of our community and, in particular, the business sector, have and continue to be of great benefit. While there are always areas for improvement in any organization, the speed and focus of the recovery in Joplin and Duquesne would not be possible without this assistance.

Thank you again for the opportunity to tell you our approach to our disaster and business and community recovery.

Joplin Area Tornado Numbers

May 22, 2011

Number of fatalities to-date:	159. Greatest death toll from a single tornado in six decades; eight worst in recorded U.S. history
Length of storm path:	Fourteen (14) miles on ground
Path of storm in Joplin:	Six (6) miles
Path at EF 4 and EF 5:	Five (5) miles
Path at EF 5:	Four and one-half (4.5) miles
Path of storm in Duquesne:	One (1) mile
Path at EF 4 and EF 5:	Three-quarters (3/4) miles
Path at EF 5:	One-half (1/2) miles
Width of EF 4/5 path:	One-half (1/2) to one (1) mile
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Population of Joplin:	50,150
Population of Duquesne:	2,000
Estimated number of structures destroyed or damaged:	8,545+. 8,000+ in Joplin; 545 in Duquesne

Total number of housing units:	20,995. 20,171 in Joplin; 824 in Duquesne
Residential units destroyed or damaged:	8,000 7,500 in Joplin; 500 in Duquesne
Residential units destroyed or severely damaged (uninhabitable)	4,250 4,000 in Joplin; 250 in Duquesne
Population immediately displaced:	18,400 (based on 2.3 people per household)
Population displaced long-term:	9,775 (as above)

Population still awaiting housing:	1,495 (650 households on FEMA list, does not include those living with family, friends)
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Total number of businesses:	2,259	2,147 in Joplin; 112 in Duquesne
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Number of businesses destroyed, damaged or disrupted:	970	925 in Joplin; 45 in Duquesne
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Number of businesses destroyed or severely damaged:	470	425 in Joplin; 45 in Duquesne
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Number of business reopened:	200	(7/15)
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Estimated employment base impacted: Businesses destroyed or severely damaged:	5,000
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Estimated employees being kept on payrolls:	3,500
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Number of disaster-related unemployment claims filed:	1,200
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Insurance claims paid (as of 6/30)	\$ 509,000,000
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Anticipated total insurance claims:	\$2 Billion "the largest insurance event in Missouri's history", John Huff, Insurance Comm.
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Estimated housing not insured:	40%
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Joplin anticipated first year revenue loss: Sales tax, franchise tax and sewer fees:	\$ 5,000,000. Approx 7% of budget
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Joplin School District facility loss:	Destroyed: Joplin High School, Franklin Technology Center, East Middle School, Irving Elementary School, Emerson Elementary School, old South Middle School (not in use). Significant Damage: Cecil Floyd Elementary School, Administration building. Minor Damage: two additional elementary schools.
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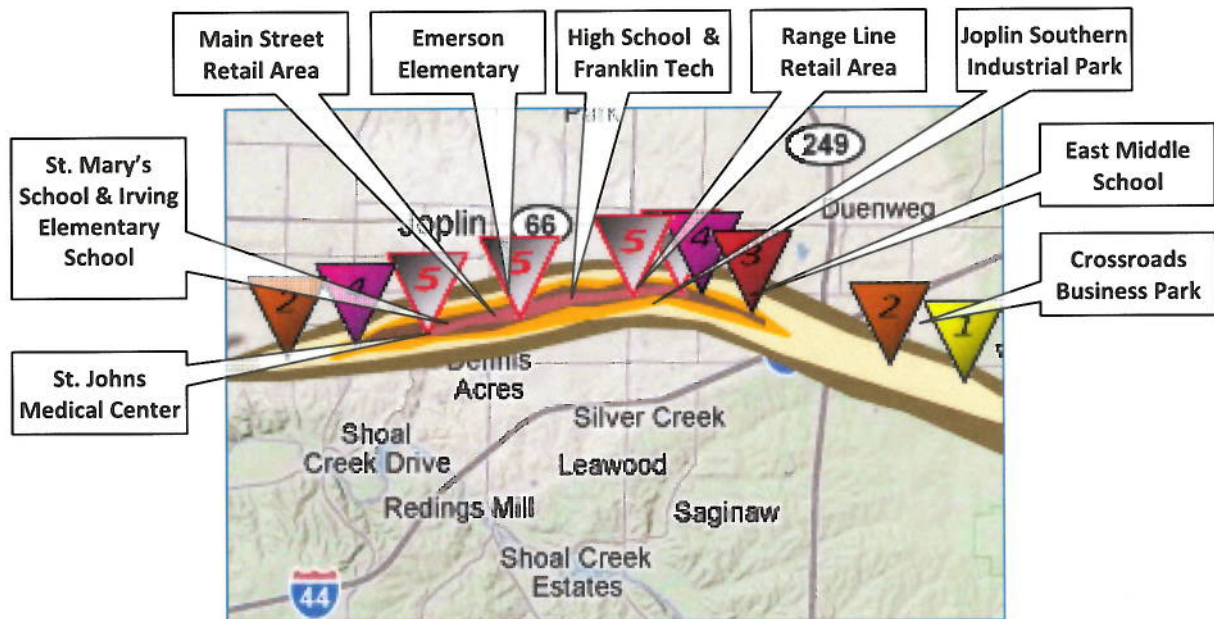
Estimated replacement/repair:	\$170,000,000
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Number of miles of Joplin city streets in tornado's path:	107 miles
All streets open one-lane for emergency services:	Before dawn on Monday morning May 23
All streets open two-lane, except for downed power lines:	Before midnight on Tuesday evening, May 24
Amount of debris in path area:	2-million cubic yards. This is equivalent to the size of a football field, including end zones, packed solid to nearly the height of the Empire State Building.
Amount of debris picked up to-date:	1.2-million cubic yards.
Estimated amount of debris yet to be generated by demolition:	1-million cubic yards.
Number of registered volunteers:	58,944
Number of hours volunteers worked to-date:	278,067 hours. The equivalent of nearly 32 years.

**Information in some categories is drawn from numerous sources and averaged for the purposes of this document.*

Joplin EF 5 Tornado Graph and Map Information

EF Scale	Wind MPH	Fujita Scale	Wind MPH	Fujita Freq.
EF0	65-85	F0	40-72	38.9%
EF1	86-110	F1	73-112	35.6%
EF2	111-135	F2	113-157	19.4%
EF3	136-165	F3	158-206	4.9%
EF4	166-200	F4	207-260	1.1%
EF5	Over 200	F5	261-318	<0.1%



Joplin Business Recovery and Expansion Initiative

Premise: Based on the experiences in other communities that have faced large-scale natural disaster, the typical sources of recovery for businesses are not sufficient over the long-term. SBA direct loan programs, insurance, banking relationships and ownership resources are geared to returning to the status quo. Unfortunately, the status quo has changed and many communities find companies small and large continue to struggle for months and even years after the disaster event. By that point, traditional financial resources are expended. Other communities have also found that, beyond financial support, companies need additional real-time data, technical assistance and guidance throughout their recovery process to deal with the geographic and demographic shifts, including workforce, in their markets.

However, disaster also creates opportunities. Regardless of support, some businesses decide to close immediately or months later, creating opportunities for new firms to fill the market niche. Other companies successfully find new markets that allow them not only to recover, but to expand. And a concern and focus on ensuring the job and economic base remains intact creates a greater emphasis on finding new companies and other new opportunities that those communities want to pursue to not only recover but enhance; to be a better place than they were before.

Need: As other communities have found, full recovery of the business sector can take months, even years. The speed and success of that recovery, as defined by 1) stable firms and returned job base and 2) capacity to add new capital investment and new jobs over time is contingent on having resources available for intermediate and long-term financial support, continued technical assistance and mentoring and new capacity to help companies expand and attract new firms to the community. There is also a need to ensure that businesses have an adequate and trained workforce with an on-going effort to adjust to changing demographics. It requires a multi-faceted and flexible effort that is more than just having a revolving loan fund.

Proposed Initiative: Joplin is fortunate that it has had a dynamic economic development program in place for more than 25 years. Over that time, the Chamber and City have developed a number of partner entities that can fill almost any typical economic development requirement. In addition, there is an active Small Business & Technology Development Center at MSSU, with support from its sister entity at PSU, that has the base capacity to provide hands-on guidance and technical assistance to small and mid-sized businesses. All of these create a platform for the long-term recovery of the Joplin area business sector. The key is to expand and strengthen the already existing partnerships to create a more coordinated, focused and flexible response as well as give opportunity to involve other entities and organizations as needed. It is vital that all of stakeholders and organizations work in a coordinated fashion to maximize limited resources.

Advisory
Board:

To create better coordination and a quicker, more flexible response for business recovery and economic development, the JBREI Advisory Board will be comprised of representatives from all key organizations including, but not limited to:

Chamber of Commerce (3):	Chairman and/or designees among Vice-Chair Economic Development, VC Business Development, VC Workforce Development
Chamber Foundation (1):	Chairman or Treasurer
City of Joplin (2)	Mayor, CM or designees
JBIDC (JREDC) (1):	Chairman or designee
Joplin Capital Corp (1):	President or designee
Joplin Industrial Development Author. (1):	President or designee
Joplin Redev. Corp. (1):	President or designee
Joplin Tomorrow (2)	Chairman and/or designees
SBTDC (1)	Director
Truman Council	Director
Workforce Invest Brd (1)	Director
Ex-officio:	State DED, WFD, MoDOT, others as needed

The initial goal of the board is to develop intermediate and longer-term goals for business recovery and expansion of the economic base, including strategic steps and organizational support for achieving the goals. In the near-term, the board will also serve as a reporting and discussion forum for all entities, creating better interaction and coordination of resources. Advisory board guidance does not supersede any legally or bylaws required actions by the individual entities.

Initial meetings of the Advisory Board will be chaired by the Chairman of the JACC or, in his/her absence, the Chairman of the JACC Foundation Board. In Oct., the Board will evaluate its progress and discuss a more permanent structure and leadership.

The JACC staff will provide day to day coordination.

Roles of

Entities: Most of the organizations have a long track record of success in their respective economic development roles. It is anticipated they will continue to play those roles, while assessing their structural ability to take on additional tasks for recovery. A brief summary of those organizations and actions follows.

Chamber: Since 1917, the Chamber has been the lead business organization in the Joplin area. The Chamber has direct contact with more than 1,000 of its own members as well as the rest of the existing business community. The Chamber has programs and staff addressing small business, business retention and expansion, education and workforce development, transportation and infrastructure and new business attraction. The Chamber also is the key driver of the Joplin Regional Prosperity Initiative, a five county, multi-faceted economic development program that began in 2010. The Chamber provides staff and financial services for its partner entities including the Foundation, JBIDC, JCC and JIDA.

Foundation: The Foundation is a nearly twenty-year old, 501-c-3 organization. The Foundation was initially formed to support education and workforce program needs and interface between the business and education communities. More recently, the Foundation also has been the resource for entrepreneurial and innovation programs, including the Newman Innovation Center. The Foundation has taken initial steps to create the restricted Business Recovery Fund to raise financial support for long-term recovery of the business sector. The Foundation can accept contributions from private for-profit and not for profit organizations and utilize state/federal tax credits. It is anticipated this Fund will provide the matching/leveraging support for other programs with most, if not all, of the economic, workforce and community development entities.

City of Joplin: The City has been the lead in the rapid actions taken in rescue, relief and recovery in the community. While the City will maintain focus on the clean-up and rebuilding, it also is the key player in planning, land reuse, building codes and licensing important to the business sector. In addition, the City has economic development assistance including the Enhanced Enterprise Zone incentives and small CDBG grants for new job creation. The City also provides funding, through contract with the Chamber, to support marketing for new companies and support for existing business programs.

JBIDC: The Joplin Business & Industrial Development Corporation (now in transition to Joplin Regional Economic Development Corp) is a 26-year old 501-c-3 economic and community development organization. JBIDC has traditionally provided the local, private-sector funds for economic development. These funds have been used to construct and market spec buildings, local and regional marketing and to provide seed money for feasibility studies on key economic and community development initiatives. JBIDC is also the focal point for the Regional Prosperity Initiative and its marketing arm, the Joplin Regional Partnership. Along with buildings, JBIDC has the ability to acquire land and, as a non-foundation c-3, accept state/federal funds for a revolving loan fund for firms in and outside of Joplin.

Joplin Capital

Corporation: JCC is a private, community development corporation bank. As a CDC, its shareholders are ten banks, which place funds in JC under their Community Reinvestment Act criteria. These funds are used to provide gap financing on business loans. While focused, to-date, on business the JCC can also acquire land and make loans for housing. It can have other private sector for-profit and not for profit investors and utilize state/federal tax credits.

Joplin IDA:

The Industrial Development Authority was originally created under Missouri statute to issue and monitor private-sector, tax-exempt and taxable bonds. While the main tool is the industrial revenue bond, the IDA may also issue bonds for medical facilities. The IDA is also the developer of the Joplin-Webb City Park and the Crossroads Business Park. The IDA may acquire and hold land for business purposes and may contract to any not-for-profit entity to pursue its mission.

**Joplin
Redevelop
Corp.**

The Redevelopment Corporation may declare an area or individual property "blighted" for the purposes of redevelopment. For redevelopment the Corporation may acquire and hold land, develop a redevelopment plan and contract to other entities to execute its mission. The Corporation has the power to implement tax abatement on real and personal property within the boundaries of state statute. The Redevelopment Corporation may utilize state/federal tax credits.

**Joplin
Tomorrow:**

A new Missouri not-for-profit, with 501-c-3 application in place. The fund was created by Senator Jack Danforth and has a local board of trustees of five business people. The monies generated may be used to support that create new jobs and new opportunities for the Joplin area including, but not limited to, expanding existing business, supporting entrepreneurs and assisting in the attraction of new firms. The funds may be used as no or low interest loans or as equity investments in companies. Joplin Tomorrow may also leverage its funds with other 501-c-3 entities to pursue new opportunities that expand the economic base of Joplin.

SBTDC:

The Small Business & Technology Development Center has served the Joplin region for nearly 25 years. It is funded by the Small Business Administration and MSSU. Staff provide hands-on counseling, training and support for companies as well as general and topic-specific training events. The SBTDC also works with the MU Extension program in the area and houses the extension staff person. Since May 25, SBTDC and Extension staff have been at the Business Recovery Center. The SBTDC is currently working to expand its staff to create long-term capacity to provide one-on-one counseling and assistance for companies impacted by the storm.

**Truman
Council:**

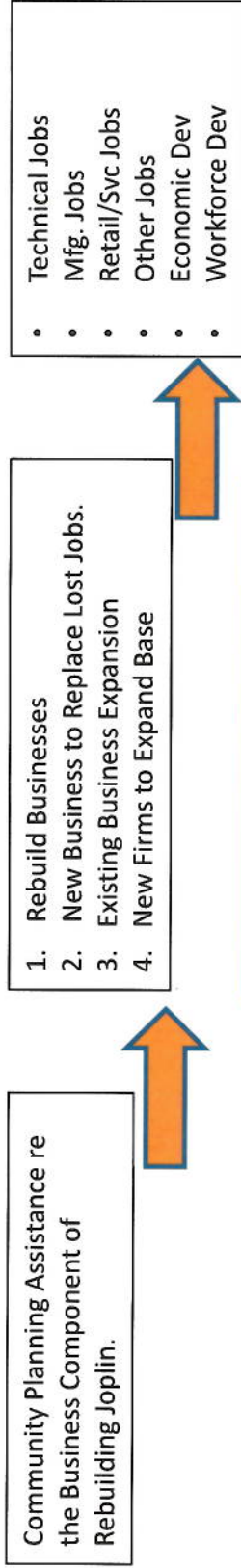
The Harry S Truman Coordinating Council is a four-county regional planning group. The Council typically works on transportation, housing and solid waste issues. It is contracted to the City of Joplin on housing projects. The Council has a regional economic development plan approved by the Federal Economic Development

Administration, allowing it to access funds from EDA for planning, recovery staff support, purchase of buildings and revolving loan funds.

WIB: The Workforce Investment Board is the private-public partnership addressing the workforce development and training needs in the area. The WIB was created by Federal law and receives funding from the state and federal government. It serves as the coordinating entity with the state Career Center and a number of agencies that conduct training and/or help with re-employment. The WIB may also do direct training. The WIB may apply for, receive and distribute, through contract, Federal grants for general and sector specific workforce training.

Ex-officio: The Board may also have ex-officio participants as needed to help in the recovery and expansion of the business sector. These may include, but are not limited to, key state and federal entities.

Joplin Business Recovery and Expansion Initiative



Advisory Board



Overall Coord.	NIC	Planning	Spec Bid	Biz Gap Finance	Indus/Com parks	Biz tax incent for blight areas	Biz loans/equity for new jobs, exist & new firms	Biz asst. and training	Planning	Labor market info
Fin Mgt	Entrep.	Codes	Lease Bldings	Direct Loan Fund	IRBs	Land acq	Invest in key new projects	Larger staff, 1-1 support	Housing	Training coord/ grants
Staffing	Small Biz	Licenses	JRP	Housing credits/ finance	Land acq in storm area	Incent for housing	Invest in key new projects	Access to state biz loan program	Transp.	New sector training grants
BRE	Recovery Fund	MPO/Trans	Land purchase						EDA plan funds	
WFD		CDBG \$	Loan Fund						EDA staff funds	
Biz Attrc		Recovery Comp Plan							EDA RLF	
Biz Recov Plan										

Cross Coordination and Support

Red denotes new and potential new programs