



Building Climate Resilience

A DISASTER PREPAREDNESS GUIDEBOOK
FOR U.S. ARTISANS & MAKER-ENTREPRENEURS



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We would like to thank Jack Heide, FEMA Region 2 Resilience Branch Chief, for the thoughtful review. Comments are not an endorsement by FEMA.

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Disclaimer

The information presented in this Disaster Preparedness Guidebook is based on publicly accessible sources and has been reviewed by disaster preparedness experts. The strategies and recommendations offered align with existing guidelines, technical standards, and resources available up to September 2023. However, please be aware that climate impacts, the landscape of disaster preparedness, and available resources may evolve over time. To ensure the accuracy and timeliness of the information provided, we advise you to regularly refer to sources from the [Federal Emergency Management Agency \(FEMA\)](#) and/or [Ready.Gov](#) and consult with appropriate experts and insurance providers in your area.

About Nest

Nest is a nonprofit supporting the responsible growth and creative engagement of the artisan and maker economy to build a world of greater gender equity and economic inclusion .

In the US, Nest's Makers United program is connecting makers to the community, resources, and opportunities they need to thrive through local and virtual events and programs and a suite of no-cost business development resources.

Recognizing the increasing effects of climate change on small businesses, Nest is committed to working with our partners to provide helpful resources to US makers to strengthen their resiliency.

Learn more about Nest at buildanest.org





Understanding Climate Impacts

As artisans and maker-entrepreneurs, your creative talents and entrepreneurial spirit contribute to the vibrancy and diversity of our communities. However, in the face of a changing climate, it is crucial to recognize and prepare for the increasing risks and challenges that come with it. Climate change is causing a rise in the frequency and severity of climate-related disasters and environmental degradation, which can have significant impacts on your businesses and livelihoods. According to the [National Oceanic and Atmospheric Administration](#), weather-related disasters have already cost the United States at least \$1 trillion in damages between 2012 and 2021 – a burden that will unfortunately be felt by a growing number of makers and artisans across the country.

From increasingly severe storms and floods to prolonged heat waves and wildfires, the manifestations of climate change can impose substantial costs on artisan and maker-entrepreneurs, such as damage to your workshop or workspace, loss of valuable tools and materials, interruption of production and

sales, increased insurance premiums, and even the need to relocate your business. The financial, emotional, and logistical toll of climate-related disasters can be overwhelming! The key to minimizing the impact of such risks lies in taking proactive measures to build resilience and prepare ahead of time. By lowering losses through preparedness, risk mitigation, and adapting your business practices, you can help safeguard your creative business and legacy of craft for long-term sustainability.

This guidebook is designed to provide you with practical information, resources, and step-by-step guidance to navigate the complex landscape of climate resilience and disaster preparation. In the following pages, you will find insights, tips, and strategies tailored specifically to artisans and maker-entrepreneurs. By being informed, proactive, and prepared, you can minimize the disruption caused by climate-related events and continue to thrive as resilient artisans in an ever-changing world.



Preparedness for Climate Disasters

Extreme weather events and ongoing climate-related stresses, such as sea-level rise and changing temperature patterns, are becoming more common in many communities, posing unique challenges for business protection and continuity. A Nest survey of global artisan businesses found that three out of every ten handcraft business leaders have experienced extreme weather events that adversely affected their business and the individuals that worked for them between 2019 and 2022. These events have caused over 1 million USD of damages across 97 businesses, with a median average cost of 5,000 USD per business. As an artisan or maker, it's crucial to understand regional, business, or craft specific climate impacts and response measures.



IDENTIFY HAZARDS

1

The first step in preparing for climate impacts is to understand what you are preparing for. Start by identifying the specific climate-related hazards facing your region or community. This could include extreme weather events like hurricanes, floods, wildfires, heatwaves, or droughts. As you start your journey towards climate resilience, the following tools can help you to identify climate hazards, assess your vulnerability, and map risks and potential climate threats.

[RISKFACOR.COM](https://www.riskfactor.com)

[DISASTERSAFETY.ORG](https://www.disastersafety.org)

[READY.GOV/ALERTS](https://www.ready.gov/alerts)

[FEMA.GOV MOBILE APP](https://www.fema.gov/mobile-app)

[NAR.HEADWATERSECONOMICS.ORG](https://www.nar.headwaterseconomics.org)

[NCEI.NOAA.GOV/ACCESS/BILLIONS](https://www.ncei.noaa.gov/access/billions)

Research local climate data through these tools, consult with local authorities, and engage with community resources to understand the potential risks and impacts on your business.

CONSIDER YOUR ASSETS AND KEY BUSINESS FEATURES

2

Take stock of the assets and resources that are critical to your business's operations and resilience. This includes your physical workspace or studio, equipment, inventory and storage, employees and vendors, and documents and records. Updating your inventory annually or even every quarter, depending on the size and operations of your business, will ensure that it is relevant and accurate in the case of an emergency. Only around 10% of makers surveyed have received an insurance payout after a disaster. Creating a defined inventory of assets can help ease the process of obtaining financial support post-disaster.

KEY BUSINESS FEATURES	DESCRIPTION
 Physical Workspace / Studio	Climate-related disasters can damage the foundations, walls, windows, or roof of your workspace - basements in particular have high flood risk. Home-based businesses should be proactive in jointly considering disaster preparation and climate impacts to their home as impacts to their business!
 Craft Equipment	You might rely on supplies, tools, or equipment to undertake your craft or manage your business. Disasters can cause damage or loss of these essential resources, requiring repairs or replacements. Furniture and inventory may also be affected. Damaged equipment and utilities located inside and outside the building can cause long-term disruption or temporary closure.
 Inventory and Storage	Finished products, production materials, packing materials or chemicals, can be lost to flooding, while outdoor items can become dangerous debris.

KEY BUSINESS FEATURES	DESCRIPTION
 <p data-bbox="207 485 529 516">Employees and Vendors</p>	<p data-bbox="607 331 1468 485">Employees may be unable to access or leave your workspace or creative studio during and following a hazard event. Reliance on third-party vendors for raw supplies may also be affected during a climate-related disaster.</p>
 <p data-bbox="204 884 532 915">Documents and Records</p>	<p data-bbox="607 684 1468 800">Business records, product designs, important documentation, or customer information can be lost by direct damage or damage to IT systems.</p> <p data-bbox="607 814 1468 884">Ex. Certifications, property mortgages, titles, licenses, inventory list</p>

HELPFUL TIP



A key element of pre-disaster preparedness is having great documentation of your workspace and assets (e.g., photos, receipts, detailed up-to-date inventory lists) in order to facilitate access to recovery funding through private and federal sources.

FEMA and most insurance companies require you to list each lost/damaged item when applying for post-disaster recovery funds, so in addition to assisting your resilience efforts, complete documentation *before a disaster strikes* can help in the recovery after a disaster.

Take time to create a comprehensive inventory list and photographs of your business items and work space to use for accessing disaster aid and filing insurance claims. Include as much information as you have while drafting your inventory of equipment and assets, with details such as brand, type/model, purchase date, and price. Take photos of your workspace to serve as a 'before' reference photo when filing claims for damage, keeping in mind the following assets that are commonly affected by disasters:



The exterior of your home and/or business - windows, doors, and roof



The interior - floors, walls, and ceiling



Access points to and from your home and/or workspace



Property such as craft equipment, vehicles, furniture, etc.



Collect receipts for any evacuation and temporary living expenses

The Home Inventory App by the National Association of Insurance Commissioners (NAIC) can help facilitate this process.

HELPFUL TIP



The National Association of Insurance Commissioners (NAIC) App has created a free app to help make this process easier for you. Scan the QR code to download The Home Inventory App from the app store!



ASSESS YOUR BUSINESS' STRENGTHS AND VULNERABILITIES RELATED TO CLIMATE RISKS

3

Using your list of key business features, assess the strengths and vulnerabilities of these assets to climate-related risks and resilience capacity before identifying any necessary measures to protect or reinforce them. Consider factors like structural integrity, storage methods, and access to backup power sources.

KEY BUSINESS FEATURES	STRENGTHS	VULNERABILITIES
 <p>Physical Workspace / Studio</p>	<ul style="list-style-type: none"> • Well-designed and functional workspace tailored to craftwork needs • Insured business/studio property • Climate control measures for temperature-sensitive materials • Building level investments to lower disaster losses 	<ul style="list-style-type: none"> • Vulnerable to damage from extreme weather events (e.g., flooding, storms) • Limited access to backup power options for equipment • Potential for damage to delicate work surfaces or crafting stations
 <p>Craft Equipment</p>	<ul style="list-style-type: none"> • High-quality tools and equipment for craftsmanship • Proper maintenance and regular servicing • Variety of specialized tools for different craft techniques • Stored in low-risk areas or protective storage 	<ul style="list-style-type: none"> • Susceptible to damage or loss during disasters (e.g., fires, floods) • Difficulty in replacing unique or custom-made tools • Limited availability of specialized materials or components • Insufficient insurance coverage for expensive equipment
 <p>Inventory and Storage</p>	<ul style="list-style-type: none"> • Documented inventory management system that is backed up in the cloud • Fire/waterproof and secure storage solutions for raw materials and finished products 	<ul style="list-style-type: none"> • Risk of spoilage or degradation of perishable materials • Potential for inventory damage due to climate-related disasters • Limited storage space for emergency relocation

KEY BUSINESS FEATURES	STRENGTHS	VULNERABILITIES
 <p>Employees and Vendors</p>	<ul style="list-style-type: none"> • Staff are trained in hazard response • Redundancy in supply chain • Staff/vendor disaster communication protocol • Collaborative relationships and effective communication with reliable vendors and suppliers 	<ul style="list-style-type: none"> • Potential disruption in operations if employees cannot reach the workspace • Artisans living in areas prone to natural hazards • Dependence on timely delivery of materials from vendors • Challenges in coordinating with remote or freelance artisans
 <p>Documents and Records</p>	<ul style="list-style-type: none"> • Digital copies of important designs, patterns, and project records • Secure backup systems for digital files and cloud storage • Offline access of important digital documents in case of long-term internet outages • Hard copies stored in fire safe or waterproof storage 	<ul style="list-style-type: none"> • Hard-copies, located exclusively on-site • Risk of data loss or damage during power outages or system failures • Potential damage or loss of hard copies during disasters • Limited accessibility to critical documents during emergencies

DID YOU KNOW?

More than one in four businesses hit by a disaster never reopen. Small businesses are at even greater risk, since most only have a single location. Protect your business by purchasing insurance to prepare for financial recovery, taking loss reduction measures to prepare physically, and developing a plan to prepare for business continuity.

In the following sections, we will walk you through key steps to turn your business’ vulnerabilities into strengths within the context of disaster recovery. This guide first focuses on financial preparedness, then addresses investments to lower physical disaster risks, and finally discusses business continuity plans.



Financial Preparedness: Insurance for Climate Resilience

Insurance plays a crucial role in mitigating potential financial losses and ensuring the continuity of your business in the aftermath of a climate disaster. Consider your insurance options for covering climate-related risks to your business and/or home as a maker-entrepreneur. Insurance can sometimes be expensive, but if you can afford it, insurance can provide critical financial resources in the aftermath of a disaster that may be unattainable from anywhere else.

It typically takes up to 30 days for an insurance policy to go into effect so be sure to purchase coverage before disaster strikes. While this table offers advice, please be sure to discuss your needs with a licensed insurance agent and read the details of your insurance policy. Coverages and policy terms can vary widely – consider your business’ specific needs and tools like [CERF+’s business insurance guidebook](#) to determine which policy can best support your resilience.

	DESCRIPTION AND COVERAGE	MAY BE SUITABLE FOR YOUR BUSINESS IF...
Homeowners Insurance	<ul style="list-style-type: none"> • A standard home insurance policy covers the structure of your home and its contents up to a coverage maximum you choose and subject to a deductible. Homeowners policies typically cover wind, fire, theft and other perils but not flooding. • A homeowner policy also typically will only cover up to \$2,500 of business property and has a \$500 limit on business property that’s away from the residence premises. • A home insurance policy usually excludes coverage for “other structures” that are used for business purposes, such as a detached garage where you run the business. <p>There may be other “sublimits” that limit payouts for certain types of events; read the fine print or talk to your insurance agent.</p>	<ul style="list-style-type: none"> • Most or all of your business is conducted within your home • Very small business with related property valued at less than \$2,500
Homeowners: Home-based Business Endorsement	<ul style="list-style-type: none"> • Add-on to a homeowners insurance policy (to cover wind, fire, theft, and other non-flood related perils as described above) offered by some insurance companies for more business-related coverage • Typically will double standard policy limits for business property from \$2,500 to \$5,000 perhaps for less than \$20 annually – be sure to check details with your insurance agent 	<ul style="list-style-type: none"> • Most or all of your business is conducted within your home • Small business with related property valued at less than \$5,000

	DESCRIPTION AND COVERAGE	MAY BE SUITABLE FOR YOUR BUSINESS IF...
Business Insurance	<ul style="list-style-type: none"> • Stand-alone business insurance policies can offer more robust coverage and with higher coverage limits for businesses, particularly when there is separate business property. • Higher coverage limits for business equipment and liability over a typical home insurance policy endorsement 	<ul style="list-style-type: none"> • Your business is conducted outside of your home and/or has many visitors coming and going • You use high-cost equipment to run your home-based business, including a computer, printer, furniture, craft-specific equipment, etc. • More than \$5,000 of business property to insure
Flood Insurance	<ul style="list-style-type: none"> • Standard business/homeowners insurance policies typically do not cover damage from floods - a separate flood policy is required to cover flood damage • Most flood policies, while handled by a private firm, fall under the National Flood Insurance Program (NFIP), managed by the FEMA. Insurance providers can be found at FloodSmart.gov 	<ul style="list-style-type: none"> • Your business is located in an area with some <u>flood risk</u> • Homes and businesses in high-risk flood areas with government-backed mortgages are required to have flood insurance.



80% of Houston buildings flooded by Hurricane Harvey in 2018 existed outside of the mandatory flood insurance zone. Consider purchasing flood insurance even if it is not required for your home or business property! [Source](#)

The exact Business Insurance Policy that you should enroll in depends on the type of business that you run. For example, Business Equipment Protection, or Inland Marine policies, cover damages to your equipment that occur away from your home or business property - so might be useful for you business if you travel offsite for markets/festivals or store craft goods in a warehouse away from your primary workspace. A complete list of business insurance policy options and their respective coverage can be found in the appendix. Discuss your options with a knowledgeable insurance agent or broker.

The following questions can guide that conversation to determine which policy works best for your situation:

WHAT TYPE OF INSURANCE APPLIES TO MY SITUATION AS A MAKER-ENTREPRENEUR?

Your exact policy and coverage type is dependent on your specific business situation; think about the potential risks that you and your small business face and regional hazards brought on by climate change. Use the descriptions of business insurance policy options found in the appendix to determine what works best for you and discuss them with your agent.

WHAT DO LAWS OR INDUSTRY REGULATIONS REQUIRE MY INSURANCE POLICY TO INCLUDE?

Certain homes or businesses may be required to purchase flood insurance due to their flood risk or mortgage types. State laws may also require you to carry workers compensation or other insurance policies.

WHAT IS COVERED UNDER THIS INSURANCE POLICY?

Understand the coverage limits, perils, and amount of damage that each policy option covers.

WHAT IS MY DEDUCTIBLE? HOW DO THE DEDUCTIBLES I CHOOSE AFFECT MY PREMIUM?

Understand what your out-of-pocket costs will be if you ever need to file an insurance claim.



DID YOU KNOW?

New estimates of flood risk that include flooding from heavy rain events indicate that 12.6 million properties across the U.S. that were not previously thought to be at flood risk now are due to the increased likelihood of extreme precipitation events.

Source



WHAT IS MY PREMIUM? WHAT CAUSES PREMIUM INCREASES?

Understand how much it costs to be insured, and what payment options are offered.

Many things can cause your annual premium to rise, some of which are factors beyond your control – inflation, economic conditions, frequency of severe weather events – and others that you can adjust (such as certain investments in strengthening your home, for example) to maintain lower premiums.

DOES MY INSURANCE POLICY OFFER ENOUGH PROTECTION?

Given the value of your small business property, expenses, operations, and inventory, do you have enough coverage? Use the inventory you developed to ‘Consider your Assets and Key Business Features’ to determine the proper coverage amount.

DO I NEED AN UMBRELLA POLICY? DO I NEED PROTECTION ABOVE AND BEYOND WHAT MY CURRENT POLICIES OFFER? CAN I BUNDLE MY POLICIES TO SAVE?

Umbrella insurance provides an extra layer of protection in the event of a massive insurance claim. Evaluate your financial situation and speak to your insurance agent to determine if adding an umbrella policy to your insurance is necessary and if you can bundle policies to save on expenses.

HELPFUL TIP



In some locations with high risk of climate disasters, such as areas prone to hurricanes or wildfires, it may be difficult to find property insurance at all or find a policy you can afford. If this is the case, you may be eligible for insurance from your state’s public insurance program. These are options for people unable to find a private sector insurance policy and they vary by state. For example, in Florida, such coverage is available through Florida Citizens Property Insurance Corporation and in Louisiana through Louisiana Citizens Property Insurance Corporation. In California, if you are struggling to find insurance that covers wildfires, contact the state FAIR plan. A knowledgeable insurance agent can direct you to your state’s programs.

Once useful insurance coverage is chosen and purchased, prepare to use it in the case of an emergency. Use the template below to track and keep for your records the exact coverage, required documentation for filing claims, and other necessary information to recover through insurance.

Insurance Provider | Policy Type
 Property Covered | [Policy Number]

COVERAGE (PERILS AND AMOUNT)	POLICY DETAILS
	Premium Amount: [Premium Amount Paid] Deductible Amount: [Deductible Amount] Policy Exclusions: [List of Exclusions, if any]
AGENCY CONTACT	POLICY TERM AND EXPIRATION
Name: License Number: Address: Phone:	Coverage Start Date: Coverage End Date: <small>*Often there is a 30-day waiting period from date of purchase until when policy goes into effect</small>

Example: Riverfront Insurance | Flood Insurance
123 Business Drive New York, New York | 123456789

COVERAGE (PERILS AND AMOUNT)	POLICY DETAILS
<p><i>Building Property: \$250,000</i></p> <ul style="list-style-type: none"> » <i>Electrical and plumbing systems, Furnaces and water heaters</i> » <i>Refrigerators, cooking stoves, and built-in appliances like dishwashers</i> » <i>Permanently installed carpeting, cabinets, paneling, and bookcases</i> » <i>Window blinds, foundation walls, anchorage systems, and staircases, detached garages</i> » <i>Fuel tanks, well water tanks and pumps, and solar energy equipment</i> <p><i>Personal Contents: \$100,000</i></p> <ul style="list-style-type: none"> » <i>Personal belongings such as clothing, furniture, and electronic equipment</i> » <i>Washer and dryer, Portable and window air conditioners</i> » <i>Microwave oven</i> » <i>Valuable items such as original artwork and furs (up to \$2,500)</i> 	<p>Premium Amount: \$600/year Deductible Amount: \$2,000 Policy Exclusions: Damages from hurricanes categorized as Category 5 or higher</p>
AGENCY CONTACT	POLICY TERM AND EXPIRATION
<p>Name: <i>John Doe</i> License Number: <i>NY-1946874</i> Address: <i>104 N Main St New York, NY 10001</i> Phone: <i>212.555.1234</i></p>	<p>Coverage Start Date: <i>03.03.2023</i> Coverage End Date: <i>03.03.2024</i></p> <p><small>*Often there is a 30-day waiting period from date of purchase until when policy goes into effect</small></p>



Physical Preparedness: Home-Hardening and Loss Reduction Measures

When a disaster strikes, the ability to minimize losses and protect your creative assets becomes crucial. By taking proactive steps and implementing appropriate measures ahead of time, you can significantly reduce the impact of a disaster on your business. Home hardening measures, for example, are those that can mitigate the costs of climate disasters by strengthening the resilience of your workspace, home, and/or studio to withstand the specific hazards you might face.

Loss Reduction Measures

To assist you in identifying the most effective home hardening and loss reduction measures for your particular circumstances, the table below outlines disruptions that you might face due to the impacts of climate change along with corresponding loss reduction methods. Remember, the specific measures you choose to implement will depend on your location, the types of disasters prevalent in your region, and the unique characteristics of your craft and workspace. Refer to the resources listed under the [Preparedness for Climate Disasters](#) section and consult with your community of makers, local authorities, and regional experts to evaluate your personal climate risks and responses.



FLOODS / STORM SURGES

- Elevate electrical outlets, appliances, supplies, and equipment to higher levels to minimize water damage.
- Install flood-resistant barriers around entrances to protect your craft materials and finished products from water intrusion.
- Store materials and finished products on raised platforms or in water-tight storage to keep them safe from floodwaters.
- Use water-resistant materials for walls, flooring, and storage areas in your home-based studio or workspace to mitigate water damage.
- If appropriate for your home, consider installing flood vents or a sump pump.
- Elevate property according to [FEMA](#) recommendations; to the height of a flood that has a one percent chance of occurring in a given year (100-year flood) plus at least one foot.
- If looking to relocate, choose an option of lower flood risk. Evaluate the flood risk of properties using [Flood Factor](#).

HURRICANES

- Strengthen your roof according to the [Fortified standard](#), a construction method designed to protect homes against severe weather and hurricane winds.
- Reinforce windows and doors with impact-resistant materials to protect your artisan workspace from strong winds.
- Secure heavy equipment and materials to prevent damage during storms.
- Maintain proper drainage systems to prevent flooding during storm surges.
- Consider installing hurricane-resistant shutters or panels to safeguard your craft materials and tools.
- Strengthen the structure of your workshop to withstand strong winds and impacts.
- Secure loose items and equipment to prevent damage from strong winds.
- Install lightning protection systems to mitigate electrical damage during storms.
- Install a backup generator to address power outages that might affect machinery and business operations.
- Consider solar panel installation with a battery that can directly power your home to use in case of a power grid shut down.
- Secure appliances and machinery with electrical ground protection.



WILDFIRES

- Strengthen your roof according to the [Wildfire Prepared Home™](#) program standard, a construction method designed to meaningfully reduce wildfire risk.
- Create a defensible space around your business property or workspace by removing flammable materials.
- Use fire-resistant materials for roofing and exterior walls to reduce the risk of fire damage.
- Install spark arresters on chimneys and vents to prevent sparks from igniting nearby materials.
- Have an evacuation plan in place and keep important documents stored in a fireproof container.

AIR POLLUTION / WILDFIRE SMOKE

- Invest in HEPA (High-Efficiency Particulate Air) filters or air purifiers for your workspace to remove fine particulate matter from the air.
- On high risk days, ensure that windows and doors are tightly sealed to prevent outdoor air from entering your workspace (weather stripping and draft stoppers can help).
- Install weatherproof window screens designed to filter out fine particulates and reduce the infiltration of outdoor air contaminants.
- Have a supply of N95 or FFP2 respirator masks on hand for yourself and any employees, especially during wildfire season.
- Install a backup generator to address power outages that might affect machinery and business operations.



DROUGHT

- Implement water conservation practices to minimize water usage in your home-based business.
- Install efficient irrigation systems (such as drip irrigation) to ensure proper hydration of plants and vegetation in your garden or outdoor workspace, dependent on watering restrictions in your area.
- Utilize drought-tolerant landscaping to reduce water dependency and maintain the aesthetic appeal of your craft space.
- Implement strategies for water recycling and reuse within your workshop to conserve resources.
- Install low flow fixtures to minimize water usage by your business.



HEATWAVES / EXTREME AND CHANGING TEMPERATURES

- Improve insulation in your workspace to regulate temperature and reduce energy consumption; seal gaps and cracks in your home/business property.
- Install energy-efficient cooling systems.
- Implement shading mechanisms (e.g., awnings, blinds) to reduce heat gain and protect materials from sun damage.
- Use reflective roofing materials to minimize heat absorption in your studio.
- Adopt energy-saving practices to reduce energy consumption during hot weather.
- Monitor and manage indoor temperature and humidity levels to protect delicate materials and equipment.
- Plant trees in your community to reduce heat island effects.
- Install a backup generator to address power outages that might affect machinery and business operations.

Regardless of the exact weather events or disasters that climate change puts your region and business at risk for, be sure to have a clear evacuation plan and emergency supply kit available for yourself and your employees. Ensure everyone knows the evacuation routes and meeting points in case of a sudden disaster.

BASIC EMERGENCY SUPPLIES KIT LIST

- | | | |
|---|--|--|
| <input type="checkbox"/> Water | <input type="checkbox"/> Maps | <input type="checkbox"/> Extra clothes and/or undergarments |
| <input type="checkbox"/> Nonperishable food | <input type="checkbox"/> Copies of important documents (birth certificate, home deed, passports) | <input type="checkbox"/> Battery backup systems: portable power bank, solar charger, generator |
| <input type="checkbox"/> Flashlight | <input type="checkbox"/> Cell phone + chargers | |
| <input type="checkbox"/> Battery powered radio | <input type="checkbox"/> Emergency contact information for you + employees | |
| <input type="checkbox"/> Extra batteries | <input type="checkbox"/> Extra cash | |
| <input type="checkbox"/> First Aid Kit | | |
| <input type="checkbox"/> Medications | | |
| <input type="checkbox"/> Emergency blanket | | |
| <input type="checkbox"/> Sanitation, personal hygiene | | |



Preparedness for Business Continuity

In addition to preparing for physical and financial safety and recovery for you, your employees, and your home/business property, it is important to establish a Business Continuity Plan to help protect your creative business in the wake of a climate-induced disaster. Business Continuity Plans can support you in ensuring that you are able to (1) maintain critical business functions, (2) maintain safe access to (alternate) workspace or facility, and (3) ensure records are accessible under all conditions. Continuity planning is recommended for all small businesses to prepare for emergency situations, with heightened relevance for businesses as the frequency of climate-related disasters continues to rise.

In addition to the guidance and templates provided in this guide, FEMA’s Business Continuity Plan for Small Businesses [template](#) provides a framework and guidance to support businesses like yours to continue and/or rapidly restore critical functions in the event of a disaster or disruption to operations.

HELPFUL TIP



Click this link to use the disaster resilience templates and checklists referenced throughout this guide! Customize and build out your business continuity plan by saving a copy and filling out the templates with details specific to your business operations/regional hazards.

Navigate to “File>Make a Copy” to save and edit through your Google Docs or “File>Download” to save and edit/print through Word, PDF, or another platform.

1

CRITICAL BUSINESS FUNCTION MAPPING AND IMPACT ANALYSIS

As you prepare for disaster, it can be helpful to map out the core functions that are vital for your creative business to operate successfully, understanding the supporting activities that enable these functions, and assessing their potential vulnerability to climate-induced disasters. Using the risk assessment tools to brainstorm potential risks that climate-related hazards may pose to your operations can ultimately allow you to develop proactive strategies to protect and maintain these critical business functions. Use the table and example below (and materials in FEMA’s Business Continuity Plan template linked above) to begin this process:

[Critical Business Function]

[Description]

SUPPORTING ACTIVITIES	TEAM MEMBER	NECESSARY DOCUMENTS /EQUIPMENT	POTENTIAL DISASTER IMPACT

Example - Fulfilling Custom Orders

SUPPORTING ACTIVITIES	TEAM MEMBER	NECESSARY DOCUMENTS /EQUIPMENT	POTENTIAL DISASTER IMPACT
Receive inquiries and orders	Abed	Customer order records and specifications	Internet connection, limited outreach capability
Sourcing materials	Danielle	Inventory records for sourcing materials	Craft tool and equipment access
Craft design and assemble	Betty	Design templates and sketches, craft tools and equipment	Raw material access and condition, craft tool and equipment access
Quality control, package, ship	Carla	Packaging materials and shipping supplies	Craft tool and equipment access
Update order states/delivery times	Abed	Communication devices (phone, email) for updating customers	Internet connection, limited outreach capability

2

SUPPLY CHAIN RESILIENCE AND VENDOR MANAGEMENT

As an artisan or maker, it's essential to consider the resilience of your supply chain in the face of climate impacts. Your business relies on sourcing materials to craft your products, and any disruption in the supply chain could lead to interruptions in production, even if your workspace remains undamaged.

One way to enhance your supply chain resilience is to diversify the sources of your materials. Relying on a single supplier can be risky, especially if they are located in an area prone to climate-related hazards. By establishing relationships with multiple suppliers from different regions, you can reduce the risk of material shortages during disasters.



Additionally, it's crucial to assess whether your current equipment and processes are adaptable to changing climate conditions. For instance, if your craft involves drying raw materials, like in the case of the basket-weaving business, you may need to invest in new equipment or find alternative grass drying methods to cope with increased rainfall or humidity. Use the table below to brainstorm strategies for counter sourcing or diversifying your sales outlets.

CURRENT PROCESS/ EQUIPMENT/ MATERIAL	POTENTIAL CLIMATE IMPACTS /DISASTER LIMITATIONS	ALTERNATIVE METHODS TO CONSIDER	NEXT STEPS
<p><i>Ex. Sweetgrass for basket weaving</i></p>	<p><i>Loss of natural areas to harvest due to flooding and coastal erosion</i></p>	<ul style="list-style-type: none"> • <i>Widen radius of travel to obtain sweet grass</i> • <i>Plant new gardens of sweetgrass in protected areas</i> • <i>Use of seagrass, which grows underwater and can be woven once cut and dried.</i> 	<p><i>Research alternatives to sweetgrass, connect with community of weavers to share resources and knowledge</i></p>

Disruptions in infrastructure, such as flooded roads, can additionally hinder the transportation of goods to market. In such cases, collaborating with local distributors or finding alternative transportation solutions can help ensure that your products reach customers despite the challenges posed by climate-induced disasters.

Plan for disaster-induced disruptions to your supply chain by having a relationship with more than one supplier for your products, ensuring that your supplier has good continuity plans, and, if possible, maintaining an emergency supply of raw materials or finished goods in inventory. By proactively considering the impact of climate change on your supply chain and taking steps to build resilience, you can safeguard your business against potential disruptions and continue to meet customer demands even in the aftermath of a disaster. Be sure to track essential vendor information as you prepare for disaster-induced supply chain disruptions. By keeping a record of key vendors, their resources or services, and their contact details, you can quickly access crucial support and alternative solutions in case of emergency:

VENDOR	RESOURCE/ SERVICE	ALTERNATIVE SOURCE/ VENDOR	CONTACT INFORMATION

3

DATA AND RECORDS PROTECTION

Regularly backup your digital files, customer records, financial data, and any essential documents to a secure cloud storage system or off-site location. Ensure that you have digital copies of important designs, patterns, and project records with hard copies stored in fire safe or waterproof storage. This ensures that vital information remains accessible even if your workspace or studio location is affected by disaster. Insurance companies, FEMA, and the Small Business Administration (SBA) require certain documents to process claims and provide financial aid, so ensure that the following records are accessible for your recovery process as well:

Financial + Legal (Aid/Loan Application Requirements)

- Business Licenses and Registration
- Business Income Tax Returns and Bank Statements
- Professional Resume
- Business Credit Report
- Personal Tax Returns
- Articles of Incorporation
- Contracts with third parties
- Leases for commercial property/ equipment
- Balance sheets
- Profit & Loss Statements
- Debt Schedule

Business/Craft Specific

- Designs, patterns, and project records
- Inventory records and material lists
- Customer orders and purchase history
- Supply chain contracts and agreements
- Equipment manuals and maintenance schedules
- Vendor agreements and invoices
- Intellectual property documentation (patents, trademarks, copyrights)

Personal Identification

- Drivers License/ ID Cards
- Passport/green card/ naturalization documents
- Social Security Card

Medical (for you and employees)

- Physician and pharmacy contact information
- Medicare/medicaid/health insurance ID
- Immunization, allergy, and medical history
- Prescription copies and medication list

Communication Information

- Phone and email information of all employees
- Emergency contacts
- Local government, emergency services contacts
- Vendor and clients

4

WORKSPACE / FACILITY CONTINGENCY

Ensuring the resilience of your workspaces and facilities is essential to maintain business continuity during and after climate-related disasters. By preparing for potential disruptions, you can better safeguard your creative operations. Use the following table to track details about alternative spaces for your business to continue operating out of in the face of damage to your primary workspace/facility.

SITE ADDRESS	DISTANCE FROM HOME/ PRIMARY STUDIO	FACILITY CONTACT INFORMATION	ACCESSIBILITY	ADDITIONAL CONSIDERATIONS

5

EMERGENCY RESPONSE TEAM

A well-organized emergency response team is crucial for effective disaster recovery and business continuity. As a maker-entrepreneur, you understand the value of collaboration and teamwork. In the face of climate-induced disasters, it's essential to gather a dedicated group of individuals to support each other and your creative business' resilience. If you run your business alongside other employees or family, try to involve all team members in this process, as delegating responsibilities and tasks will ensure a more comprehensive and manageable disaster response plan.

RESPONSIBILITY	DESCRIPTION	TEAM MEMBER
Risk Assessment		
Workspace Home Hardening		
Digitize / Back up Documents		
Draft Workspace Evacuation Plan		
Emergency Supply Kit		
Share and Update Business Continuity Plan		



Funding Your Climate Resilience Efforts

Many of the projects and resilience measures for increasing your preparation for climate impacts come with a price tag. Funding for your creative business' climate adaptation and resilience projects might draw on a range of sources for public and private financing. Consider applying for federal grant funding, access funds through public/private partnerships, and/or nonprofit/foundations that offer resilience funds and financial incentives. Consider your eligibility for the following grants and loan opportunities to fund your climate resilience and preparedness efforts.

In addition to the opportunities listed below, funding for emergency preparedness or hazard mitigation may be available through your state or local government. Identify and access these resources via your local government’s Chamber of Commerce and/or state-specific Office of Commercial and Business Affairs, Energy, Community Engagement, or Emergency Management.

ORGANIZATION	PROGRAM	DESCRIPTION	ELIGIBILITY AND REQUIREMENTS
Small Business Administration	Expanded Disaster Loans for Mitigation	Low-interest disaster loans for homeowners and small businesses with real property that has been impacted by a declared disaster can be expanded to support mitigation efforts against future disasters. SBA disaster loans can be increased up to 20% above the verified real estate loss to make building upgrades.	<ul style="list-style-type: none"> • Located in a disaster declared area • Accessing loans for disaster recovery • Eligible credit score • Employer Identification Number
CERF+	Get Ready Grant	\$500 grants to support individual craft artists for efforts to help safeguard their art and art-related business, protect their careers, and prepare for emergencies.	<ul style="list-style-type: none"> • Be an artist working in a craft discipline • Be 18 years of age or older • Have been residing and working in the U.S. or U.S. Territories for the last two years • Not have received a Get Ready Grant in 2023
US Chamber of Commerce	Small Business Readiness for Resiliency Program	Guidance for disaster preparation measures and quick-turn relief funding of \$5,000 for those prepared businesses after a federal disaster declaration is made in their region.	<ul style="list-style-type: none"> • Located in a disaster declared area • < 500 employees • Complete the Emergency Preparedness Checklist for Small Businesses • Employer Identification Number • Face harm and incur uncovered loss by damage

TAX INCENTIVES FOR CLIMATE RESILIENCE MEASURES

In addition to disaster mitigation and resilience funding sources described above, you should investigate which tax incentives you can harness to offset the costs of your climate resilience efforts. Such incentives, many of which were established through the Inflation Reduction Act (IRA) passed by the federal government in 2022, are a crucial part of the broader effort to promote clean energy and environmental justice initiatives nationwide and represent the largest investment in climate action by the U.S. government. If you are a homeowner who also operates a home-based business, you can tap into the following types of tax incentives to offset the costs of repairs or changes aimed at enhancing your resilience to climate-related challenges.

Tax credits can be claimed on your annual tax return to reduce the federal taxes you pay as a homeowner or increase your tax refund. Credits can provide a dollar-for-dollar reduction in the amount of federal income tax you would otherwise owe. Whereas tax credits provide savings on the amount of tax you owe, rebates

provide an upfront discount that's credited or returned to a customer at the point-of-sale or shortly after the transaction. Tax credits and rebates are claimed on your annual tax return for the tax year the purchase was made.

In addition to these federal programs, state tax incentives for disaster mitigation or climate preparedness may be available through your state or local government. Identify and access these credits or deductions via your local government's Office of Insurance, Department of Energy, Office of Commercial and Business Affairs, Energy, Community Engagement, or Emergency Management.

HELPFUL TIP



Tax incentives are available for home weatherization projects that can make your home more energy efficient and climate resilient. The Energy Efficient Home Improvement Credit and Residential Clean Energy Tax Credit, for example, can be used to save on qualifying improvements to your home, including insulation/air-sealing, battery storage systems, upgraded windows, and other efforts that can mitigate potential disaster costs. Learn more about these credits here and explore relevant credits/ eligibility through this database of resilience and recovery resources.



Other Possible Sources of Climate Resilience Support

As you navigate the resources described in this guide, you may encounter need for additional funding or tools to support the climate resilience efforts of your creative business. [The database linked here](#) hosts information about a selection of resources and funding opportunities that are available for specific groups within the artisan/maker community. Opportunities are organized to track eligibility requirements, such as geography, craft medium, or targeted communities. These opportunities are categorized and sorted to present relevant information about the funding eligibility requirements, application access, and contact information.



Conclusion

The information and tools in this guidebook were designed to better equip you and your creative business to face the challenges of climate-related disasters. By understanding the specific climate risks your business may face, identifying vulnerabilities, and implementing appropriate loss reduction and disaster preparedness measures, you can protect your craft, workspace, and livelihood.

Disasters may be overwhelming, but you are not alone. We at Nest, along with the federal agencies, nonprofits, foundations, and other disaster resilience and recovery resource providers mentioned throughout this guide, are dedicated to helping you navigate the complexities of disaster recovery and build a more resilient future. [Use this database](#) to access additional tools, funding sources, and more organizations that are committed to helping you in your disaster resilience journey and climate preparedness efforts.

Together, we can weather any storm and build a brighter, more resilient future for our artisan and maker community. Stay strong, stay prepared, and stay resilient!

Appendix

BUSINESS INSURANCE POLICY OPTIONS

BUSINESS INSURANCE POLICY	DESCRIPTION AND COVERAGE
General Liability	<ul style="list-style-type: none"> • Accidental injuries and property damage your business operations cause to others • Legal fees, judgments, and settlements in the case you get sued over an accident • One of the more basic types of insurance for small businesses
Commercial/ Business Property	<ul style="list-style-type: none"> • Property that was stolen, lost, or damaged by a peril covered by your policy (like a fire or theft) • Companies that offer commercial property insurance often break it down into two types of coverages - business building insurance and business contents insurance
Business Interruption/ Business Income	<ul style="list-style-type: none"> • Expenses such as lost income, payroll, and relocation costs if you have to temporarily move to a new location or close your business due to a problem covered by your policy (like a fire) • Will typically not cover lost revenue if the business itself is not damaged, but still has to cease operations (such as occurred to many during the COVID-19 pandemic); this requires extra coverage, which can be expensive
Business Owners Policy	<ul style="list-style-type: none"> • Bundles together general liability insurance, commercial property insurance, and business interruption insurance (at a lower cost than each policy separately)
Business Equipment Protection (Inland Marine)	<ul style="list-style-type: none"> • Damages to your equipment that occur away from your home or business property • Covers products/equipment when transported over land or while temporarily warehoused away from your primary workspace

Appendix

BUSINESS INSURANCE POLICY OPTIONS (CONT')

BUSINESS INSURANCE POLICY	DESCRIPTION AND COVERAGE
Commercial Auto	<ul style="list-style-type: none"> • Car used for work purposes, such as delivering a product or meeting with clients
Professional Liability (Errors and Omissions)	<ul style="list-style-type: none"> • Covers a portion of costs associated with lawsuits against your business or its managers (legal fees, judgments and settlements)
Workers Compensation	<ul style="list-style-type: none"> • Medical bills for employees who get injured or sick due to a work occurrence or accident
Commercial Umbrella	<ul style="list-style-type: none"> • Additional liability protection for costs beyond your initial liability coverage limits
Business Equipment Protection (Inland Marine)	<ul style="list-style-type: none"> • Settlements of claims brought against you by employees, such as violation of employee rights or wrongful termination (including legal defenses costs)