

# Issue Brief: Building a Better New Orleans

# HOPE NEEDS HELP

AUGUST 2007

✿ *The devastating storms and floods of 2005 presented the United States with a unique opportunity: to create a stronger New Orleans in which all people, no matter their race or income, have opportunities to thrive. Two years later, we are at risk of rebuilding a divided city, one with persistent poverty and inequity. As a nation, we must pause and recommit ourselves to creating a city with quality housing, jobs, and education for all families. New Orleans residents are engaged at unprecedented levels to rebuild their city, and they deserve the federal government's support.*

## INTRODUCTION

America cared. Two years ago, millions sat mesmerized before television images of women, men, and children on rooftops, on makeshift rafts, on sweltering highways, and in the Superdome, waiting for help that seemed not to be coming. Americans were appalled and ashamed by the extreme poverty and despair they saw. They were angered by the government's shockingly slow response.

Across the country, people responded. Individually and through faith institutions, aid organizations, and community groups, they sent food, clothing, and water. Many invited homeless families they had never met into their homes. Still others rushed to help in the recovery effort. Millions of people contributed nearly \$4.25 billion<sup>1</sup> in aid.

Perhaps most importantly, **the United States committed to rebuild a better New Orleans**, to turn tragedy into an opportunity to address poverty and racism, and to create vital, safe communities that could serve as models for the rest of the nation.

**Unfortunately, we are at risk of rebuilding an even more unequal city than the old New Orleans.** Despite its unique heritage and often vibrant culture, New Orleans traditionally was a city deeply marred by economic and racial inequality. Now, New Orleans' troubled history

*“When communities are rebuilt, they must be even better and stronger than before the storm. . . So let us restore all that we have cherished from yesterday, and let us rise above the legacy of inequality.”*

— President George W. Bush | September 15, 2005  
17 days after Hurricane Katrina

seems to be repeating itself: Residents with resources are rebuilding their lives, while residents without resources are in danger of being left behind. This difference is due in part to the policies and resource decisions that are being made during the recovery, which have an inequitable impact on poor people and people of color.

**We must renew our commitment to a better New Orleans.** We are one nation, and we must work together to ensure that the less fortunate are protected and included, and that no one is left out. We must put special emphasis on housing, jobs, and education to give people the essential support they need to lead successful, rewarding lives.

**There are stories of hope that should inspire continued commitment.** With the assistance of local organizations,



the efforts of low-income New Orleanians to help themselves and each other have been heroic. The stories of individuals struggling against the odds to return home and rebuild their lives are inspiring. So too are the numerous examples of community organizations, nonprofit developers, faith leaders and their congregations, labor unions, organizing networks, and local governments working creatively to ensure that all who want to return can come back to a better life.

**But this hope needs help.** New Orleans will not be a stronger city unless we take additional steps to ensure quality housing, jobs, and education are available for everyone, including poor and vulnerable people. A safe, affordable place to live, a good school to educate children, and a job to support a family are the basics necessary for people to be contributing members to their communities—and our society.

This report presents promising examples of what can be achieved with a determined, concerted effort. Rebuilding New Orleans successfully will not happen without the federal government's resources, expertise, and leadership for years to come. The magnitude of the devastation will require a long-term commitment from the federal government and the political will to deliver on promises made.

Local and state governments, the private sector, nonprofit and faith-based communities, philanthropies, and private citizens have roles to play, working in partnership with the federal government and with each other. As neighborhoods continue on the path to recovery, leaders and organizations throughout the city must unite not only to strengthen their efforts and resolve, but also to secure the assistance they need to effect substantive change.

There is hope in New Orleans—hope that the nation can recreate a city in which the less fortunate are protected and included and in which no one is left behind. It's now time to give that hope the help that it needs. ■

# UNEVEN RECOVERY

## *Recovery for some . . .*

Today, there are visible signs of recovery in New Orleans. The city's population has returned to nearly two-thirds of its size before the hurricane, and revenues from tax sales are almost 85 percent of their pre-Katrina levels.

- Personal savings, insurance companies, and The Road Home program will help many homeowners rebuild. More than 60,000 residential building permits have been issued, and 57,521 homeowners have applied to The Road Home program. One-quarter of the city's 51,700 destroyed rental housing units are slated to be rebuilt.
- Many people have returned to their old jobs or have found new ones that support their families comfortably. The size of the New Orleans labor force has reached 78 percent of pre-hurricane levels.
- Children enrolled in private and parochial schools and those in magnet, charter, or traditional public schools are being educated once again. Twenty-five new public charter schools have opened in New Orleans, and an additional 11 are expected to open this fall. Almost 60 percent of the private schools in New Orleans have reopened.

## *...but not for all.*

Unfortunately, the differences between post-Katrina progress for New Orleanians with many resources and those with few are stark.

- Little has been done to assist low-income renters and owners of small rental housing units. Only 8 percent of Road Home resources will be used to bring back rental housing in New Orleans. Of the 57,521 Road Home applications in Orleans Parish, only one-third are from low- to moderate-income households.
- Employment remains elusive for low-income people with few skills and fewer connections to the new employers. African-American evacuees were almost five times as likely to be unemployed compared to white evacuees in 2006.
- Many low-income families dependent on public schools are still waiting for an adequate supply of safe, high-quality schools where all children can learn to open across the city. Only 40 percent of the students have returned to New Orleans public schools, with 76 percent of the students in free-/reduced-lunch programs. Since Katrina, test scores have plummeted. From 2005 to 2006, the number of fourth and eighth graders passing the LEAP exam dropped 12 and 21 percent respectively. But early results in 2007 suggest these scores are improving.

*Data: New Orleans Index, the Division of Administration, Office of Community Development, State of Louisiana, and the Bureau of Labor Statistics, except for the test data, culled from Darrin Simon, "Charter Schools Lead the Way on LEAP," The Times-Picayune, August 1, 2007.*





# HOUSING

*Create Safe and Affordable Places to Live*



Hurricane Katrina and the breached levees pushed hundreds of thousands of New Orleanians far from their homes. While the prevailing aspiration of the recovery was to rebuild housing quickly, that hope has not been realized. Two years later, the continued loss of housing stock and increasing costs associated with construction, rehabilitation, and insurance have meant extremely high rents and ownership costs, making it difficult if not impossible for many low-income residents to return.

## SIGNS OF HOPE

Though many challenges exist, nonprofits and other community groups are on the upswing in creating affordable housing to help these residents return home. While the outcomes are extremely modest relative to the need, the grit and determination of their efforts reveal how the productive interaction of federal, state, local, private, and nonprofit resources can meet the need of vulnerable residents.

- Civic engagement in planning is at a historic high: 160 neighborhood associations and scores of community organizing groups are actively pressing for the recovery of their neighborhoods. Over 2,500 residents participated in Community Congresses from 20 cities that led to the Unified New Orleans Plan adopted in June 2007 by the city and the state.
- Investment and redevelopment efforts are more focused, due in part to the city's designation of 17 "Recovery Zones." Many groups are focusing their redevelopment resources in these zones.
- Groundbreakings have started on several of the 71 projects that received federal financing to repair or build more than 8,400 affordable apartments. New and growing nonprofit developers are leading these efforts: NHP Foundation broke ground on a 209-unit, mixed-income complex in New Orleans East, and Providence Community Housing has 114 rental units under construction and 1,818 more on the way.
- Owners of damaged rental houses have been awarded forgivable Road Home loans to repair more than 2,724 homes in New Orleans under agreements to make the rents affordable.<sup>2</sup>
- First-time homeowner programs are helping former renters make an investment for the future. Through additional subsidy programs, the Neighborhood Development Foundation has enabled 33 families to become first-time homeowners and trained more than 530 families to prepare them for buying a home.
- "Sweat equity" groups are helping families with inadequate insurance and Road Home payments to rehabilitate their homes. Rebuilding Together has helped 70 low-income families and seniors return to their homes. Operation Helping Hands has gutted 1,925 homes and is now working with many of those same homeowners in

## *Homebuyers Programs Help a Single Mom Buy Her First Home*



After spending nine months in exile in Georgia after the storm, New Orleans native Nicole North decided it was time to come back and rebuild her life and her community. The single mom and nursing student trolled the Internet for rental opportunities, but there were no affordable places for her and her daughter. North decided to abandon the rental market altogether and explore the possibility of buying a home. However, the open market was a foreboding and an unaffordable place, too. Without help, her dreams of coming back home to start anew would be unrealized. Working with two well-respected homebuyers programs—Jericho Road Episcopal Housing Initiative and Neighborhood Housing Services—North received the expertise and financial guidance she needed to buy a \$115,000 home and truly invest in the future of her community—and her daughter. More such homebuyer subsidies would transform a low homeownership-rate city to one of growing personal assets.

the next step of the rehabilitation process. ACORN has gutted over 1,800 homes through the help of volunteers. Habitat for Humanity has helped build over 120 homes to date.

- A public-private loan fund of \$47 million to help finance affordable housing development was launched in April.

## IN NEED OF HELP

While such efforts show tremendous promise, providing housing opportunities at a greater scale will require help.

- Almost 96,000 displaced households are still receiving temporary housing assistance due to Katrina and Rita displacement.<sup>3</sup>
- Nearly 40,000 former New Orleans households still reside outside of Louisiana.<sup>4</sup>
- Almost 45,000 families in Louisiana are still in trailers<sup>5</sup> now shown to have unsafe levels of formaldehyde toxicity.<sup>6</sup>
- The vast majority of those living in group trailer parks make less than \$15,000 and cannot afford apartments in New Orleans at current market rates.<sup>7</sup>
- Of currently displaced citizens who said in a recent Louisiana Family Recovery Corps survey that they want to return to Louisiana, half of them earn less than \$20,000 annually. The two most frequently cited barriers to returning were difficulty finding housing and inability to pay for the move home.<sup>8</sup>
- Though 40 percent of the damaged units were rental housing, 85 percent of the federal funds to repair housing are going to homeowners. Fifteen percent of funds are going to restore rental housing, but no funds are directed to renters themselves.
- Katrina severely damaged or destroyed 51,700 of the 100,000 rental units in New Orleans.<sup>9</sup> Current allocations from federally funded state rebuilding programs will restore only 25 percent of these units,<sup>10</sup> and projected funding another 18 percent of units,<sup>11</sup> leaving 57 percent of destroyed rental units to be rehabbed by other means.
- Over 4,000 families formerly in public housing remain in limbo as plans and financing for their homes are still unresolved.<sup>12</sup>
- An April 2007 investigation by the Greater New Orleans Fair Housing Action Center revealed that 57.5 percent of landlords discriminated against African-American testers searching for rental housing.<sup>13</sup>
- New Orleans had a low homeownership rate prior to Katrina compared to national figures. Over half (53 percent) of pre-Katrina households were renters, compared to 32 percent nationally.<sup>14</sup>
- Before Katrina, 58 percent of all rental units rented for under \$500<sup>15</sup>; a recent survey of 2,800 units found few rentals available today for under \$500.<sup>16</sup>
- Although rents have stabilized in recent months, a survey of rental units leased in 2007 by the New Orleans Metropolitan Association of Realtors found the average two-bedroom unit rent to be over \$1,300.<sup>17</sup>
- With families struggling with affordability of rental units, homelessness has doubled in Orleans and Jefferson parishes, from 6,000 pre-Katrina to at least 12,000 now.<sup>18</sup>

### *Local Foundation Helps Revitalize Urban Neighborhood*



Where most people saw blighted, abandoned streets, Roz Peychaud of the Neighborhood Development Foundation saw potential. She realized that the Hoffman Triangle neighborhood in Central City could become a model for creating vital communities. Not only would the area offer affordable homes, it also was a slate on which new homeowners could draw renewed visions of an ideal neighborhood. By restoring long-abandoned recreation areas, recruiting new charter schools, and encouraging first-time homebuyers to anchor the community, Hoffman Triangle could be a beacon of hope to the rest of New Orleans. The Neighborhood Development Foundation is helping make that happen. In addition to providing support for potential homebuyers, the organization has helped develop 10 affordable, energy-efficient homes in the neighborhood. The dream of a revitalized Hoffman Triangle is coming true. Peychaud and the families who have followed her lead are making sure of it. Federal infusion of capital resources to invest in redevelopment of 17 target zones would leverage Peychaud's vision and other struggling neighborhoods in New Orleans.



## ***Overcoming Storms, Floods, and Evacuation to Become Homeowners***

Demetrius and Rhonda Pooler were ready to grab their piece of the American Dream. On August 29, 2005, they had appointments with bankers and lawyers to sign the final papers on their new home in the Hoffman Triangle neighborhood of Central City. Then Katrina hit. The Poolers wound up in limbo: The bank pulled out of their loan, and their dream home was flooded by two feet of water. The Poolers themselves were evacuated first to Florida and then to Texas. But they didn't give up—not on their home and not on their city. Within weeks of the storm, the Poolers turned once again to the Neighborhood Development Foundation, which had helped them to find their home in the first place. The foundation rehabilitated the house and sold it to them—without raising the price. By October 2006, the Poolers were in their new home, a little late, but just as sweet.

## ***Faith Leaders Recommit to Developing Affordable Rental Housing***

The property in Gert Town, off of Earhart Boulevard, was beyond repair even before Katrina hit. After the storm, the Louisiana Freedmen Missionary Baptist Association, a group of faith leaders who have been active in affordable housing work for 30 years, realized the land it owned could be the site of much-needed affordable housing. With support from the Louisiana Housing Finance Agency, Regions Bank, The Richman Group, the city of New Orleans, and Fannie Mae, the Freedmen are creating 29 new affordable rental modular housing units for single parents, seniors, and other residents of Gert Town. Through partnerships and federal funding, this piece of land may be the key to recovery for dozens of New Orleanians. Federal commitment of further tax credits and affordable housing subsidies could help restore half of the city's lost affordable rentals.

- Homeowners are struggling to find money to rebuild their homes. A \$4.3 billion statewide shortfall has limited the potential of The Road Home program. Out of 57,521 New Orleans households that applied for assistance, only one-third of the applications had closed by August 13, 2007, putting many of the 37,000 families who have not closed at risk of not receiving money to rebuild.<sup>19</sup>

recommit to help New Orleans focus on housing recovery at a more significant scale if the tragedies of this two-year aftermath of the storm are to transform into a story of hope worthy of American history.

***Immediate steps for restoring affordable housing options at scale for a range of New Orleans households requires concerted federal action:***

- **Identify funding sources for The Road Home shortfall, to capitalize more rental housing resources for extremely low-income households and meet the claims of all eligible homeowners.**
- **Resolve the public housing impasse to assure rights of residents and accelerate the opening of new or repaired units.**
- **Appropriate the necessary capital to begin the city's investment in its identified 17 target neighborhoods.**
- **Capitalize a soft second loan pool for low-income homeowners and rental property owners.**
- **Establish a fund to repatriate renter households through moving subsidies, down payment assistance, and restoration of household furnishings.**
- **Create a public-private risk guarantee pool to make more home restoration loans available. ■**


## **MOVING FORWARD**

To restore affordable housing options that will allow those with low incomes to return to decent housing in neighborhoods that are safe and that connect them to opportunity will require all hands—government, nonprofits, the private sector, and community members. With continued national support, local and state leaders can provide more attractive, affordable rental properties and more affordable opportunities for homeownership in a city that has among the lowest homeownership rates—while restoring the housing stock. It will mean increasing the supply of properties available for new housing development. It will mean focused neighborhood strategies for repairing all the houses in a block. It will require adept local government to permit, inspect, and enforce expeditiously. It will mean continuing to grow the expertise and capacity of affordable housing developers. And it will require creative financing by local, state, and private investors. But the federal government must now



# JOBS

*Support Meaningful Employment so People can Support Families*

 Hurricane Katrina destroyed more than homes and schools. It attacked livelihoods—tearing at the socioeconomic fabric of New Orleans. The storm left workers, consumers, suppliers, and employers dispersed, often hundreds of miles from home. It damaged production systems and disrupted the business and social relationships vital to the economic health of this tightly knit community. After the storm, many businesses that had lost all of their assets were hesitant to reopen out of fear of another catastrophic levee failure, or they struggled to piece together new business models in an uncertain customer environment.

## SIGNS OF HOPE

On the ground, though, each newly bright storefront and rehabilitated office in the midst of flood-ravaged neighborhoods demonstrates that progress is being made. By absolute measures, the economy has recovered faster than the population, the housing stock, and the school system.

- According to the New Orleans Index, tax receipts are at 84 percent of pre-Katrina levels. From January through May 2007, sales tax revenues averaged \$11.2 million a month compared to \$13.3 million per month during the same time period in 2005.<sup>20</sup>
- Since the one-year anniversary, the New Orleans metro region has gained about 17,000 new jobs. The region has recovered about 79 percent of its pre-Katrina labor force.<sup>21</sup>
- The employment market is tight, driven in part by the housing shortage mentioned above. The unemployment rate has dipped slightly below pre-Katrina levels, from 5.3 percent in June 2005 to 5.1 percent in June 2007—down from a high of 15.8 percent in November 2005.<sup>22</sup>
- A tight post-Katrina employment market has helped boost wages dramatically in high-demand fields. Professional and technical service wages climbed 55 percent, construction wages surged 41 percent, and healthcare wages rose 28 percent.<sup>23</sup>

- The Department of Labor has opened over 400 investigations and recovered \$5.4 million in back wages for 6,000 Gulf Coast workers cheated by their construction employers since the storms.<sup>24</sup>
- New businesses continue to be attracted to the region to directly support recovery efforts or to serve the needs of the populations that have returned. In the third quarter of 2006 (the most recent data available), Orleans Parish welcomed 1,014 new employers, either established businesses moving into the city or entrepreneurial start-ups.<sup>25</sup>
- Innovative small business support groups have targeted industries critical to recovery, such as child care, and invested in clustering businesses in strategic corridors that can serve as a catalyst to further neighborhood recovery. The Idea Village has helped restore 164 local businesses employing 1,091 workers and generating \$68 million in revenue using this strategy. The Louisiana Disaster Recovery Foundation, channeling the donations of Americans after the storms, has made grants to support these efforts.

## IN NEED OF HELP

Economic recovery has not been evenly spread. The benefits of the economic progress are passing by many of the most vulnerable current and displaced residents. African Americans have been among the hardest hit, facing tremendous obstacles to finding work and restarting businesses. Small companies throughout the city have faced significant challenges as well.

- Unemployment among low-income and African-American communities remains dramatically higher than for the rest of the city.
- African-American evacuees were almost five times as likely to be unemployed compared to white evacuees in 2006. Overall, almost 26 percent of evacuees were unemployed, compared to less than 6 percent of those able to go back home.<sup>26</sup>





## ***Small Businesses Help Communities Thrive through the Support of Entrepreneur Group***

“The Belles of Bayou Road” are determined for their small stretch of New Orleans to breathe hope and inspiration into the city’s dispersed and worried small business community. On the 2500 block of Bayou Road, these five African-American female business owners have brought their small businesses back after the storm—against all odds. Their shops form the very heart of a successful neighborhood: a book store, a day care center, two restaurants, and a beauty salon. They are the kinds of businesses that both employ and serve the city’s most vulnerable and that typify the new pioneering spirit blowing through their hometown. Despite the Belles’ personal dedication, though, they couldn’t have succeeded without help from The Idea Village, a collection of business professionals, academics, investors, political leaders, and entrepreneurs that has supported business innovation in New Orleans since 2000. Since the 2005 tragedy, The Idea Village has helped provide start-up cash or triage loans to more than 160 businesses. Over 90 percent of the ventures it supported pre-Katrina remain open, and 37 percent of those have expanded. It is small businesses such as the Belles and organizations such as The Idea Village that are creating the vibrant and vital small business economy New Orleans needs. The Idea Village has been supported by grants from the Louisiana Disaster Recovery Foundation, which channels donations made by Americans after the storm to nonprofits helping with key recovery activities working to ensure more equitable recovery. Federal investment in similar loan products could help restore tens of thousands of similar businesses.

- The projected need for skilled workers in six critical recovery sectors—construction, manufacturing, cultural work, health care, transportation, and energy—is estimated at 27,000 new workers,<sup>27</sup> yet state programs funded through federal recovery resources are limited to train and place only 7,400.<sup>28</sup>
- Small businesses in poor communities faced the hardest time reopening. By mid-2006, when the city conducted a detailed business survey, only 42 percent of establishments located in lower-income neighborhoods were open compared to 77 percent in medium-income neighborhoods and 94 percent in higher-income areas.<sup>29</sup>
- Poor areas that experienced extensive flooding—such as the Lower Ninth Ward—had the lowest rate of reopening businesses, with 80 percent remaining closed.<sup>30</sup>
- Small companies that depended on programs such as the Small Business Administration’s Disaster Loan Program did not receive timely assistance. Several investigations and audits revealed that the SBA not only did not process applications in a timely fashion, it also canceled almost 8,000 loans without notice.<sup>31</sup>
- Small businesses have earned only 7.4 percent of Katrina contracts from the departments of Defense, Homeland Security, and Veterans’ Affairs, and from the General Services Administration and the Small Business Administration.<sup>32</sup>

## **MOVING FORWARD**

A concerted focus on connecting people to jobs can simultaneously address the recovery of the city and lift workers into living-wage occupations. People, their neighborhoods, and local government revenues can rebound together by targeting the revival of small businesses and training workers in the skilled work of recovery. Access to capital and to recovery contracts and subcontracts for small firms is critical to this endeavor.







## *Training Workers in Recovery Industries*

Following the storms, a boom in the construction industry was predicted as businesses, government, and individuals moved forward with rebuilding their homes and facilities. While the demand has tapered off because of the slow disbursement of recovery monies, a significant demand for skilled construction workers in many occupations remains. Enter Ronald James Washington into this gold-rush environment for all manners of construction contractors. A native of New Orleans East who was flooded out of his home, this African-American owner of a small construction company specializes in cement work. With this skill set, passed down to him from his father and other older-generation construction workers, he is able to sustain a good lifestyle, earning wages similar to highly demanded nursing professionals. His experience during his training years in New Orleans and in other places such as St. Louis and Memphis opened his eyes to the kinds of career and apprenticeship-based programs necessary to build the more highly skilled workforce that New Orleans needs to fully recover. In spite of the need for such workers, Washington had not heard of the many new federally funded programs such as the Pathways to Construction or the Recovery Workforce Training program; he feels there needs to be much more outreach to inform potential workers about how they can better their lives by obtaining skills and working at high-paying jobs. A spiritual person, he feels it is his mission to help members of his church get into good jobs and turn their lives around. Federal support for increasing job training programs and matching highest-need industries with residents most needing jobs could make the recovery both dynamic in physical progress and income-producing for lower-wage workers.

***Immediate steps by the federal government can catalyze the state's and the city's efforts to provide employment opportunities for all New Orleanians and to ensure the long-term health of the local economy:***

- Expand loans, grants, and debt relief to encourage the return or stabilization of small businesses. Coordinate with Community Development Financial Institutions, which are nimble, flexible, and know neighborhood businesses and their needs.
- Remove bureaucratic barriers to existing federal resources (Stafford Act, FEMA, and Community Development Block Grants) so major capital projects can start and employ willing workers.
- Structure recovery project bids to ensure small local firms can compete for subcontracts.
- Invest in short-term outreach, placement, and supports to match highest-need job sectors with people and communities that have the highest need for jobs.
- Develop sector-based strategies to cultivate long-term sustainable industries in the region.
- Invest in an integrated workforce development system to train and place 25,000 workers in key recovery sectors and new growth industries. These resources

would repair and expand community and technical colleges in the area; support teacher recruitment in key sectors; support wage subsidies to help retain skilled workers; invest in workforce support infrastructure (relocation expenses, child care, job readiness, employer-assisted housing incentives, literacy, substance abuse treatment); and align secondary schools with technical training and job pipelines that emphasize a career ladder approach.

- Improve the quality of the K–12 education system (see education, following). ■






## ***Work Training Gives Man Chance to Fulfill Dream ... and Give Back to New Orleans***

Tyronne Hayes had always wanted to work in the construction business. After returning to his native New Orleans from his evacuation to Houston, Hayes decided the post-storm construction was the perfect time to follow his dream. Soon after returning home, Hayes, 27, began working as a laborer at MR Pittman Group LLC. After realizing he could have more responsibility and earn more, he entered a union-based apprenticeship program to become a carpenter. This year, his work has centered on rebuilding the levees and pumps to protect New Orleans. For each year that Tyronne completes his apprenticeship he gets a 25 percent wage increase. Established in 2005, MR Pittman Group's total revenue for 2006 reached over \$90 million. As a union employer, MR Pittman knows that trained, skilled, and passionate workers like Hayes will be the key to rebuilding a truly vibrant and equitable New Orleans. Incentives for training are key programmatic supports the federal government can offer to grow newly skilled workers in diverse industries.

# EDUCATION

*Providing Access to a High-Quality Education for All Children*

 Hurricane Katrina whipped a path of devastation across the New Orleans educational landscape. Literally overnight, an already struggling school system was suddenly forced to deal with communities in crisis—severely damaged schools, separated families, and uprooted lives.

In the 2005–2006 school year, only 12,103 students were enrolled in New Orleans Public Schools. That number more than doubled by the end of last year to 26,165 students, but enrollment remains just 40 percent of pre-Katrina levels.<sup>33</sup> The result is a challenging dynamic of rapid school growth, likely for years to come, taking place in the midst of city-wide rebuilding.

## SIGNS OF HOPE

As students and their families return to New Orleans, they must have access to high-quality educational options. Though this is true for all students, it is particularly critical for those in low-income communities and communities of color—places not well-served by the public school system before the storm. Across the city, educators, parents, and community leaders are accepting this challenge.

- As of August 2007, 83 of the 128 pre-Katrina public schools (51 percent of which are public charter schools) are open, compared to just 56 schools during the 2006–2007 school year. More schools are expected to open this fall, and some of the openings have been in areas of the town hardest hit by the flooding.<sup>34</sup>
- Principal recruitment and training programs are producing a cadre of talented educators to head schools throughout New Orleans. New Leaders for New Schools will place 40 new principals in both charter and traditional public schools over the next three years.<sup>35</sup>
- School officials estimate that the influx of students could create upwards of 500 teacher vacancies in both existing and new public schools. Organizations such as TeachNOLA, Teach For America, and the New Teacher Project are attracting qualified teacher candidates from across the country and in local communities to help fill those positions.<sup>36</sup>

## *New Orleans Native Returns to Train Next Generation of School Leaders*



Tyra Newell, the Chicago Public Schools' budget director, was visiting her parents in her hometown of New Orleans the weekend before Katrina hit. Her trip wasn't going to be a big deal, she thought: it was just another hyped-up storm that fizzles out. But after the hurricane ripped through the city, Newell and her parents spent a week bouncing from Mississippi to Baton Rouge to Houston. She reluctantly returned to Chicago's South Side but couldn't shake her need to do what she could to help the suffering city she still considered home. When she got a call in January 2007 from New Leaders for New Schools, the 31-year-old knew that it would take a new generation of great school leaders to make a better, more inclusive, and higher-performing New Orleans school system. Under Newell's leadership, the program's first seven prospective New Orleans principals were recruited from within the region and around the country. Having completed their training, they began working in their schools in mid-August. Newell realizes leadership training is a crucial step in transforming education for the city's most vulnerable children. And it's a job that would be made significantly easier with more incentives from the federal government to help lure the nation's most dedicated teachers and school leaders.

- The new superintendent of the New Orleans Recovery School District, Paul Vallas, has established a strong track record in Chicago and Philadelphia schools and is determined to chart a bold course for reforming education in New Orleans.
- Families and communities are more engaged in the school system than ever before, with several planning their own charters or approaching developers to open high-quality charter schools in their neighborhoods.





## ***Revival of Lower Ninth Ward Starts at New Charter School: Martin Luther King Elementary School***

Martin Luther King Elementary School officially opened for classes this month. It is a milestone few would have thought possible in the days after Hurricane Katrina rumbled through this Lower Ninth Ward school. The parents, students, teachers, and the school itself were hit hard by the storm. Homes were destroyed. Families were displaced. Books and classrooms were flooded. But the tremendous community strength MLK had fostered prior to Katrina became its savior in the weeks and months following the storm. Led by a dedicated and an indomitable principal, the Lower Ninth community and more than 500 volunteers from around the country banded together to gut and rehabilitate the school. MLK is set to retake its place as one of the most successful schools serving New Orleans poor and “at-risk” students. The school’s revival has been inspiring. But for Principal Doris Hicks, it hasn’t been a surprise. “After Katrina,” she said, “there were folks that wrote us off because we’re in the ‘Nine’—they didn’t know our resolve. There were never any blinders on us about going back.” Quality schools are a key anchor of every New Orleans neighborhood. Unable to leverage local revenues as most school districts do, timely federal facilities support can help other neighborhoods deliver quality schools, like what MLK’s community has done.

### **IN NEED OF HELP**

Despite the goodwill of many, income and race continue to dominate the on-the-ground realities of educational opportunity.

- Many of the schools that have opened are in need of significant physical improvements and new schools need to be built.
- The public school system remains the option of last resort for those who cannot afford alternatives. Eighty-nine percent of the students are black and three-quarters (76 percent) of current public school students are considered

low-income, qualifying for the free- and reduced-cost lunch program.<sup>37</sup> More than 40 percent of the city’s white students attend either private or parochial schools—the highest rate in the country.<sup>38</sup>

- The changing mix of new charter schools, old public schools, and magnet schools administered by different authorities are confusing to parents and increase the urgency for a comprehensive district-wide strategy.<sup>39</sup>
- Test scores remain low. Immediately after the storm, test scores significantly declined: The number of fourth graders passing the LEAP exam fell from 61 percent pre-Katrina to 49 percent in 2006 and the number of eighth graders passing the LEAP exam fell from 64 percent to 43 percent in the same time period. But early results in 2007 suggest these scores are improving, at least among charter schools.<sup>40</sup>
- Many of the students who are back remain traumatized by the Katrina and dislocation experience, and their anxiety is reemerging during the hurricane season. Mental health support is in short supply.

### **MOVING FORWARD**

Ensuring that all students have stable learning environments—quality facilities, safe surroundings, adequate funding—and are exposed to quality instruction and challenging curricula will require the cooperation and engagement of students, parents, community leaders, and organizations, as well as support and leadership





from the local, state, and federal governments. School administrators, working in partnership with local leaders, will need to develop an efficient governing structure, provide tools to help parents navigate the evolving school system, recruit experienced teachers and principals, and provide the academic and mental health supports necessary to educate all of New Orleans' children. Additionally, local school leaders will need to focus on improving the quality of instruction in the classroom, including setting high standards and developing stronger accountability measures.

The current crisis also suggests specific investments by the federal government that can help the essential actors in New Orleans and Louisiana to provide quality education for all.



### ***High School Students Want Focus on Learning, Not Security: FYRE Youth Squad***

At a New Orleans school board meeting in October 2005, barely a month after Katrina hit, two McDonogh High School students had had enough. They wanted to tell the “real story” about their school – an 800-student school where the security guards (37) far outnumbered the teachers (23). When these students spoke up, the school board listened and promised to address the underlying security, overcrowding and funding issues that caused the shocking imbalance. Out of that experience grew the idea for the FYRE Youth Squad, a group formed in the summer of 2006 by and for inner city youth to create a fair and just educational system. The 25 students ages 14-22 in FYRE continue pushing for more equitable school spending and an easing of the oppressive prison atmosphere in too many schools. The group is already getting results. Some victories include bringing the student-to-teacher ratio at the city's most troubled public school (McDonogh) down from about 70 to 1 in some classes to about 30/40 to 1; more textbooks; a decrease in the number of security guards and an increase in their sensitivity training; and a resumption of after-school activities. These victories are helping reshape the New Orleans school system into one that works for teachers, parents and students. The recruitment of teachers and school leaders is the linchpin of quality curriculum and welcoming school culture. Federal support to draw teachers back to New Orleans and develop their abilities to serve all students will transform tense post-catastrophe campuses into safe havens of learning.

### ***A Refuge for Students—and the Community: James Singleton Charter Middle School***

The DryadesYMCA James Singleton Charter School is a community-based school in the center of the neighborhood where murder spikes were the major reason for redeploying the National Guard to the city in 2006. Without selective admissions criteria, it takes all students and has had remarkable success at serving some of the most vulnerable students and their families. Singleton leaders have worked doggedly to raise outside funds to ensure state-of-the-art facilities. They have high levels of parental involvement, with over 200 parents being trained in literacy and computer skills—by the kids—in the school's state-of-the-art computer labs. With the school and community center serving as islands of calm in a stormy neighborhood while serving all kids, Singleton can show a district undergoing reform how the interaction of state-of-the-art facilities, strong educational pedagogy, and community engagement can yield better outcomes for both the kids and the neighborhood. With federal support for facilities, staff recruitment and development, and stabilization of operating budgets in transitional recovery years, other schools can replicate make kids' education the center of recovering neighborhoods.



## *Bringing Kids Hope After 20 Years Away from Home*

Bridget Ramsey never thought she'd return to New Orleans. But after more than two decades away, she came home: Katrina changed her. A 16-year veteran teacher and administrator, who ran a charter high school in Denver, Ramsey was inspired by a chance to lead the Math and Science Charter High School. Its policy is to address the deep causes of behavior and performance problems rather than just discard hard-to-serve kids. The school has an interventionist, a social worker, and an on-site LSU health center. It also conducts a weekly roundtable discussion and creates an intervention plan for each student with learning or behavior problems. The four years of math and science, coupled with the expectation of college for every kid, give students the strong motivation they need. "We don't give up on any kids. And we are demanding things of them that haven't been demanded of them before," Ramsey explains. However, Ramsey's students and those across New Orleans will have a difficult time receiving the 21st century education they crave and deserve unless the federal government frees delayed funding for school facilities and addresses the rules that make it hard to not just restore the old buildings but also to build back better and smarter schools--ones that are ready for the 21st century.

### *RETHINK: Middle Schoolers Join Together to Envision a Better School System*

RETHINK believes that many of the best ideas for reviving and remaking New Orleans education will come from those who see it every day from the inside – the students. Last summer, about 25 RETHINK students ages 8-13 came together to envision the ways—big and small—that the New Orleans school system could better serve the needs of kids. Some of their concerns are immediate, such as their call for cleaner bathrooms. Other concerns are more visionary: more funding for school counselors and more information on school admissions processes they say cut off too many students from true opportunity. By harnessing the ideas and passions of students, RETHINK seeks to create a New Orleans school system in which every student "receives a quality education no matter their parents' income, neighborhood, or skin color." Community engagement is a linchpin for creating equitable, systemic change in New Orleans schools. The calls from these youth focus on two key arenas where the federal government could lend support: providing resources for high quality facilities—both freeing FEMA funds already committed and committing new funds to rebuild a damaged infrastructure; and support for the counseling and mental health services young people with post-traumatic stress disorder need in order to be able to learn.

#### *Immediate steps for the federal government to support local efforts to build back a better school system:*

- Remove barriers (such as Stafford Act regulations requiring schools to be rebuilt in the same location to receive full reimbursement unless they are in a flood plain) that prevent money from efficiently flowing from the federal government to New Orleans; this would help to build safe and functional school facilities that will provide a 21st century education. Allocate additional capital to supplement FEMA damage funds.
- Provide additional resources to help meet post-disaster special needs, especially mental health needs of students.
- Help improve the quality of instruction by augmenting support for efforts to recruit and develop effective teachers and school leaders. ■






# MOVING FORWARD

*Let's Give Hope the Help it Needs...and Build a Better New Orleans*



 We now know, after two years of recovery, to create a New Orleans in which all can participate and thrive requires unprecedented leadership and cooperation from the people of New Orleans, government, nonprofits, and the private sector. To catalyze this response and to live up to the aspirations of the American people to address the poverty and despair they witnessed during the Katrina crisis, the federal government must set the tone for a recovery that is for everyone. This means committing money, expertise, and leadership to guarantee that the rebuilding of New Orleans will become a model for American inclusion. Specifically, we call on the federal government to act as a catalyst and to help New Orleans:

- Restore affordable **housing** options that will allow people with low incomes to be connected to opportunity—living in decent housing and in safe, vibrant neighborhoods connected to good schools and jobs;
- Bring back small business, a major source of employment in low-income neighborhoods, and connect the unemployed and underemployed to quality **jobs**—key for recovery—that pay wages that adequately support individuals and families; and
- Provide safe, stable learning environments and strengthen

classroom instruction and school leadership to provide all children with the high-quality **education** they deserve.

Many of the needs that are going unmet in New Orleans could be addressed with federal money already intended for New Orleans through FEMA. But inefficient and cumbersome Stafford Act rules prevent these resources from reaching the city. To unfetter billions of dollars to rebuild New Orleans, President Bush should immediately appoint a commission to examine the Stafford Act obstacles that prevent needed funds from flowing to New Orleans. This commission should report back findings and recommendations within 90 days.

Other needs can be addressed by Congress, such as housing supports and teacher recruitment. Congress must remain vigilant in ensuring the promise for New Orleans is translated into programs aimed at those currently being left behind.

By demonstrating how sufficient, effective investments in housing, jobs, and education can revitalize New Orleans and create opportunity for all, America will be proud of what has been done in New Orleans and will be prepared to apply those lessons across the nation. Tragedy will have been transformed into triumph. ■



## END NOTES

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Photos on pages 3, 4, 8, 9, 13, and 15 courtesy of Dwayne S. Marsh.