

AFTER THE FLOOD

How hazard mitigation affects economic wellbeing in African-American communities



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

MOTIVATION

The most effective way to reduce communities' exposure to flood risk is to buy out residents who live in flood-prone areas.



Mobile info center in Tarboro, N.C.
Credit: Dave Saville, FEMA Photo Library

Yet residents rarely wish to relocate because of flood risk. In the end, **do people benefit from taking buyouts?** This is a particularly salient question for African-American communities, many of which were historically limited to swampy and flood-prone areas.

It is important that planners understand more about the experiences of buyout participants and identify racially disparate outcomes so that floodplain property acquisition programs can be amended as needed.

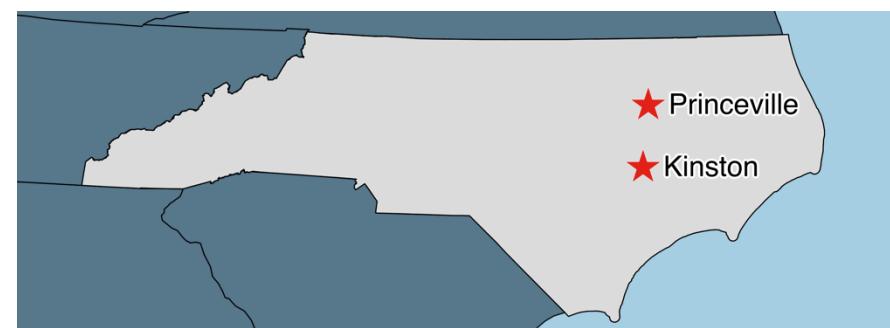
COMPARATIVE CASE STUDY

I use a comparative case study to look at the effect of floodplain buyout program participation on long-term economic wellbeing.

After Hurricane Floyd in 1999, communities in Eastern North Carolina had to make difficult decisions:

In **Princeville, North Carolina**, a historic African-American community decided against participating in a buyout program, instead rebuilding in place.

In **Kinston, North Carolina**, the city/county purchased 97% of the properties in Lincoln City, an African-American neighborhood.



I use interviews, government documents, media coverage, and economic and demographic data to examine how these different decisions about the buyout program affected the long-term economic wellbeing of households and communities.

PRELIMINARY RESULTS

The floodplain buyout program provided mostly positive and some negative individual economic benefits

For most homeowners in Kinston, the buyout was an **opportunity** to move somewhere new and/or to move into higher quality housing. Gap funding helped them afford higher home prices.

Because homes in Lincoln City had had lower tax value, buyout participants saw a hike in property taxes. This resulted in some **foreclosures**.

Most buyout participants felt that they had **no other choice** than to take a buyout. The town did not have or consider the option to improve its hard infrastructure, unlike Princeville. Relocation of homes out of the floodplain is the only permanent hazard mitigation strategy.



Edgecombe County after Floyd, near Princeville.
Credit: Dave Saville, FEMA Photo Library

In both Kinston and Princeville, individuals struggled with higher cost of housing as rebuilding necessitated new mortgages. Need-based subsidies for the poor were described as very generous in Princeville.

PRELIMINARY TAKEAWAYS

We can enhance our understanding of hazard mitigation through the **lens of community development**. Large relocation programs should plan for redevelopment of small businesses, housing solutions for buyout participants and renters, new commuting solutions, increased cost of property taxes, possible housing market distortions and sustaining social cohesion.

Planners need to confront the **ethical issue** that floodplain acquisition programs are most feasible in areas with low home values, which results in moving vulnerable communities to reduce collective exposure to risk. The individual flood risk reduction benefit may or may not be realized in an individual homeowner's lifetime.

The floodplain buyout program had a more negative effect on community economic wellbeing

In Kinston, the **social networks** that supported economic security were lost when the buyout occurred. Neighbors had shared food, rides to work, and parenting. **Local businesses** that had employed local people closed. Those that have reopened are not owned by people from the community.



Lincoln City, flooded. This area is now unmaintained open space.
Credit: Dave Saville, FEMA Photo Library

Renters who had previously rented at low cost from the private market struggled to find equivalent housing after the buyout. Some of them turned to public housing in the neighborhoods around Lincoln City, which had higher rates of poverty. As the working class community in Lincoln City dissolved, the east side of Kinston, an area of severe poverty, **lost the social and economic stability** that Lincoln City households had offered.

On the other hand, current Kinston residents who own homes in a floodplain benefit from **insurance discounts** as a result of the buyouts.

In Princeville, the decision to rebuild in place did not solve any of the town's economic issues, but did not make anything worse, either. Princeville's central point of pride, that it was the first town chartered by African Americans, remains an asset.

NEXT STEPS

My next steps are to validate findings with further interviews, analyze data on home pricing and mortgage defaults, and draft an article to share with researchers and practitioners. My dissertation on **economic resilience** will include and build on this work.