



## Alabama tornado victims might face \$1.2 billion in unmet needs

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By Val Walton--The Birmingham News

BIRMINGHAM, Alabama -- After FEMA grants are paid out, after insurance checks are cashed and the immediate aid is gone, people hit by Alabama's devastating April tornadoes are facing about \$1.2 billion worth of unmet long-term needs, a disaster expert predicts.

So far, three of the biggest private groups collecting money for long-term recovery have raised about \$12 million -- only about 1 percent of what would be needed to cover those individuals' unmet recovery needs.

Mike Dillaber of Alabama's Voluntary Organizations Active in Disaster group -- part of a nationwide network of nonprofit agencies that work together in major calamities -- estimates the total recovery burden for individuals at \$1.2 billion after the waves of tornadoes on April 15 and April 27. That's cash people will have to find -- after insurance settlements, federal aid and other assistance -- to get their lives back in order on a permanent basis.

"We are not trying to exaggerate, and we're not trying to be overly conservative," Dillaber said. "We are trying to get an accurate fix of what we, as community leaders, see as what's needed to bring funding to the state." Nonprofits are hoping to raise money to help people defray at least some of those costs. In the months after the storms, the focus was on immediate needs -- temporary shelter, cleaning up debris, getting people back on their feet enough to start carrying on with their lives. Now, efforts are turning toward the long-term recovery and rebuilding.

First-responder charities such as the Salvation Army and the American Red Cross spent more than \$17 million immediately after the storm on short-term needs of shelter, food and other supplies.

As of Tuesday, the Federal Emergency Management Agency reported providing \$74.7 million in individual and household assistance grants so far.

Insurance companies this week reported that they had paid out about \$2.2 billion so far in claims for homes, autos and personal property lost or damaged in the storms, with more open claims that still have not been settled.

But there are still huge amounts of unmet needs -- the kind that the Alabama VOAD group estimates will tally up to \$1.2 billion statewide.

Charitable organizations focusing on rebuilding know they have a mountain to climb, and they've only started the process of raising and spending money that will be needed for long-term recovery. And they understand the volume of need is staggering.

Jon Mason, executive director of the Governor's Office of Faith Based and Community Initiatives, said the process of disbursing unspent money is just beginning as the recovery committees in various communities start making applications to the pools of resources available.

The committees have been meeting to get a grasp on just how to help storm survivors -- many of whom, among other things, lacked insurance or were underinsured -- get help with things ranging from home repair, rebuilding and refurbishing to mental health services.

The Birmingham News surveyed three major sources of aid: the Governor's Emergency Relief Fund; the United Way of Central Alabama; and the Community Foundation of Greater Birmingham, which administers five funds and makes grants to long-term recovery committees or United Way agencies serving various counties.

Here's where those efforts stand:

### Governor's fund

The Governor's Emergency Relief Fund was created in May and took in \$4.6 million in donations. As of Dec. 14, the fund had released just \$224,071 of that, including: \$97,656 to the Madison County Long Term Recovery Committee.

\$72,000 to the Etowah County Long Term Recovery Committee.

\$50,000 to the Hale County Long Term Recovery Committee.

\$4,360 for reimbursement of expenses by United Ways of Alabama.

\$55 for service charges and fees.

After earning \$1,630 in interest, the governor's fund was left with a balance of \$4,376,929.

Mason said the disbursement of funds is vetted by a relief fund committee. "As a request comes in, we review them and try to respond as quickly as possible," he said.

Mason acknowledges that unmet needs are far greater than what the governor's fund has in the account.

## **United Way**

The United Way, which is a member of the Central Alabama Long Term Recovery Committee, has raised \$4,189,481, which includes a \$1.5 million grant from the Indianapolis-based Lilly Endowment Inc. that was announced this month.

United Way officials reported the nonprofit spent \$1,002,639. Of that amount, \$311,430 went to other United Way agencies in affected areas, and \$593,992 went to families and individuals affected by tornadoes.

The United Way spent \$97,216 on administrative expenses, which came from a \$200,000 endowment from the United Way's board of directors. No donor dollars were used on administrative costs, said spokeswoman Samuella Nesbitt.

Disbursements to tornado victims were not in cash and were given for things such as rental assistance, utility assistance, furniture, car repairs and building materials.

The United Way reported having a remaining balance of \$3,186,841 as of Dec. 20. "Our work is going to be long-term," said Drew Langloh, president and CEO of the United Way of Central Alabama. "We are in this for the long haul." Langloh stressed that the long-term effort involves many agencies connecting donors to unmet needs across the state. "It's not just one agency," Langloh said. "We are just one of the pieces."

## **Community Foundation**

The Community Foundation of Greater Birmingham, also a member of the Central Alabama Long Term Recovery Committee, reported more than \$3.3 million in gifts received for tornado recovery. The foundation administers five relief funds: the Bama Rising Relief Fund; the Alabama Tornado Recovery Fund; the Emergency Response Fund, the Kings of Leon Fund and the (Birmingham) Mayor's Disaster Relief Fund.

From the tornado-related funds of the Community Foundation, \$2,438,698 in grants have been made to individuals, families and communities in 25 of the 43 tornado-damaged counties. According to the foundation's financial report on Dec. 15, the agency gave:

\$661,301 to Jefferson, St. Clair and Walker counties for building, repairing and/or furnishing homes for families in the three counties; case management; and community planning and rebuilding in Birmingham's Pratt City community.

\$1,777,397 in grants for long-term recovery outside the Birmingham area for building, repairing and/or furnishing homes for families in 19 counties and case management in 18 counties.

Emily Rushing, a spokeswoman for the Community Foundation, said administrative costs are covered by interest earned from the various funds.

## **Long-term recovery**

In addition to the funds for the long-term charities, the American Red Cross and the Salvation Army also have budgeted money for long-term planning and recovery.

As of Dec. 19, the Red Cross has received more than \$13 million in designated donations for Alabama tornadoes, while the Red Cross' response to the operation is estimated to cost \$15.6 million, according to Chris Osborne, a regional spokesman. He said \$450,000 is budgeted for long-term recovery.

Brian Wallace, a Salvation Army spokesman, said that agency budgeted \$600,000 for long-term recovery. Of that amount, \$200,000 has been given out in vouchers for tornado survivors for things such as furniture. He said the nonprofit still has about \$400,000 available for recovery vouchers.

Wallace said that amount is expected to be used within the next six months as homes are rebuilt.

In addition, Mason and Dillaber said, groups such as Habitat for Humanity and faith organizations such as the Mennonites and churches are helping chip away at unmet, long-term recovery costs with volunteer labor and other efforts.

Both Rushing and Langloh said while the need is still great, much work is being done throughout central Alabama, with homes throughout the area in various stages of being rebuilt, repaired or in the estimate phase.

"It's exciting because people's homes are being put back together," Langloh said.

*News staff writer Robin DeMonia contributed to this report.*