

Survey shows riot victims in dire straits

Federal aid running out; most businesses still have not been rebuilt

By Richard Fruto
Korea Times

Jin Moo Chung was shot five times in the riots. He also lost his grocery and discount store. His wife's unemployment benefits have run out. Now they live on the generosity of eight friends who each pitch in \$200 a month.

Meanwhile, he worries about his mounting medical bills. He owes \$400,000, and he's going back into surgery next week.

Jae Yul Kim's liquor store burned down too. It was a \$690,000 loss. The Federal Emergency Management Agency is paying his mortgage, but his family is surviving on \$1,833 his church in Korea is sending monthly.

"I'm in a situation right now where I have to worry about gas money," Kim said.

Most people know how the riots devastated the Korean community. Some 2,000 businesses were looted and destroyed. Total damage was estimated at about \$400 million. Many people also know about the relief efforts after the riots.

But few know that many victims are now hanging on by the

skin of their fingernails. Many victims now worry about basic necessities — gas money, car payments, utility bills.

Eight months after the riots, a coalition of community groups has released preliminary findings of a survey that present a very desperate picture. According to the survey:

- FEMA mortgage and rental assistance is running out, and without an extension, victims face losing their homes. Victims said they need help the most with their mortgage and rent.

- Many victims had depended on meager unemployment checks for living expenses, but those benefits expired in November.

- A majority of Korean American applicants were approved for Small Business Administration loans, but merchants must still overcome other obstacles before they can rebuild. Most haven't re-established their businesses.

- Many victims suffer physical illnesses believed to be related to post-traumatic stress. Many victims have fallen ill enough to require out-patient medical care.

• See Survey, page 7

Riot shooting victim wrestles with despair

Associated Press

Jin Moo Chung on Dec. 23 looked over the burned-out shell of what was once his grocery store, ravaged in the riots as he lay helpless and dying with five bullet wounds. With short-term financial help dried up, Chung's life seemed as ruined as his business. He has worried about his fragile health, his wife and three children—including a son in college—and how he will ever be able to reopen the store.

Then on the sidewalk outside his South Central Los Angeles store, a miracle happened.

"You made it! You made it! Thank you, Jesus," yelled Lashon Henry, a customer of Chung's 47th Broadway Food Market, who happened to be walking by. Her eyes full of tears and disbelief, she wrapped her arms around him for a long

embrace.

One by one, they came up to him—a young woman who parked her baby stroller so she could hug Chung, several teenage boys who jumped out of cars to give him two-part handshakes, a man who used to sell books in Chung's parking lot who urged him to come back.

His eyes moist, Chung cracked a smile. "This is a nice neighborhood," he said.

For Chung, the riot left both physical and emotional scars.

The 48-year-old Chung, who emigrated from Korea in 1982, had run the grocery store—and sublet an adjoining discount market—for the last seven years, working 15-hour days to whittle his \$200,000 business loan down to \$60,000.

He earned the respect of his customers, donated money to

• See Victim, page 7

Survey

continued from page 1

Medical assistance is rated the second highest need.

"There is a false understanding that many months after the riots that the victims must have recovered," said Youngbin Kim, deputy director of the Korean Youth and Community Center.

"The immediate relief was good, but the problem is there is no long-term relief," he said. "There's a gap where they have nothing until they can rebuild."

“ Of the 55.6 percent who haven't re-established their businesses, 86.7 percent said they still plan to do so, 59.3 percent want to open another type of business, and 70.9 percent want to move. ”

Kim oversees the survey that the Korean American Inter-Agency Council is conducting as the first step in a communitywide effort to help victims get back on their feet. So far, the council has surveyed 987 of 2,340 victims.

By the time the survey wraps up in February, victims will each have a case manager to assist them in applying for government assistance, filling out paper work and finding legal advice.

According to the survey, only 44.3 percent of businesses damaged or destroyed in the riots have reopened. Kim said he expects the council's riot recovery program will take at least a year or two to complete.

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Explaining why most victims want to rebuild, KYCC executive director Bong Hwan Kim said, "We have no choice. We're not going back to Korea. We have to make a go of it here."

Fifty percent of victims surveyed said they foresee difficulties in the recovery process, and 7 percent see no hope.

Despite SBA loan approvals, rebuilding is moving at a snail's pace. Case managers recently learned that many victims with approved loans still are waiting for the money, Youngbin Kim said.

Sometimes, the bill for the first payment arrives before the disbursement check, he said.

Borrowers also are confused because SBA loan officers give contradicting information on whether the funds can be used to relocate, said Nicole Kim, Chung's case manager.

Borrowers can relocate, said Robert

Park, program director of the Korean American Coalition, a council member agency.

According to Park, the council already has raised the issue with top regional SBA officials and asked them to familiarize their loan officers about the regulations.

The refusal or inability of landlords to rebuild adds to the victims' woes. Bong Hwan Kim estimates that 70 to 80 percent of all Korean American businesses are tenants.

Chung and Jae Yul Kim count themselves among those who can't rebuild despite receiving approval for SBA loans.

Chung has a \$500,000 SBA loan, enough to go back into business. He wants to move, but even if he stays at his old location at 47th Street and Broadway, he can't because his landlord hasn't rebuilt.

Kim likewise can't use his loan because he doesn't want to rebuild his liquor store but hasn't decided what kind of business he wants to open next. According to Bong Hwan Kim, other liquor store owners interested in conversion are caught in the same predicament because they are searching for equally profitable businesses.

Exactly how many victims were approved to receive FEMA housing assistance grants for only six to nine months. Victims can apply for an extension to 18 months, but most don't know, said Youngbin Kim.

The council will ask FEMA to publicize the availability of extensions, Kim said.

According to the survey, 58 percent of Korean American-owned businesses were uninsured at the time of the riots. Furthermore, many businesses had inadequate insurance.

The survey found approval rates of 30 percent and 47 percent for property and inventory claims respectively. But the council said the rates are deceiving because many claims were approved for only a portion.

Of the insured markets, about 65 percent still have not received any money from their insurance companies, said Jo Sung Ho, a representative of a grocers victims group with 157 members.

In some cases, merchants still could not rebuild with the insurance checks they received, the survey said.

"Most of the victims feel overwhelmed and hopeless," Bong Hwan Kim said.

Numerous stories float around the Korean community about the riots' emotional toll on the victims.

One couple shut themselves in their home for days and repeatedly watched a TV news videotape of their store burning, Park said.

Another man who lost his business wakes up in the middle of the night, and in his despair, threatens to shoot himself and his family, said UC Riverside professor Edward Chang.

The man's wife finally asked a family friend to live with them to protect the family, said Chang, who is helping PBS with a documentary on the riots.

Other victims are worse off than Jae Yul Kim and Jin Moo Chung because they did not even get any housing assistance, Nicole Kim said.