



New Orleans After the Storm: Lessons from the Past, a Plan for the Future

EXECUTIVE SUMMARY

Before dawn on the morning of Monday, August 29, 2005, Hurricane Katrina—a Category 4 storm with winds up to 145 miles per hour—shifted slightly to the east and roared into the central Gulf Coast just east of the city of New Orleans.

What followed—after an illusory day of relief that the city had been spared a direct hit—was a nightmare that shook the nation.

Tens of thousands of mostly black New Orleanians who had remained in the city were seen climbing to their rooftops as the floodwaters rose, notwithstanding massive pre-storm evacuations.

Thousands and thousands of modest houses in low-lying urban neighborhoods and others in white and black suburbs were inundated, while the higher-value French Quarter and downtown remained dry. And all the while more than 20,000 people—again, mostly poor African Americans—waited, sweltering, in grim conditions in the New Orleans Superdome as water and food ran low, begging for relief.

In sum, a shocking onslaught of images of human suffering pierced Americans' complacency, forcing them to grapple with enduring issues of race, class, and the city as had no event in years.

What went wrong in New Orleans, and how should the nation respond? Clearly, it will take years to sort through the chaos of August and September 2005 to fully answer those questions. But it is possible—even in the near aftermath of the hurricane—to draw some initial conclusions about why Katrina wreaked such havoc, as well as to derive from New Orleans' past some lessons for the future and use them to inform a plan for rebuilding a better New Orleans.

This report draws such conclusions, proposes such lessons, and outlines such a plan.

Drawing on an analysis of New Orleans' recent development history, ***New Orleans After the Storm: Lessons from the Past, A Plan for the Future*** shows how the region's past development trends exacerbated the catastrophe, and suggests how the region might rise again on a better footing by undoing the mistakes of the past.

Before the Storm: Metropolitan New Orleans as it Was

Even before Hurricane Katrina hit, the New Orleans metropolitan area was one of the more troubled in the country.

- By the time of the storm, the city of New Orleans—once relatively integrated—was struggling with more acute residential segregation and growing concentrations of poverty.



- Suburban growth and decentralization had enabled more people and jobs to locate on newly reclaimed marshland, further isolating poor black residents in the city of New Orleans.
- The region's pre-storm economy was sluggish, providing limited opportunity for less-educated workers.

What Happened: The Impact of Hurricane Katrina on New Orleans

What was happening to greater New Orleans before Hurricane Katrina greatly worsened the aftermath. Black people and poor people bore the brunt of the devastation, because—for the most part—they lived most often in the lower-lying, more flood-prone sections of the region.

- Nearly 228,000 occupied housing units, representing more than 45 percent of the metropolitan total, were flooded. This total included 120,000 owner-occupied units and 108,000 units occupied by renters, representing 39 and 56 percent of the respective stocks.
- Regionwide, minorities made up 58 percent of those whose neighborhoods were flooded, though they encompassed just 45 percent of the metropolitan population. By contrast, whites made up just 42 percent of those who lived in neighborhoods that flooded. In the city of New Orleans the cleavage was even starker. The flooded areas there were 80 percent non-white.
- Thirty eight of the metropolitan area's 49 extreme poverty census tracts were flooded. Moreover, all of the extreme poverty tracts that were flooded were located within the city of New Orleans.

The disastrous impact of Hurricane Katrina was not inevitable. It represented an intersection of weather and water with a man-made social and racial topography that had been created over decades.

Why It Happened: New Orleans, Hurricane Katrina, and Federal Policy

What was happening before Katrina also owes at least in part to government policies, particularly federal ones. Granted, how the disaster played out also reflected the accidents of history, as well as the influence of state and local policy decisions. But the federal hand in New Orleans' development has been extraordinary, significantly influencing (in partnership with state and local decision making) how the metropolitan area grew, and therefore Katrina's impact..

- **Federal housing policies created federally-maintained enclaves of poverty and exacerbated racial disparities in the city of New Orleans.** Over 60 years, federal housing policies concentrated the poorest of the poor in special enclaves that in New Orleans lay almost exclusively in the lower-lying, more flood-prone sections of the city.
- **Federal highway spending promoted sprawl into wetlands susceptible to flooding along lakefront Orleans and Jefferson parishes.** Federally-funded highway development played its own key role in distorting the development of the metropolitan area in unsustainable ways by making huge new swaths of swampland in northern Orleans and Jefferson parishes accessible to would-be suburbanites in the 1950s, 1960s, and 1970s.
- **Federal policies and investments on flood protection facilitated development in dangerous locations.** Federal policies and investment on flood protection also bear a measure of responsibility for what happened when Hurricane Katrina hit. Highway spending made the swamps accessible, but billions of dollars of flood-control spending both in core areas and around the periphery enabled more and more New Orleanians—both black and white—to occupy dangerous flood-prone locations.

After the Storm: A Federal Reconstruction Agenda for New Orleans

As for rebuilding the shattered metropolis, the goal should not be just recovery but *transformation*—a reconstruction that leaves the region not just like it was but better. Limited federal funds must target and meet quality outcomes, relying on existing, proven tools that meet the scale of the task. To that end, the nation must:

I. Make the region a paragon of high-quality, sustainable development

The federal presence in New Orleans should be used to promote sensible, balanced, and high-quality development.

- Plan where and where not to rebuild—systematically and democratically.
- Use reconstruction money to promote sound land use and high-quality city design.
- Invest in transit to promote sound redevelopment and improve transportation access for all residents.
- Restore the delta's ecosystem in order to protect the region from future storms and floods.

II. Replace neighborhoods of poverty with neighborhoods of choice and connection

To strike at poverty, the federal government will need to rebuild the metro's shattered neighborhoods and do it in a way that knits together a divided region

- Provide housing vouchers to displaced families to increase choice and mobility.
- Deploy increased CDBG and HOME funds to speed clean up and land assembly.
- Adopt the Single Family Homeownership Tax Credit to stimulate the production of affordable housing for homebuyers.
- Expand and better target the Low Income Housing Tax Credit program to produce affordable housing in economically-integrated neighborhoods for renters of all income levels.
- Require local adoption of inclusionary zoning as a prerequisite for federal housing funds to promote private sector investment in affordable housing.

III. Transform the region from a low-wage economy to a high-road metropolis

Finally, Congress and the White House should respond on several fronts in both the short-term and long-term reconstruction effort to ensure that workers have the resources to get back into the labor market, high-quality jobs are being produced, and that such workers can access those jobs.

In the short term:

- Put local businesses and workers first in the reconstruction by facilitating their access.
- Promote the use of the Earned Income Tax Credit (EITC) so that families who do work are not poor.
- Temporarily expand the eligibility and funding levels of key family supports, like Medicaid and food stamps, so that basic family necessities are sufficient to support a return back to work.

In the longer term:

- Invest in the development of a "competitive blueprint" based on the region's industry clusters and how best to advance them to better guide the economic recovery of the region.
- Rebuild the universities, including the black colleges, as centers of human capital, innovation, and redevelopment.
- Connect workers to those jobs by strengthening the network of social services, employment training, and job placement agencies in the region.

In sum, the devastation wrought by Katrina represents at once a terrible challenge and a tremendous opportunity.

Tasked by a great and serious obligation, the nation has the opportunity to help a great but shattered community rebuild not just to recover but to become more sustainable, more equitable, and more prosperous all at once.

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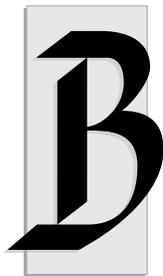
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