THE TEXAS OBSERVER

Aftershock

Disaster recovery in Texas is a calamity all its own. Just ask the fed-up folks on Bolivar Peninsula.

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photo by Brett BertlesAn unrepaired home on Bolivar Peninsula

No man is an island, entire of itself; every man is a piece of continent, a part of the main. -John Donne

Don't dare tell the people of Bolivar they live on an island. "It's a peninsula, not an island," they will say. Geographically, they're right. The 34-mile spit of low-lying marsh and beach, cattle ranches and crusty beer joints extends from the supertanker-trafficked Bolivar Roads Channel in the south to the boggy town of High Island on the north. But in spirit and in relation to the outside world, Bolivar lives and dies as an island. Comprised of five loosely linked, unincorporated towns—High Island, Gilchrist, Caplen, Crystal Beach and Port Bolivar—the peninsula is a world unto itself, a Gulf-side paradise where the living is cheap and government is distant.

Galveston, the county seat, is a long ferry ride across Bolivar Roads. Residents have resisted numerous attempts to incorporate into cities. The peninsula's only major road, State Highway 87, lies perilously close to the Gulf and is frequently inundated by high tides and storm surges. A portion is permanently closed north of High Island.

Plenty of affluent outsiders keep second homes on the beach, but the heart and soul of Bolivar are its full-time residents, an eccentric, eclectic bunch who take pride in their close-knit community and self-reliance. In good times, these folks will tell you they don't have much use for government. Almost two and a half years after Hurricane Ike nearly wiped Bolivar off the map, Bolivarians are wondering if they'll ever get the government help they were promised. They are hardly alone.

In September 2008, Congress appropriated $3.1 billion to help Texas recover from Hurricane Ike, the third-most costly storm in U.S. history, as well as from Hurricane Dolly, a lesser storm that tore through the Rio Grande Valley in July 2008. Roughly 55 percent, $1.7 billion, is earmarked for housing. The rest is slated for infrastructure and economic development. Only a tiny fraction of the money has reached victims. The intractable delays have left thousands of people in a seemingly endless state of limbo, fostering frustration, resentment and despair. From Beaumont to Brownsville, disaster victims languish on waiting lists. Many are living in moldering homes, in tiny FEMA trailers or RVs, stuck between a natural disaster and a faltering, human-directed recovery. Some have given up hope and moved on.

Perhaps no place is suffering as much as Bolivar Peninsula. The local sentiment is summed up on a T-shirt that circulated after Ike: "I Survived Ike … Hope I Survive the Aftershock."

The storm destroyed or seriously damaged almost 80 percent of the peninsula's structures, around 3,600 homes and businesses. Ninety-eight percent of the housing stock was destroyed or damaged. Gilchrist was wiped out. Ike's waves flattened the dunes and washed away untold tons of beach sand, making the peninsula more vulnerable to future storms.

Today the peninsula is struggling back to life. Those with money or good insurance are putting up big homes on towering stilts. Peninsula leaders estimate that only 800 full-time residents have returned out of a pre-storm population of 3,800. Where homes once stood, there are concrete slabs or pilings supporting nothing, and stairs to nowhere. In one neighborhood, a network of cement streets with medians leads into winter-brown cordgrass and blooming sea purslane. A gutted, for-sale motel near the ferry is caked with mud and littered with debris.

Anger has sometimes boiled over. One Crystal Beach native, Wesley Moore, has been charged with making a "terroristic threat" at the offices of the Galveston County housing program.

Moore is disabled and uses food stamps. Since December he's been eking out an existence in a FEMA trailer on a friend's property in the Galveston Bay town of Bacliff. His friends say he spends mornings searching for scrap metal to sell. Moore says he was waiting for a new home to be built with Hurricane Rita money when Ike struck. He put in for a new home under the Ike program, but has grown frustrated with what he and others describe as a lack of communication, endless requests for more information and loss of paperwork.

After the storm, “They said anybody who’s in a FEMA trailer gets first crack at a house, and I said all right,” Moore says. “Guess what? Two and a half years later, I’m still living in a FEMA trailer. I’ve just been going back and forth, left and right, up and down with these people.”

In December, he admits to having made a stupid remark to an employee of the county housing program. “I made the comment, by God, if I bring an Uzi and a hand grenade up here, some sumbitch is going to tell me something. Well, that was something I shouldn’t have said,” he says. Last month he was arrested at his Bacliff home and is awaiting trial for making a threat.

The slow pace of recovery can be measured. Statewide, just 36 new homes have been built with the federal funds out of 12,500 applications. Galveston County is actually in the lead among the 18 counties and cities, having finished 18 houses so far at a cost of $5.7 million. The city of Galveston, with over 2,000 applicants, has built none. Ditto for Chambers County, Harris County, Houston and eight other local governments that received federal funding.

On Bolivar Peninsula, the epicenter of Ike’s wrath, the number of completed homes can be counted on one hand—five.

WHEN IKE HIT, ANGIE BUSCEME, a friendly woman with a perpetual smile, was living her dream at 935 Alberdie Lane in Crystal Beach. A 57-year-old retired refinery worker from Beaumont, Busceme worked her whole life with a single goal in mind: living at the beach on Bolivar Peninsula. “One of my first impressions right after the storm was, it’s the end of an era of a wonderful, wonderful thing,” she says. “One of the last coastal communities that working class people could actually afford. I grew up with that dream.”

She rode the storm out in Beaumont with her elderly mother and a disabled friend. A tornado grazed the concrete building where they huddled, but they were fine. The same couldn’t be said for Busceme’s worldly possessions. Weeks later, when she was finally able to return to Crystal Beach, she found that her two side-by-side homes—one for her, one for her mother—had been reduced to rubble. Everything was gone.

“I didn’t cry for about four months, until we had the big Mardi Gras parade” on Bolivar Peninsula, she says. “And it was so happy and wonderful. I’m so glad they did it ... . The parade was big and huge, and lots of people lined the street, so happy throwing the beads. And then you turned around, and it was like a nuclear holocaust. That’s when it hit me. Nobody was with me to distract myself, and I had kind of a breakdown. I started crying and couldn’t stop.”

One of her homes was uninsured; she took a total loss. The other, where her mom lived, had flood and wind insurance. But the mortgage company that took over her note had failed to buy the flood insurance, even though she was paying for it out of escrow. Her windstorm insurance paid a whopping $2,500.

The aftermath of the storm was chaotic for Busceme. She bounced around, her ailing mother in tow, from place to place. Her two adult children had to drop out of college and go to work, since she could no longer afford to pay for their education.

Today, Busceme is living in a FEMA trailer in the Redneck Riviera RV Park on the outskirts of the I-10 burg of Winnie. She would seem to be the ideal candidate for a federally funded new home. In fact, she was told as much when she applied shortly after the storm. Busceme lives on a modest Social Security check; she takes care of her ailing mother; her homes were destroyed; she’s been living in a FEMA trailer for almost three years.

In May, Galveston County told her that she’d finally been approved and assigned a builder. Soon, they said, she’d be picking out the drapes. “Oh, I was just really excited,” Busceme recalls. “They spoke highly; they said I had the best contractor. It was supposed to happen really soon. Then it stalled and stalled and nothing happened.”

In July, the county called to ask Busceme to document—again—all the bank deposits she had made since Ike. Another months-long delay ensued until finally, a week before Christmas, she and her boyfriend took the ferry to Galveston to check on the progress of her application. There, a housing representative, Joanna Alfonso, began pouring over her deposits and decided that Busceme made too much to qualify for a new home. Busceme says Alfonso elected to count every deposit as income, including gifts she received from her boyfriend to make ends meet.

“It wasn’t like I was making money,” she says. “It was only my family surviving.”

At the end of January, Busceme finally received an official letter stating that she’s no longer eligible. Now she can begin a four-part appeals process that could drag on for many more weeks and months.

Unlike some Bolivarians, Busceme has not entirely given up hope. She’s studying ways to get back to Bolivar, including the possibility of living in a storage container. Meanwhile, Busceme is writing letters to elected officials to call attention to the plight of people on Bolivar.

“I consider myself a very patient person, but to be told I am no longer eligible after being led on for the last couple of years has just added cruelty to the suffering,” she wrote in one letter.

Inexplicable catch-22s seem to be plaguing more than a few people. Chris Comeaux, a 57-year-old, lifelong resident of Port Bolivar and self-described "Cajun coonass," relates his dilemma from a reclining chair parked in the tiny living room of his FEMA trailer. Dressed in camouflage and surrounded by falconry paraphernalia, Comeaux says he's all but given up on getting money from the county to rehabilitate his ravaged, uninsured home next door.

He'd like to buy the trailer from FEMA, but the agency requires that it be elevated. Galveston County won't issue him a permit to elevate the trailer until he owns it. "That made me depressed as hell," Comeaux says.

After Ike, he got $28,000 from FEMA in short-term aid, which he says he spent on basic necessities. He gave the county all the receipts he could find from his purchases, but the rules require that applicants pay back "unallowable" expenses—in Comeaux's case, about $8,000. (FEMA's short-term aid is supposed to be used mostly for rebuilding.) Comeaux, a part-time office worker who's disabled from a motorcycle accident, says he doesn't have $8,000. So he's stuck.

GO LOOKING FOR THE ROOT CAUSES of the delays and complications, and you'll find yourself in a maze of bureaucracy and politics. Although FEMA is responsible for coordinating the government's response following a disaster, the long-term rebuilding effort is a confusing patchwork of federal, state and local entities, as well as private contractors.

After a disaster, the governor is in charge of designing the system for allocating and spending the funds. In Texas, that system changes following every disaster. In the case of Ike and Dolly, there are five layers of bureaucracy: the U.S. Department of Housing and Urban Development; two state agencies, the Texas Department of Housing and Community Affairs and the Texas Department of Rural Affairs; regional councils of government responsible for divvying up the dollars to communities, cities and counties that spend the money; and private contractors hired by the local governments to administer the program.

"It's just a horrible process," says Kevin Shandy, the man in charge of disaster recovery for the Department of Housing and Community Affairs. "We admit it freely."

But, he says, there's nothing the state can do about the feds' red tape. Congress has long used HUD's Community Block Development Grant Program to funnel disaster-recovery funding to the states. In normal times, cities and counties use the block grants to fund low-income housing, economic development and anti-poverty efforts. Those programs come up with strict rules that aren't relaxed following a disaster.

There are requirements to check for asbestos and lead-based paint in every home slated for repair. There's a thicket of rules meant to avoid "duplication of benefits"—double-dipping of benefits. Each approved home has to be bid out to contractors. There are environmental assessments and historical building reviews. "It's just not an emergency program," says Gordon

Anderson, spokesperson for the housing department. “It has a lot of things built into it that are really more community planning for future needs.”

For storm victims, the process is a mystery. A flow chart created by ACS, the contractor hired by Galveston County to administer its housing program, shows the mind-numbing complexity of home-building. There are well over 100 steps in the chart. In reality, it’s more of a game of Chutes and Ladders than a rational process. Applicants advance through the process only to sometimes slide back to square one.

“I think the story of disaster recovery is, we never learn how to do it,” says Joe Compian, a full-time volunteer with Gulf Coast Interfaith, a group that advocates for storm victims. Compian, a large, well-groomed man and devout Catholic who keeps a copy of Mother Theresa’s writings in his black Range Rover, is no stranger to the complexities of managing huge sums or handling the vagaries of housing. He has a law degree from Georgetown University. He was the president of RE/MAX of Texas, the real estate colossus, for 12 years. Before that, Compian, who’s fluent in Spanish and French, worked in Europe, putting together multimillion dollar deals selling Belgian eggs to Algeria.

Compian now spends his days pushing, prodding, cajoling and pleading with local and state officials to do more for the poor, especially the victims of Hurricane Ike. Along with other nonprofit social service organizations, Gulf Coast Interfaith has played an unofficial role as mediator between the government-run housing programs and those seeking assistance, a perch from which Compian has observed mounting frustration.

“There are those who are in the minority whose home has already been rebuilt, and they’re just on their knees thanking God that they have a new home,” Compian says. “And they should be, because I consider that to be a minor miracle. And then you have the vast majority, who are disillusioned, who are depressed, who are still struggling to understand why their home hasn’t been rebuilt when they hear every day that we have the money.” In all, Texas has spent less than 3 percent of the $1.7 billion earmarked for housing.

In Compian’s estimation, the long-term disaster recovery process is “totally FUBAR.” (Google that if you’re unfamiliar with the acronym.) He contrasts the 225 houses that charity and faith groups built in Galveston County for about $1 million in the year after the storm to the 36 erected by the government. Still, Compian says private charity can only go so far.

“As citizens of this great state and country, is it a sin to ask our government to do better?” he asks.

GOVERNMENT WOULD DO BETTER if disaster-recovery officials learned from mistakes. Advocates point to 2005's Hurricane Rita, a Category 3 storm that was overshadowed by Katrina three weeks earlier, as the perfect example of squandered opportunity. Two years after Hurricane Rita, which damaged or destroyed 75,000 homes in Southeast Texas, the state housing program had completed just 13 homes. Only now, five and a half years later, is the $500 million in federal aid for that storm close to being spent. About 3,000 homes have been put up, although at least 300 eligible people didn't get a home because the money ran out.

In a 2007 report, the Austin-based Texas Low-Income Housing Information Service documented the mistakes of the Rita response and called on Texas to "establish a model long-term recovery program based on the lessons learned." One lesson: FEMA grossly underestimated the extent of

damage to homes by Rita, but Texas officials, unlike those in Mississippi and Louisiana, never reconciled the differences. The result was that thousands of low-income Rita victims were shortchanged.

The problem was compounded by long delays in making the administration of the housing program functional. Meanwhile, storm-damaged homes moldered from leaky roofs that ruined drywall, floors and framing, according to the report. Where houses might have needed $7,000 in repair work, costs rose to $40,000.

In the first round of funding, $74 million, the governor put regional councils of government in charge of the money. They had such a hard time handling the funds that the regional councils asked the state housing agency to be in charge for round two, which involved a much larger sum. Although it took a while to "stand up" that program, John Henneberger, co-director of the Texas Low-Income Housing Information Service, says the state proved it could get the job done.

Then, after hurricanes Dolly and Ike, Gov. Rick Perry reinvented the wheel.

"We had an expensive and painful learning process under Rita, and we didn't apply those lessons to Ike and Dolly," says Henneberger.

Though Ike hit coastal urban and semi-urban areas the hardest, Perry put the relatively obscure Texas Department of Rural Affairs in charge of the $3.1 billion in federal aid, an amount more than 25 times its annual budget. Created in 2001 by the Texas Legislature, the agency's primary function is directing federal grants to rural communities. Just five years after its creation, the Sunset Advisory Commission recommended abolishing the agency and transferring its duties to the state Department of Agriculture. The rural affairs agency had failed to "meet many of the Legislature's expectations to help strengthen and coordinate services to rural Texas," the commission said. Now it was being given a huge, expensive and complicated task.

Rural Affairs initially proposed to base the distribution of funds not on actual, on-the-ground damage assessments performed by FEMA inspectors, but rather on weather data—wind speeds, for instance, and high-water maps. No other state had ever done this. And for good reason: Weather data can't accurately tell you where the most damage occurred. "You're essentially weighing damage to an empty field in the same way as damage to a block and a neighborhood," says Madison Sloan, an attorney with Texas Appleseed, an Austin-based advocacy group.

The result was a massive shift of money away from the densely populated Houston-Galveston area to rural East Texas, which suffered much less damage from Ike.

This system had a political upside for Perry. The program "insulates the governor from making any politically sensitive decisions," Henneberger told the *Observer* in an interview last year. "He can simply point to the locals and say we gave them the money, blame them. ... This is all about dodging responsibility."

Critics also accuse Rural Affairs of shortchanging low- and moderate-income folks in favor of expensive infrastructure projects desired by local politicians. "It's hard to get away from the fact

that the weather model spread the wealth considerably more than if you looked at where the actual damage occurred," says Joe Higgs, an organizer with Gulf Coast Interfaith. "Nothing wrong with that if it's a stimulus program or it's a general renewal Texas program, but the money wasn't given to Texas for that. It was given to help people recover from the devastating events of hurricanes Dolly and Ike."

In December 2009, two nonprofit advocacy groups—Texas Appleseed and the Texas Low-Income Housing Information Service—filed a lengthy complaint with HUD alleging violations of the Fair Housing Act. HUD agreed, an unprecedented action in disaster recovery, and forced Texas into an agreement that requires the state to prioritize housing for poor and middle-class storm victims. As a result, dollars have shifted away from inland East Texas to the Houston-Galveston area—and also shifted from infrastructure to housing.

Advocates are happy with the agreement. But they say the state appears no closer to having a proven model for long-term disaster recovery.

"Ultimately there is no bogeyman in this thing," says Henneberger. "There's a systemic breakdown in the process. But it begins with this idea that we're going to have 19 different entities trying to stand up brand new housing programs, many of which have never run a housing program before. That will never be a fast process."

One of the biggest problems, Compian says, is a lack of outreach. In a view echoed by storm victims like Angie Busceme, Compian says an ombudsman, an officially sanctioned advocate for people, is desperately needed. "You want a person who can cut through the BS and get answers," he says. "That's all people want: answers."

At the state level, Kevin Hamby, a seasoned hand, has been put in charge of whipping the counties and cities into action. Hamby says he's told the major counties and cities that they have until March to build 20 percent of the homes. If they don't, he's willing to yank their funding. "We're going to give money to people who can actually build homes and put people back in homes," Hamby says. "That's the kind of kick in the ass that they haven't had and that they needed."

ON BOLIVAR PENINSULA, all the machinations in Austin and Washington, D.C., seem distant. It's a breezy, bluebird sky afternoon in Crystal Beach, and seven people are crowded around a table in the offices of Coastal Surveying Inc. This is a board meeting of the Peninsula Development Coalition, a group of local elites, mostly businesspeople, trying to shape the area's long-term recovery. Since there's no city government, PenDeCo, as it's called, is about the closest Bolivar has to a representative body. Organized as a nonprofit (budget: $0), PenDeCo is in charge of realizing the Bolivar Blueprint, a vague planning document crafted by a FEMA-led team of elected officials, engineers, architects and citizens.

Most of the items on PenDeCo's agenda this day are small-bore: Setting up an informational kiosk for tourists; getting an appraisal for building a new ballpark; talking to the county about

installing a public sewer system. While the group is proud of how much Bolivar has rebounded, there is palpable frustration.

“No one else is doing anything,” says Brad Vratis, who owns Stingaree, a popular Bolivar eatery. “With the community, I’m just fed up with everyone talking. I want to get things done.”

But how? Bolivar is faced with its own catch-22. Sid Bouse, the PenDeCo chairman and owner of Coastal Surveying, muses on the old developers’ truism that “retail follows rooftops.” The problem, he says, is that not enough rooftops—other than expensive vacation homes—are going up. Residents aren’t coming back, and there’s no place for construction workers to live on the peninsula.

“We need the residents in the rooftops,” says Bouse, a lanky, denim-wearing man who looks more than a little like Townes Van Zandt. “But we’re not getting the residents; the houses that are going up cost a half-million dollars.”

The group sees little hope in the federal housing program, which they say is too focused on rectifying economic and racial inequities. “It shouldn’t be based on some weather model,” says John Lee Jr., a county employee who sits on the PenDeCo board. “It shouldn’t be based on correcting some injustice that happened a long time ago. It should be based on who was hurt the most. But that’s not what’s happening.”

In one measure of the frustration, Lee advocates putting FEMA—*that* FEMA—in charge of long-term recovery. “Everybody blames everything on FEMA because they’re the first in the door,” he says. “But it’s the HUD dysfunction in the system.”

For people like Angie Busceme, these are academic debates. She says she’ll be back on Bolivar, even if that means living in a storage container. She worries that as time drags on, the chances of the Peninsula ever being the same fade. “What will be eliminated is those of us at the bottom who were barely able to be property owners, who worked our whole lives for that dream of living on the coast—that’s who’s going to be eliminated.”