



## Delivering Equitable Development to a Recovering Louisiana: A State Policy Guide for 2008 and Beyond

by Dominique Duval-Diop and Kalima Rose

### Introduction

Nowhere has the need for more equitable development been so starkly demonstrated than in the Gulf Coast region, particularly in Louisiana. In 2005, the devastation caused by hurricanes, floods, and levee breaches brought issues of race and poverty to the forefront of America's conscience in ways unprecedented since the 1960s civil rights movement. Yet just over two years later—as the nation grapples with the continuation of war abroad, deepening economic disparities, and an extended, heated presidential election season—the certainty that disasters in the Gulf Coast would force a renewed vigor for eliminating poverty and ongoing racial disparities has nearly faded. The natural and unnatural disasters in the Gulf Coast that claimed nearly two thousand lives, imperiled thousands more, and wreaked unprecedented damage, offered an opportunity to examine the role that policy plays in the persistent economic and social inequity that makes the lives of so many people and families vulnerable.

But the devastation wrought by persistent poverty and uneven development has also sustained a crisis in other parts of the state that were not directly affected by the 2005 storms. Last year, 15 percent of all Louisiana families, over half of all female headed households, nearly a quarter of all children, and 11 percent of the elderly lived in poverty. Where one lives determines one's access to quality education, livable wage jobs, adequate health and healthcare services, and protection from criminal activities. Since most Louisianans living in poverty lack access to these opportunities, conditions of poverty are often self-replicating.

Advancing equitable development across the state means providing broad economic opportunity and good secure jobs. It involves building healthy supportive neighborhoods with sufficient affordable housing distributed across the region. It means providing avenues for residents to build assets and become beneficiaries of reinvestment and positive change in their communities. An equitable development approach strengthens political power and social cohesion for all residents. Equitable development fosters vibrant civic engagement and responsive institutions to ensure that all residents have a voice in the major decisions that affect their lives. Within this context, equitable development is achieved through four basic principles:

- ➔ The integration of strategies that support people while improving places;
- ➔ The reduction of disparities between neighborhoods, localities, and across regions;
- ➔ Promotion of double bottom line investments that offer financial return to investors and economic and social benefits to residents; and
- ➔ Full and meaningful community voice, participation, and leadership.

These principles can set relevant milestones in the context of both rebuilding and recovery from hurricanes and persistent, historic poverty in the state. On the eve of seating a new legislature and new state administration, PolicyLink measures progress on its ten principles for equitable recovery, with best practices, policy goals, and action steps for each.<sup>1</sup>

# A Policy Agenda for Achieving Equitable Development in Louisiana

## **PRINCIPLE 1: Ensure that all residents can live in communities of opportunity.**

- ➔ Support robust affordable housing programs and policies for the state's workers and families.
- ➔ Take concrete steps to eliminate discrimination in rental and homebuyer markets.

## **PRINCIPLE 2: Equitably distribute the amenities and infrastructure investments that make all communities livable.**

- ➔ Use infrastructure investments as opportunities to increase physical access to opportunities for low-income communities—transit access, quality schools, and job centers.

## **PRINCIPLE 3: Prioritize health and safety concerns.**

- ➔ Create incentives for the location of quality grocery stores and produce markets in poor neighborhoods.
- ➔ Remove garbage facilities, toxic waste dumps, and landfills from low-income neighborhoods.
- ➔ Locate parks and bike and pedestrian paths to increase access to physical activities.

## **PRINCIPLE 4: Ensure responsible resettlement or relocation for displaced Gulf Coast residents.**

- ➔ Provide appropriate and sufficient resources for displaced residents trying to return home.
- ➔ Expand the types of transitional housing arrangements and supports for displaced families.

## **PRINCIPLE 5: Restore and strengthen the capacity of community-based organizations in Louisiana.**

- ➔ Allow nonprofit organizations to compete for a substantially larger proportion of government resources.
- ➔ Increase the technical assistance and resources to organizations assisting Road Home clients and other residential property owners.

## **PRINCIPLE 6: Create wealth-building opportunities to effectively address poverty.**

- ➔ Expand the state Earned Income Tax Credit (EITC) to 10 percent of the federal EITC.
- ➔ Expand the Individual Development Account program to encourage saving for homes, education, and entrepreneurship.

## **PRINCIPLE 7: Strengthen the political voice of dispersed and low-income residents.**

- ➔ Facilitate the voting of displaced residents.
- ➔ Engage residents to have a real say in how programs are designed.

## **PRINCIPLE 8: Create a system for meaningful, sustained community oversight of the multibillion dollar federal investment that will be spent by both private and public sectors.**

- ➔ Ensure that all recovery and non-recovery infrastructure investments are awarded in a transparent manner and include enforceable benchmarks for community benefits (jobs, community amenities, etc).

## **PRINCIPLE 9: Leverage rebuilding expenditures to create jobs with livable wages that go first to local residents.**

- ➔ Ensure all major development projects have higher local hiring and small business utilization requirements.
- ➔ Create targeted jobs program in key redevelopment industries.

## **PRINCIPLE 10: Develop a communications and technology infrastructure to facilitate information flow to people who are recovering and rebuilding.**

- ➔ Increase coordination among federal, state, and local agencies and nonprofits to streamline recovery services through key information networks.
- ➔ Support comprehensive resources such as LouisianaRebuilds.info to provide useful information to the recovery.

## Principle 1: Ensure communities of opportunity

**PRINCIPLE 1: Ensure that all residents can live in communities of opportunity.** To make meaningful the right to return—while also addressing the needs of low-income Louisianans not affected by the storms—the state needs to dedicate additional housing resources beyond the Road Home. Louisiana needs robust programs that create quality, safe, and attractive housing in opportunity-rich neighborhoods that are affordable to a broad range of households.

### The Need

- The U.S. Census reported in 2006 that over one-third of Louisiana renters were spending more than half of their household income on housing.
- Two years after the storms, almost 96,000 displaced households are still receiving temporary housing assistance or reside in FEMA trailers.<sup>2</sup>
- High rents continue to be a problem in urban areas throughout the state.

Housing recovery resources provided by the federal government will meet only a fraction of the statewide housing needs. These resources will:

- Only restore 30 percent of rental units lost in the storms (approximately 30,000 of the over 100,000 rental homes lost);
- Serve few of the extremely low-income households that lost their homes;
- Not cover the increased post-storm costs of insurance and construction; and
- Provide few funds to areas not affected by the hurricanes.

### An Equitable Response

The housing crisis generated by the storms, and the resulting federal resources coming to the state necessitated a crash course in state-of-the-art affordable housing policies and programs for state and local leaders. This developing knowledge must be fostered to raise the housing standard for families across Louisiana. By leveraging federal funds, allocating ongoing affordable housing resources, and providing incentives for developers and localities to place this housing near transit, good schools, and services, the state can help its residents be owners and renters of quality and safe housing. And, through the expansion of state resources directed at housing, the state can provide ongoing economic growth stimulus.

### Policy Goals and Action Steps

*Support affordable housing programs and policies for the state's workers and families.*

- ➔ Establish a state department of housing to assess housing needs statewide, establish programs to meet those needs, and document progress.
- ➔ Establish a substantial, continuous revenue source for the Louisiana Housing Trust Fund.

*Take concrete steps to eliminate discrimination in rental and homebuyer markets.*

- ➔ Foster community-based entities to build support for the development of quality affordable housing.
- ➔ Assign affordable housing goals to localities and allocate infrastructure funds to jurisdictions meeting their targets.

### PROMISING PRACTICE: Louisiana Housing Trust Fund

Louisiana joined 36 other states when the legislature created a statewide housing trust fund in 2003—though it had no dedicated revenue until 2007, when it received a one-time infusion of \$25 million. Under the leadership of the fund's administering agency, the Louisiana Housing Finance Agency, a broad group of housing leaders have been engaged to inform the program design. The first year of the fund will prioritize housing production, provide homes for extremely low-income families, and ensure statewide distribution of projects. By including community advocates and national experts in the program design process, the agency will benefit from a deeper understanding both of local needs and of the successes of other trust funds throughout the nation. Their goal is to build legislative support for a sustainable long-term housing program by allocating recurring revenue to the trust fund.

## Principle 2: Equitably distribute infrastructure investments

### PRINCIPLE 2: Equitably distribute the amenities and infrastructure investments that make all communities

**livable.** Infrastructure is the skeletal support of communities and regions, and it requires effective and transparent government policies to guide its planning, spending, building, and maintenance.

#### The Need

- According to *Driving Louisiana Forward*,<sup>3</sup> the state needs to address 6,000 miles of bad roads, congestion, and old and dilapidated bridges.
- According to the *Report Card of America's Infrastructure*,<sup>4</sup> Louisiana's drinking water infrastructure needs a \$1.27 billion investment over the next 20 years, and a \$2.37 billion investment in wastewater infrastructure.
- In its national study of school construction capital expenditures between 1995 and 2004, Building Education Success Together (BEST) found:<sup>5</sup>
  - School investment favored more affluent districts, communities, and students over those that were lower income and minority; and that
  - Inadequate schools facilities have been increasingly recognized as an education-quality issue alongside of standards reform, teacher quality, new school creation, or other education improvement movements.

#### An Equitable Response

Infrastructure investments in parks, schools, water treatment, and transportation make communities more livable while growing a healthy economy. Targeting these resources to low-income communities can play a pivotal role in enhancing quality of life and raising incomes. With significant capital investments slated for Louisiana over the next five years, targeting lower income workers and local and minority firms can produce a double bottom line—new facilities and targeted economic growth for vulnerable sectors. Coordination of infrastructure investment and land-use policies throughout the state can steer resources in accordance with local and regional plans developed in 2006-2007. Together, these actions can create more sustainable and equitable development for coastal restoration, discourage sprawl, and bring parks, good schools, and transit to all the residents of the Gulf Coast.<sup>6</sup>

#### Policy Goals and Action Steps

*Use infrastructure investments as opportunities to increase physical access to opportunities for low-income communities.*

- ➔ Build a light rail system between Baton Rouge and New Orleans to connect people to job opportunities.
- ➔ Equitably distribute quality parks, recreational facilities, and schools in communities statewide.
- ➔ Use neighborhood plans to drive infrastructure investments towards community priorities.

#### BEST PRACTICE: The Loma Prieta Earthquake

The debilitating Loma Prieta earthquake struck Northern California in October 1989, causing substantial loss of life, severely damaging the Bay Bridge and other freeways, and damaging hundreds of commercial and residential buildings in Oakland, San Francisco, and other Bay Area cities. As a result of tenacious community organizing, the freeway was not rebuilt along the same corridor where it divided neighborhoods and choked them with vehicle emissions, but instead was rerouted through industrial land in the adjacent Port of Oakland. Groundbreaking agreements were established to promote local hiring and contracting on the construction of the new road. These types of double bottom line investments can be brought to bear on the rebuilding of Louisiana—redressing past wrongs through equitable infrastructure investment.

## Principle 3: Prioritize health and safety concerns

### PRINCIPLE 3: Prioritize health and safety concerns in all communities.

**Healthy communities** are safe communities, with open space for physical activity, neighborhood grocery stores with fresh foods, productive activities for young people, employment for adults, and restored ecosystems that protect the coasts from catastrophic storms.

#### The Need

Communities with lower-income residents tend to have fewer options for physical activity. Parks are often nonexistent or havens for crime, and biking and walking trails are scarce. These real barriers exacerbate chronic diseases—diabetes, obesity, and asthma that are the result of physical inactivity, poor nutrition, and toxic exposures in Louisiana—and disproportionately affect African Americans and the poor. The historic settlement patterns that determined where African Americans could own land also placed them in more vulnerable locations. Eroding coasts and substandard levees add stress to residents returning to storm impacted parishes.

- Obesity in Louisiana has risen to almost one-third of all adults last year,<sup>7</sup> with the percentage of overweight or obese 18-to-24 year olds increasing the most.
- The leading causes of death for African Americans in Louisiana are cardiovascular diseases—including heart disease and stroke.
- These health disparities are exacerbated by a post hurricane rebuilding that has not seen the return of small grocers, parks, or recreational facilities.

#### An Equitable Response

Whether in a neighborhood untouched by the storms or in those that are redeveloping, residents should be protected from exposure to environmental hazards or future flooding. As the state addresses human and physical development

needs, a focus on healthy communities must be an integral component. While individuals do make choices about their eating and exercise habits, these choices are influenced by the environments in which they live. Research by the California Center for Public Health Advocacy found that fruit and vegetable consumption is linked to the relative proportion of grocery stores and produce markets compared to fast food and convenience stores.<sup>8</sup> PolicyLink found that decreased access to supermarkets in low-income communities is linked to higher rates of obesity.<sup>9</sup> Improving access to healthy food can improve healthier eating and reduce high levels of obesity and related illnesses. Access to healthcare is critical, but health also arises from the interaction of safe housing, robust local economies, and clean environments. Health starts in communities, which means that illness can be prevented in communities.<sup>10</sup>

#### Policy Goals and Action Steps

*Create incentives for the location of quality grocery stores and produce markets in poor neighborhoods; and strategically locate parks, and bike and pedestrian paths to increase access to physical activities.*

- ➔ Create a state investment pool to establish or revitalize grocery stores, markets, and farmers' markets in low-income communities.
- ➔ Invest in “re-naturing” low-income communities with parks and paths for physical activity.

*Remove garbage facilities, toxic waste dumps, and landfills from low-income neighborhoods.*

- ➔ Pass legislation to prevent the location of these facilities in low-income communities already burdened by a disproportionate share of polluting facilities.

#### BEST PRACTICE: Johnson Park Revitalization

Johnson Park is a predominantly African American community close to downtown Milwaukee, Wisconsin, that is moving towards becoming a healthier community of opportunity. As part of a revitalization effort spearheaded by the city of Milwaukee, WHEDA®, Urban Open Space Foundation, and the Johnson Park Neighborhood Association, the neighborhoods surrounding Johnson Park have been designated a priority area for new home construction. In response to community health problems spanning depression, obesity, teen pregnancy, and poor air and water quality, these groups and Walnut Way Conservation Core along with Fondy Farmers Market are coordinating physical activity, healthy food access, environmental cleanup, improved neighborhood safety, and increased green spaces. These efforts have increased social ties and more active lifestyles, enhanced the physical environment, provided life- and health-altering educational experiences, and decreased crime. Louisiana could offer bond financing to support community health by promoting redevelopments like Johnson Park's.

## Principle 4: Ensure responsible resettlement

### PRINCIPLE 4: Ensure responsible resettlement or relocation for displaced Gulf Coast residents.

Adequate relocation support must be provided for displaced Louisiana residents who wish to return, as well as those who choose not to or cannot return to the Gulf Coast for an extended period of time.

#### The Need

A multitude of factors have made people's evacuation more extended than ever anticipated—inadequate Road Home funding, the slow pace of housing reconstruction, the dearth of key services like schools and health facilities on which people rely.

- Nearly 100,000 displaced households still depend on FEMA housing assistance. Estimates of others not on FEMA assistance who still reside out of state range from 40,000 to 200,000.<sup>11</sup>
- Recent surveys of evacuees found they faced a number of challenges including: the need for immediate financial assistance; help dealing with contractors and insurance companies; immediate rental housing closer to home; household goods, transportation, and employment; and mental health counseling.<sup>12</sup>
- FEMA's \$67 million new repatriation assistance program can only help about 16,750 households if they were reimbursed the maximum of \$4,000.<sup>13</sup>
- The program does not include first month deposit, the purchase of furniture, or initial utility costs and other expenses; and the funds cannot push families over the \$26,200 cap for FEMA assistance.<sup>14</sup>

#### An Equitable Response

A number of services and initiatives have sprung up to address the adjustment of relocated Louisianans to new communities, to fill the information void, and to provide

support for those who have managed to return to the state but still need assistance in rebuilding their homes and lives. Programs such as these provide some assistance but fall short of addressing the real needs of displaced people. Key supports that improve the experiences of displaced families include: ensuring they are not relocated multiple times; providing them with housing choices, mental health counseling, appropriate financial support, and transition assistance; and safeguarding against exploitation by predatory lenders. Lastly, while acceptance into communities that received evacuees was initially overwhelmingly positive, the population influx has placed increasing strain on the infrastructure and resources of receiving communities. Policies must be developed to prevent local governments from targeting evacuees for "repatriation" or relocation.

#### Policy Goals and Action Steps

*Provide appropriate and sufficient resources for displaced residents trying to return home.*

- ➔ Reduce the barriers and restrictions on existing repatriation assistance programs.
- ➔ Create a long-term support structure for displaced residents that avoids artificial deadlines and assumptions about how long individual and family recovery will take.
- ➔ Expand programs such as the Louisiana Family Recovery Corps repatriation assistance program.
- ➔ Work for more federal resources like those in the Gulf Coast Housing Recovery Act to address unmet housing needs.

*Expand the types of transitional housing arrangements and supports for displaced families.*

- ➔ Allow for the use of manufactured housing as temporary housing resources for displaced residents.

#### BEST PRACTICE: Louisiana Family Recovery Corps Repatriation Assistance

The Louisiana Family Recovery Corps (LFRC) has responded in innovative ways to the challenges faced by those in the diaspora. As a private nonprofit that coordinates the efforts of numerous disaster response and social service organizations, LFRC focuses on children's services, housing, emotional well-being, and employment for storm-affected families. On the second anniversary of Katrina, LFRC announced a \$7 million program to complement the FEMA moving expense program that can cover one-time needs such as purchases of appliances or furniture, rent payments, or utility deposits. The state can expand these programs to reach a greater range of people who are internally displaced or those that reside out of state but harbor hopes to return home.

## Principle 5: Strengthen community-based organizations

### **PRINCIPLE 5: Restore and strengthen the capacity of community-based organizations throughout the state.**

Federal, state, and local government—in partnership with the philanthropic community—must recognize the crucial role of Gulf Coast community-based organizations in rebuilding efforts and in addressing the issue of poverty and inequitable development in poor rural and urban areas. These organizations provide critical support for low-income residents, and government at all levels must ensure that resources continue to fuel this effective sector.

#### The Need

- Nonprofits account for nearly 6 percent (totaling 105,050 employees) of the total Louisiana workforce. In 2003, those employees earned approximately \$3 billion in wages. The nonprofit sector was a major economic force in both metropolitan and rural areas.<sup>15</sup>
- With almost 70 percent of the jobs in this sector located in areas devastated by the hurricanes, the rebuilding of nonprofit infrastructure is as critical as rebuilding public facilities.<sup>16</sup>
- To date, less than 1 percent of the administrative funds of the Road Home program have gone to organizations that have worked tirelessly to get the most vulnerable, poor, and elderly clients through the program.

#### An Equitable Response

Underdeveloped capacity of nonprofit organizations in the community development realm has become the focus of many national groups such as Oxfam America, Enterprise Community Partners, LISC, national faith entities, Neighborworks America, Habitat for Humanity, ACORN,

and others; as well as state entities like the Louisiana Disaster Recovery Foundation, the Louisiana Association of Nonprofit Organizations (LANO), and the Louisiana Housing Alliance. State and local governments can help foster the development of the nonprofit sector through active engagement with these frontline service providers to 1) shape recovery and anti-poverty programs under their jurisdiction; 2) provide key services on a contractual basis; and 3) recommend key policy directions that will best meet the needs of the vulnerable in the recovery.

#### Policy Goals and Action Steps

*Allow nonprofit organizations to compete for a substantially larger proportion of government resources.*

- ➔ Set aside a specific portion of rebuilding dollars and other government funds to allow effective nonprofits to administer programs that target the needs of vulnerable residents.
- ➔ Provide technical assistance funds to strengthen the financial and program management functions of individual nonprofit organizations.

*Increase the information resources to organizations assisting Road Home clients and other residential property owners.*

- ➔ Make data and information on policy changes readily available to nonprofits assisting low-income Road Home clients.
- ➔ Hire and empower an ombudsman and independent monitor for the Road Home program and provide a direct line of contact between them and the nonprofit organizations assisting low-income Road Home clients.

### **PROMISING PRACTICE: Faith Community in Rebuilding**

Organizations such as Churches Supporting Churches (CSC) in New Orleans are seeking to bring about deeper community transformation through the process of recovery. A network of 36 local churches and over a hundred churches across America, CSC has spent a year training its members in nonprofit management, community economic development, community mapping, and public policy advocacy to help its pastors achieve the capacity to affect congregational and community transformation through the recovery. The group has mapped five 16-block neighborhoods surrounding their churches to create redevelopment plans that will draw in local and national capital and volunteer labor. They have met with elected and aspiring representatives to share their plans and educate lawmakers about the needs and aspirations of their communities. This type of nonprofit effort is being replicated across the recovering parishes, and deserves formal recognition and support by state and local government.

## Principle 6: Create asset building opportunities

**PRINCIPLE 6: Create wealth-building opportunities to effectively address poverty.** Rebuilding efforts in storm damaged parishes and community development efforts in poor communities should increase wealth and assets of residents through jobs that pay living wages, home ownership opportunities, personal savings, and small business development.

### The Need

- Louisiana's poverty rates, now and before the storms, are among the highest in the nation.
- Between 2000 and 2005, child poverty increased to over 28 percent of the children in the state, household incomes decreased (to a median of \$36,729), and the racial income gap widened between whites (\$44,300/year) and African Americans (\$23,238/year).
- Half of the parishes of the state (or 32) are persistently poor.<sup>17</sup> Most of the persistently poor parishes were rural and only eight were metropolitan parishes.
- Of the 32 persistently poor parishes, 12 were affected by the 2005 hurricanes.
- Poverty was most concentrated in New Orleans, where Hurricane Katrina devastation was the greatest. Since race and poverty are inextricably linked in the state, it is no surprise that many African Americans in the area were disproportionately affected by poverty.

### An Equitable Response

Living in concentrated and sustained poverty limits life chances. Thousands of Louisianans continue to struggle each month to meet basic needs, and risk deeper poverty and hunger when faced with job loss or medical emergencies. Poverty also imposes significant costs on the

state's economy through the diminished productivity and earning potential of adults and the negative consequences of economic instability that leads to increased crime. Poverty combined with disaster is a potent poison hindering recovery. Louisiana's entrenched poverty enhanced the storm's devastation. Those marginalized by a lack of resources—the poor, the undereducated, the young, and the old—are more vulnerable in a disaster. Communities with long-standing and concentrated poverty need infrastructure, health, education, and economic investments that bring new opportunities to the community. For newly-developing communities, it means ensuring that affordable housing options are included within new market rate developments, so that every community creates housing choice.

### Policy Goals and Action Steps

*Expand the state Earned Income Tax Credit (EITC) to 10 percent of the federal EITC to make more available resources for working families.*

- ➔ Allocate additional funding for Volunteer Income Tax Assistance Centers to increase use of the state and the federal EITC.

*Expand the Individual Development Account program to encourage saving for homes, education, and entrepreneurship.*

- ➔ Appropriate an additional \$10 million over a 3-year period to this program to serve at least 2,500 additional families.

### BEST PRACTICE: Solutions to Poverty Movement

The Solutions to Poverty (STOP) movement is a comprehensive approach to reducing poverty in Louisiana. A program of the Louisiana Department of Social Services, STOP seeks to address poverty through community, policy, and legislation:

- **Community:** Community STOP coalitions use a grassroots approach in each region to identify and prioritize anti-poverty strategies.
- **Policy and legislation:** Community solutions are replicated for Louisiana citizens across the state through legislation.

Despite the disruption of the hurricanes, STOP has had numerous successes in implementing solutions to poverty. In 2007, STOP members successfully worked with the Louisiana Association of Nonprofit Organizations for the passage of a refundable state earned income tax credit (EITC). This statute passed following a campaign to encourage Louisiana residents to avail themselves of the federal EITC. This economic support mechanism provides an annual infusion of cash that can be saved or used to purchase a new car, continuing education, or a home, bringing Louisiana into the ranks of 23 other states with EITCs. For more information, go to [http://www.dss.state.la.us/departments/ofs/Solutions\\_to\\_Poverty/Solutions\\_to\\_Poverty.html](http://www.dss.state.la.us/departments/ofs/Solutions_to_Poverty/Solutions_to_Poverty.html).

## Principle 7: Strengthen political voice

**PRINCIPLE 7: Strengthen the political voice of dispersed and low-income residents.** Citizen participation—including that of displaced and low-income residents in all aspects of policy and decision making processes related to development and redevelopment planning—is critical to creating communities of opportunity throughout the state. The most visible form of this participation is through the right to vote. However, other means of including residents in the planning and development processes—like recent parish and regional planning processes—must continue and be expanded.

### The Need

- According to FEMA assistance figures, postal records, and surveys, as many as 200,000 Louisianans still remain displaced. In February 2007, the secretary of state's office recommended to the Senate Governmental Affairs Committee that the names of 86,000 registered voters be purged from the voting rolls. In August 2007, approximately 21,000 voters throughout the state were actually purged.
- Organizations working with displaced residents have called for the restoration of these cancelled registrations.<sup>18</sup>
- Lack of information and disconnection from the policymaking process have reinforced the historic disengagement and disempowerment of residents in poor rural areas throughout the state.
- The slow pace of housing recovery has effectively made temporary displacement long-term.

### An Equitable Response

Public participation in the policymaking activities that develop programs supported by state or federal funding is critical. Meaningful involvement not only engages key communities but also educates them in the process. Increasing democratic inclusiveness in rebuilding and development involves a number of strategies including expanding voting initiatives, increasing outreach and education by public officials to their constituents, and organizing community advisory panels to help shape economic initiatives.

### Policy Goals and Action Steps

*Facilitate voting by displaced residents.*

- Pass legislation that allows absentee voting for residents who indicate they want to return by applying for rebuilding assistance, repatriation assistance, or other programs.

*Engage residents so that they have a real say in how programs are designed.*

- Support the increased capacity of community organizers and advocacy groups to advance residents' concerns.
- Establish and empower advisory panels for the Louisiana Housing Trust Fund, for economic development programs that affect the entire state, and for programs funded through the Community Development Block Grant program.

### BEST PRACTICE: Supporting Community Voice and Engagement

Communities throughout the nation are using electronic tools to facilitate coalition building and advocacy. Collectively termed "e-advocacy," these tools extend the reach of traditional advocacy methods such as lobbying, building coalitions, research, and grassroots organizing. Many groups have successfully harnessed the Internet and other electronic tools to augment offline advocacy efforts. PowerPAC.org is a statewide nonprofit political organization championing democracy and justice in California. PowerPAC provides tools to local leaders and organizations to bring more voters of color into the political process. PowerPAC conducts research and analysis on the state's political landscape to identify the most strategic areas of focus. The organization brings thousands of voters of color into the political process through electoral campaigns of concern to these voters: economic dignity and security, quality health care, education, and housing. The organization works to grow an energized electorate, reflective of the state's increasing diversity.

## Principle 8: Create meaningful oversight of recovery resources

**PRINCIPLE 8: Create a system for meaningful, sustained community oversight of the multibillion dollar federal investment that will be spent by both private and public sectors.** Community benefits agreements can ensure that investments offer financial return to investors while also building social capital and healthy, vibrant communities.

### The Need

- According to the Louisiana Recovery Authority, nearly \$60 billion has been allocated to the state, specifically \$26.4 billion for rebuilding, \$14.7 billion for national flood insurance payouts, and \$18 billion for disaster relief.
- As recovery and rebuilding moves forward, tens of thousands of families may be left behind with few resources, as little of what the lowest income families depend on is restored.
- Experts, citizens, legislators, and community groups alike have pointed to the lack of data and transparency as one of the major problems hindering recovery.
- A number of Congressional and state legislative hearings have been held and federal and state audits have been conducted to examine the quality and speed of rebuilding. These methods continue to fall short of providing the transparency and information needed to assist community groups in holding officials accountable for the recovery process.

### An Equitable Response

Rebuilding a stronger and more equitable region involves a new commitment of resources and innovative approaches; it must also include ways to track how

recovery is progressing. The ability to change course when programs are not reaching the most vulnerable is critical to ensuring an equitable recovery. It is especially important to document and understand the process by which these investments are being made. No state has faced a challenge like that facing Louisiana, but as with many aspects of the rebuilding, this also represents an opportunity. More so than at any other time in the state's or nation's history, residents must be engaged and empowered to be active participants in systems change. Accountability, therefore, must take the form of transparency around performance, data, and outcomes. It must also involve the development of structures that allow for greater citizen voice and a real commitment from government at all levels to share progress, seek input, and retool programs that are not working.

### Policy Goals and Action Steps

*Ensure that all recovery and non-recovery infrastructure investments are conducted in a transparent manner and include the engagement of the community.*

- ➔ Develop community benefits agreements for infrastructure investments.

*Require that accountability mechanisms are associated with all development and rebuilding programs.*

- ➔ Develop a meaningful performance accountability system with the input of citizens directly impacted by recovery and development programs.

### BEST PRACTICE: Community Benefits Agreements

Community benefits agreements (CBAs) can ensure the achievement of a "double bottom line." This means that public investments not only offer financial return to investors but also build social capital and healthy, vibrant communities. These agreements allow community groups to have a voice in shaping recovery projects, to press for community amenities that are tailored to their particular needs, and to enforce the promises of contractors, developers, and government entities. These agreements target quality new jobs, training opportunities, increased numbers of affordable homes, green building practices, parks, child-care centers, and numerous other benefits. In May of 2001, a comprehensive CBA was negotiated between the Figueroa Corridor Coalition for Economic Justice and the Los Angeles Sports and Entertainment District. The CBA ensured a number of benefits would come with a large multipurpose project that includes a hotel, a 7,000-seat theater, expansion of a convention center, a housing complex, and areas for food, retail, and entertainment. This CBA was a remarkable achievement, including an unprecedented array of community benefits. More information can be found in *Community Benefits Agreements: Making Development Projects Accountable*, published in 2005 by Good Jobs First and the California Partnership for Working Families.

## Principle 9: Create livable wage jobs in the recovery

**PRINCIPLE 9: Leverage rebuilding expenditures to create jobs with livable wages that go first to local residents.** Make investment in massive job training for those who need such assistance to qualify for jobs. Rebuilding and other development efforts should also build assets for residents and small businesses—not simply siphon opportunities to non-local corporate interests.

### The Need

- Before the 2005 storms, the state of Louisiana faced significant obstacles to creating prosperity and opportunity. These barriers included low income levels, low educational attainment, and a lack of quality jobs that paid a living wage.
- The Political and Economic Research Council (PERC) found in 2007 that lower business revenues and demand, barriers to accessing credit, and other challenges have led to a higher closure rate for small enterprises owned by African Americans than for other groups.
- Failure rates are as much as 28 percent higher for Hispanic-owned businesses, and almost 110 percent higher for black-owned businesses.<sup>19</sup>
- The credit of many businesses suffered as well, making it even more difficult for them to attract additional financing to support rebuilding.<sup>20</sup> Very small businesses were most affected and many remain closed.

### An Equitable Response

The investment of new development capital offers a unique chance to create higher wage economic development. With hundreds of thousands of homes being built or repaired; new roads, schools, hospitals,

levees, and coastal restoration underway, Louisiana must foster a vigorous workforce development initiative. While employers are a key provider of both training and jobs, the public sector has important roles to play. It can set standards for public contracts; structure contracts so smaller and minority firms can qualify for the work; do outreach to communities whose members will benefit from the jobs; and create an integrated training infrastructure. Employers across South Louisiana have stepped up to provide temporary housing for their workforce, and the Louisiana Speaks regional plan focuses on developing a skilled recovery workforce.<sup>21</sup> Now the imaginative work of structuring a Gulf Coast public works project remains.

### Policy Goals and Action Steps

*Ensure that all major development projects and training and economic development programs increase local hiring and small business utilization.*

- ➔ Allocate grant resources to successful programs such as the Pathways to Construction program, and connect small construction companies and other small enterprises to trained workers.
- ➔ Infuse equity principles into regional economic development and training initiatives.
- ➔ Pass legislation to increase the minimum wage to a livable wage.
- ➔ Create a targeted jobs program in key redevelopment industries.

### BEST PRACTICE: Port of Oakland, MAPLA, and Social Responsibility

The Port of Oakland dramatically increased the number of local residents hired and the disadvantaged businesses used in the Oakland Airport expansion project. These achievements were reached through the creation of a Social Responsibility Division in 2002 to address the economic, employment, and environmental concerns of the Port of Oakland, its neighbors, and its stakeholders. The Maritime and Aviation Project Labor Agreement (MAPLA) included local workers and small, local, and disadvantaged businesses, and has delivered a new cadre of highly-skilled workers to the construction project. Compared to previous port projects, or projects undertaken by other regional public agencies, MAPLA has led to sustained higher levels of local hiring and increased the utilization of small businesses. Such accomplishments have earned the Port of Oakland and MAPLA national recognition for instituting social equity principles in all aspects of its development projects.

## Principle 10: Develop communications infrastructure

**PRINCIPLE 10: Develop a communications and technology infrastructure** that provides residents with the means to receive and share information related to community building, support services, access to jobs, transportation, and housing. Use this infrastructure to strengthen public will for the changes that will be required for short-term and long-term efforts to rebuild inclusive Gulf Coast communities and lives.

### The Need

- The lack of accessible information is one of the major impediments to the empowerment of residents affected by the storms or by poverty to rebuild their lives and their communities.
- In the wake of the storms, several websites and call centers were quickly established to fill the information void. While these resources provided necessary information, the layers of federal bureaucracy make finding information incredibly difficult.
- Robust economic development and housing programs require equally robust public information to build public will and effectively recruit participants.

### An Equitable Response

Online communications systems can supplement and fill gaps in mainstream media coverage for residents with specific needs—including those evacuees and loosely affiliated Gulf Coast support groups across the country as well as the general public. The LouisianaRebuilds.info web portal is a good example of how this need can be effectively addressed. As the first comprehensive statewide resource for residents searching for information about rebuilding efforts in the state, the site is a state-

of-the-art web portal that connects residents, business, nonprofit organizations, and government agencies to one another and to local and national sites. It is a one-stop compilation of information related to rebuilding and planning; and includes information on affordable housing, jobs, education, voting, and legislative issues, at the parish and state levels. By linking to FEMA; the LRA; local, state, and federal agencies; news media; a myriad of other sources; and allowing space for residents to tell their stories or list important neighborhood or recovery events, it is an invaluable resource.

Understanding the challenges that many of the displaced, low-income, or low-literacy residents face in accessing the Internet, a set of offline resources were developed to bring the same rich portal content to residents without Internet access. By including community-based groups that represent the full spectrum of Louisiana communities, the portal will continue to be a resource that is responsive to the needs of residents.

### Policy Goals and Action Steps

*Increase coordination among federal, state, and local agencies and nonprofits to streamline recovery services through key information networks.*

- ➔ Support comprehensive resources such as LouisianaRebuilds.info to provide useful information to the recovery.
- ➔ Continue to link key recovery resources to public access information—such as posting the required listing of rental housing repaired with Road Home resources on LAHousingSearch.org.

### BEST PRACTICE: Louisiana Rebuilds Contractor database

Many residents who are rebuilding have encountered difficulties with the contracting process, and in some cases have been the victims of fraud. In response, LouisianaRebuilds.info editors have added a contractor guide that serves as a one-stop online location for everything homeowners need to evaluate a contractor, negotiate a legal agreement for contracting work, and avoid fraud. The guide includes a list of best hiring practices; links to state and parish licensing databases and Better Business Bureau member and complaints lists; a price guide with recent post-Katrina estimates for building materials; fraud reporting hotlines; and a consumer-driven contractor rating system that allows homeowners to share information about good and bad contractors they've used. In the rating system, users can rate or review ratings on general contractors, electricians, plumbers, roofers, demolition companies, and others important to the rebuilding process. The web portal is partnering with the state contractor licensing board to distribute additional information such as top scams and how to fight a fraudulent lien. Visit: <http://louisianarebuilds.info/>

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## Notes

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<sup>1</sup>PolicyLink. "Ten Points to Guide Rebuilding in the Gulf Coast Region." <http://www.policylink.org/EQUITABLERenewal.html>.

<sup>2</sup>Katrina and Rita (DR 1603-DR1607) Housing Assistance Breakdown as of 7/25/07, FEMA.

<sup>3</sup>"Louisiana's Crumbling Roads." Louisiana Good Roads & Transportation Association (LGRTA). <http://www.drivinglouisianaforward.org/index.cfm?md=static&tmp=roads>.

<sup>4</sup>American Society of Civil Engineers. 2005. *Report Card for America's Infrastructure*.

<sup>5</sup>Building Educational Success Together. *Growth and Disparity: A Decade of U.S. Public School Construction*. October 2006.

<sup>6</sup>Victor Rubin. 2006. PolicyLink. *Safety, Growth, and Equity: Infrastructure Policies that Promote Opportunity and Inclusion*.

<sup>7</sup>United Health Foundation. 2006. *America's Health Rankings™: A Call to Action for People and Their Communities*.

<sup>8</sup>Study released in 2007 by California Center for Public Health Advocacy, Davis, California.

<sup>9</sup>Unpublished study. Results to be announced in 2007. Data from the California Health Interview Survey, which is the largest state health survey in the United States, and in 2003 surveyed 42,000 households.

<sup>10</sup>For more information on the Johnson Park Revitalization best practice, visit:  
<http://www.uosf.org/Fondy%20North/fondyinitiative.html> or <http://www.wheda.com/programs/lindsay/restore.asp#q1>.

<sup>11</sup>Louisiana Family Recovery Corps and PolicyLink, 2007 *Hope Needs Help Report*.

<sup>12</sup>USA Today/Gallup Hurricane Katrina Survivors Follow-up Poll: August 2006.

<sup>13</sup>For expenses incurred between February 1, 2006 and February 29, 2008.

<sup>14</sup>FEMA. *FEMA Funds Relocation of Displaced Residents*. August 27, 2007. Release Number 1603-690.

<sup>15</sup>Lester M. Salamon and Stephanie Lessans Geller. 2005. *Louisiana Nonprofit Employment: An Update*. A Joint Product of the Johns Hopkins Center for Civil Society Studies and the Louisiana Association of Nonprofit Organizations.

<sup>16</sup>*Ibid*.

<sup>17</sup>This means that a fifth or more of the county residents were poor during each of the last 4 censuses—in 1970, 1980, 1990, and 2000. The Economic Research Service of the U.S. Department of Agriculture, *County Topology Codes*, 2003.

<sup>18</sup>The NAACP Legal Defense Fund sued the state for removing voters from the rolls despite the fact that certain procedures underlying the purge program are either pending review by the U.S. Department of Justice or have not yet been submitted for review as required by the Voting Rights Act.

<sup>19</sup>Turner, M., Varghese, R., and Walker, P. August 2007. *Recovery, Renewal and Resiliency: Gulf Coast Small Businesses Two Years Later*. Political and Economic Research Council.

<sup>20</sup>Brookings Institution. Metropolitan Policy Program, Urban Markets Initiative. *The Credit and Insurance Consequences of Natural and Man-Made Catastrophes*. September 7, 2006.

<sup>21</sup>Louisiana Speaks, "Louisiana Speaks Regional Plan: Vision and Strategies for Recovery and Growth in South Louisiana." Available from <http://louisianaspeaks.org>.

## Advisory Team

PolicyLink would like to thank the members of the Advisory Team listed below for providing their input to ensure that this document reflects the views and aspirations of local Louisiana communities. Their input was instrumental in making this guide a resource that can shape and advance an equitable development agenda in state policymaking in 2008 and beyond.

Raymond Jetson, Chief Executive Officer  
Louisiana Family Recovery Corps

Adren Wilson, Assistant Secretary  
Office of Family Support, Department of Social Services

John Daniels, Chief Quality Assurance Officer  
Louisiana Spirit

Melissa Flournoy, President and CEO  
Louisiana Association of Nonprofit Organizations

James Gilmore, Managing Partner  
Peak Performance Strategies

Rhonda Jackson, Louisiana State Policy Specialist  
Oxfam America

Jainey Bavishi, Program Associate  
Louisiana Disaster Recovery Foundation

Renee Chatelain, Executive Director  
Midcity Dance Project

Jessica Venegas, CUREx Fellow  
Unity of Greater New Orleans/Common Ground

Laura Tuggle, Attorney  
New Orleans Legal Assistance Corporation



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**Headquarters:**

1438 Webster Street  
Suite 303  
Oakland, CA 94612  
t 510 663-2333  
f 510 663-9684

**Communications:**

55 West 39th Street  
11th Floor  
New York, NY 10018  
t 212 629-9570  
f 212 730-2911

**Louisiana:**

1515 Poydras Street  
Suite 105  
New Orleans, LA 70112  
t 504 524-8185

[www.policylink.org](http://www.policylink.org)

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LOUISIANA DISASTER RECOVERY FOUNDATION

*Louisiana's Fund for Louisiana's People*

Louisiana's Fund for Louisiana's People is committed to the relief, recovery and Betterment of the state of Louisiana.

445 North Sixth Street  
Suite 200  
Baton Rouge, LA 70801  
t 225-383-1672  
1 877 HELPLA1  
f 225-383-1858

[www.louisianahelp.org](http://www.louisianahelp.org)