

Long Beach Cares Campaign:

Long Beach CA helping Long Beach MS recover from Hurricane Katrina

Business Committee Trip to Long Beach, MS

Monday –Tuesday, March 27-28, 2006

Notes

On Monday, March 27, Dave Neary, Lindsay Shields & Greg Williams flew into to New Orleans International Airport to visit the object of the Long Beach Cares Campaign: Long Beach, Mississippi.

The first stop was the French Quarter where only a third of the businesses in Jackson Square had re-opened. Traveling from the airport to downtown New Orleans was a continual visual of damaged homes with windows out, blown off roofs...all visible from the freeway. Across the spillway to Mississippi most trees looked like matchsticks with the leaves stripped off.

Arriving in Long Beach we stayed about twenty minutes away on the outskirts of Gulfport at a newly renovated hotel that was an old mansion that had not been too badly damaged.

Our main meeting included the following members of Long Beach city hall and the business community:

- Mayor Billy Skellie, Jr.
- Frank Olaivar, business owner, FlexFit Energy Club; Chairman of the Long Beach City Planning Commission and Chamber of Commerce President (minor damage to business structure, but lost over 750 of his 1,500 memberships, and has since gained back close to 500)
- Millie Olcott, Executive Director, Long Beach Chamber of Commerce (Chamber of Commerce offices completely gone – they were on the beach)
- Pattie Ryan, Dynamic Arts frame shop (destroyed downtown business on main road in business district, the building is still standing, but not safe for re-entry and most likely will be demolished – not certain where to relocate)
- Gus and Donna Harris, Cajun Crawfish Hut (destroyed downtown restaurant owners who have already found a new building and are up and running)
- Fire Chief George Bass

Other meetings included the city librarian, the mayor's staff, a tour of City Hall (four trailers), the fire department, and a two-hour tour of the six miles of beachfront property (ten square miles) that was destroyed by Hurricane Katrina.

The Mayor's meeting was informative and positive, with facts and discussion as follows:

- Mayor Skellie appreciated all efforts of the behalf of Long Beach, CA
- The population of 17,500 has only decreased by 1,500
- Currently they are still in the planning stage, putting out emergencies, having planning workshops on how to rebuild and still removing debris. They do not have a definite plan as yet and are worried with the upcoming hurricane season and how that will impact timing.
- Volunteers from all over the county have been especially helpful in debris clean-up throughout the town.
- The Mayor thanked Lindsay for helping facilitate their receiving building inspectors and officials to help in their overburdened planning department. Since the first of March they have had someone to assist each week.
- Lindsay gave an overview of Long Beach, CA fundraising plans
- Dave and Greg told of the Business Committee efforts and how pleased they were to be at this meeting with local experts to discuss ways that our business community can help in the rebuilding of the downtown.

- page 1 -

- Dave and Greg shared their personal hurricane stories: Dave being caught in Iniki on his honeymoon, and Greg driving to New Orleans after Katrina spending two weeks collecting and caring for 3,000 animals.
- The most critical problems for the business community are:
- 1) The shortage of housing for new and hourly labor.

2) Staffing: Employees who could be working are still collecting unemployment. Unemployment benefits that were originally to run through March were extended and now are expected to terminate in June. The irony in this is that people were preparing to return to work, which many of the businesses expected and needed, but then stayed away when unemployment benefits were extended.

3) Water and sewer lines to the devastated area may take up to a year to replace. The city needs outside assistance in this area.

- Business owners and renters don't know whether to reinvest or sell. There is a general sense of uncertainty.
- Most residential renters in Long Beach, MS were Gulfport and Biloxi casino employees who have left to relocate and get jobs in Las Vegas
- The military base in town was partially abandoned by families who went to live with relatives since their spouses were overseas.
- The two largest companies in town are Orrick vacuums and Triton (manufactures ATM machines). Mattel Steel put \$1 million in an escrow account for city rebuilding.
- Problems for shop owners in the downtown are that some of the property owners are selling, and no one is currently rebuilding
- Regarding new federal building and elevation codes for hurricane/flood districts, there is great concern that they will not be instituted for another 12 or 16 months. People can rebuild at the old codes, however another bad year of hurricanes is expected that may destroy the new buildings. Part of the expected new requirements would be to build structures above grade, perhaps as high as 16 feet to avoid future flood conditions associated with hurricane surge.
- No developers have expressed interest in the downtown rebuilding – only condominium developers. Prior to the hurricane there was a fair amount of interest in developing the waterfront area.
- The city had a great number of restaurants along the waterfront, and at the harbor that were well known, and visited by people from as far away as New Orleans (an hour+ drive). In six month's time, only one restaurant, the Crawfish Shack has reopened in a much smaller, but existing building on the edge of the destroyed area.
- Rebuilding plans include mixed use/parks/apartments above businesses/walking area integrating with their University of Southern Mississippi branch
- Clearwater, Florida had \$16,000 remaining in community block grants and gave it to the Chamber who in turn is giving it local small businesses in \$500 awards.

Agreed upon meeting outcomes:

Chamber will work with the city to compile:

- 1) List of businesses no longer operating
- 2) List of property owners and a survey of what their plans include
- 3) List of available commercial real estate
- 4) Survey owners of destroyed businesses re. what they would need to re-open
- 5) A discussion on rebuilding shopping centers led to a commitment to call on point businesses and see if they would commit to coming back

Destroyed Downtown Tour

Fire Chief George Bass led a tour of the devastated area – the six miles of beachfront and the four or five block inland to the railroad track.

Interesting facts:

- Immediately following Katrina, it took the fire department two hours to go 40 yards, sawing through trees and debris and leading with a hot stick to find fallen power lines

- page 2 -

- During wind gusts they would have to flatten themselves on the ground or get blown away
- The last large hurricane that did not do this much damage was Camille in 1969
- The first few weeks they had to deal with alligators, snakes, live and dead sea lions, etc.
- They have a landmark, "The Friendship Oak" tree, which is more than 500 years old and has a plaque describing friends meeting at the tree. Luckily most of it remained standing.

- There were two structures that, although all windows were blown out and interiors destroyed, remained in tact. One was a cinder block and concrete family home that was rebuilt after Camille to withstand a 200 mile/hour wind. The owner would not leave his home and was rescued from the attic following the storm. The others were the same type of concrete and steel buildings at the University of Southern Mississippi branch.

Meetings with city staff and fire department

Conversations were held with staff in the mayor's office, the planning department, the city clerk's office and the fire department.

Lindsay also met with the city librarian who, although she appreciated the offers to hold a book drive, she asked that we wait until after July when they expect to move from their current home of two FEMA trailers back into their two-story home at the edge of the devastated area that only suffered water damage and broken windows on one side of the building.

When speaking with individuals, it was interesting to note that they reacted strongly when talking about what they were going to do whether it was staying and rebuilding, or stating that if they had the opportunity they would leave in a minute.

We lunched on delicious fried shrimp and po-boy sandwiches at the Cajun Crawfish Hut (run by Gus and Donna Harris – the only beachfront restaurant that had reopened at a different location), and met a couple who had just finished painting their house after putting on a new roof. Fay Danielson drives a school bus, her husband Gary sells insurance and they both are Boy Scout leaders. They had another home in mid-state Mississippi to lived in, but were intent on rebuilding and continuing with the Long Beach Scouts, especially since 12 boys in their troop had lost their homes. Fay's quote that she lives by these days is " If we don't stay busy, we have too much time to think about what could be doing about things that should have been done."

Another quote from a beach resident was " All I have left is tears."

Comments and conclusions:

There exists a quasi state of paralysis among community leaders as to what to do. Issues such as availability of FEMA and insurance funds seem to dictate what can and cannot be done as community leaders wait and see what business owners plan to do and business owners wait and see what the city is going to do.

It was strongly urged that the Mayors office and the Chamber compile lists of commercial real estate that is available for immediate occupancy as well as those that suffered relatively minor damage and will come on line in the ensuing weeks to those that suffered more severe damage yet will be available in the coming months.

It was recommended that the Chamber and/or the Mayor's office provide small business owners a list of available properties for relocation either on a permanent or temporary basis and assist with getting their businesses open by deferring permit fees, business license fees and relaxed regulatory oversight on a temporary basis.

- page 3 -

Adopt a signage program that tells the community where businesses have been relocated. Those previously located on the beach and now are north of the railroad tracks need advertising assistance in reconnecting with past clients.

It was recommended that an incentive program be formulated to entice labor back into the market to fill much needed job vacancies in the community.

It was recommended that the Chamber and Mayor's office concentrate on those issues they can control and to focus on businesses that the community needs rather than wants. Businesses such as restaurants, laundromats, barbershops, gas stations, etc. that provide daily essentials need to be reestablished first.

Currently the community seems to lack a clear vision and hope: essential ingredients to a successful recovery.

We look forward to sharing our report and photos at our next Business Committee meeting on Wednesday, April 12, 8-9 a.m. at George Economides' South Coast Publishing office, and discussing future plans.

If you have any comments or suggestions regarding this report, please call or email Lindsay at 562-621-0521 or lindsay@ljgroup.biz.