



**NORTH CAROLINA CENTER FOR
PUBLIC POLICY RESEARCH INC.**

NEWS RELEASE

For release on Tuesday, Dec. 11, 2001
May be broadcast Tuesday a.m. and
may appear in Tuesday newspapers

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Center Says State Must Act To Prevent Future Hurricane Damage

The North Carolina Center for Public Policy Research today released a report outlining recommendations to prevent future devastation such as that caused by Hurricane Floyd, urging North Carolinians not to take too much comfort from a quiet storm season. This year's Atlantic hurricane season ended quietly on Nov. 30, marking a second consecutive season of calm along the coast and raising fears that lessons learned in the deadly storms of 1999 will be forgotten.

"North Carolina has gone two consecutive seasons without a major storm," says Mike McLaughlin, editor of *North Carolina Insight*, the Center's journal. "That's a welcome breather, but it's also a lucky streak that will not continue. You might say we've got one rabbit's foot worth of luck and the other foot still stuck in the muck of Hurricane Floyd."

Hurricane Floyd stormed ashore Sept. 15, 1999, bringing 21 inches of rain that turned a third of the Tar Heel state into a virtual inland sea. The numbers were as unprecedented as they were awful:

- 52 lives lost, many of them due to people trying to drive on flooded streets and highways;
- 67,000 homes damaged;
- nearly 8,000 homes destroyed;
- 66 of North Carolina's 100 counties declared disaster areas;
- 73 municipalities severely damaged;
- Farm animals lost including 21,000 hogs, 2.1 million chickens, 700,000 turkeys, and 680 cattle; and
- \$836 million in state aid and nearly \$2 billion in federal aid to the victims.

The Problems and the Center's Recommendations To Solve Them

With the loss of life and property wrought by Floyd firmly in mind, the Center's study offers nine recommendations to prevent or mitigate damage before the next storm hits. These include **complete remapping of the floodplains for the state of North Carolina**. Flooding was Floyd's principal agent of destruction, as torrential rains inundated a region the size of the state of Maryland. Only 13 percent of affected homeowners had flood insurance, and many were unaware of the risk due to outdated flood insurance maps. In Floyd's aftermath, the state agreed to remap six river basins in Eastern North Carolina, drawing well-deserved praise from the Federal Emergency Management Agency, but North Carolina has 17 river basins, and even the new maps must be kept up to date. As Paul Wilms of the North Carolina Association of Home Builders observes, without accurate floodplain maps, the state cannot be sure what the base flood elevations are for most rivers in North Carolina.

The Center also recommended that the state provide **a series of carrots and sticks for local governments to adopt both zoning ordinances and hazard mitigation plans that exceed FEMA standards.** The carrot would be priority points given to local governments when they apply to the state for funds for facilities such as water and sewer plants. The stick would be a deduction of points for failure to adopt and enforce these ordinances and plans. To help pay for hazard mitigation such as the buyout and removal of oft-flooded structures from the floodplains, the Center recommends that the state **follow Florida's example and establish an Emergency Management Trust Fund to pay for hazard mitigation.**

However, if the state is to help pay for the removal of hazards, it must also help prevent the creation of new ones. Thus, the Center recommends **limits on development of infrastructure such as bridges, roads, and sewage treatment plants within 100-year floodplains.**

Despite Floyd's destruction, towns and counties are allowing people to rebuild in the same areas flooded by Floyd and even allowing new construction. Indeed, 21 North Carolina communities, including five towns in Eastern North Carolina, are not even participating in the National Flood Insurance Program. Those five towns are Bolivia in Brunswick County, Four Oaks and Wilson Mills in Johnston County; East Laurinburg in Scotland County; and Sims in Wilson County. Non-participating counties – all in the West or Piedmont – are Alleghany, Caswell, Henderson, Wilkes, and Yadkin.

Thus, there is a legitimate belief that new floodplain maps alone will not prevent ill-advised decisions about where to place homes and businesses. "I think most local governments will not rush to adopt new ordinances based on the new maps," says Bill Holman, executive director of the state's Clean Water Management Trust Fund. "Maps are tools. It takes plans and regulations to change behavior."

In addition to preventing ill-advised construction and development in North Carolina's floodplains, the Center says the state must continue to **provide the necessary funds to buy out agricultural operations, junkyards, and hazardous chemical facilities within the 100-year-floodplain, and press ahead with efforts to purchase frequently flooded residences.** Floyd flooded 50 of 185 hog farms located in the 100-year floodplain. A total of 80 hog farms applied for a government buyout, but only 14 have been purchased. Another round of purchases has been approved by the N.C. Clean Water Management Trust Fund. Poultry farmers have not been included in the buyout program but may need to be considered, as the flooding killed 2.1 million chickens and 700,000 turkeys.

In addition, 8,000 frequently flooded homes have been declared eligible for buyouts, but only 4,377 have been purchased. Underground storage tanks for petroleum products such as gasoline and heating oil also are a problem in floodplains. Soil contamination from underground storage tanks has been identified and is being addressed at 14 commercial and four non-commercial sites, and eight junkyards are in the process of being bought out. State law now requires new facilities such as chemical and solid waste storage facilities, junkyards, and hog farms to be built outside the floodplains.

Finally, the Center says the state must recognize the role of nonprofits' disaster recover efforts and assure that promises to nonprofits are kept when they are called upon to deploy their resources to aid people who otherwise would be eligible for government assistance. Nonprofits such as the North

Carolina Interfaith Disaster Response played a critical role in Floyd recovery efforts. But nonprofits also received sort of a double whammy. Not only were some of these organizations promised reimbursement for certain expenditures used to aid Floyd victims, but giving for other causes dipped as a result of resources being drained off for Floyd aid. The Pitt County city of Greenville, for example, saw a decrease of 13.2 percent in its 1999-2000 United Way campaign. When nonprofits were finally getting back on their feet, the September 11, 2001, terrorist attacks created another massive drain on charitable giving, some of which may have gone to other causes. **The Center recommends that Governor Mike Easley appoint a task force to develop a policy on when state reimbursement for nonprofits is appropriate for expenditures made in recovery from natural disasters, and the state should stick to its word when promises are made.**

The Center says it would be a mistake for state policymakers not to take the necessary steps to prepare for the next major storm that hits. "Memories of the flood of 1999 will ultimately recede," says McLaughlin. "The real threat of future flooding will not."

Praise for the State's Accomplishments

While much remains to be done to mitigate the potential damage wrought by future disasters, the Center also praised state agencies for the Herculean efforts that have gone into Floyd recovery. The Center praised state efforts that remapped six river basins; negotiated conservation easements for eight junkyards in the floodplain; installed a new information management system that will aid in search and rescue efforts in the next big storm; expedited the approval of Small Business Administration loans to some 13,000 North Carolina residents at a cost of \$510.9 million and implemented its own loan and grant programs for persons ineligible for or uninterested in SBA assistance; researched and carefully monitored damage to the state's fisheries and found little flood-related damage; inspected thousands of wells and found little flood-related contamination; and aided with exemplary buyout programs in Eastern North Carolina cities such as Greenville and Kinston.

"[Floodplain remapping] is a huge step forward, and it never would have happened without the commitment of the governor and the legislature," said Mary Hudak, a spokesperson for the Federal Emergency Management Agency (FEMA). "This means each local government will be able to manage their floodplain and keep it updated."

Kinston, in particular, was singled out by the Center for special praise, with negotiations underway for the buyout of eight junkyards, as well as hundreds of homes and businesses along the floodplains of the Neuse River for conversion to parks and greenways. "The next time the Neuse River overflows its banks, the only homes flooded out will belong to the snakes," says Chris Cabral, Kinston's former city planner.

Additional Items on the State's "To-Do" List

Despite these accomplishments, the Center found a number of items remaining on the state's "to-do" list. For example, as of November 2001, 207 families still resided in FEMA travel trailers and mobile homes that were supposed to be temporary. And, only three local governments have completed more than 50 percent of their Floyd-related building projects. A majority of these projects are less than 25 percent complete, prompting a recent warning from Governor Mike Easley that unless these local

governments move quickly, the resources promised them will be redirected to other areas of need. Hundreds of public housing units in municipalities across Eastern North Carolina are being rebuilt or refurbished and may not be completed for a year or more, leaving many renters in limbo in an area of the East already besieged by high rental costs relative to the income of its population.

In short, two years after the fact, the state still has quite a bit of rebuilding to do from the damage dealt by Hurricane Floyd and quite a bit of work left to do to prevent future disasters. Mother Nature gave the state a welcome breather after the worst natural disaster in recent memory, but in the past 12 years, North Carolina has suffered five hurricanes causing at least a billion dollars in damages and deaths of citizens. "We're going to get hit again," says the Center's McLaughlin. "It's just a question of how soon and how hard."

The N.C. Center for Public Policy Research is an independent, nonpartisan, nonprofit corporation created to study public issues facing North Carolina and to evaluate state government programs. The Center receives general operating support from the Z. Smith Reynolds Foundation in Winston-Salem, 11 other foundations, 190 corporate contributors, and almost 1,000 individual and organizational members across the state. The Center wishes to thank the Cemala Foundation of Greensboro, N.C., the James M. Cox Foundation of Atlanta, Ga., and the Weyerhaeuser Company Foundation of Federal Way, Washington, and New Bern, N.C., for their generous support of this special issue of *Insight* on issues affecting Eastern North Carolina. In addition to publishing *North Carolina Insight*, the Center also publishes book-length research reports, a citizens' guide to the legislature, and textbooks for teachers of state and local government. The Center currently is studying governance of public universities, the charter schools movement in North Carolina, and opportunities and challenges facing Eastern North Carolina.

Copies of the issue of *North Carolina Insight* containing the Center's research on lessons to be learned from Floyd and other issues facing Eastern North Carolina are available for \$20, which includes tax, postage, and handling. To order, write the Center at P.O. Box 430, Raleigh, N.C. 27602, call (919) 832-2839, fax (919) 832-2847, or order through the Center's web site at www.ncinsider.com/nccppr

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For more information on the Center's study of lessons to be learned from Hurricane Floyd, call Mike McLaughlin, editor of *North Carolina Insight*, at the N.C. Center for Public Policy Research at (919) 832-2839.