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The New York Times

September 21, 2009 Monday

Correction Appended

Late Edition - Final

As Galveston Recovers From Hurricane Ike, Some Residents Feel Left Behind

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SECTION: Section A; Column 0; National Desk; Pg. 10

LENGTH: 1331 words

DATELINE: GALVESTON, Tex.

There are many signs that this seaside town has revived a year after Hurricane Ike flooded more than 17,000 homes and businesses. The big resorts are humming again, and on hot days people throng the newly restored beaches. The port is open, and the cruise ships are back. Most of the businesses on the Strand, the island's historic strip of shops and restaurants, have reopened.

Yet the progress has been slow, and officials say it may be several years before the city fully recovers.

With the debris cleared, the main thoroughfares appear now much as they did before the storm, but on the backstreets, thousands of residents -- in particular the poor and elderly who lacked insurance -- are still struggling with the lingering effects of the hurricane.

About 20 percent of the 58,000 people who lived in the city before the hurricane have not returned, and one-quarter of the families whose homes were damaged by floods -- about 4,000 households -- are still unable to live in them.

Thousands of people are still staying with relatives or living in campers and government-provided trailers next to their ruined homes. About 3,000 are staying on the mainland in temporary apartments subsidized by the government. Many of these families are still waiting for more than \$160 million in federal housing grants that have been approved but have yet to be disbursed because of bureaucratic delays in Austin, officials said.

"We have a lot of people who didn't have insurance or who had some but not enough," said Mayor Lyda Ann Thomas. "It's just not fair. People are waiting and waiting and waiting and waiting."

The housing aid that has arrived has often proved to be too little. The Federal Emergency Management Agency has distributed emergency housing assistance to 1,300 households, but many residents found that the grants, which were capped at \$28,800, did not cover their damages.

The state and federal governments have yet to take steps to protect the city from a future storm, beyond financing a \$46 million project to rebuild six miles of beaches and dunes. But a multibillion-dollar proposal to create a system of

dikes coupled with giant, swinging gates across the mouth of Galveston Bay and San Luis Pass has begun to gather political momentum.

FEMA has distributed at least \$189 million to flood victims in Galveston County for temporary housing or repairs, and the city has received \$86 million in aid, mostly for removing debris. An additional \$269 million in block grants from the federal Housing and Urban Development Department has been approved for infrastructure and repairs to houses but has not arrived, city officials said.

Scars from the hurricane are sprinkled through the town. Four sprawling housing projects that were flooded have been razed. (There is a debate about where to rebuild them.) The system for storm water is still clogged with sand. More than 30,000 dead trees have yet to be removed. And the buildings at the state park are still little more than concrete ruins.

Shuttered businesses dot the island, and those still open are taking in only about 65 percent to 70 percent of their former earnings, according to the Chamber of Commerce.

Still, many residents say they find reasons to be optimistic. By most accounts, the pace of recovery here has been much better than in New Orleans after Hurricane Katrina, a more powerful storm.

After flirting with moving the island's hospital and medical school to the mainland, the State Legislature voted at the end of the summer to spend \$667 million to rebuild it, ensuring that the town's largest employer would stay put.

Most of the traditional tourist destinations have reopened; the beaches have been restored by the state at a cost of \$12 million. The city itself has avoided widespread layoffs, even though property taxes have plummeted, by spending money from a reserve fund, officials said.

And while at least 180 businesses have shut down for good, more than 130 new ones have opened, chamber officials say. Developers have also been snapping up properties near the water at a rapid rate, pouncing on depressed prices.

"It's a no-brainer," said Peter Koke, a North Carolina developer who has bought a dozen houses in Galveston County since the storm. "It's going to come back way stronger than it was."

If anyone embodies this seaside town's determination to rebuild after Hurricane Ike, it is Jack King, the white-haired candy maker whose downtown store was a fixture on the island for decades.

A year ago, when Mr. King arrived at his confectionery, the floodwaters had swept through the cavernous parlor and destroyed everything: the antique counters and cabinets, the hardwood floor, the soda fountains, the gleaming counter from Italy and most of the candy-making machinery, including the saltwater taffy pullers that had made the shop famous.

Though he is 72, Mr. King said he never thought once about retiring. He plundered his savings and fought with his insurance company to get the \$500,000 he needed to rebuild. La King's Confectionery reopened in late July.

"I been in the candy business all my life," he said. "I don't know how to do anything else."

Kim Bachmeier and her husband, Steve Whitcher, decided to cash in their retirement funds and open a shoe store for runners, Fit to Run, near the Strand. Ms. Bachmeier said she hoped the store would not only provide them an income but would also inspire more people to take up exercise to beat their post-hurricane blues.

"After the hurricane, a lot of people found the bottom of a lot of bottles; that was their way to deal with things," Ms. Bachmeier said. "It's more than just a store to us; it's the beginning of a positive change for the island."

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Not everyone shares Ms. Bachmeier's sanguine outlook.

Every day, Brenda Roby tiptoes through the rubble of her house on an inlet to get the mail from her box, one of the few things the storm did not carry away. The storm not only wiped her two-story house off its foundation, but it destroyed a building housing her catering business, as well. She has collected her flood insurance, about \$120,000, but it is not enough to rebuild, and the state-financed windstorm insurance company has denied her claim. She has lived in limbo for months in a FEMA trailer on her property.

"I've never been homeless or jobless in my life until after Ike," she said. "Everybody is talking about how everybody got back on their feet, and I said, 'O.K., I can't do anything yet. One year later and I'm right where I was before.'"

Still, a grand divide exists between those like Ms. Roby who were insured against floods and those who were not. About 17,000 homes were seriously damaged, and 5,200 of the families in them did not have flood insurance. Most of the homeowners were poor or elderly, said Joe Higgs of Gulf Coast Interfaith, a group helping hurricane victims.

"The people who haven't recovered are really the most vulnerable," he said. "They are low income, and because of that they often did not have insurance."

Many poor residents said the \$28,800 grants they had received from FEMA were insufficient to finish repairs on their homes.

The floodwaters nearly drowned William and Dorothy Auzston in their home on the night of Sept. 13 last year. Both are retired and in poor health, living on Social Security. They had no insurance; the home that Mr. Auzston, 83, built decades ago was in a flood zone, and a policy would be prohibitively expensive.

Since the storm, the Auzstons have spent the FEMA grant to clear the rubble and buy a camper to live in. They also managed to buy blueprints and have pilings driven, on top of which they hope to rebuild their home. But they are out of money.

"You are not going to rebuild no house with any \$28,000," said Ms. Auzston, 60, a former hospital orderly who suffers from diabetes and breast cancer. "I have cried and cried and cried. It's just not worth it anymore."

URL: <http://www.nytimes.com>

LOAD-DATE: September 21, 2009

LANGUAGE: ENGLISH

CORRECTION-DATE: September 22, 2009

CORRECTION: An article on Monday about the aftermath of Hurricane Ike in the city of Galveston misstated the number of families who received emergency housing assistance from the Federal Emergency Management Agency. It was at least 21,800, federal officials said -- not 1,300.

GRAPHIC: PHOTOS: The storm wiped Brenda Roby's house off its foundation and destroyed her catering business.(A10)

Dorothy Auzston helping her husband, William, 83, who has emphysema, out of their trailer.(PHOTOGRAPHS BY MICHAEL STRAVATO FOR THE NEW YORK TIMES)(A12)

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PUBLICATION-TYPE: Newspaper

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