August 18, 2009

ATTN: Julie Harris / Charla Quertatani City Hall 1300 Perdido St. New Orleans, La. 70112

**RE:** U.S. House Of Representatives' Field Hearing On The Status Of The 'Big Four', four years after Hurricane Katrina and other various questions as it relates to the status of housing within the City Of New Orleans.

## • What is the current status of public housing in New Orleans, including the Big Four public housing developments?

The status of Public Housing including the 'Big Four' is bleak. The supply does not meet the demand. Hurricane Katrina wiped out a number of available public housing and market rate apartments in New Orleans.

The families who were typically middle class before Katrina have fallen into a lower tax bracket because of their inability to find livable wage jobs and meet the high cost of rent in the current housing market. With the state of the economy and the housing market, it leaves all New Orleans residents with little hope that things will improve.

# • As a former resident of CJ Peete, what is your view of the development of that project?

As a former resident and resident leader of C.J. Peete, initially there was much apprehension on whether or not to stall redevelopment at Peete. That apprehension was based upon what the demolition of public housing would mean to the state of affordable housing throughout New Orleans. However, as it related specifically to C.J. Peete, we knew that demolition was inevitable, but we didn't agree to how HUD proceeded with their plans.

With such a limited number of families residing at Peete when Katrina hit, the current units could have been renovated and the vacant lot which sat on Peete for years, units could have been rebuilt. And those tenants could have been transitioned to the redeveloped side while demolition was taking place on the units they exited to create a totally redeveloped site.

Therefore, because of the urgent need for decent, sanitary housing, we proceeded with demolition and began to explore avenues to create opportunities for residents that would alleviate multi-generations of families residing in public housing.

To my surprise, redevelopment at C.J. Peete is proceeding very well. We have a very unique working relationship with the development team, which is typically rare in New Orleans with private developers. The redevelopment team and Central City Partners (CCP), consists of C.J. Peete Resident Council, McCormack Baron Salazar (the developer), KAI Design and Build, (NONDC) New Orleans Neighborhood Development Collaborative, and Urban Strategies Inc., our Community and Social Services Contract Administrator.

What's unique about the project is that Urban Strategies Inc. works side-by-side with the CJ Peete Resident Council to provide technical assistance and support for residents and resident leaders. Also, we have Case Managers onsite to address the needs of the families we serve. We were also afforded the opportunity to enter into a contractual agreement between CJ Peete Resident Council and Urban Strategies Inc. which entitles the Resident Council to create and provide community support services to returning families over the long term. This includes the management of the CJ Peete Community Center.

We were fortunate to have a Community Center that withstood Hurricane Katrina that we were *adamant* about not parting ways with. We really did not have to push hard to keep the Community Center, which was scheduled for demolition , because many families were going to be in need of services. On August 4, 2008, we opened the doors of the C.J. Peete Community Center to offer the opportunity for Case Management services to the 551 families who are apart of our the C.J. Peete resident body. This includes the 146 families who resided on site during Hurricane Katrina which makes up tier one. We are also providing services to the 405 families who were involuntarily relocated to make way for demolition as far back as 1995. To date, 202 households are currently being served and has stated an interest in returning; 16 have opted out of Case Management , but have not waived their right to return; and to date, 21 of tier one families have not been located. As time goes on, we expect the service numbers to increase and we will continue to work aggressively in locating former residents who have not been reached.

### • What have been your experiences with the Section 8 program?

I have experienced that the Section 8 program basically creates disparities between lowto moderate-income families and market rate tenants. You are either too rich for public housing or too poor for market rate units. There has to be a balance across the board.

# • What housing challenges face other former C.J. Peete Residents? How should these challenges be addressed?

There are several challenges that face former C.J. Peete Residents; however, I believe some must take preference over others based on their immediacy and I have provided recommendations on how each of these challenges can be addressed. **NOTE:** ALL RESIDENTS AT VARIOUS SITES FACE SIMILAR CHALLENGES, WHETHER THEY ARE PUBLIC HOUSING OR VOUCHER RECIPIENTS.

### Current Challenges

The social element needs to be addressed. Each of the sites are in need of a Community Center or a place within their immediate environment that offers services to address the social needs of everyone in the home, not just the head of household. Key issues that need to be addressed include:

- Employment
- Literacy
- Transportation
- Affordable, quality early childhood education
- Locating social services in cities where residents have been displaced
- Lack of Community Schools
- Limited Healthcare Services

All these elements need to be addressed to assist residents in gaining housing, as well as, sustaining it.

#### Recommendation:

- 1. Each redeveloped site in conjunction with a Community Center, needs a community social service component to address the needs of residents. Consequently, if we do not address the social element of everyone in the household, and provide services at every site, we will be back where we were ten years ago. As a result of being awarded the HOPE VI grant, C.J. Peete is fortunate to have a great team of Case Managers who have been hired by Urban Strategies to assist residents in overcoming barriers.
- 2. Since the lack of employment opportunities is a real challenge, the enforcement and oversight of the Sec.3 hiring process is critical in assisting qualified low-tomoderate income individuals in gaining employment. We recognize the challenges each site faces in addressing the pressing needs of the many families we serve; therefore, we have formed a collaboration with the other sites beginning with a Construction Training Program coordinated by the C.J. Peete Team and community partners to proactively address the Sec.3 hiring process at each site.
- 3. We have plans to open an Early Childhood Education Facility on site because of limited childcare throughout the city and the central city community. As well as, providing resources through the developer to rebuild a state of the art school adjacent to C.J. Peete at Carter G. Woodson which will include a health program; redevelopment plans also include modernizing A.L. Davis park for youth recreation activities. I recommend that all sites address redevelopment from a holistic approach by doing our part in addressing all issues to the greatest extent possible.

Challenges Returning Home

- Getting out of their current leases with landlords to return to New Orleans, or their pre-Katrina residence
- Relocation expenses
- Paying deposits

### Recommendations:

- 1. Currently HANO will approve a family / individual getting out a lease to return to public housing, but does not typically approve it if you are a voucher recipient. I recommend that HUD, HANO or the developer pay an early termination fee to the landlord. That way, no one loses out. In turn, the two government entities and the developer fulfill their obligation of returning families back to the site, the tenant gets their deposit which can assist them with paying upcoming deposits and related moving expenses, and the landlord gets paid making it a win, win situation for all concerned.
- 2. Relocation expenses are only offered to residents returning to public housing sites. Therefore, I recommend that the fees be offered to anyone deemed having a right to return to the site if in fact they are returning to their site. The rationale is that each resident was involuntarily moved out, so each should be assisted in returning.

### Challenges When Residing In Redeveloped Sites

- No group to advocate on resident's behalf
- Outdated HUD regulations
- Lack of male involvement in the family

#### Recommendation

- 1. Each site needs a Resident Council or advisory group made up of a diversified group of residents who reside in the community to advocate on their behalf. There should be a set criteria that is developed with the current leadership, Legal Aide, HANO and the developer approved by HUD.
- 2. HUD regulations should be revised to address the transitioning of public housing.
- 3. The father being present in the home should be viewed as a means to selfsufficiency for the entire family, not a penalty or a loss of benefits. The reason being is that two incomes in the current housing market cannot financially sustain the household in today's economy.

#### Conclusion

Overall, these are several problems in which I have proposed recommendations that can take place in the interim. However, to truly address the housing and unemployment crisis in New Orleans, incentives should be provided to insurance companies to lower their rates (housing and commercial). In turn, we need landlords to lower rents back to pre-Katrina status. Additionally, employers can begin hiring again to increase the employment rate. As far as, the demand for housing goes, blighted property throughout New Orleans needs to be rehabbed, demolished and rebuilt – including HANO property. Ultimately, families can regain stability and move on with their lives. It will be then, we can say that the City of New Orleans has truly recovered.

Thank you for this opportunity to share our experiences, challenges and most of all recommendations on the status of the "Big Four" and the state of housing four years after Hurricane Katrina.

Respectfully,

### Jocquelyn Marshall

Jocquelyn Marshall President, C.J. Peete Resident Council