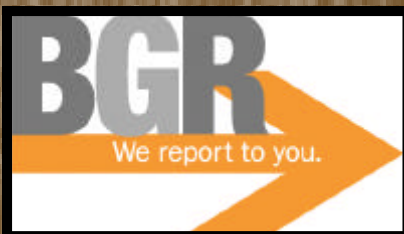


A Report from the Bureau of
Governmental Research

UNOP REVISITED

An Analysis of
the Revised Citywide Plan

May 2007



BGR Planning Issues Committee

Carolyn W. McLellan, *Chairwoman*
Conrad A. Appel III Pamela M. Bryan
LaToya W. Cantrell Hans B. Jonassen
Maurice L. Lagarde III

BGR Project Staff

Janet R. Howard, *President*
Peter Reichard, *Principal Author*
and Production Manager

BGR

The Bureau of Governmental Research is a private, non-profit, independent research organization dedicated to informed public policy making and the effective use of public resources for the improvement of government in the New Orleans metropolitan area.

This report is available on BGR's web site, www.bgr.org.



Bureau of Governmental Research
938 Lafayette St., Suite 200
New Orleans, Louisiana 70113

BGR Board of Directors

Officers

Lynes R. Sloss, *Chairman*
Hans B. Jonassen, *Vice Chairman*
Robert W. Brown, *Secretary*
Sterling Scott Willis, *Treasurer*

Board Members

Conrad A. Appel III
Robert C. Baird
Virginia Besthoff
J. Herbert Boydston
Kim M. Boyle
Ralph O. Brennan
Christian T. Brown
Pamela M. Bryan
LaToya W. Cantrell
Joan Coulter
J. Kelly Duncan
Hardy B. Fowler
Aimee Adatto Freeman
James D. Garvey, Jr.
Roy A. Glapion
Diedria B. Joseph
Maurice L. Lagarde III
Matthew P. LeCorgne
Mark A. Mayer
Carolyn W. McLellan
Henry O'Connor, Jr.
William A. Oliver
Thomas A. Oreck
Anthony Recasner
Gregory St. Etienne
Andrew B. Wisdom

Honorary Board

Bryan Bell
Harry J. Blumenthal, Jr.
Edgar L. Chase III
Louis M. Freeman
Richard W. Freeman, Jr.
Ronald J. French
David Guidry
Paul M. Haygood
Diana M. Lewis
Anne M. Milling
R. King Milling
George H. Porter III
Edward F. Stauss, Jr.

Several directors recused themselves from review of this report due to associations with the Unified New Orleans Plan process, the Louisiana Recovery Authority and/or the City Planning Commission.

INTRODUCTION

In March 2007, BGR issued a report analyzing a draft citywide recovery plan prepared as part of the Unified New Orleans Plan (UNOP) process. BGR's report cited a number of problems with the draft plan, including:

- Problems with the collection and use of public input
- The espousal of unexplained principles and slogans
- Incoherence and contradictory messages
- An unclear recovery strategy
- Inappropriate recommendations
- Underdeveloped programmatic ideas
- A highly problematic scoring system for ranking projects
- The failure to provide a realistic financial context for decision-making
- A lack of substance in its financial plan

On May 10, UNOP posted to its web site a revised draft of the Citywide Plan (Revised Plan). A public hearing was held on May 15, 2007, and the City Planning Commission is accepting written comments until May 21. An earlier web-posting would have enhanced opportunities for public review and citizen input.

The Revised Plan is an improvement over the previous draft in that it is more lucidly written and professional in tone. The UNOP team has comprehensively addressed problems in the area of rankings. The Revised Plan amends the scoring system and eliminates certain inconsistencies between its ranking criteria and the ranking of projects. It eliminates a master list of ranked projects that, coupled with the previous scoring system, led to bizarre outcomes. The previous system has been replaced with a ranking of projects within their respective sectors, such as health care and economic development.

Many of the problems previously identified by BGR remain. In this report, BGR will focus on four groups of problems that are likely to cause the greatest difficulty as New Orleans attempts to move forward:

- Failure to connect flood risk with policy

- Unclear direction for rebuilding
- Premature or unjustified recommendations for specific projects and policies
- The lack of a realistic financial context

Several other issues remain from the previous draft in varying degrees, including problems in the use of public input, the espousal of unexplained principles, and underdeveloped ideas. For more detail on these issues see BGR's previous report, *Not Ready for Prime Time: An Analysis of the UNOP Citywide Plan*. It is available for viewing at www.bgr.org.

As BGR recommended in March, it is time for the City Planning Commission to take ownership of the Citywide Plan. It should clean it up, ensure it is clear, coherent and usable, and strip out unjustified recommendations before approving it. The City Charter requires the Commission to take an active role in the preparation of post-disaster plans. BGR urges the Commission to adhere to the spirit of that mandate and assume a role of accountability in the completion of the Citywide Plan.

FAILURE TO CONNECT FLOOD RISK WITH POLICY

As in the earlier draft, the Revised Plan does not confront certain critical issues. For example, it indicates that some areas of New Orleans will remain particularly susceptible to storm surge for the indefinite future. Having identified the higher vulnerability of these areas, the plan does not follow through with comprehensive strategies. It actually encourages settlement in such high-risk areas through a voluntary, incentive-based, \$1 billion clustering program. That program targets only the slowest repopulating areas (those to which less than 15% of the population has returned), with the lowest natural elevation and a high risk of future flooding for a program to cluster businesses and residents *within* those areas. It does not require the participants in the program to relocate into a lower-risk area. In fact, as worded, it requires them to remain within the high-risk and largely abandoned area, albeit in a more sustainable cluster.

The Revised Plan states, in italics, "*UNOP had to rec-*

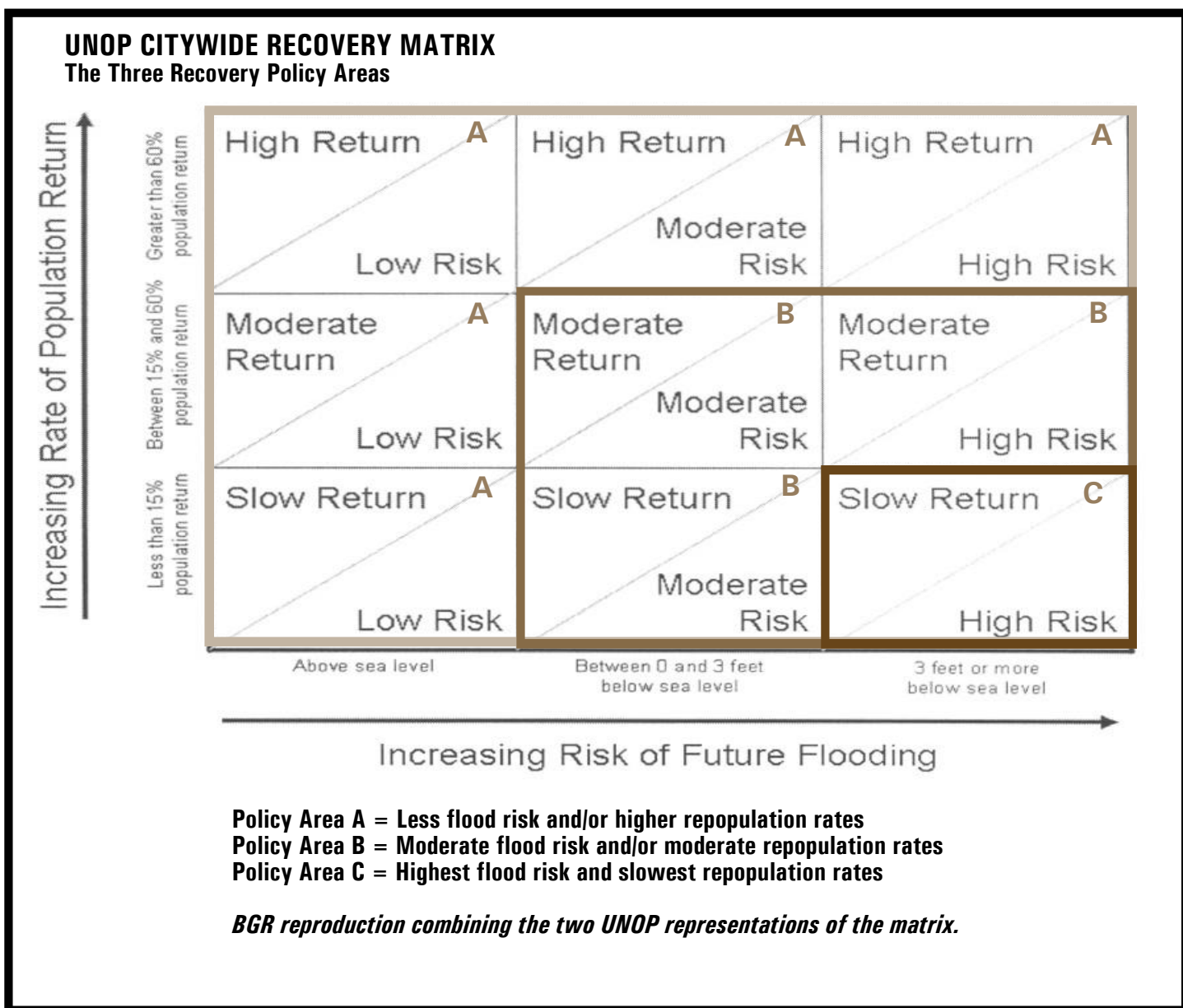
ognize that people were already living in every neighborhood in the City (albeit in trailers in many cases).” Here, the authors are dealing with a very real planning dilemma. Many citizens in flood-prone areas have been presented with no other viable alternative than to rebuild in place. They must be treated fairly. Their rights must be respected. However, treating citizens fairly and respecting them does not entail using scarce rebuilding dollars to encourage reinvestment within flood-prone areas that citizens have already largely abandoned. Nor does it entail depriving citizens of clear direction on rebuilding.

The voluntary clustering program should be revised to require participants to relocate into low- or moderate-risk areas.

UNCLEAR DIRECTION FOR REBUILDING

The plan emphasizes individual decision-making over top-down mandates about where people should rebuild. It also acknowledges the need to make tough choices when allocating scarce resources. It does not, however, follow these statements up with clear direction as to the allocation of resources. It does not provide the information needed for decision making. It does not tell the public with specificity where its policies would apply. And its policies are sometimes so vague that knowing where they would apply still would not provide enough direction.

The plan also contains contradictory information as to what will guide investment decisions. At one point it



states that the U.S. Army Corps of Engineers' forthcoming analysis of future risk should be used to guide "the decision-making process in both the public and private sectors." It then presents a development matrix based on repopulation rates and elevation. The plan does not explain how the Corps of Engineers analysis will interface with the matrix.

The groupings in the matrix do not match the criteria set forth in the text. The text of the plan states that the pace of repopulation in neighborhoods and the "level of flood risk within drainage basins" are the overarching issues that frame future recovery. It identifies rates of repopulation and future flood risk as the distinguishing criteria for recovery planning. The matrix, however, is not based on repopulation and the level of flood risk, but rather on repopulation and natural elevation.

Elevation and flood risk, while related issues, are not the same thing. As the plan itself makes clear, there are different levels of flood risk among the five drainage basins due to location and hurricane protection systems. The matrix, by focusing on elevation, ignores other important flood risk issues.

The plan creates three "policy areas" (A, B and C) to guide policies and programs, and defines them in the matrix. Without explanation, the matrix lumps together areas in widely disparate situations. Areas with a high rate of return at a high elevation are placed in policy area A, together with areas that have a low rate of return and a high elevation and areas that have a high rate of return and a low elevation.

The plan acknowledges that it does not "identify areas of town – by name or by map – where it recommends that public investment be minimized until certain criteria are met." Indeed, beyond the issue of investment, it does not identify areas of town for any policy recommendation.

The plan does not provide a map that would help people visualize where the policy areas are and how the plan would apply. The plan offers two reasons. One is that areas will change over time. The other: "While this framework is a guide to estimate the level of funding needed, it is premature for this Plan to specify locations and boundaries until the necessary funding is

secured." Neither justifies not providing a baseline map based on current data and circumstances.

The reality is that failing to provide maps simply delays the inevitable. Somebody will eventually have to draw a map. In the meantime, the plan will be virtually unusable, and citizens, investors and policymakers will be no more enlightened about the city's future development.

Even with a map, it would be difficult to determine what neighborhoods should expect in a given time frame. This is because the plan's Summary of Recovery Projects is less than clear in its description of which repairs, upgrades and improvements should be made in different policy areas at different times.

The Summary of Recovery Projects appears to contain a major error, inverting the policies for areas A and C in that chapter. Policies that appear to be intended for areas on high ground with a high rate of return are placed in policy area C (which should apply to areas with low population/low elevation), and vice versa. A thorough editing of the Revised Plan is still in order.

The plan should clearly indicate whether investment will be guided by the forthcoming Corps of Engineers risk analysis or some other formulation based on risk and repopulation. It should include a map showing citizens and policymakers where the policies, programs and projects would apply if the plan were in effect today. It should ensure there are clear and distinct descriptions of how policies, programs and projects would apply in each policy area. Finally, a thorough editing is needed to remove mistakes, ambiguities and contradictory statements.

PREMATURE RECOMMENDATIONS

The Revised Plan at times leaves behind the realm of vague generalities and goes to the opposite extreme by providing highly prescriptive policies, programs and projects. The result is premature recommendations that need further exploration. Some of these are left over from the previous draft. For instance, the plan continues to call for public schools to be permitted as community centers "outright," although general conditions have been added in the Revised Plan.

Other such recommendations are new. For instance, the plan calls for the governance of the school system to be placed under the control of a single, unified, appointed body. It does not explain this proposal or explore its merits. Nor does it provide the source of the recommendation.

Elsewhere, the plan contains a project to use the former Methodist Hospital site to restore comprehensive medical services to eastern New Orleans and St. Bernard Parish. The plan calls for this high-priority project in advance of a full consideration of the specifics of the property or whether that location would be the best one to accommodate an unmet demand for services.

Similarly, as part of the recovery of New Orleans' bio-medical district, the plan specifies the current LSU/Charity/VA hospital proposal as a top-priority economic development project. A more general approach supporting the revitalization of the district would allow the City flexibility to support other options that may arise. It is not a foregone conclusion that LSU's current proposal is the most visionary or cost-effective approach to health care in New Orleans. Nor is it obvious that it is the most beneficial proposal for downtown New Orleans' bio-medical sector.

The plan also contains numerous assumptions about the demand for affordable housing and the manner in which it should be delivered. In particular, it calls for public housing to be at higher densities than federal HOPE VI policies delineate. It calls for ensuring mixed income neighborhoods, suggests employing specific zoning mechanisms for doing so, and also suggests considering inclusionary zoning. It does not, however, demonstrate that these responses are appropriate in New Orleans. Nor does it cite the sources of its assumptions and proposals. In the world of governance and policymaking, it doesn't get much trickier than housing policy. The housing disasters of the 20th century stand as monuments to that fact. Housing projects and programs deserve serious consideration.

Premature proposals in the plan should be replaced with more general recommendations that allow for an appropriate degree of flexibility regarding future decisions.

THE LACK OF A REALISTIC FINANCIAL CONTEXT

The Revised Plan maintains a flaw contained in the previous draft – namely that it envisions programs and projects in a financial void. The Financial Plan contains a list of programs and projects, estimates of their cost, and a list of possible funding sources. It does not attempt to assess the amount of resources that can reasonably be expected from various sources, nor does it devise a plan for optimal deployment of those limited resources. In short, it is planning without confines.

Planning without the parameters imposed by a realistic assessment of resources is at best an exercise in visioning. It avoids the unpleasant task of making hard choices that are unavoidable in the context of a realistic financial assessment. It avoids confronting the results that will ensue if adequate resources do not materialize and considering alternative scenarios for most effectively deploying resources.

The hard truth is that government will need to make choices based on limited resources. While making such choices requires political courage, it is a necessary and basic government responsibility to make them.

The plan should be revised to create criteria for sequencing investments based on hard numbers and realistic financial expectations.

CONCLUSION AND RECOMMENDATIONS

There is no question that undertaking the UNOP Citywide Plan in the short time allotted was a monumental task. The latest draft is a more lucidly written, more professional document than its predecessor. More significantly, the formerly idiosyncratic scoring and ranking system was replaced with an approach that makes more sense and is applied with greater consistency.

However, the plan still fails to provide citizens, investors and policymakers with the basic information needed to guide public and private investment decisions. It makes premature recommendations for certain

policies and projects that need further exploration.

At a minimum, revisions to the plan should include the following:

- Revision of the voluntary clustering program to relocate participants into low- or moderate-risk areas
- Clear guidance on how investment of limited resources should be made, whether using the forthcoming Corps of Engineers risk analysis or some other formulation based on risk and repopulation
- A map showing citizens and policymakers where the policies, programs and projects would apply if the plan were in effect today
- Clear and distinct descriptions of how policies, programs and projects would apply in each policy area
- A thorough editing to remove mistakes, ambiguities and contradictory statements
- The replacement of premature proposals with more general recommendations that allow for an appropriate degree of flexibility regarding future decisions
- The creation of criteria for sequencing investments based on hard numbers and realistic financial expectations

As previously stated, it is time for the City Planning Commission to take ownership of the Citywide Plan. BGR urges the Commission to adhere to the spirit of the City Charter and assume a role of accountability in the completion of the Citywide Plan.



Bureau of Governmental Research
938 Lafayette St., Suite 200
New Orleans, Louisiana 70113

Nonprofit Org. U.S. Postage PAID New Orleans, LA Permit No. 432

CHANGE SERVICE REQUESTED