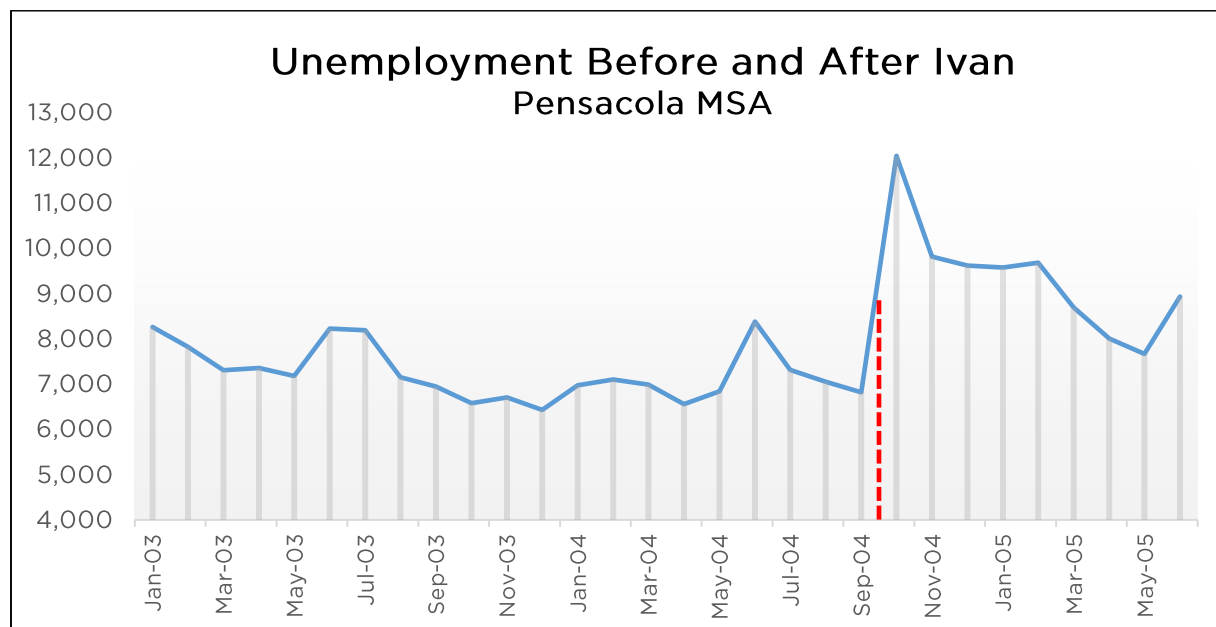


# Potential Impacts of Hurricane Michael to Panama City

While the Pensacola area was spared the catastrophic impacts of Hurricane Michael, the images of the destruction it wrought has reminded us of what happened to this area with Hurricane Ivan in September 2004. That experience lets us give the residents of Bay County an idea of what they can expect from their economic recovery in the coming months.

## 1. The number of workers claiming unemployment will spike upwards.

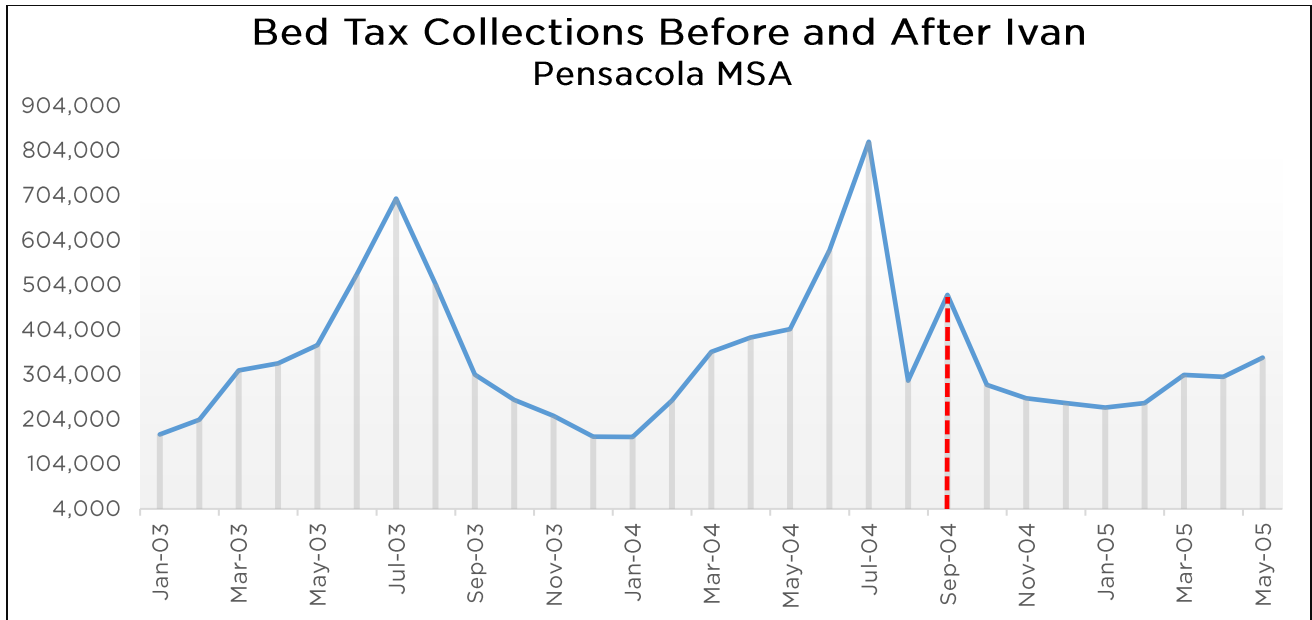
Damaged businesses will be forced to lay off workers until they can reopen and some businesses may close for good. Employment will increase in some industries as recovery begins, particularly in the building trades, but many workers will be drawn from other areas.



Source: Florida Agency for Workforce Innovation (now DEO)

## 2. Tourist development (or bed tax collection) patterns will change for a while.

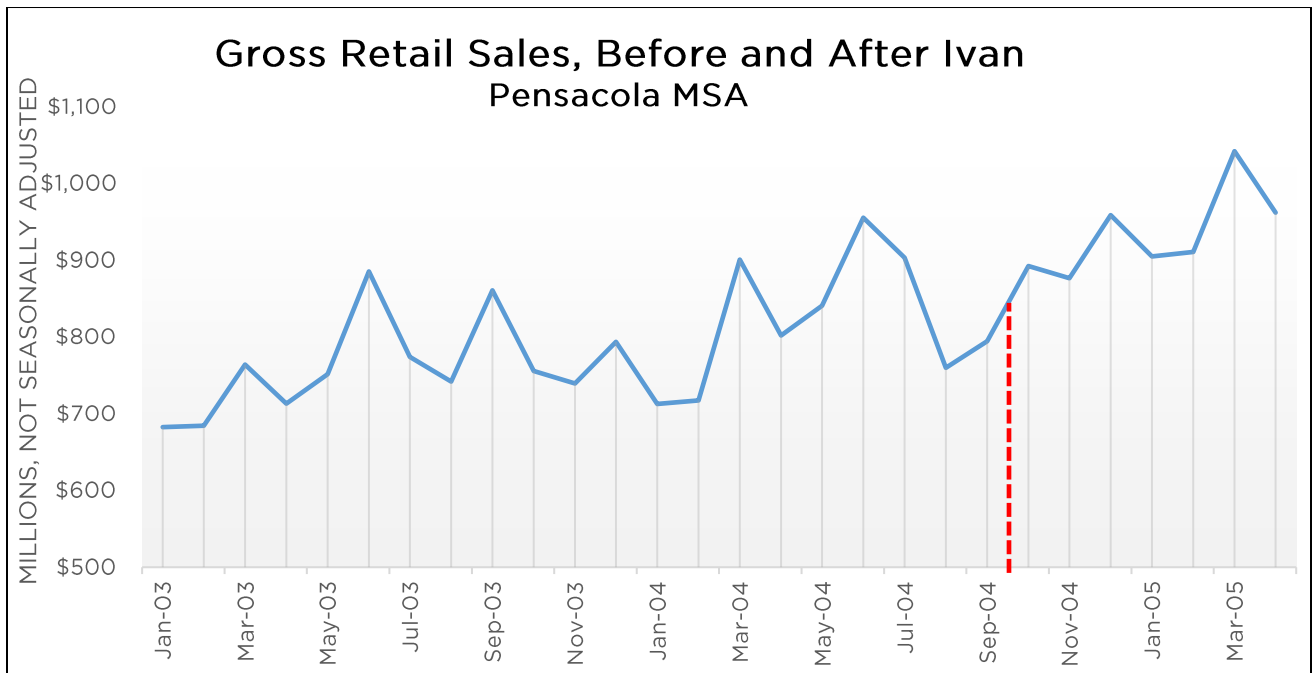
The tourism infrastructure will have taken a tremendous blow. But given the seasonal nature of typical collections in Bay County and the influx of construction workers and insurance adjusters staying in any available properties, the area may not see an overall decline in collections this year.



Source: Florida Department of Revenue

### 3. Retail sales figures may increase significantly as consumers spend insurance claim proceeds to rebuild.

Because of the damage caused by the storm, many new items such as appliances and furniture will have to be purchased as recovery proceeds. This should cause sales to increase, although this increase may come at the expense of holiday shopping and will benefit some retail businesses more than others.



Source: Florida Department of Revenue