

**Written Testimony of**  
**Mayor Brent Warr**  
**City of Gulfport**

**Before the**  
**Committee on Homeland Security and**  
**Governmental Affairs**  
**United States Senate**  
**January 17, 2006**

## **Introduction**

Thank you Chairman Collins, ranking member Lieberman, and distinguished committee members for the opportunity to speak with you today about the challenges the city of Gulfport faces in the aftermath of Hurricane Katrina. It is an honor to appear before this committee, and I am extremely grateful for the tremendous amount of time Congress has spent re-evaluating pre and post storm efforts, and for the resources Congress has allocated towards Mississippi's rebuilding and recovery.

Without question, the unprecedented amount of damage Hurricane Katrina caused in the city of Gulfport and along the entire Mississippi Gulf Coast has presented numerous challenges. While debris pick-up, temporary housing, and unemployment are a few of the obstacles we have struggled to overcome in the months following Katrina, in my opinion, the three issues most prevalent on the minds of Gulfport residents today are: 1) Is my insurance going to pay for my losses? 2) If not, do I rebuild or sell? And 3) if I put more money into or borrow money to repair my property, what will it be worth when I am finished?

South Mississippian's are tired and frustrated, and we are looking for answers from the insurance companies and from the authorities establishing our base flood elevations. We are ready to rebuild, but only reasonable answers and expedient solutions to these questions will stimulate our recovery and ignite our citizens to begin rebuilding their homes and businesses.

## **Insurance Recovery**

First and foremost, the disaster that occurred on August 29, 2005 was not a flood, it was a hurricane. Therefore, damages caused by hurricane driven water that occurred as a

result Katrina, should be covered by homeowners policies or wind insurance. The insurance industry must be forced to recognize, accept and perform to the commitments made to its customers, providing adequate pay for losses that occurred because of this hurricane.

The city of Gulfport is extremely grateful to the members of Congress and our Governor, for their leadership and determination to assist those who live outside the flood zone and did not have flood insurance. The billions of dollars allocated towards their recovery will be a tremendous help, but I caution officials about using subjective standards to determine who will receive the designated funds. While it has been suggested that such funds will be rewarded only to those residents outside the flood plain who had greater than 51% in flood damage, we should not forget about those who reside outside the flood plain and sustained less than 51% in flood damage. Everyone outside the flood plain should be covered for flood loss, regardless of the amount of damage, since even the authorities who determined the flood plains were incapable of predicting future flooding in these more elevated areas.

Historically, people purchase the amount of insurance that is required to own a home or business. Most residents along the Gulf Coast were operating under the assumption that if they had purchased all the necessary insurance required to finance their property, they were covered for hurricane losses. The thinking: Why would someone purchase flood insurance for property in an area that has never flooded?

In our community, even some of our most experienced citizens that work in the insurance industry did not possess flood insurance because they had homes outside of the flood zone, flood insurance was not required, and their area had never flooded before. However, like many coast residents, even local insurance experts were surprised and

completely unprepared when their homes were destroyed by hurricane driven wind and water, and even more surprised to learn they were not covered for such dramatic damage, regardless of whether or not it was caused by a hurricane.

It is also important to mention those who are suffering because they could not afford flood insurance. Even though relatively inexpensive, there are many residents that lived in flood zones that did not purchase flood insurance for economic reasons. Unfortunately, we have learned of many instances where insurance companies that would have covered typical damages from a hurricane are refusing to pay out claims based on the claim that they incurred only flood damage.

Hurricane Katrina was such an unusual and unparalleled event, that people should not be left to suffer the consequences for outcomes which were unforeseeable. There should be no debate on what came first, the wind or the water, because it should not matter. This was a hurricane, and insurance companies should be held accountable for hurricane losses.

### **Base Flood Elevations**

While things are getting better everyday here in Gulfport, we still have many questions to answer before residents can begin to rebuild homes, businesses, churches and schools that were devastated by the storm's fury. On the forefront, is deciding how high, or at what elevation, residents will be required to rebuild destroyed properties.

Understandably, while it is necessary to build structures up to protect them from future devastation, setting base flood elevations too high in our community could render thousands of residential homes uninsurable, or only insurable with dramatic constraint. Additionally, many homes on slabs cannot be raised to a higher level, and if they rebuild at

their current elevation, they cannot be insured. If insurance is unavailable, or difficult for residents to obtain, this will deter property owners from rebuilding, and this will be detrimental to our city's recovery.

If you can't insure it, you can't finance it; if you can't finance it, it does not increase in value; and if there is no increase in value, the property will decrease in value. Property that begins to depreciate leads to the potential of creating slums, blight, and drug infested, crime ridden communities, eventually leading to the end result-- a federal buyout.

The residents of Gulfport and along the Gulf Coast are looking carefully at flood elevation recommendations, but these must be realistic and attainable, so that properties will be insurable and continue to appreciate in value. Our residents need realistic base flood elevations, so that we can begin rebuilding the thousands of home and businesses lost in Hurricane Katrina.

### **Building Codes**

The International Building Code (IBC) should be adopted as the standard to insure uniform building requirements throughout the coastal area. Recognized as the industry standard throughout the world, the IBC includes necessary requirements so that structures are built more safe and sound, producing a higher quality product and improving public safety standards.

The IBC can be used in conjunction with codes developed in South Florida after Hurricane Andrew to improve a structures' ability to resist and withstand a hurricane. However, while enhancing and improving the current codes is important, we must be mindful of the cost of these higher standards. Many of the working poor in South

Mississippi were adversely affected by Hurricane Katrina, and we must be careful not to make housing unaffordable.

### **Conclusion**

In closing, I would like to again thank the members of the committee for traveling to Gulfport to hold this hearing, and thank the members of Congress for not letting the story of Hurricane Katrina disappear from the radar, and for continuing to search for answers and solutions to our problems. Gulfport is coming back, and slowly, but surely, we are beginning to heal. Answering these important questions about insurance, building codes, and flood elevations will go a long way in improving the moral and progress of our city. If instead of seeing a FEMA trailer on a vacant lot, residents could begin to see the sight of homes and businesses being rebuilt, a sense of hope would be restored in our community.

Thank you for your time. I will be happy to answer any questions you may have.