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EL NINO CREATES ECONOMIC EMERGENCY FOR BIG SNOW COUNTRY



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The current and forecasted weather conditions are having a disastrous financial impact on the entire small business community of the Western U.P. These small businesses rely on winter tourism and recreation for their survival and the winter season customarily accounts for approximately 85% of these small businesses' annual revenue. Without snowmobilers, skiers, ice fishermen, snowshoers, and out-of-state tourists, these businesses do not have the ability to generate revenue to pay bills, employees, vendors, and all other service-related industry partners. This weather event is creating immediate challenges as well as potential future challenges for the remainder of January and the effects of this state of emergency will undoubtedly be felt for the next several months.

A unified group of small business owners in Gogebic and Ontonagon Counties have formally appealed to the State of Michigan for any relief, assistance or potential State and Federal Contingency Funds that may be available. To date, 43 Gogebic and Ontonagon businesses have reported combined revenue losses of \$3.116,494 million for the month of December alone, which really comes down to 7 days in December (December 26-31). That financial loss is business that cannot be recovered, and that loss of business is having a significant ripple effect throughout all businesses resulting in loss of service-related jobs, supplies, materials not to mention the economic spin off from all tourism related business. January's forecasted amount of loss is based upon the current situation as well as weather forecasts for the remainder of the month. Based upon the forty-three responses that have been received, the January forecasted revenue loss is in excess of \$3.8 million.

This crisis situation is comparable to a hurricane or any other natural disaster minus the devastation or loss of life and should be given the same attention as any other relief effort. These businesses need help and support immediately and do not have the luxury of waiting another two to three weeks in the hopes that conditions change. Earlier this week, the Western UP CVB and the Lake Gogebic Area Chamber of Commerce reached out to Michigan State Representatives and the MEDC to request support. While waiting for their response, the Lake Gogebic Area Chamber has schedule workshops for their members designed to help them navigate through these challenging times, benchmark with other businesses, and to plan for the remainder of 2024 in the hope that they can increase tourism for their region and spur economic recovery throughout the Western UP.

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