

Costs of the Smith River Complex Fires to Residents and Businesses

Early Survey Data and Analysis

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SUMMARY

In this report, we publish findings from 2 surveys and informal interviews with business owners and residents of Del Norte County. We directed one survey to businesses and one to residents. We found that residents had average reported costs of \$1790.47, lost power for an average of 5 days, and were without internet for 5 days on average. Businesses had average reported costs of \$6371 and 5 days without power. The below table shows the average reported decline in revenue as compared to this period last year.

All industries	
Loss of business before power outage	53.54%
Loss of business during power outage	70.15%
Loss of business after the outage	71.69%
Businesses that had to close during outage	42.11%
Businesses that remain closed	15.79%

Foodservice and Retail	
Loss of business before power outage	52.72%
Loss of business during power outage	70.92%
Loss of business after the outage	64.10%
Businesses that had to close during outage	36.36%
Businesses that remain closed	3%

Lodging and Camping	
Loss of business before power outage	58.54%
Loss of business during power outage	81.55%
Loss of business after the outage	70.11%
Businesses that had to close during outage	53.33%
Businesses that remain closed	30%

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Sales tax and TOT tax data were used to calculate dollar figures from percentage loss of business. The combined restaurant and retail industry of Del Norte has been losing \$66,578.97 a day since the power was turned on at most businesses in Crescent City. The lodging sector has been losing \$28,521.69 a day since the power was turned on at most businesses in Crescent City. 15.92% of businesses still do not have power. If these losses continue at the same rate, by the end of August, the Restaurant sector losses will be well over \$500,000 from the loss of business alone. Lodging losses from the decline in business will top \$250,000 during this time.

METHODS

Google Forms were used as surveys with one for residents and one for businesses and nonprofits. The business and non-profit survey was distributed by the Del Norte Chamber of Commerce. The residential survey was posted with a short interview on the local news site, Wild River Outpost. Local radio carried a story on the survey and distributed the link. The CE advisor handed out residential and business \ nonprofit surveys to over 50 businesses from Klamath to the Oregon Border. Resident surveys were placed in public spaces like notice boards and the library. Paper copies were placed at the Red Cross Shelter and QR codes were placed at the remaining community resource centers. Dollar figure losses were calculated from CDTFA tax records for Del Norte County using the CTR group code and 2021 data. TOT tax figures were obtained from LuLish Marketing.

Interview Data

Many residents and business owners are worried about the long-term effects of the fires on tourism. Many people believed tourists would assume that these fires were burning famous redwood groves and choose to go elsewhere long and short term. Others talked about how the power outages and 199 closure have soured tourists' view of Del Norte and fear they will be less likely to return or recommend Del Norte. There was a great deal of uncertainty from people, and all wanted more information about the fires, their effects, and Pacific Power's response to power outages. Multiple businesses reported they were struggling before the fires, and this might put them out of business. Business owners stressed that this is the peak season for tourists, for many, this could not have come at a worse time.

Discussion

August and September are some of the most important months for the Del Norte economy, especially the tourism sector. Incurring a complete or almost complete loss of business during this time combined with the costs of losing food and buying generators are immense for the region's businesses. Almost all the businesses visited in person were small businesses. With a highly seasonal economy that is going into the winter slow season, this timing could not have been worse. These effects are compounded by salmon and rockfish closures that are already hurting the tourism sector.

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The average individual gross income in Del Norte County is \$2059 per month according to the US Census. With the fire and power outages causing extra costs of \$1790.47, this is similar to a month's gross income going up in smoke. Residents lost food from the fridge and freezer, had to buy generators and fuel, and lost wages. For those on fixed incomes and living paycheck to paycheck, these costs can be disastrous. As more smoke rolls into residential areas like Crescent City health costs will increase. The costs to individuals, businesses, and nonprofits will continue to increase as more time passes and more accurate accounts are made. Assistance will be needed to ensure that these costs do not crush residents and businesses as they work to keep helping each other and protecting Del Norte through the Smith River Complex Fire emergency.

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