CITY LIMITS

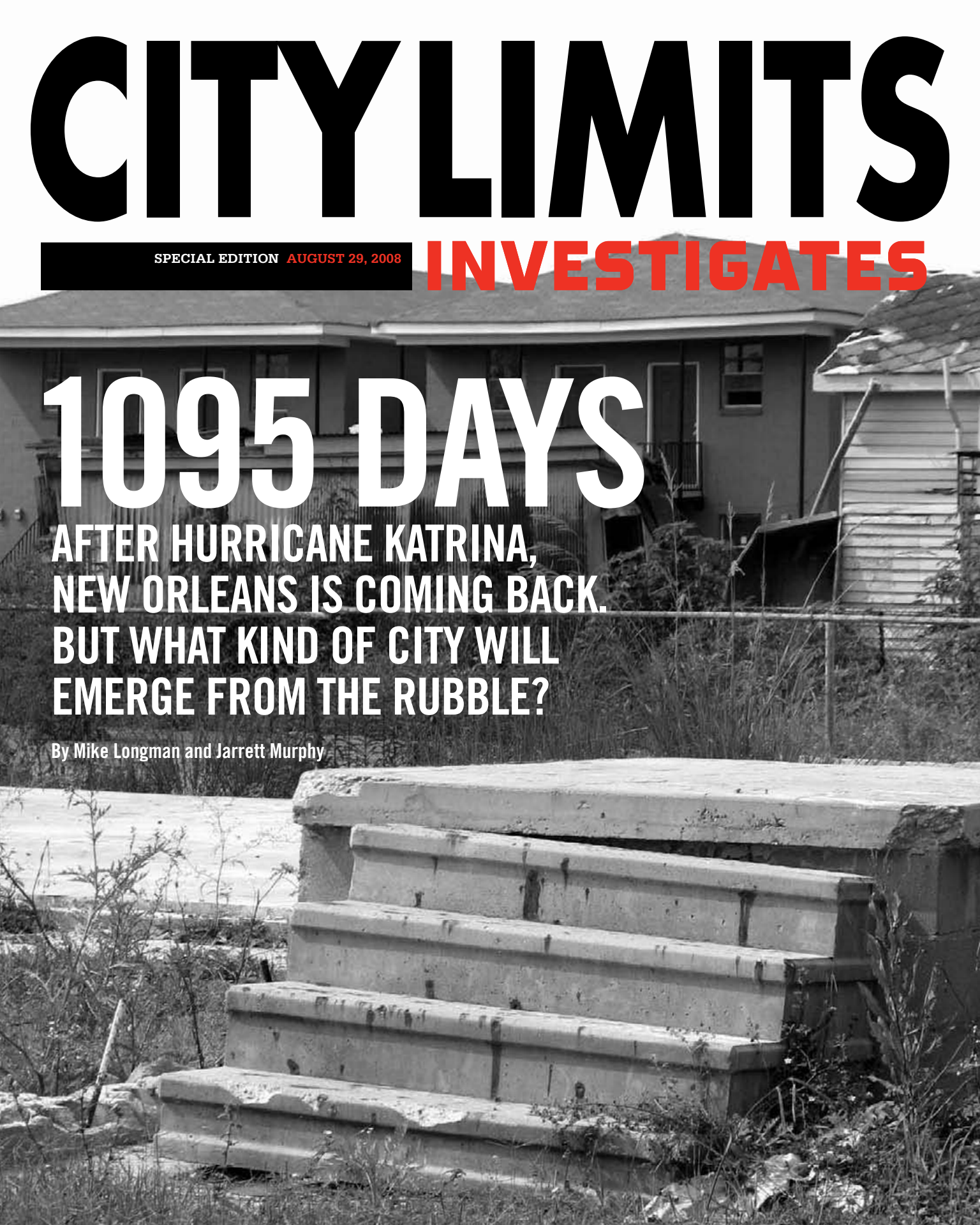
SPECIAL EDITION AUGUST 29, 2008

INVESTIGATES

1095 DAYS

AFTER HURRICANE KATRINA, NEW ORLEANS IS COMING BACK. BUT WHAT KIND OF CITY WILL EMERGE FROM THE RUBBLE?

By Mike Longman and Jarrett Murphy



A stopped clock inside a ravaged Lower Ninth Ward high school. Cover image: **Steps to a vanished house.** *Photos: Jarrett Murphy*

PUBLISHER'S NOTE

This special edition of *City Limits Investigates* is a departure for us as our focus shifts from New York to another great American city: New Orleans. As chroniclers of critical urban issues, we felt the third anniversary of Katrina could not pass without our taking a close look at the current state of affairs in the Crescent City.

New York's horrific experience of 9/11, the 1906 San Francisco earthquake or the great Chicago fire of 1871 notwithstanding, Katrina is the greatest urban disaster this county has ever experienced. The hurricane and its flooding left more than 1,800 dead, caused more than $80 billion in damages and forced more than one million people from the central Gulf coast to migrate. Katrina precipitated the largest Diaspora in the history of the United States. It also was the occasion of arguably the worst emergency response to a major disaster in U.S. history. The images of those left behind at the Convention Center or the faces of the desperate stranded on rooftops in the Lower Ninth Ward remain etched by anger and shame into the consciousness of the nation.

Now three years later, after much of the attention and initial outpouring of concern has begun to fade and the last of the $105 billion in federal assistance to the Gulf Coast is in the pipeline, New Orleans faces new challenges. Rebuilding the city successfully requires answers to a set of complex questions: How to reconcile big plans and individual initiative, how to harness private action and responsibly guide public investment, and how to balance the fragile state of many neighborhoods and grassroots striving with efficiency, business growth and infrastructure needs.

As meaningful large-scale planning efforts have only just now worked their way through the thickets of politics and process, the face of progress up until to this point has been the dedicated efforts of individuals. Since 2005, 80 percent of the building permits in New Orleans have been filed by owners of one- or two-family residences. Mike Longman and Jarrett Murphy take a look in this issue at how these efforts are shaping New Orleans and how the efforts of the city, state and feds collide to empower or frustrate such individual and community based initiatives.

Besides dealing with the transformative hand of nature and the consequences of federal malfeasance, the city struggles now as before with a crippling crime rate and troubled schools. New Orleans lies in a flood plain. It also remains the cradle of indispensible pieces of our culture and national identity. Thousands call it home. Thousands have left and we don't know if they will ever come back.

This issue tries to get at just what kind of city is being made. Whose interests are protected and whose neglected? What forces will determine the character of the "new" New Orleans?

New Orleans is a city filled with questions—questions we all have a stake in answering.

—Andy Breslau,
Publisher

CITY LIMITS INVESTIGATES **is published quarterly (Spring, Summer, Fall and Winter) by City Futures, Inc., 120 Wall Street–floor 20, New York, NY 10005, a nonprofit organization devoted to rethinking, reframing and improving urban policies in New York City and, by extension, other cities throughout America. For features, news updates and analysis, events and jobs of interest to people working in New York City's nonprofit and policymaking world, sign up for the free *City Limits Weekly* on our website at www.citylimits.org.**

City Futures is also home to Center for an Urban Future (www.nycfuture.org), a think tank dedicated to independent, fact-based research about critical issues affecting New York's future.

General support for City Futures has been provided by Bernard F. and Alva B. Gimbel Foundation, Deutsche Bank, The F.B. Heron Foundation, Fund for the City of New York, The Scherman Foundation, Inc., and Unitarian Universalist Veatch Program at Shelter Rock. Additional funding for *City Limits* projects has been provided by the Ira W. DeCamp Foundation.

Periodical postage paid
New York, NY 10001
***City Limits* (USPS 498-890) (ISSN 0199-0330)**

Subscriptions to *City Limits Investigates* are provided with a one-year $50 donation to City Futures for individuals, nonprofits and community groups. Supporters will also receive our e-mail publications and reports from the Center for an Urban Future. As City Futures is a 501(c)(3), a portion of your donation is tax deductible. To join, and for more information, e-mail support@citylimits.org.

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Postmaster: Please send address changes to:

City Limits
120 Wall Street–fl. 20 | New York, NY 10005
T: (212) 479-3344 | F: (212) 479-3338
E: investigates@citylimits.org

Design by C. Jerome, Design Confederation

SPECIAL EDITION
AUGUST 29, 2008

SHIFTING WINDS

New Orleans, Three Years Later

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Like blank slates, slabs from destroyed houses dot the landscape in hard-hit New Orleans neighborhoods. *Photo: JM*

SHIFTING WINDS

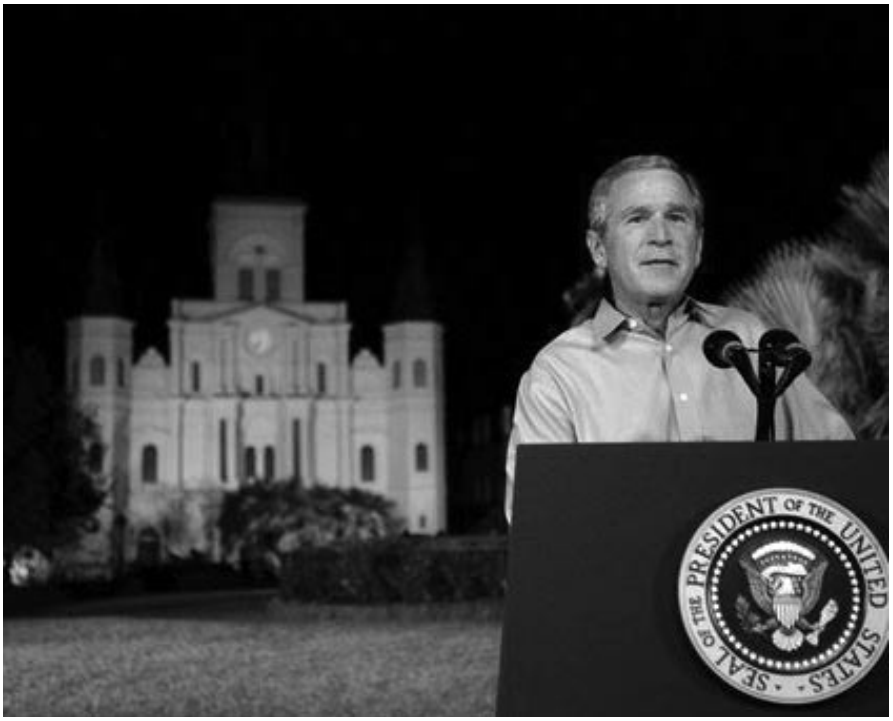
A smaller New Orleans faces the future

BY MIKE LONGMAN AND JARRETT MURPHY
with research by Kalyn Belsha

I. THE FORECAST

AS LATE AS LUNCHTIME on the last Friday in August of 2005, the National Hurricane Center predicted that Hurricane Katrina could make its second landfall anywhere from Tampa, Florida to Galveston, Texas—a swath of the Gulf Coast spanning five states and 500 miles. At that hour, the storm (which had already roared through the Miami area) was deemed more likely to hit the area around Pensacola, on the Florida panhandle, than New Orleans. Over that afternoon, as Katrina strengthened, it tracked further west than expected, then swung north. The forecast changed.

What happened in the days that followed was emblazoned on collective memory: A great city under water, desperate people screaming from rooftops and attics, families wading through chest deep water or sweltering in the Superdome, a dead woman left in her wheelchair. The outcry over the television images beamed from New Orleans forced the White House to go beyond its initial flyover approach and send President Bush to a generator-lit Jackson Square to pledge: "Throughout the area hit by the hurricane, we will do what it takes, we will stay as long as it takes, to help citizens rebuild their communities and their lives. And all who question the future of the Crescent City need to know there is no way to imagine America without New Orleans, and this great city will rise again."



The president speaks from an empty Jackson Square in September 2005. *Photo: White House*

Three years later, New Orleans' outlook is as uncertain as was Katrina's path that Friday before the storm struck.

There is real progress: Houses are being rebuilt, even in hard-hit areas. Most schools are up and running. Improved flood protections are going into place. The last streetcar line to be repaired resumed service this spring. Blues, jazz, zydeco and funk still mingle in the air out on Frenchman Street. Overstuffed 'Po Boys and blazing-red crawfish are still on the menu.

But for all that seems back to normal, at least 150,000 New Orleanians displaced by the storm have not returned to their city. They are believed to be overwhelmingly—although not exclusively—black and poor. And with population re-growth slowing in the past year, there is a growing feeling that those who are coming back to New Orleans have already arrived.

Thousands of people who have returned are still waiting for rebuilding grants. Levees and flood barriers are still under construction. It's unclear if a new crackdown on blight and a looming deadline to vacate temporary trailers are going to get the city moving, or merely hurt people trying to regain a foothold. Many streets are barely passable, the sewer system is in worse shape now than when it was leaking raw sewage before Katrina and in a matter of months the city is going to take responsibility for thousands of properties that fleeing homeowners sold to the state.

These obstacles are just the latest that New Orleans has faced. For many of the first, critical months of its recovery, the city had no blueprint for rebuilding. Into the vacuum stepped individuals and grassroots groups who decided to rebuild their own parts of the Crescent City. Homeowners borrowed money or applied life savings to pay for repairs. Volunteers gutted old houses and constructed new ones. These uncoordinated, autonomous acts of survival are the face of redevelopment in New Orleans to date. Of the 30,000 building permit applications recorded in New Orleans since the storm struck, 80 percent were filed by owners of one- or two-family residences.

But now the city does have a plan, and it could either empower or enervate the individual efforts that have kept the city alive. Several rounds of sometimes competing and conflicting discussions of how to rebuild ended last summer with the adoption of the Unified New Orleans Plan, an effort funded by the Rockefeller Foundation. Now people in New Orleans' neighborhoods wonder how much of their input to that plan will get action—and how much action of any kind there will be, since the plan is underfunded by anywhere from hundreds of millions to several billion dollars.

New Orleans is coming back. But no one knows what kind of city will arrive when the comeback is complete—whether it will be a place with room for those who rebuilt with their own hands and those on the outside who still want to return.

II. Best-laid plains

When the floodwaters reached their peak, 80 percent of New Orleans was under water—some under two feet, but parts under 10. "It's hard for people to understand how pervasive Katrina was," says Chris Bonura, a resident of the Mid-City neighborhood. "It's as if somebody pushed the reset button on our whole civilization."

Destruction is still visible in much of the city today. "The storm is everywhere," says transplanted New Yorker Eve Abrams. The areas that tourists frequent, like the French Quarter, never flooded because they sit on a natural rise of ground and look about as they did before the calamity. In the part of the Lower Ninth Ward, however, where water burst from the levee with enough force to toss houses on top of houses, many blocks have nothing but slabs left from demolished homes. In the nearby St. Claude neighborhood, houses are standing but several still bear markings from the teams that searched for corpses after the storm—a spray-painted X separating the date of survey, the agency that searched and the number of bodies found. Even in middle-class ar-

While much of the city suffered, the devastation in the Lower Ninth was most dramatic because the water moved through at high velocity. *Photo: JM*

eas of the city like the Carrollton neighborhood on the city's western flank, a street of healthy-looking houses might include a vacant lot or a severely damaged residence.

New Orleans neighborhoods have always had a patchwork feel. Before Katrina, one could walk through a block of gorgeous Garden District homes, cross a street, and find oneself among structures resembling shacks more than houses. The very rich and the very poor lived across the street from each other; the postcard shot was always a quick camera-pan from an illustration of urban decay. That pre-existing mix makes it hard to discern why a particular house looks wounded. "Was it always like that, or is that because of the storm?" is something Abrams often asks herself when she sees damaged homes. In some cases, the storm made existing problems worse. Thanks to Katrina, local analyst Peter Reichard tells *City Limits*, "All this rotten infrastructure was marinating for weeks under salty water."

The pre-storm decay was on the minds of people who, as the waters dropped, began thinking about the city's future. For all its singular charms, New Orleans was a city plagued by poverty, crime and failing schools. The city's poverty rate was roughly 23 percent in 2004, higher than New York City's 20 percent. In 2004, a New Orleans resident was eight times more likely to be murdered than a person in New York. And among U.S. states on fourth grade math and reading scores in 2005, Louisiana ranked 47th and 48th, respectively; that year, New Orleans students posted the third-worst performance in the state. Civic leaders said they wanted the post-storm plan to address these pre-Katrina problems. The slogan was that New Orleans should come back from Katrina, but come back better.

Since then, New Orleans has certainly not wanted for plans. The Federal Emergency Management Agency (FEMA) drew up a plan for the whole city. Harvard students crafted one for the Broadmoor neighborhood. The Association of Communities Organizing for Reform Now (ACORN) made a plan for the Lower Ninth. New Orleans East had already drafted a Renaissance Plan before the storm. Other neighborhoods also forged their own visions of post-Katrina rebuilding. These efforts have taken a back seat, however, to three successive waves of citywide planning.

KATRINA ON THE STUMP

The nominees on New Orleans

When Sen. John McCain visited the Lower Ninth Ward in April, he made a promise. "Never again, never again will a disaster of this nature be handled in the terrible and disgraceful way this was handled," he said. At a New Orleans rally in February, Sen. Barack Obama had almost the same critique of what happened in 2005, describing "a trust that was broken—the promise that our government will be prepared, will protect us, and will respond in a catastrophe."

In September 2005, both McCain and Obama voted for a bill providing emergency assistance to the Gulf Coast. Later that month McCain opposed extending unemployment insurance for people affected by the storm; Obama backed it. Obama also voted for and McCain against a commission to investigate the government response to the storm.

Since then, most funding for Gulf Coast recovery has been attached to bills providing supplemental appropriations for the war in Iraq. On the first such bill in late 2005, McCain called $29 billion in hurricane recovery money "non-germane" to the Iraq mission. He did not vote on final passage. Obama voted "yes."

In a speech in April, McCain applauded state-led efforts to improve workforce development in New Orleans and called on businesses to invest in areas like the Lower Ninth. He said he'd ask corporations to help with the response to future emergencies. And he decried post-storm spending. "In the conduct of Congress in the year after Katrina and Rita, we saw the same excesses, lack of focus, and short-term thinking that left New Orleans vulnerable in the first place," he said.

Obama's position paper on New Orleans sets an "ultimate goal of protecting the entire city from a Category 5 storm." It also calls for incentives to lure doctors to to the city, more rental housing and having the federal rebuilding coordinator report directly to the president "so that rebuilding remains a national priority." —*JM*

City government launched its first planning process with the Bring New Orleans Back commission, which Mayor C. Ray Nagin appointed in September 2005. In January 2006, the commission issued a battery of reports covering everything from land use to infrastructure, culture and economic development. The plan called for a fast-track neighborhood planning process to be completed by May 2006. It also recommended a moratorium on building permits in heavily flooded areas and called for the consolidation of lightly populated sections. The plan said that neighborhoods would have to prove their viability as loci of redevelopment before the city would invest in them.

Planners now look back on the BNOB with some admiration for its ambition and its attempt to reduce the population's exposure to floods and create denser neighborhoods to which a cash-strapped city could actually provide services. But when the Bring New Orleans Back plan emerged, only 150,000 people were back in town—a third of the pre-storm population. The plan seemed like a prelude to writing some areas of the city off before people had a chance to return and fight for them.

The backlash was intense. Nagin, who faced re-election later in the year, immediately pulled back, disavowed the moratorium on building permits and added red-ink addenda to the plan, including a promise that, "The areas where people are investing and rebuilding now are where the city will invest in immediate neighborhood redevelopment. That is not to say that all areas won't be rebuilt."

With the mayor's plan stalling, the New Orleans City Council in April 2006 launched a rival planning process. This was controversial from the start: The Bureau of Governmental Research, a local watchdog group, said the Council violated city rules by awarding $2.9 million to the planners without taking bids. But unlike the mayor's plan, the council effort had a substantial outreach component, involving dozens of community meetings. The effort, which became known as the Lambert Plan, produced 42 separate strategies for the city's neighborhoods.

But by the time the Lambert Plan had been completed in October 2006, a third and separate planning process was underway—the Unified New Orleans Plan, run by the Greater New Orleans Foundation and anchored by a $3.5 million grant from the Rockefeller Foundation. Support for UNOP grew out of a sense that neither Nagin's nor the Council's plan would contain the level of detail needed to convince the Louisiana Recovery Authority to release millions in federal recovery funds.

From July until the following January, the UNOP process unfolded in dozens of community meetings and design sessions. Residents got to model what their area could look like. Different recovery scenarios were discussed. The Nagin administration, however, was cool to the UNOP idea. One of the planners who worked on UNOP was Laurie Johnson, a disaster planner who'd done work in Los Angeles and Kobe, Japan after devastating earthquakes, as well as Grand Forks, Iowa after their 1997 floods. The tepid support from City Hall complicated the UNOP effort. "It was hard to know who your client was in that atmosphere," says Johnson.

In early 2007, UNOP presented its report—a nearly 600-page epic that described the assets, damage and wish-list of every planning district, as well as a citywide infrastructure plan. There was an emphasis on sustainable development and a greener city: bike paths, green materials, mass transit. The Lower Ninth Ward plan, for example, called for better flood protections, wetlands restoration, an improved community center, business incubation, parks rehabilitation, rental assistance, better mass transit, and senior housing, among other items.

On the crucial question of whether to rebuild in severely damaged neighborhoods, UNOP charted a path between the mayor's plan, which suggested some areas might never return, and the council plan, which simply assumed that every area would. "One of the things

WHEN THE BRING NEW ORLEANS BACK PLAN EMERGED, ONLY 150,000 PEOPLE WERE BACK IN TOWN—A THIRD OF THE PRE-STORM POPULATION. THE PLAN SEEMED LIKE A PRELUDE TO WRITING SOME AREAS OF THE CITY OFF BEFORE PEOPLE HAD A CHANCE TO RETURN AND FIGHT FOR THEM.

Mayor Nagin makes plans. *Photo: City of New Orleans*

[UNOP] started to say was that all neighborhoods were coming back—a portion of the Lower Ninth would come back, it just might not all come back," says Johnson. For flood-prone areas, the UNOP district plans backed a voluntary land-swap to concentrate smaller populations in safer zones. People with property close to the floodwall would exchange their land for a vacated parcel on higher ground and closer to other returning residents.

The UNOP effort, which the Bush-Clinton Katrina Fund joined Rockefeller in funding, triggered some resentment on the ground—reflecting a suspicion that outsiders wanted to use New Orleans as a laboratory. "Most of the nonprofits and organizations that have come to New Orleans have come with their own agendas, instead of asking the people what they want," says Ward McClendon, head of a grassroots rebuilding organization called the Lower Ninth Ward Village. But as a planning document, UNOP was crucial to convincing state officials to release federal funds to New Orleans. "The state and federal government said we're not going to give you money until you've got a plan in place," says Al Petrie, a community leader in the Lakeview section, "Thank goodness for Rockefeller."

The City Council passed the UNOP and the Louisiana Recovery Authority accepted it last June, paving the way for the release of $117 million in federal Community Development Block Grant funds—and opening a new debate over whether the months of community planning will actually shape how New Orleans rebuilds.

III. Radical surgery

In one neighborhood in the heart of town, that debate is playing out in sharp relief.

If you have ever taken the cab ride from Louis Armstrong International Airport into New Orleans, odds are you remember the city swinging into view from the elevated expressway. If you happened to glance to your left while you topped that span you could spy the old Dixie Brewery and then blocks of houses, restaurants and corner grocery stores that make up the neighborhood called Mid-City.

In the heart of Mid-City is a corner joint called Luizza's that still cooks up fried potato Po' Boys, a starchy concoction of French fries on French bread that is served dripping in beef gravy. According to local lore, the small morsels of meat in that gravy were a regular source of sustenance for longshoreman and other blue collar workers who settled into working class neighborhoods like Mid-City.

Most of the dock work was mechanized and those types of jobs were gone long before Katrina came swirling through this part of town. Mid-City is one of New Orleans quieter neighborhoods. Its racially diverse population is so laid back that in better times, it was considered a prime spot for families to take their kids to Mardi Gras parades, which elsewhere can range from intense to downright raunchy.

Now, the area is the target of state and city leaders who want New Orleans to have a new, better version of "Big Charity."

Louisiana has a method for providing healthcare to the poor that differs from most other states; rather than running insurance programs to cover uninsured people, the state funds a system of public hospitals to which indigent people can go for care. The origins of this system go back to 1736, when the first Charity Hospital opened in New Orleans only six weeks after New York's Bellevue, the oldest continuing public hospital in the United States. That "charity system" expanded in the 1920s and 1930s under Huey Long, who founded Louisiana State University's medical school to lure doctors for the state's poor. After several earlier structures were destroyed or outgrown, Charity Hospital in New Orleans took its modern form in 1939 as a looming art-deco structure on Tulane Avenue in downtown. Nicknamed "Big Charity," it was an anchor of poor peoples' healthcare in the metropolitan area.

LSU runs the statewide charity hospital network and for years argued that it

While some of the footprint of the proposed LSU/VA hospital is blighted, other parts are repaired and occupied. *Photo: Bobbi Rogers*

needed a new hospital in New Orleans. "Certainly the physical structure, the layout, is just not the layout of a modern hospital. The ward structures. The spread-out nature," says Fred Cerise, chief of LSU's health care system, about Big Charity. "There's a fair amount of inefficiency built in to the Charity campus." The physical shortcomings led to financial problems and difficulty maintaining accreditation, Cerise says. Reports from the Joint Commission, the national body that accredits hospitals, show that Charity received accreditation "with conditions for improvement" in 1996, 1999 and 2002.

In 2005 a consultant hired by LSU suggested that 35 acres of Mid-City would be the right place to locate a newer, more modern hospital. Then came Katrina. Staff kept Big Charity running during the disaster, which flooded the building, but shortly after the storm, LSU shut Big Charity down, saying the storm had done irreparable damage. Cerise says the hospital system had little choice. "The fact is that LSU did not close Charity after Katrina," he says. "Katrina closed Charity."

The closure of Charity and other hospitals in town, including the U.S. Department of Veteran Affairs facility downtown, built momentum for a new facility—a much larger one than conceived before the storm. In mid-2007, the LSU hospital proposal suddenly swelled to cover 70 acres in order to accommodate a new VA hospital next door. The proposed side-by-side hospitals would cost $2 billion to build. Proponents see that as a worthy investment in New Orleans' economic future. With no corporate base since the oil industry fled in the 1980s, the city has been looking for an economic engine that could power the city the way the old wharves did—something offering higher-wage work than the tourist and entertainment industry on which the city now depends. The LSU/VA proposals' backers say constructing, running and servicing the hospital will bring plenty of new jobs and, they hope, lure the biosciences industry to New Orleans. Beyond the economic argument, there's a medical one: A top-notch hospital will bolster the appeal of local medical schools and reduce or reverse Louisiana's shortage of doctors. Says Louisiana Secretary of Health and Hospitals Alan Levine: "We do need to have a destination teaching hospital in New Orleans."

But Mid-City is not a blank slate.

Republican Gov. Jindal backs the hospital plan. *Photo: McCain 2008*

While pocketed by blight and damaged by the post-Katrina flooding, a neighborhood exists now on the 25 blocks that would be bulldozed for the hospital complex of the future.

The proposed LSU/VA hospital's footprint contains a typically New Orleans, eclectic mix of 150-odd structures that are now in danger of demolition. The area is not pristine. Only one in five residents owns their home and, on average, residents take home some of the smallest paychecks in the city. A handful of properties in the footprint are listed in a city database as tax delinquent or blighted. Proponents of the new medical facility point to those houses as an argument that favors the project.

But most of the footprint falls within the Mid-City National Historical District. There's the Dixie Brewery, a landmark high school that dates back to the 1870's and a German cultural center known as the Deutsches House. Some federal historic preservation grant money was used to fix housing in the area that could be demolished for the new facility. This year Charity Hospital and the adjacent neighborhood were added to the National Trust for Historic Preservation's List of Eleven Most Endangered Places.

Walter Gallas, director of the National Trust's New Orleans field office wonders why, in a city where many areas were leveled by the flood and subsequent demolitions, the new hospital has to rise on a blocks where historic properties stand. To him, the proposal begs a critical question facing all New Orleans: How much of its past should the city sacrifice in the name of progress?

Even supporters of the plan acknowledges that the proposal is far-reaching.

"They're not talking about eliminating a historic building here," says health secretary Levine. "They're talking about eliminating an entire historic district. There's bound to be hard feelings."

Some of the area's value is of more recent mint—it's the work of volunteers who helped rebuild houses there. Wesley Bayas picked up a hammer, working the past year for The Phoenix of New Orleans, a non-profit founded by a Tulane Medical student that gutted and then rebuilt homes in Mid-City. "We've already estimated that we've saved $1.3 million dollars in labor costs," says Bayas. "That's not even talking about materials. Materials in the homes that are getting rebuilt, you're talking [$15,000 to $25,000] worth of materials. So, I would say it's close to $5 million or $6 million dollars that's [in danger of] getting thrown away."

A few million bucks is chump change compared to a $2 billion hospital with the potential to attract high-paying jobs, and historic preservation might seem like a distraction in a devastated city. But historic properties weren't tertiary to New Orleans' pre-Katrina identity; they were integral. And just as integral to the recovery effort has been the kind of sweat equity that renovated houses in the proposed footprint. For homeowners acting in the absence of a reconstruction plan, with relief money only trickling in, a simple coat of primer was more than the mere application of paint—it was taking a stand. Bulldozing over that effort would have more than a financial cost.

Complaints about the hospital plan, however, aren't just about the proposal itself. They also concern the entire planning process. Officially, the site in Mid-City is only one of several options being considered as part of a mandatory federal environmental review of the VA project. The VA says it is considering an alternative site in New Orleans as well as in nearby Jefferson Parish. LSU says it's looking at other options from doing nothing to rebuilding on the current Charity site. The review process is just getting underway, with the FEMA organizing public hearings about the plan.

But New Orleans government is clearly already preparing the Mid-City site for a new hospital complex. Last November, it inked a memorandum of agreement with the VA in which the city agreed to acquire and clear land for the new facility, complete a site assessment, shift water and sewer lines, improve nearby roads, run new gas and power lines and move businesses, residents and even a sewer pumping facility—all at no cost to the VA. The VA is also granted exemptions from local zoning and building codes. In return, the city could obtain the site of the current VA hospital, but the VA decides whether to let the city own or lease it. If the city fails to accomplish its assigned tasks on time, it could pay fines to the VA of as much as $10,000 a day.

The City Council has yet to hold a hearing on issuing the hospital proposal. Yet in December, the Council imposed a moratorium on building permits for properties in the footprint. It's not entirely clear why, because none of the Council's seven members responded to interview requests on the matter, but by preventing any new improvements on the land, the move limits the potential cost to the city of expropriating property for the project.

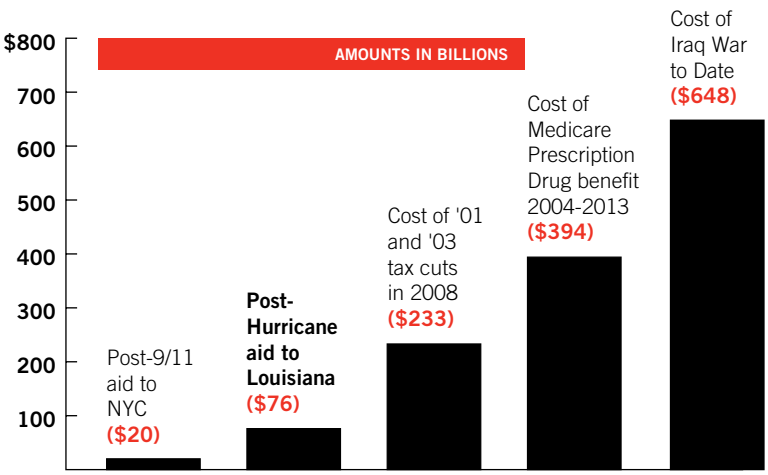
The city could face obstacles other than cost, however, in obtaining that property—if current owners refuse to sell. After the U.S. Supreme Court in 2005 backed the right of governments to expropriate land and transfer it to a private entity, Louisiana voters approved a constitutional amendment—Amendment 5—that restricts such transfers. It's unclear whether a public university like LSU or federal department like the VA would be considered private entities, but the amendment could complicate the hospital deal.

The one court test to date found that Amendment 5 did not restrict the city's

Iraq's price tag tops Katrina's. *Photo: DOD*

FOLLOWING THE MONEY

The federal government has allocated a lot of money to the Gulf Coast, but plans to rebuild New Orleans are still underfinanced. Here's how the funding sent to Louisiana compares to other recent big ticket items:



Sources: Louisiana Recovery Authority, Congressional Budget Office, NYC Independent Budget Office, Army Corps of Engineers

ability to grab and sell properties—if the properties were deemed blighted. There are indeed some blighted parcels in the footprint. Bayas argues that the City Council, by banning any new work in the area, is exacerbating that blight. "There are people who want to come back home, but they can't because they have put on stop on any permits in the area," he says. The moratorium, in other words, could lay the groundwork for the city to seize the land as "blighted," and avoid Amendment 5.

Meanwhile, private investors are grabbing parcels in the area. Cesar Burgos, the chairman of the Regional Transit Authority whose law firm has donated $12,500 since 2006 to Mayor Nagin's campaign fund, in late 2006 purchased a $2 million building on the site that he says he wants to turn into condos for nurses who will work at the new hospital. LSU itself bought up a chunk of property in the footprint last July. And Pincus Friedman, a real estate investor who local media reports say is from New York, has purchased at least 28 parcels within the area from 2006 on.

The moves by city agencies and private investors in the absence of any real public discussion about the plan—more than the hospital proposal itself—is what gets people angry. "You are having developers come in, both private developers and public plans that are coming in seizing private homes, small businesses in an historic district—in fact, lopping off a good third of that public district," says Mary Howell, a civil rights attorney whose office is near the footprint, and who describes the hospital plan as "the first great post-Katrina land grab."

Jack Stewart, a member of the Deutsches House, the German cultural center, echoes Howell. "If it has to be done, and we need the room for the expansion—that's one thing. But to do it in such a ridiculous, heavy-handed manner is another thing," he says. City leaders, he adds, "are going, from saying, 'Here's the plan', to saying, 'There is no plan', so you don't know who there is who can be trusted." Adding to the confusion is recent word that the VA is considering an entirely different site in Mid-City.

IV. After math

While a hospital proposal was included in UNOP discussions for Mid-City, the talk concerned a campus of 35 acres—not the 70-acre plan currently on the table. Now other neighborhoods are wondering how much bricks-and-mortar reality will match the Unified New Orleans Plan that they helped shape.

Much of that question will be answered by Dr. Edward Blakely, whom Mayor Nagin appointed New Orleans' recovery czar in late 2006. Blakely worked on recovery planning for Oakland and Los Angeles after earthquakes in 1989 and 1991, respectively, as well as in post-September 11 New York City. Blakely is a former dean of the Milano School at New School University in New York.

In March of 2007—before the City Council or LRA approved UNOP—Blakely articulated his vision for how the city would rebuild. He picked 17 "target areas" across New Orleans where the city would invest its own money and provide incentives for the private sector to follow suit. "When one area starts to do well, investors will want to invest nearby," Blakely said at the time. "This will allow the city to redevelop wisely and will help residents make smart choices about where to rebuild."

The target areas include "Renew" zones where modest public investment can bolster ongoing development, "Redevelop" neighborhoods that have the raw materials for recovery but need a more substantial nudge in the right direction, and two "Rebuild" sections that need intense help—the Lower Ninth, where the plan calls for a new firehouse, restoring blighted housing and assisting small businesses, and New Orleans East, where Blakely's plans include a renovated park and library as well as streetscape improvements. The

REMAKING NEW ORLEANS

Plans for new hospitals, less public housing

Charity Hospital operated from 1939 until shortly after Katrina, when LSU closed it down. *Photo: Infrogmation*

"Rebuild" areas are slated to receive 30 percent of the recovery money earmarked so far.

Backers of Blakely's approach say it strikes a balance between nuts and bolts recovery and more symbolic projects that are intended to show the private sector that the city is serious about rebuilding. The strategy also has its detractors. A few criticize the distribution of recovery money so far, including Pearl Cantrelle, a civic leader who believes New Orleans East—given the level of damage it received—isn't getting its fair share. Others, like Bureau of Governmental Research president Janet Howard, think that New Orleans ought to spend its money on fixing the streets rather than, say, a facade program for small businesses in one area. "One of the things that has stunned me in this whole redevelopment effort is the lack of apparent interest in putting infrastructure funds in rebuilding the basic building blocks of the city," Howard says. "You can look at the populated parts of the city and know that there's crying infrastructure needs."

In picking what to do, Blakely says he's been "guided" by UNOP. The Louisiana Recovery Agency is supposed to review each project to see if it adheres to UNOP, but it's unclear how rigorous that vetting will be. Given the size and breadth of the UNOP, it'd be hard for Blakely to pick a project or area that wasn't encompassed by UNOP. Planner Laurie Johnson says Blakely has at least adopted UNOP's recommendations on process—for example, he's formed a parish-wide recovery council. However, some specific recommendations of the unified plan, like UNOP's call for a voluntary relocation program within districts, are not on Blakeley's list. "He's done as much as he can do," given the political environment, Johnson says "If it had been up to me there would have been more implementation in terms of educating of city officials. It's a complex, integrated thing. You don't just do pieces of it." While Blakely might abandon some of them, the UNOP individual neighborhood plans could get a second life as part of a new citywide Master Plan that an outside contractor is now preparing for the city. (*see "Firm Plans?", p. 19*)

The price-tag is a big barrier to doing more now. To date, Blakely has only mapped how he'll spend the first $117 million of an expected $400 million in recovery funds. Blakely's target areas plan alone will cost at least $1.1 billion. And for city leaders to deliver UNOP's total wish list? "I think they need another $10 billion," says Johnson.

The proposed new LSU/VA complex itself won't be cheap. It will cost the state around $100 million to run. Just to build it will require at least $1 billion of state borrowing. "There's a long way to go before we have this thing fully funded," says health secretary Levine. Even before testing the bond market—where investors might pass on such an ambitious project in a storm-scarred city—the plan has to earn the approval of the state's bond commission. "The challenge there is we're near our debt capacity now," Levine says.

The hospital would be much more expensive if post-Katrina federal money—in the form of community development block grant and FEMA funds—weren't in the mix. "I do think the people in the LSU system saw this as a once-in-forever opportunity to be eligible for some funding that just wouldn't have been there and to start from scratch and build a new hospital facility," says Errol Laborde, publisher of *New Orleans* magazine. The VA's interest just adds more impetus to get it done now. Bobby Jindal, the state's Republican governor, backs the plan. Presumptive Democratic nominee Sen. Barack Obama's campaign literature also supports "a major medical complex in downtown New Orleans" and "a new, state-of-the-art Department of Veterans Affairs hospital in New Orleans."

But one major premise for the LSU/VA plan—that Big Charity cannot be revived—is not a settled issue. There's an ongoing lawsuit by former patients over LSU's decision to close Charity; it alleges that LSU violated state law by

closing the hospital without seeking legislative approval. The lawsuit doesn't demand that Charity be reopened but asks for all the services it once provided to be offered again. However, a separate inquiry may have put the Charity site itself back on the table: At the request of the state legislature, the Foundation for Historical Louisiana hired engineering firm RMJM Hillier to examine whether Big Charity could be used as a hospital again. Hillier reported in mid-August that "there are no fundamental flaws that would impede the rehabilitation of Charity Hospital into a state-of-the-art modern facility." Advocates say that the finding could block the new hospital. But LSU insists Charity will not be reused.

LSU reports that its New Orleans healthcare system, consisting of an interim hospital and clinics, now offers 90 percent of pre-storm clinical services, but it still has only about 63 percent as many beds as it did before Katrina—and while the city's population is significantly smaller now, the closure of other hospitals means the LSU system must pick up a lot of slack. The proposed new hospital would go some way to closing that gap between health care demand and supply. There are doubts, however, about whether the new Charity would serve the same people as Big Charity did.

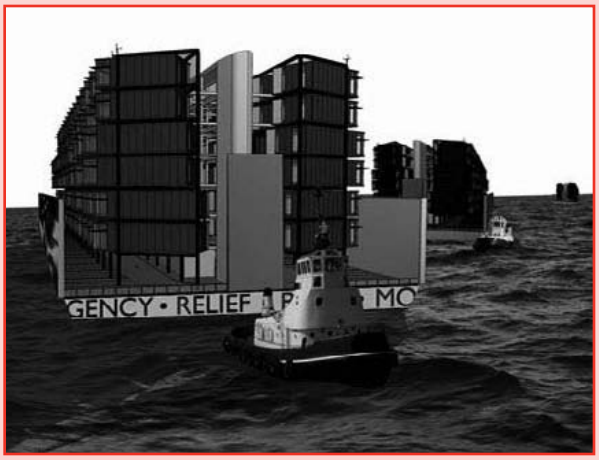
"Their whole idea for this new hospital is to attract substantially more private-insured, private pay patients," says Jacques Morial, an advocacy associate at the Louisiana Justice Institute whose father and brother served as mayor of the city. "It's an image problem. They just don't believe that middle class patients, insured patients are going to go to anything that has a remote connection to Charity."

When the state hospitals department reviewed LSU's business plan for the new facility, it adjusted the numbers to assume that the future hospital will treat fewer people lacking health insurance. Asked why, health secretary Levine says, "I think a lot of it has to with the changing demographics resulting from Katrina. A lot of people left. And a lot of the people who left are uninsured."

V. HOPE and fear

Backers of the LSU/VA plan don't see it as an end in itself. The new campus is supposed to be a spark for a larger biomedical district encompassing a broader slice of downtown New Orleans. But just as the LSU/VA plan has people in the proposed footprint worried or at least wondering about the future of their homes, the concept of a larger New Orleans medical district also raises questions about who might be left—or pushed—out. In a 2007 strategy paper, supporters of such a bioscience corridor identified as one of its "success factors" the transformation of the downtown Iberville area, site of an 821-unit public housing project, "into a mixed-use, mixed-income community."

That idea hasn't received much attention, but public housing has been a major battlefield in post-Katrina New Orleans—an important part of the social and political context in which



One entry from a contest to design emergency housing for a hypothetical storm-struck New York City. *Photo: nyc.gov*

READY OR NOT

In NYC, waters and risks rise

New York City's Office of Emergency Management says that in a Category 3 or 4 hurricane, up to 2.3 million city residents would need to evacuate and some 600,000 would require temporary shelter. In other words, a population the size of Houston would need to leave home and a subset as big as Boston would need a place to stay.

Storms of that intensity have been unlikely in New York because nearby ocean waters are relatively cool, but climate change could increase the risks as waters warm and sea levels rise. By 2100, the city might see today's "100-year storm" every decade or two.

Without cold water to protect it, New York City is very vulnerable to a major storm. The city has 600 miles of coastline and lies at a point where the Atlantic Coast makes a nearly 90-degree bend that could amplify a storm surge. Major bridges are so high that winds might force their closure, obstructing evacuation. Columbia University's Center for Climate Systems Research reports that flooding during storms in 1960 and 1992 came within a foot or two of causing "massive inundation and even loss of life" in the subway system. The Army Corps of Engineers has said that if 1985's Hurricane Gloria (which veered east) struck closer to the city and at high tide, the impact would have been devastating.

The marketplace and government are starting to respond to the risks. Insurers are writing fewer policies in the city's coastal areas. A 2002 proposal by scientists at Stony Brook University to create four storm surge barriers at points around the city's coastline is on a list of "potential adaptations" being examined by the city's Climate Change Task Force. Earlier this year, the Bloomberg Administration selected 10 designs in its "What If New York City …?" contest to design temporary disaster housing. One entrant proposed housing elevated on scaffolding; another had units stacked on barges. First-round winners submitted further-developed plans to the city this summer. —*JM*

WHERE ARE THEY?

Nearly three-quarters of the 1.7 million people who received FEMA disaster assistance still live in Louisiana or Mississippi, the two states hit hardest by hurricanes Katrina and Rita of 2005. But as of last year, some were living farther away, like the 120,000 who moved to Texas or the 72 who got their relief checks in North Dakota. Here are the top ten metro areas for Katrina relocations (NYC ranks 15th):

Source: FEMA

MOBILE	83,900	SAN ANTONIO	6,542
HOUSTON	68,187	AUSTIN	6,028
DALLAS-FORT WORTH	32,140	LOS ANGELES	5,491
ATLANTA	26,026	CHICAGO	4,780
MEMPHIS	7,409	BIRMINGHAM	4,780

the LSU/VA plan will unfold. Iberville is the only large, traditional public housing development left in the city that stands as large as when it was built. Last December, the City Council approved the demolition of the four other large public housing projects to make way for mixed-income developments.

Much about the state of public housing in New Orleans is in dispute and has been since Katrina, when residents were barred from returning to many of the projects. With rents soaring after the storm and low-income New Orleanians trying to get back to the city, advocates wondered why more units weren't opened for people's return. HUD says the physical state of the buildings made that impossible. "We realized the urgent need for any and all housing. However, after careful environmental and economic review, we decided it simply made no sense to restore these dilapidated buildings that now had even more serious problems, including mold, mildew and severe structural damage," wrote then-Housing and Urban Development (HUD) Secretary Alphonso Jackson in an editorial last year.

There is no denying that many of the projects took on some water. A person involved with one of the redevelopment teams tells *City Limits*, "Frankly, the public housing buildings were probably more reparable than most of the housing. The problem is more of a contracting problem," explaining that a flooded building is unattractive to contractors or insurers because it is difficult to guarantee that mold will not surface years down the road and force an expensive repair.

Housing advocates, however, dispute that verdict. Bill Quigley, a lawyer active in the fight against the demolitions, says the worries about mold are overstated. "That is totally untrue and absurd," he says. "If that was true, no house in New Orleans would be rebuilt."

New Orleans has been looking at revamping its public housing since well before Katrina; as early as 1988, the city considered destroying half its public housing. In the years since, Iberville (located on valuable land just blocks from the French Quarter) was eyed as a potential Saints football stadium by one developer and a mixed-income community by another. Then along came the HOPE VI program, launched by HUD in 1992 to replace traditional public housing with mixed-income, developments. By housing the poor and more affluent together, HOPE VI strives to alleviate the economic isolation of the projects and improve their management by creating a more sustainable balance betweens rents and costs.

But the Housing Authority of New Orleans' (HANO) redevelopment plan isn't just about improving public housing. It's also about shrinking it. Today, New Orleans public housing shelters only 1,800 families, compared to the 5,100 families who lived in HANO housing before the storm. Even before Katrina, HANO had shut more than 2,000 units of public housing that were in disrepair. Some 5,000 units were still in service. If the redevelopments go according to plan, only 3,340 public housing units will remain in the city, along with 1,770 new low-income rentals or Section 8 units (some of which might be off-site), 900 new market-rate units and 900 new homeownership units. At the four sites where demolitions are under way, the number of public housing units will drop by a combined 70 percent.

According to a 2004 survey by the Urban Institute (a nonpartisan research organization) of literature on the first decade of HOPE VI, the program's performance is the subject of contentious debate. Since each city that undertakes HOPE VI designs a slightly different program, it's hard to draw broad conclusions about success or failure. What is undisputed is that most residents of the projects that get demolished do not return to the redeveloped sites, despite some survey evidence that most intended to. It is an open question whether those residents simply changed their

minds, or wanted to return but could not. HANO and housing advocates have wrestled in federal court over whether the authority honored its pledge to give former residents of the St. Thomas houses preference for new spots in the redevelopment of that site, known as River Garden.

Jackson resigned from HUD in March amid news reports that he was under federal investigation for awarding one of the New Orleans redevelopment contracts to a firm with which he had financial ties. Meanwhile, as demolition continues on the four sites, there's word that developers are having a hard time making the numbers work for the new developments. The projects are largely financed by low-income tax credits, which the developers sell to investors in exchange for money to pay for construction; investors usually also take an equity stake in the project—they become investors in the new housing, in other words. Usually, states get those credits in proportion to their population. After Katrina, however, Louisiana received almost as much as California—eight times its usual share. "The problem is no one is ready for that," says the person involved with the redevelopment. "New Orleans doesn't really have a corporate base that can support that investment. And national investors want to spread their risk."

That's just one problem. Construction costs in New Orleans are significently higher than elsewhere in the south. Insurance is extremely expensive (the Louisiana Insurance Department approved $221 million in rate increases from 2005 through last year). And constructing housing in a flood zone is complicated: The buildings must be elevated, but also handicap accessible, and building a ramp to a building set 18 feet off the ground costs millions. Those costs make it even harder to sell tax credits because investors are leery that the new developments will make enough money. Developers are under pressure to complete construction by the end of 2010, or else the tax credits could lapse.

Not all the city's HOPE VI develop-

BEYOND THE BREACH

A timeline of post-flood New Orleans

2005

August 28 ▸ New Orleans Mayor C. Ray Nagin orders a mandatory evacuation as Hurricane Katrina, a Category 5 storm, bears down on the city. Some of those who cannot evacuate take shelter in the Superdome

August 29 ▸ Katrina makes landfall near Buras, Louisiana—about 60 miles southeast of New Orleans. By dawn, parts of the New Orleans's levee system are leaking. By lunchtime, much of the city is underwater.

September 2 ▸ Nagin vents frustration at slow relief efforts, tells radio listeners "I am pissed."

September 3 ▸ Superdome and New Orleans Convention Center, where up to 25,000 had taken shelter, are finally evacuated.

September 26 ▸ Residents are allowed to return to the Algiers neighborhood, the first to re-open.

September 30 ▸ Nagin appoints the Bring New Orleans Back Commission.

December 1 ▸ Residents are allowed to return to the Lower Ninth Ward, the last area to reopen. An estimated 91,000 people are in New Orleans at this time, from a pre-storm population of 454,000.

2006

January 11 ▸ Bring New Orleans Back urban planning committee calls for moratorium on building in flooded areas. Nagin soon disavows that approach.

April ▸ City Council commissions its alternative plan, which becomes known as the Lambert plan.

May 30 ▸ HUD approves Louisiana's Road Home program to provide relief to homeowners.

July 30 ▸ Meetings begin for the Unified New Orleans Plan, or UNOP.

December 4 ▸ Nagin appoints Dr. Ed Blakely as recovery chief. The city's population is now believed to stand somewhere around 250,000.

2007

January 20 ▸ UNOP teams make final presentations to audiences of residents inside and outside New Orleans.

March 29 ▸ Blakely announces the first 17 target zones, where the city will concentrate recovery efforts.

June 25 ▸ Louisiana Recovery Authority accepts the UNOP plan, freeing millions of federal relief dollars for New Orleans to use.

July 31 ▸ Deadline for homeowners to apply for Road Home benefits.

November 19 ▸ The Department of Veterans Affairs inks a deal with the city to acquire a site for a new hospital.

2008

February 19 ▸ Demolitions begin at the first of four public housing developments that are being replaced with mixed-income residences.

June 18 ▸ Louisiana health department accepts plan for new LSU/VA hospital.

July 1 ▸ City-set deadline for people to vacate trailers. Hard-hit areas are given an extension until September.

August 4 ▸ Brookings Institute and Greater New Orleans Community Data Center report that, based on postal service volume, New Orleans population is at 71.8 percent of its pre-storm level.

August 20 ▸ A consultant's report says that Charity Hospital could be reopened.–*JM*

The Corps of Engineers replaced the floodwall that collapsed and inundated the Lower Ninth Ward. *Photo: U.S. Army*

ers complain of such troubles. The Lafitte projects, which are being redeveloped by Catholic Charities-affiliated Providence Community Housing, have partnered with Enterprise, a national tax credit syndicator, whose experience gives Lafitte a leg up. According to Providence CEO James Kelly, the new Lafitte will replace all public housing units with either new public housing or low-income units in an enlarged development. And former residents will have first dibs on the new units.

Some of the other public housing redevelopment plans also boast that former residents will get preference over new ones, but they aren't building enough units for everyone to exercise that right. Perhaps they don't need to. Some former residents of the projects wouldn't return to public housing if they could, happy instead to have a section 8 voucher to use. Others won't or can't return to the city.

VI. Safety first?

Fear is probably keeping some away. One study found that 40 percent of people treated by doctors in the days after Katrina showed symptoms of post-traumatic stress disorder. A 2006 Harvard survey found that one in four survivors had nightmares about the disaster, which killed more than 500 people in the city. A separate survey of college students displaced by Katrina found that "over one-half of students experienced a significant degree of fear from the storm." That poll also found that "over one-half felt that the disaster was largely caused by human/technological error, as opposed to natural events."

That's a reasonable feeling. New Orleans flooded not just because of Katrina's might, but because flawed levees and floodwalls built by the federal government gave way or were overtopped. What's more, federally constructed waterways built for the shipping industry—like the Gulf Intracoastal Waterway and the Mississippi River Gulf Outlet—helped pipe the storm surge from the Gulf of Mexico to the city's shores. These manmade waterways also contributed to the loss of wetlands that would have formed a barrier against Katrina's surge.

New Orleans residents believed this system of levees and canals would shield them. Instead, it exposed them to destruction. "Before Katrina we thought we were protected from the worst storm

characteristics in the region," says Sandy Rosenthal, executive director of Levees.org, an advocacy group that has called for better protections. While Katrina was a Category 5 storm at sea, by the time it reached land it was a Category 3, and it swung east to spare New Orleans a direct hit. At Rosenthal's house in the Uptown section, "the papaya didn't even fall out of my papaya tree," she says. "It looked like we had just had a bad thunderstorm."

After the flood, New Orleans attorney Joseph Bruno filed a lawsuit against the Corps of Engineers alleging that the Corps was liable for damage to the western part of the city. (Neither Rosenthal nor Levees.org were involved in the suit). A federal judge agreed that the Corps' record was shameful, but found that the feds have immunized themselves with a 1928 law. "I'm not totally shot down yet," Bruno tells *City Limits*. He's pursuing a separate case against the Corps for flooding in the east of the city. At the same time, Rosenthal's group continues to press for an "8/29" investigation—similar to the 9-11 Commission, an independent inquiry with subpoena power—of what caused the floods. She says the Corps' study of its own performance was flawed.

Meanwhile, the Corps is in the midst of a $15 billion set of projects to improve flood protection around New Orleans. Together, these projects are supposed to protect New Orleans from a storm of unusual strength–one that would be expected to occur once every 100 years. For Rosenthal, that's not enough. The Netherlands, after all, protects against a 10,000-year storm. Rosenthal wants 1,000-year protection for New Orleans.

It's unclear what the additional cost of that would be. For now, however, the city's planning process has had to operate under an assumption that New Orleans will be protected.

When the city began planning for recovery, there was hope that the rebuilding approach would factor in flood risk. While New Orleans is sometimes depicted as being entirely below sea level, half of the city actually lies at or above sea level. A 2007 Tulane/Xavier University study concluded that New Orleans could accommodate its entire current population on that high ground. When the mayor's Bring New Orleans Back plan pulled back from factoring risk mitigation into the city's recovery strategy, however, the issue was permanently placed on the back-burner. "The city basically took the position that the free market would determine the location of recovery," says Allen Eskew.

It's tempting to fault people for wanting to move back into a flood plain. But Johnson points out that, "For so many families, white and black, it's hard-earned soil." Beyond the historical weight of the land they left, low-income families had practical reasons for returning. "What you see is people going back to what they have left," says Mary Croom-Fontenot. "Why are they rebuilding? Because it's all they have left."

UNOP called for a voluntary program allowing people to swap their vulnerable property for a parcel in the same neigh-

In the 1940s, Robert Moses proposed a highway through historic parts of New Orleans. *Photo: Library of Congress*

FIRM PLANS

A vote on post-storm visions

One silver lining to New Orleans' enduring post-Katrina cloud is that the Crescent City now has the money and the workload to attract top planning firms. That's a break from the past. "New Orlean's reputation was such that you couldn't get decent planning firms to come in here and do the work, because they knew they couldn't get the job because that was given to friends of politicians," says Bill Borah, an author. "There was no predictability, no transparency."

In a book he co-authored with Richard O. Baumbach, Jr., "The Second Battle of New Orleans," Borah chronicled the long fight by community groups against city leaders who, following a suggestion by Robert Moses in 1946, wanted to run an expressway along the Mississippi River through the French Quarter. It was by the closest of margins that preservationists were able defeat the planned expressway.

Now preservationists are again battling with the powers that be, especially over the fate of Big Charity and the plan to demolish an historical district for a new hospital. Planners, meanwhile, have provided the city with a road map via the Unified New Orleans Plan. UNOP is likely to help shape the city's new master plan, which respected Boston firm Goody Clancy will work on for the next year or so.

In November, New Orleanians will vote on a ballot measure to change the city charter and give the master plan the force of law.

City Planning Commission Executive Director Yolanda Rodriguez says the city's zoning laws, which will implement the master plan, already have the force of law. But Borah argues that's not enough for the kind of changes New Orleans needs. "If the charter is not changed, then the work that Goody Clancy would do in a master plan will go on the shelf, or be cut up like a Christmas turkey because that's the way the existing process is," he says. —*Mike Longman*


FAMU
1. List 10 Word roots with Prefixes added
2 List 10 word Roots with
Suffixes added
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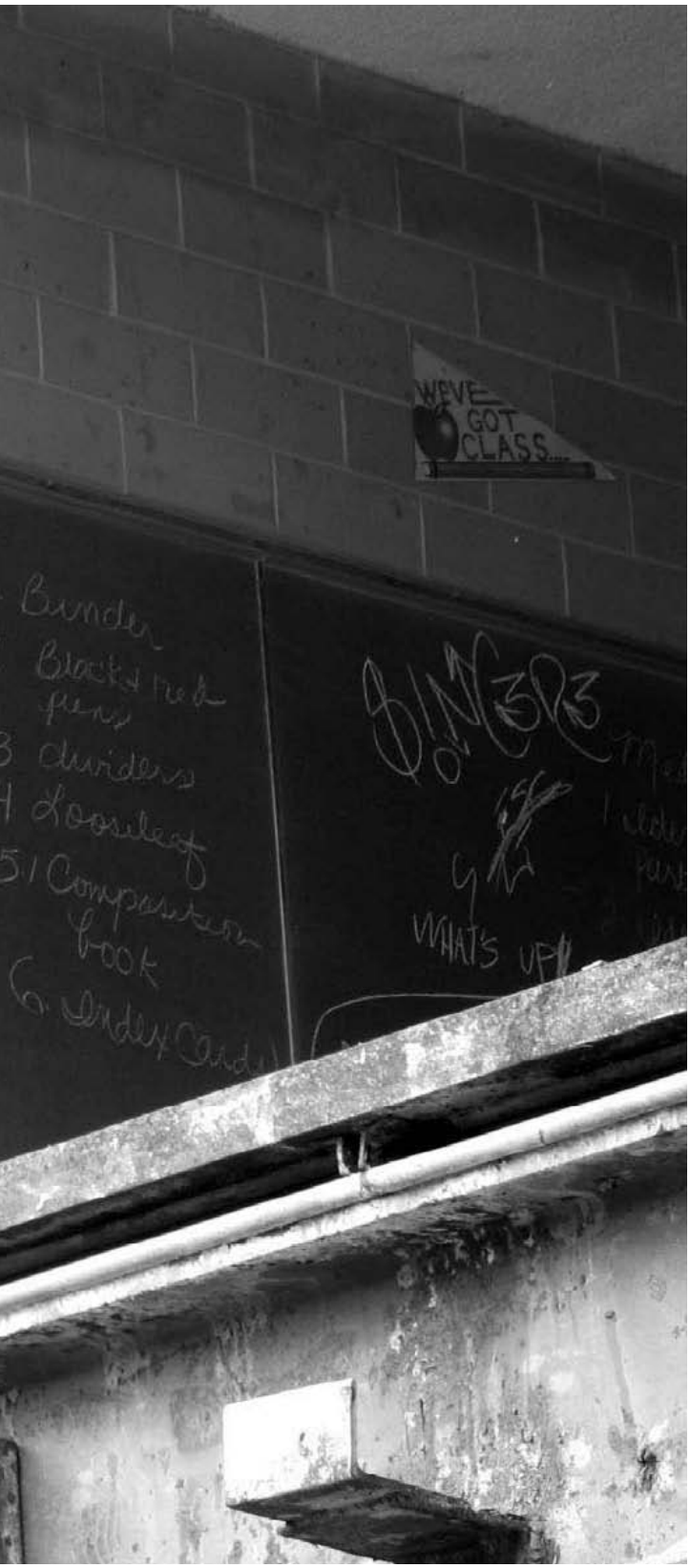


borhood but on safer ground. The city hasn't adopted the idea. "There was never the money to relocate the interests that were there prior to the storm," says Greg Rigamer, a demographer. He thinks such a relocation could happen anyway. "I think what you will see after time are market-driven considerations driving that. Insurance is more expensive, the lack of services available. The market speaks louder than policy."

The fits-and-starts and politics of the planning and rebuilding process haven't helped New Orleans' recovery, but they haven't stopped it dead, either. "I think we're sort of drifting towards the right track," says Rob Couhig, a prominent lawyer. "The citizens are leading the charge, which is good. Government is struggling to catch up and as a result it's not as supercharged a recovery as many would hope."

But there is one great mystery hovering over Blakely's strategy, the master plan, the hospital proposal and every other vision for the New Orleans of the future: How big will that New Orleans be?

VII. Guess who's coming

In July 2005, the Census Bureau estimated New Orleans' population at 453,726. After the largest evacuation in American history, it is believed to stand at around 300,000 today—although that figure, which is largely based on the number of people receiving mail in the city, is substantially higher than other estimates. Even by the postal service measure, population growth has slowed considerably. It grew 40 percent from 2006 to 2007 but only 4 percent over the past year. And it varies greatly across neighborhoods: While 93 percent of households in Algiers are receiving mail, only 19 percent are in the Lower Ninth.

While most current residents today are believed to be returnees, the city certainly includes some new people. Besides the usual turnover that all cities experience, New Orleans has attracted laborers, volunteers, planners and others who've come to work in the rebuilding. Some of these new people will leave; there's already evidence that the laborers are moving on as the supply of work levels off.

The slowdown in people moving back leads several people *City Limits* interviewed to conclude that New Orleans is about as big as it's going to get—at least 150,000 people smaller than before the flood. "I think we've kind of crossed that point. The repopulation has basically plateaued." says John Lovett, a law professor at Loyola University who has monitored rebuilding policy. "More or less who's coming back is back."

Not everyone wanted all of pre-storm Katrina back. "Only the best residents should return," then-HUD Secretary Alphonso Jackson said in 2006 of the city's public housing residents. "I don't mean rich, because everybody's low-income.

Rushing water apparently tore the wall off this Lower Ninth Ward school, photographed in 2007, but did not reach high enough to disturb the lesson on a second-floor blackboard. *Photo: JM*

SOME PEOPLE ARE NOT EQUIPPED FOR THE DAILY BATTLE. "THEY DON'T HAVE THE EDUCATION SKILLS AND THE SOCIAL SKILLS TO FIGHT," SAYS MELVIN JONES, A PASTOR IN MIDDLE-CLASS, MAJORITY BLACK NEW ORLEANS EAST. "OLDER PEOPLE, THEY'LL GIVE UP."

Those who paid rent on time, those who held a job and those who worked." Then-City Council president Oliver Thomas said in early 2006, "We need committed people. We don't need soap opera watchers all day."

But a wide array of New Orleanians voiced support for "right to return"—lingo that local activists borrowed from international law and applied to the claim that pre-storm residents had on living in post-storm New Orleans. Nagin publicly embraced the concept. In his letter introducing the Bring New Orleans Back plan, the mayor wrote that the plan's goal was to make it possible for "all citizens can return to and reclaim their citizenship as members of this unique city that we call home."

That is not happening. If New Orleans' population settles at its current level, it means about a third of the pre-Katrina city is not coming home.

To some in the city, that fact does not reflect a policy failure. "People who wanted to come back could come back," says one prominent New Orleanian who asked not to be named when discussing the third rail of local politics. "Was the city supposed to pay for them to come back?"

Clearly, some people have decided to leave New Orleans behind—those who are afraid of the next hurricane, or who've found a better life, job or schools for their kids. "One of my biggest concerns is the New Orleans school system," says Jennifer Jones, a resident of New Orleans East who evacuated to the East Bronx. "Because I have two young children, I'm not sure I want to put them through moving and entering a substandard school system."

But individual choices to return or stay away aren't made in a vacuum. Virginia, who asked us not use her last name, was allowed back to her Gentilly Terrace neighborhood just before Halloween 2005. After 30 years on that street, she told herself she'd rebuild her house, which had taken on 12 feet of water. Her family, however, worried about the 65-year-old surviving the next big storm. "So I started thinking about it and then the question almost got answered automatically because all of a sudden nobody's going back," she says. A few of her neighbors are returning. Many aren't. "You don't want to be the only person living within a few blocks," she says. About once a month, she looks online to find an apartment that she can afford close to the city, but nothing has been within reach. "Make no mistake about it: I love New Orleans. I love Louisiana. It has many, many faults—many—but there is a feeling there, and people do care on a daily basis and they are interested and I just miss that," she says. "I really learned a lot more about missing New Orleans than I ever thought I would."

In post-Katrina New Orleans, per Darwin, the fitter are more likely to survive: the affluent who can afford to rebuild, and to stay or pay higher rents, the healthy who can get by despite a disrupted health care system, the young who can do the heavy lifting of rebuilding their house, people with cars who don't depend on a reduced mass transit system. Other people are not equipped for the daily battle. "They don't have the education skills and the social skills to fight," says Melvin Jones, a pastor in middle-class, majority black New Orleans East. "Older people, they'll give up."

The bright side, says Greg Rigamer, is that people who are in New Orleans now must really be committed to the city; you wouldn't chose to move to a place with high crime and poor services unless you really wanted to.

On the neighborhood level, advocates we interviewed still insist that more people will return. After all, many homeowners are just now getting the rebuilding grants that will allow them to restore their homes. Jones, for one, is optimistic about New Orleans East. "It's coming back," he says. "We were a neighborhood of hard-working people that, no matter what, we were going to come back."

A recent survey by the University of New Orleans found that rebuilding was complete or underway on 62 percent of the city's parcels, a very hopeful sign. Some neighborhoods, though, are seeing more of that activity than others; Along Dublin Street in the middle-class Carrollton neighborhood, more than 95 percent of the houses are rebuilt or in process. On Delery Street in the traditionally black, lower-income Lower Ninth, more than half are still derelict.

But even in the Lower Ninth, the difference between last summer and this one is visible to even a casual visitor—the progress is slow, but it's there. Slabs are being laid for new houses. Utilities service is improving. The neighborhood is still devastated, but organizer Mary Croom-Fontenot sees hope. "Citizens, even a week after the storm, wanted to come back. We are not only coming

A large homeless encampment under Interstate 10, which cuts through the city's center, drew national attention this year. *Photo: Lizzie Ford-Madrid*

back, we are back," she says.

Across the city in Lakeview, a middle-class, majority white neighborhood, all 7,000 houses were flooded, says Lakeview Civic Improvement Association president Al Petrie. "It's going to continue," he says of the resurgence, but adds, "We will never get back to 100 percent."

Indeed, for all the hope, huge obstacles remain. Some date back to the first days of the recovery: trouble with insurance companies, FEMA, the Small Business Administration, high construction costs and fierce demand for contractors. Legal advocates have gone to court twice to get the city to revise its procedures for demolishing properties, alleging that New Orleans was tearing down houses where rebuilding was underway; more than one house in the Lower Ninth is spray-painted "Don't Demo!"

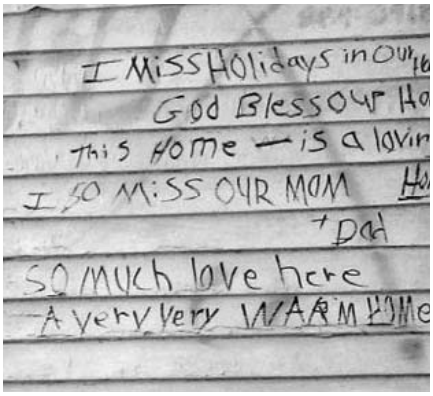
In recent months, the city has announced an aggressive anti-blight campaign of fines and citations, as well as a deadline for people to vacate temporary trailers.

The impact of such measures is complex. Homeowners who have been unable to return might be hurt by the anti-blight effort, but blight is undeniably a barrier to the recovery of the hardest hit areas. "It has to happen," says Tom Pepper, a leader of the Common Ground Collective that has gutted and rebuilt houses in the Lower Ninth. "It's a horrible thing to fine someone $500. But you have to assume responsibility for securing your property. "

People also want the trailers gone, but it's not as if everyone has somewhere to go. "I think it's rushing things," says Pepper of the trailer deadline. After all, many people "are just waiting to get their check from Road Home."

The Road Home program was funded by the federal government but designed and administered by the state to help homeowners whose property was damaged by the storm rebuild or relocate. The program, which a company called ICF International has been paid more than $900 million to run, has encountered problems since it was launched in 2006.

Some troubles stemmed from the design of the policy itself. Road Home offered homeowners a choice between selling out to the state or staying in their home and receiving a rebuilding grant. Most people (124,000, or roughly 90 percent of those who got awards) chose the latter. But the formula was frustrat-



A message in the Lower Ninth. *Photo: JM*

WHILE ROAD HOME UNDOUBTEDLY HELPED THOUSANDS OF PEOPLE MOVE BACK TO NEW ORLEANS, THE FLAWS IN THE PROGRAM MAY HAVE PREVENTED MANY OTHERS FROM COMING HOME.

ing. The maximum grant was $150,000 but it subtracted insurance payments. And the award was often based on the pre-storm value of a home. That left many homeowners with less money than they needed for rebuilding. The average award was under $59,000.

But even getting the grant often required a long wait and a lot of documentation from the homeowner. Fears of fraud led the state to initially award the money in installments, which made it hard for homeowners to pay for repairs. That policy was reversed last year. Until recently, ICF refused to accept third-party assessments of property value, and insisted on using its own formula, which homeowners said consistently undervalued their property. Last year, ICF changed its procedures to accept post-Katrina appraisals. As time has gone on, however, the price of building new houses has only climbed. "Road Home was supposed to be a gap-filling program," says Annie Clark from PolicyLink, a national think tank that's been working in New Orleans, "but that gap has gotten larger as time has gone on."

The program is due to end this year, but 2,300 people are in the appeals process—a process where the rules were still changing in July. Legal advocates are making a final push to get people through that pipeline. "This summer is now or never," says Davida Finger, a lawyer who has assisted homeowners with their claims. Ivy Parker, a New Orleans resident who evacuated to New York City, is waiting to resolve a dispute over $40,000. "So far we haven't heard anything [about the appeal] and we just have to wait 'til they get to us," she says. Another 6,000 applicants are listed as "inactive," which advocates say probably includes people who still want to pursue their claim but have been unable to.

Advocates like Melanie Ehrlich, president of the Citizens Housing Action Team, which has monitored Road Home, hope that policies will be improved in the last months of the program to increase the grants the homeowners get. There won't be enough money for everyone, however. And while Road Home undoubtedly helped thousands of people move back to New Orleans, the flaws in the program may have prevented some people from coming home. "I know it. I know it," says Ehrlich. "We've lost people because this program was run so poorly."

Road Home also almost totally neglected renters, despite a pronounced affordable housing crisis in the months after the storm as thousands of units went offline. Rent statistics tracked by the local Maddera & Cazalot realty firm show rents shot up 27 percent overall—and 37 percent for two-bedroom apartments—between spring 2005 and summer 2007. A vital part of the affordable housing stock in New Orleans is the supply of so-called double shotguns in which a landlord lives in one half and rents the other. Road Home offered assistance to these owners, but did so through a complicated program that required the owner to secure a construction loan that the state then paid off. For owners with poor credit, this was not possible. "That program has been a massive failure," says Lovett, the law professor who has tracked Road Home.

At least low-income homeownership has gotten a boost from Habitat for Humanity, which with volunteer labor and donated supplies has built or is building more than 300 homes in the New Orleans metro area for families making between 35 percent and 60 percent of area median income. But since it is a private, nonprofit group, Habitat is constrained in how much it can do. Habitat does not rehabilitate houses because of worries about liability for mold and because its construction managers are trained to build a limited set of house designs. And Habitat isn't active in the Ninth Ward right now, because it "doesn't have services that are needed for our homeowners such as grocery stores, schools, health care and mass transportation," says spokeswoman Aleis Tusa. Brad Pitt's Make It Right Foundation is active in the Lower Ninth, where it aims to build 150 homes.

Some critics think New Orleans' affordability problem stems from government investing in the wrong kind of low-income housing. Rather than helping mom-and-pop landlords, Louisiana has directed million of dollars of low-income housing tax credits to new multi-unit developments in New Orleans that, the Bureau of Governmental Research says, might just create new concentrations of poverty in the city.

What's more, the creation of post-Katrina affordable housing is not immune from the traditional worries about cor-

For some, rebuilding is an act of defiance. This home still bears the markings left by a rescue team *Photo: Pangaeus*

ruption in New Orleans. In early August, Nagin and every member of the City Council received subpoenas as part of a federal investigation of the city's affordable housing agency, which was subsequently raided by federal agents. The investigation concerns allegations that contractors received funds to renovate blighted houses but did not actually do the work.

The next big thing to hit the real estate market will be an outgrowth of the Road Home program: the state handing to New Orleans control of around 4,000 parcels from homeowners who sold out. The New Orleans Recovery Authority (NORA), which dates to before Katrina, will add to those properties to a portfolio of 2,000 blighted and tax delinquent properties that it already has. Beyond that, NORA estimates there are 20,000 to 25,000 parcels of blighted land that the city could end up owning. All that empty space is raw material for New Orleans' recovery.

In a plan submitted to state regulators, NORA acknowledges the difficult decisions it faces from neighborhood to neighborhood: how to provide enough land for development without swamping the real estate market. Letters will go out soon to targeted areas for the "Lot Next Door" program, in which homeowners will have first right of refusal on empty lots adjacent to their property. NORA will also bundle parcels for sale to developers, and reserve some for community facilities and green space. "The question is," says John Lovett, "is there enough demand in the real estate market? The problem with all these properties is if you can't move them and can't transfer them they're just going to be albatrosses around the city's neck."

NORA's goal is for at least 25 percent of the parcels to be used for affordable housing. Annie Clark worries that the affordable housing will be unfairly distributed, as wealthy neighborhoods will buy up all available "Lot Next Door" parcels

and crowd out low-income housing. "In certain neighborhoods, homeowners are going to get a windfall, increase their property value and there'll be no requirement for affordable housing in that neighborhood," Clark says. "And in some neighborhoods where land is cheaper, they'll be stuck with all that affordable housing. I'm kind of worried about the re-concentration of affordable housing in neighborhoods that traditionally have held much of that housing."

NORA's executive director, Harlem native Joe Williams, says all neighborhoods should welcome housing for working people, but adds: "One size does not fit all in terms of redevelopment." Since the damage from the storm wasn't uniform through the city, the distribution of Road Home properties that were sold to the state is uneven. According to a count provided by the Louisiana Land Trust, there are 21 such parcels in the zip code that contains, among other neighborhoods, the well-to-do Garden District, versus more than 500 in the zip codes encompassing New Orleans East.

Some neighborhoods have already resisted the construction of affordable housing. Lakeview, for one, last year tightened restrictions on building size to block multiunit development. Civic association president Al Petrie says the neighborhood is increasingly diverse along racial lines. But, he adds: "People want to be around people who are in the same economic category. You want someone who's going to maintain their property the same way you maintain your property, after we've made the investment we've made."

That feeling is not confined to traditionally white Lakeview. It's also present in historically black New Orleans East. "Something we're concerned about is the number of Section 8 people coming in. That concerns us in that when we get that, we get it in large concentrations," says Mel Jones. "The government doesn't prepare them to take care of houses and they live like they live in the projects. We've got to figure out a way to help those brothers and sisters."

The shifting racial and economic makeup in Lakeview and New Orleans East takes place within a city whose overall population mix is changing. The influx of young professionals is a hopeful sign, in the view of architect Allen Eskew. "I am very proud of the fact that it's probably the greatest single in-migration—sort of intellectual migration—the most we've had in history," he says. "We all need to be vigilant that the original residents are not only welcomed but we do everything we can to make that return possible. The other issue, which is not mutually exclusive, is the embrace of new people who come into town. "

The mixture of new and old New Orleanians has altered the city's makeup, from 67 percent black before the storm to around 58 percent black now. "There has been a change. It has not been what you would call a significant shift," at least in terms of racial politics, says Rigamer. "We're still a majority African-American city." A reduced majority still wields political power. Nagin, who did not enjoy the support of most blacks when first elected in 2002, relied on their backing in his 2006 mayoral race against a white opponent.

For those blacks who have returned, though, there are indications the welcome has been less than warm. The Greater New Orleans Fair Housing Action Center found in a survey conducted between September 2006 and April 2007 that six in 10 landlords treated white renters more favorably than blacks.

"It's a very different city. The black people are not coming back," says poet Kalamu ya Salaam, a Ninth Ward native. "They gave the majority of poor black people a one-way ticket out of the city and no way back. And if you couldn't afford to leave when it was mandatory evacuation, how can you afford to come back when no one's making any provision for you?"

VIII. Salvage operation

A 2008 survey by the Kaiser Family Foundation found that a narrow majority of city residents think the city's going in the right direction, but nearly half are angry or dissatisfied with the rebuilding effort to date. Three years out, that effort is still in its early stages: New Orleans' recovery timeline could be 10 to 15 years long. As Chris Bonura, the Mid-City resident, puts it, "Although New Orleans has made substantial progress in its recovery, we're going to be living in Katrina's shadow for a long time to come."

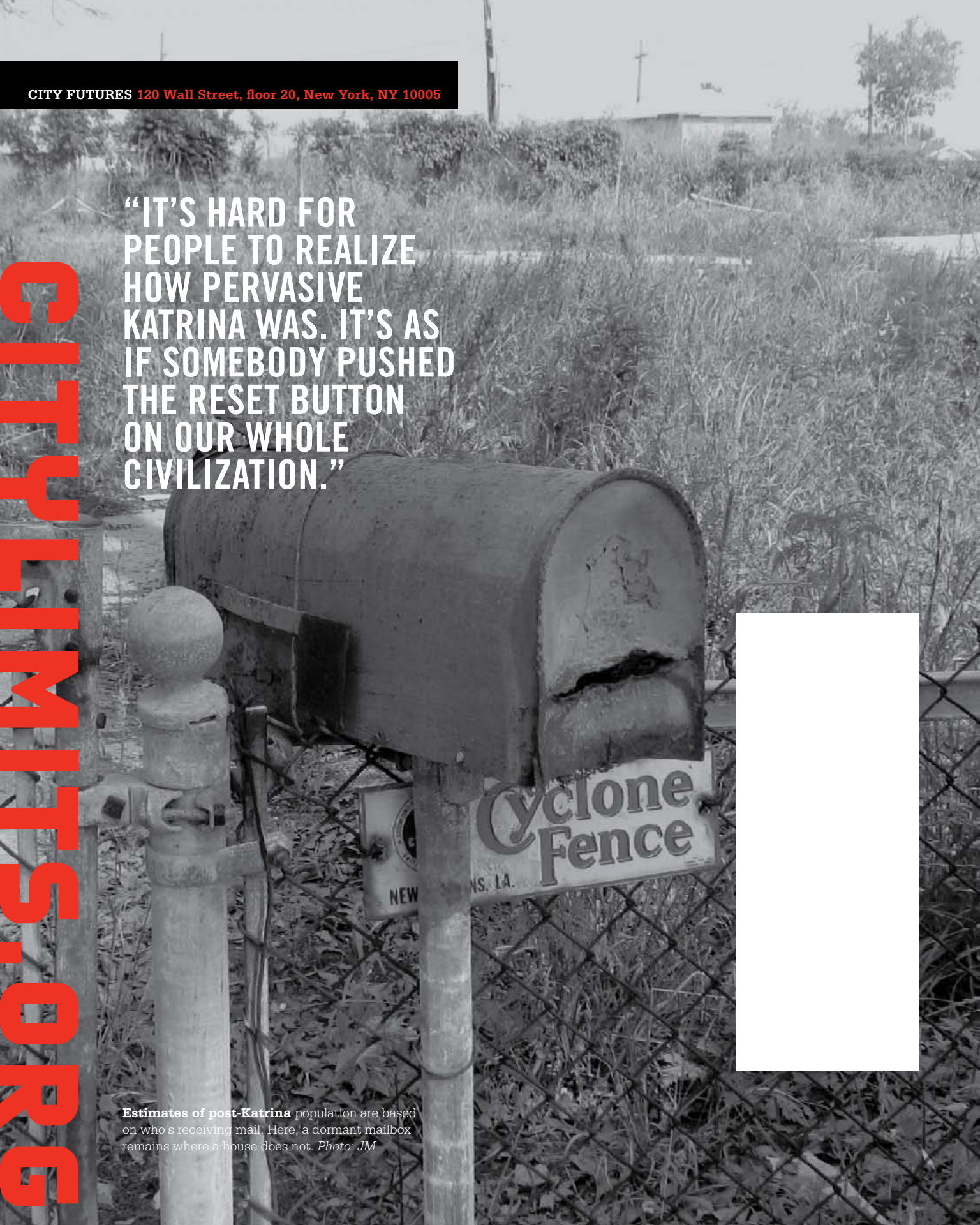
But while much is still in flux, some crucial decisions have already been made—by residents who have opted not to return to the city, and through policies that failed to assist those who wanted to come back. "The people who were living marginally and were shipped out in buses in the end," says Road Home scholar John Lovett, "not much was done to help those people."

From across the political spectrum people have admired the role of individual effort in the rebuilding of New Orleans. The conservative Manhattan Institute recently cheered the absence of top-down management in New Orleans' rebirth. When visiting in April, Sen. John McCain said of the Lower Ninth, "it's inspiring to see the labor and care that is going into the rebuilding of that community." To radical-left New Orleans-based journalist Jordan Flaherty, "Every house in the Lower Ninth or New Orleans East is an act of defiance."

New Orleans, however, is coming to a point where the fate of those individual decisions will depend upon which way the entire city moves. As it was when the waters rushed in three years ago, people need more than their own roof to take refuge on. Levees activist Sally Rosenthal, for one, believes her house is safe on high ground. "However, my city is not. Even if my house survived, I still need a post office and a grocery store and a school for my child," she says. "I still need my city." ♦

The demolition of public housing this year is one of the first—and most controversial—efforts to remake New Orleans. *Photo: Edwin Lopez*

"IT'S HARD FOR PEOPLE TO REALIZE HOW PERVASIVE KATRINA WAS. IT'S AS IF SOMEBODY PUSHED THE RESET BUTTON ON OUR WHOLE CIVILIZATION."



Estimates of post-Katrina population are based on who's receiving mail. Here, a dormant mailbox remains where a house does not. *Photo: JM*