



From the Bureau of
Governmental Research

QUESTIONS ? FOR A NEW MAYOR

PART IV OF IV: RESTORING NEIGHBORHOODS

JANUARY 28, 2010

INTRODUCTION

Following decades of shrinking population and abandonment, New Orleans' formidable blight problem grew exponentially in the disaster of 2005. Solid neighborhoods in New Orleans East, Gentilly and Lakeview suddenly became ghost towns.

Since then, primarily through the persistence of average citizens, redevelopment has restarted. Programs like the Road Home and the Lot Next Door have assisted. The New Orleans Redevelopment Authority, which is far more robust than it was pre-Katrina, has undertaken redevelopment projects itself. Several neighborhoods appear to be making rapid progress toward recovery.

But, citywide, progress has been uneven. In some areas, swaths of neighborhoods remain all but abandoned, while in other areas the so-called "jack-o-lantern" effect has some who reinvested wondering if they made the right decision.

Prior to Katrina, New Orleans endured decades of out-migration. By 2005, this had resulted in a population decline of about 27% from the city's 1960 peak. The disaster exacerbated the mismatch between population and the city's urbanized areas. Today, tens of thousands of properties are in a state of blight, and thousands of housing units are simply sitting vacant. Estimates of future growth vary widely, but even the most optimistic projections indicate high vacancy rates for housing units at the end of the next mayor's term in 2014. In light of this, the outlook for the absorption of blighted properties is worrisome.

In its award-winning series on blight, *Mending the Urban Fabric* (2008), BGR found a number of structural, legal and administrative challenges hindering blight remediation. They included: a fragmented and uncoordinated array of blighted property programs; a lack of comprehensive and realistic goals and strategies for tackling blight; a lack of sufficient funding; poor information on blighted properties; and numerous hurdles for those seeking to acquire and rebuild blighted properties.

For this installment of *Questions for a New Mayor*, BGR asked candidates to outline their strategy for addressing the city's crushing blight problem.

About this Series

With the mayoral primary on the way, BGR submitted questions to all candidates on topics in four areas: the city's budget, city services, infrastructure and blight. We received timely responses from Rob Couhig, John Georges, Mitch Landrieu and James Perry. BGR is presenting the Q&A to the public in this web-only, four-part series. This installment, *Restoring Neighborhoods*, is the final part.

Question 1: Please identify the major impediments to blight remediation in New Orleans. What specific changes would you make in local government to address those problems? What changes would you seek at the state level, if any? Be sure to discuss the role of the New Orleans Redevelopment Authority.

James PERRY As Mayor I will implement a comprehensive and relentless approach to battling blight. In my first five days as Mayor I will sign an Executive Order to make Sheriff house sales a priority in eradicating blight. I will direct housing enforcement personnel to hold monthly auctions on properties where owners have ignored administrative orders to make repairs. Through the Health Department and the Department of Safety and Permits, we will attack violations of health, housing, and environmental codes in enforcement hearings that set firm deadlines for complete compliance, and follow through with further enforcement actions as needed. I will direct city housing officials to work cooperatively with the New Orleans Redevelopment Authority (NORA) in devising a coordinated strategy to eradicate blight. NORA should repair or demolish and put back into commerce as soon as possible property acquired through the Road Home Program. I will also direct that relevant city agencies make available appropriate counseling services and financial assistance to support homeowners in making repairs and maintaining their properties in accordance with housing code requirements, because effective housing code enforcement is not simply about punitive measures; it's also about helping people maintain homeownership by helping them maintain their properties.

Rob COUHIG The major impediment has been a lack of will on the part of the administration. As Mayor I will sign the CEA presently on the Mayor's desk providing \$34 million in federal funding to NORA. This will be coupled with the \$30 million grant that the United States Government has just awarded. In addition, I will work to provide a \$15 million revolving line of credit to allow NORA to purchase blighted properties. With the proper resolve, administrative enforcement, purchase of blight, cooperation of various agencies, my goal will be to remove at least 6,000 pieces of blighted, abandoned, or derelict property in the year 2010 and 12,000 in each succeeding year.

John GEORGES New Orleansians have historically tolerated blight. We must adopt the political will needed to address the problem through tougher code enforcement, forced maintenance, and increased fines for offenders. We also must improve coordination between all code enforcement departments. While we do not want to push homeowners into demolishing properties that could be renovated, New Orleans may well see a surplus of housing in the coming years. It's a delicate balance. We must also streamline code enforcement and allow citizens willing to purchase blighted property to bypass NORA on single home purchases. Finally, we should adopt best practices from neighboring parishes and copy their successful programs.

Mitch LANDRIEU As Mayor, I will work aggressively to eradicate the more than 50,000 blighted properties as quickly as possible while avoiding any legal pitfalls that could stall the process.

Aggressive code enforcement, neighborhood surveys, homebuyer incentive programs and sheriff's sales are among the tools that my administration will employ to address this issue. Additionally, large numbers of abandoned properties can be returned to market through the use of the Lot Next Door sales program.

As mayor, I will use my experience in Baton Rouge to lobby the state Legislature to change amendments to Article 4 of the Louisiana Constitution. Article 4 enables the city to seize a blighted property from private owners, but amendments to Article 4 barred the government from taking private property for "economic purposes." The result of these 2006 amendments is that the New Orleans Redevelopment Authority cannot sell confiscated blighted properties; instead, it must donate them to nonprofit organizations.

NORA's inability to sell blighted property with clear title has profoundly frustrated the city's efforts to clean up blighted areas. I will insist that the state Legislature change Article 4 and allow blighted property to be sold for redevelopment as housing or commercial property.

Question 2: Now, assuming a scenario in which population growth halts, how would you seek to address the overwhelming number of abandoned properties in the city? What funding sources would you seek to implement your strategy?

James PERRY When an administration can ensure that the fundamentals of city government are functioning appropriately (housing inspections, code enforcement proceedings, health and environmental enforcement) it will create incentives for property owners to make repairs or demolish dilapidated properties as appropriate. NORA can use its powers of expropriation to acquire and demolish or redevelop properties. Because of constitutional restrictions, NORA must offer such properties for repurchase by their prior owners, but thereafter NORA can and should offer those properties for sale to the highest bidder through an open competitive public auction. Our guiding strategy must be returning properties to the private sector where they can be managed in accordance with market incentives. The City of New Orleans and NORA should not become the owners-of-last-resort for derelict properties. As Mayor I will use governmental power to rehabilitate properties and rely on the private housing market to restore and redevelop neighborhood housing. My administration will do everything in its power to refute the premise that population growth will slow. We can make New Orleans a community that continues to attract new residents, such as the many young people and families who have been drawn to our city in the wake of Katrina.

Rob COUHIG The strategy that I have outlined works whether the city's population grows or not. Indeed, if we do not utilize this strategy, the city's actual growth will continue to deteriorate.

John GEORGES I would associate abandoned properties with blighted properties and employ the same strategies. I will seek out available FEMA and CDBG funds.

Mitch LANDRIEU As mayor, I will make blight reduction a priority and will implement several specific changes to city government. I will reorganize city employees working in housing or code enforcement offices to ensure that elimination of blight is a central goal. This includes making sure the city attorney's office has adequate staffing to support blight hearings. I will increase blight enforcement hearings and recruit pro bono help from law firms in providing hearing officers.

I will hire more property inspectors, improve their training and make better use of technology to sustain an aggressive program of property inspections and enforcement steps. It is also important for city housing officials and the New Orleans Redevelopment Authority to provide technical assistance to homebuyers willing to take over blighted properties. And we must open a dialogue with the Preservation Resource Center and civic leaders to identify buildings of architectural or historical significance that should not be demolished.

To pay for stepped up efforts, I will place fines, fees and hearing costs collected as a result of code violations into a Neighborhood Revitalization Fund, already authorized in the city code, thereby reserving monies for code enforcement work.



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Related Reports

The following recent BGR reports may be of interest to readers of this publication:

In Search of the Master Plan: Making the New Orleans 2030 Draft Plan Work (2009)

Mending the Urban Fabric: Blight in New Orleans, Part I: Structure & Strategy (2008)

Mending the Urban Fabric: Blight in New Orleans, Part II: Procedures for Successful Redevelopment Report (2008)

Open Letters: The Future of N.O.'s Blight Programs (2007)

The Road Home Rental Housing Program: Consequences for New Orleans (2006)

The 'Road Home' Takes a Wrong Turn (2006)

Building a Trust Takes Time (2006)

Wanted: A Realistic Development Strategy (2005)

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