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## **Gulf Coast Revival Fact Sheet**

*Part of a series of fact sheets on issues around Katrina and the Gulf Coast*

### **Planning a Revitalized Gulf Coast: Multiple Actors, Limited Consensus and Questions about Implementation**

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As the one year anniversary of the landfall of Hurricane Katrina nears, there is yet to be consensus or cooperative compromise to construct a unified plan for rebuilding, rehabilitation, and rejuvenation of New Orleans, its many communities, and the greater Gulf Coast impacted by both Hurricanes Katrina and Rita. Multiple plans have been proposed during the months following the storms. Despite the abundance of plans/proposals, implementation and the pace of recovery has been slow. Two rebuilding plans have become most influential: (1) Mayor Nagin's "Bring New Orleans Back Commission Plan (BNOB)" and (2) the State governments "Louisiana Recovery Authority Legislation (LRA)." However, the material progress visible on the ground can be seen more accurately by considering infrastructure- and service-specific plans already being realized throughout the region.

#### **1. BNOB - Bring New Orleans Back**

BNOB is a commission inspired and constructed by New Orleans' Mayor, Ray Nagin. The commission updated its final report online May 25, 2006. Although the plan recommends residents be allowed to rebuild wherever they would like the report also cautions and creates barriers to rebuilding in areas hardest hit by the storms such as the Lower 9<sup>th</sup> ward.<sup>1</sup> This contradiction has led some to question the motivations of the commission and if the focus of redevelopment will conclude with a rebuilt New Orleans for elites only.<sup>2</sup> An additional concern regarding the commission's planning is that of property 'buy out' programs. Although positive in proposition, the funding for the plan was contingent on monies from the Baker Bill which the White House opposed.<sup>3</sup> The BNOB also meets criticism due to its lack of cooperation with the State's planning authority

(LRA) and the lack of cooperation to create more efficient and consistent implementation strategies.<sup>4</sup>

## ***2. LRA - Louisiana Recovery Authority Legislation***

Governor Blanco's conception for redevelopment planning explicitly states a goal to incorporate local feedback into the planning process and gives local governments control over rebuilding decisions.<sup>5</sup> The LRA is responsible for distributing national funds and has a strong focus of housing. The LRA housing plan, "Housing Action Plan: 'The Road Home Program'" seeks to repair and rebuild quality housing in neighborhoods that are safe to live in, restore pre-storm value to homeowners who want to return, provide affordable rental housing opportunities for displaced residents, and provide housing for the return of a critical workforce.<sup>6</sup> Two phases of The Road Home have been released for public feedback.<sup>7</sup> HUD Secretary Alphonso Jackson approved Louisiana's housing recovery plan on May 30, 2006. The final hurdle involved getting \$4.2 billion to finance it, to be added to the \$4.6 billion already for the program. This funding was approved and signed into law on June 15, 2006 as part of the \$19.2 billion in recovery funding for Louisiana.<sup>8</sup> Watch dog organizations warn that while the plan is viable, it will not be fair or equitable to low income residents who are primarily renters.<sup>9</sup>

## ***3. Infrastructure Specific Plans***

As June 1st marked the official start of hurricane season, local and state officials in post-Katrina areas knew the importance in creating new evacuation plans. There are marked shifts and changes from the evacuation plans that ultimately turned out to produce a wide-scale debacle in the aftermath of Hurricane Katrina. However, there are still areas of uncertainty and criticism that plague the newly proposed city evacuation plans. While the newly revised evacuation plan does address some of the problems and concerns that became evident during Hurricane Katrina, an increased burden is placed on the individual to take care of themselves. Both Mr. Nagin and a top aide emphasized that, "citizens would primarily be responsible for looking out for themselves when a storm threatens"<sup>10</sup> and there is still no specific plan for how to evacuate the thousands of people living in FEMA trailers.

The New Orleans Regional Transit Authority (RTA) has fallen into financially troubled times. While public transportation services in New Orleans have been free post-Katrina the costs have been funded by federal relief dollars and other emergency allocations. These dollars have stopped flowing as of July 1, 2006 and The Regional Transit Authority's (RTA's)

board has yet to agree on a transit plan nor budget for the coming year.<sup>11</sup> Increased pressure from State administration and the threat of losing up to \$40 million in debt-relief funding from state fund pools has increased pressures to agree on an alternative plan which must be submitted to the LA State Treasurer by September 30th, 2006.<sup>12</sup> The latest pressure from state administrators illustrates the frequent tension between New Orleans mayor Nagin and the State. Nagin has taken a hands-off approach to RTA planning which the state would prefer to centralize.<sup>13</sup>

The New Orleans public housing plan (HUD-HANO Public Housing Plan) was unveiled on June 14, 2006. The plan seeks to accelerate the return of public housing families back to New Orleans. The plan includes: Housing Authority of New Orleans (HANO) to rehabilitate and reopen 1,000 public housing units by August 2006, raising the value of HUD Disaster Vouchers, and redeveloping New Orleans public housing to bring better housing opportunities for the displaced by using a mix of federal public housing funding, bond funds, and Low Income Housing Tax Credits.<sup>14</sup> Despite expressing a commitment to public housing provision in New Orleans, HUD and HANO intend to demolish a number of housing complexes in the city thus reducing the number of immediate housing opportunities. This sparked a great deal of discontent amongst the displaced residents and fueled protests<sup>15</sup> and the filing of a class action lawsuit on June 27, 2006 which called for the demolition of 5,000 public housing units to be blocked and force HUD to rapidly reopen units to displaced low-income black families.<sup>16</sup> Former Mayor of New Orleans, Mayor Morial commented on the housing crisis and the effort to close public housing "right now the city needs every unit of habitable housing so it can get its workers back."<sup>17</sup>

Economic Development-Gulf Coast - H.R. 4440 Gulf Opportunity Zone Act of 2005 - was signed into law by President W. Bush on December 21, 2005. This Act amends the Internal Revenue Code of 1986 to provide tax benefits for the Gulf Opportunity Zone. This legislation provides incentives to attract new businesses to the Gulf Coast. To date, Mississippi has experienced growth as a result of this legislation which has attracted companies to invest in Mississippi and led to the creation of jobs.<sup>18</sup> Although the GO Zones have the potential to bring about economic growth, there is concern over whether women- and minority-owned business are losing out to large companies in terms of gaining access to funds.<sup>19</sup>

In June the LRA began holding regional workshops to synthesis local perspectives on development strategies and plans.<sup>20</sup> In New Orleans, the BNOB commission's plans give a majority of decision making power to individual infrastructure regulating agencies and individual service providers. This facilitative, as opposed to integrative, approach has proven difficult to mesh with

LRA attempts to centralize planning through governmental hierarchies and results in conflicting mandates and ultimatums from the state like that given to the RTA.<sup>21</sup> Even with these challenges, consultants say they are not concerned about false starts, confusion and delays in the planning process. They also insist that such circumstances are not unique to New Orleans:<sup>22</sup>

“We’ve done a number of these, and nobody ever has their act together.”

- John Ferguson, LRA Consultant

The multiple plans/initiatives and early disagreements about how to rebuild the Gulf Coast, are not comforting to the hundreds of thousands of residents still displaced by the storms wait in limbo for a path home. Questions of authority, inequitable impacts, legitimacy and funding availability plague many of the initiatives underway in the Gulf, speaking to both the need for additional federal support and coordinated action in the region.

## References

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