

## **HOUSING OPTIONS IN THE AFTERMATH OF HURRICANES KATRINA AND RITA**

I'd like to thank the members of the Subcommittee on Housing and Community Opportunity for allowing the State of Mississippi the chance to discuss our observations and express our concerns regarding immediate and long-term housing needs of disaster victims following Hurricane Katrina.

While FEMA has been widely criticized for a number of real and perceived mistakes during Hurricane Katrina, it has achieved success in the following areas that are directly relevant to housing-related issues; the fastest deployment of temporary housing units to a disaster-stricken area since the program was established, the creation of real-time post-disaster mapping of flood hazard areas, and a growing commitment to long-term recovery planning, which in the recent past has not been viewed as an important part of achieving a successful recovery. While improvements have been made, it is not good enough. Past disasters have taught us that while better temporary and permanent housing solutions are available, they require a degree of operational and long-term planning and inter-organizational coordination that remains unrealized.

There are several areas in need of significant improvement. First, the federal government needs to develop an improved temporary and long-term housing strategy that is more flexible and comprehensive in nature. This requires the efforts of numerous federal agencies, including, but not limited to FEMA. The current approach is not sufficient to address the needs of communities and states following a catastrophic disaster like Hurricane Katrina. Perhaps the greatest limitation of the current approach is the lack of coordination across federal agencies and the failure to develop a plan that recognizes the lessons learned in past major events. The provision of temporary and long-term housing solutions requires

innovative thinking, driven by the identification of local needs and the implementation of multiple solutions designed to meet those needs. These solutions must be responsive to unique local conditions. The traditional reliance on old approaches must be replaced, recognizing advances in the housing construction trade, including the use of modular, panelized and other forms of safe, more livable housing types. This approach can greatly reduce the current reliance on travel trailers and mobile homes.

Serious safety and long-term quality of life issues are prevalent when using the current approach. For example, the use of travel trailers for long-term occupancy results in an unnecessarily high fire hazard risk due to the fact that these units were not designed for long-term, sustained use. The rapid establishment of housing manufacturing operations in the affected states represents one example of an innovative solution. However, like many forward-thinking options, this requires that federal agencies must work with states and local governments in non-traditional ways.

The concept of “transitional communities” should be further researched as a means to supplement housing needs, although in Mississippi, its utility was limited due to the fact that policies and practices were not in place early in the disaster to consider this approach on a large-scale. Again, in order to be effective, this requires the coordination of multiple federal agencies, working in concert with state and local governments in order to determine appropriate solutions based on local needs.

The repair and reconstruction of housing is the foundation of individual, community, and overall economic recovery. It also represents the greatest challenge facing the State of Mississippi. Without the rapid provision of temporary and permanent housing solutions, recovery will be slowed or fail to occur in a manner that meets the needs of disaster victims, the recovery objectives of local

leaders, or the intent of the Governor, which is to achieve a coastal “renaissance.”

Simply put, we need more practical temporary and permanent housing alternatives and the means to pay for them. We also need to resolve a number of policy issues that ultimately speed the delivery of recovery housing programs. A specific example involves the use of FEMA Hazard Mitigation Grant Program funds to pay for the costs associated with the construction of an elevated foundation and the cost of the repair or replacement of a damaged or destroyed home.

Following the release of the post-Katrina Advisory Flood Elevation maps, communities have had to make a difficult choice - adopt these maps or rebuild to older Flood Insurance Rate Maps that in many cases show a lesser flood risk. While it makes sense to adopt new advisory maps to help guide safer reconstruction, it remains unclear the extent to which the federal government will pay to assist in the repair and reconstruction efforts inside the floodplain. At this point, we believe that there may be as many as 65,000 households that may qualify for this type of assistance. The recent release of Congressionally appropriated funds to repair homeowners damaged outside the floodplain is greatly appreciated and will go a long way to assist as many as 35,000 households recover. What remains uncertain is the level of assistance provided under the Hazard Mitigation Grant Program to help rebuild damaged housing in a manner that lessens their vulnerability to future events. The rapid clarification of this issue is critically important to the people of coastal Mississippi.

One of our greatest fears is that the inability to pay for the reconstruction of safer homes along the coast will result in property owners selling their land to developers who will replace damaged and destroyed homes with a homogenized series of high

rise hotels and condominiums, thereby permanently altering the very nature of what made coastal Mississippi so unique.

In order to affect wise recovery we also need to emphasize the repair and reconstruction of supporting community infrastructure to better withstand the forces of future hazard events. Under the FEMA Public Assistance Program, a greater emphasis should be placed on the use of “406” funds to harden or relocate damaged water, sewer and critical public facilities like police and fire stations, thereby increasing the probability that communities can quickly bounce back and resume daily operations following disasters.

Next, I’d like to briefly mention several housing issues facing the State of Mississippi that are associated with the need to speed the construction of safe, affordable, high quality housing. This proposed approach requires first reaching out to the private sector, particularly homebuilders and community design professionals, as well as housing non-profits, who often take the lead in developing affordable housing. Establishing pre-existing public-private partnerships should be done well in advance of the storm. Trying to establish these relationships following a disaster severely limits a government’s ability to provide high quality permanent housing in a rapid fashion. As a result, governments must rely on past approaches like the construction of large-scale emergency group sites and the use of travel trailers on private property.

From the perspective of the homebuilder, three issues are critical to success. They include the availability of an adequately trained workforce, the presence of temporary housing in close proximity to construction sites for those involved in the repair and reconstruction effort, and the availability of construction materials appropriate for coastal construction. The last issue is particularly relevant in light of new elevation requirements.

For those victims living in disaster housing, FEMA, working with other federal agencies, states and local officials need to develop a strategy designed to speed the construction of permanent housing (both owner-occupied and rental), thereby getting people out of trailers or other temporary living arrangements as rapidly as possible. In order to facilitate this effort, we need continued federal assistance to speed the construction of permanent housing.

As communities begin the long-term rebuilding process, local governments desperately need assistance in a number of key areas. Specific technical assistance needs include the provision of building inspectors, grants managers and housing counselors. A sufficient number of qualified building inspectors are needed to assist in the processing of building permits and the evaluation of compliance with existing codes and standards during reconstruction. We are excited about the development of FEMA hazard mitigation grants that will help provide this type of assistance.

In order to achieve an effective long-term recovery, local governments also need capable, experienced grants managers to help write and implement programs addressing housing, infrastructure and other identified needs. Post-disaster grants are often difficult to administer and require unique skills developed through experience in the post-disaster setting.

Housing counselors will also play a key role, yet are not traditionally provided on a long-term basis by the federal government to help disaster victims sort through the number of housing options before them. The failure to comprehensively identify individual housing needs and assess eligibility requirements across all federal housing programs results in an unnecessary number of people falling through the cracks. Unfortunately, this often happens to those facing the greatest need.

In closing, I would like to reemphasize a few key issues. We need to continue FEMA's emphasis on rebuilding in a way that recognizes the vulnerability of our coast. In order for this to be achieved most effectively in Mississippi, we need to maximize the use of the Hazard Mitigation Grant Program to fund the repair of damaged housing in the floodplain, based on our understanding of risk. On a national level, Congress should consider reauthorizing the amount of Hazard Mitigation Grant Program funds available to states to its initial amount equal to 15 percent of disaster costs rather than the current 7 percent allocation. Similarly, in order to help communities achieve a greater understanding of the flood hazard risk facing them, Congress should continue to support and expand funding of the FEMA Map Modernization program.

Our country needs to do a better job of planning for recovery at all levels of government. This is clearly evident in the context of housing, but it certainly applies to other issues, including infrastructure, land use, and public health, among others. We encourage FEMA to continue to improve the commitment to long-term recovery planning through the identification and development of a cadre of experienced disaster recovery planning experts that can be deployed following disasters to assist local governments bring together federal agencies to tackle complex recovery problems, develop recovery plans and identify appropriate sources of funding to implement identified projects.

The reconstruction of safe, affordable housing that reflects the architectural history of our coast remains our primary concern in Mississippi. Thank you for providing us the opportunity to discuss the challenges facing our state and we look forward to continuing an ongoing dialogue with you in order to help Mississippians recover from Hurricane Katrina in a manner that makes our coast a better place to live, work and play than it was before the disaster.