

Testimony of Krystal Williams, Executive Director, Louisiana Housing Alliance,
presented to the Ad Hoc Subcommittee on Disaster Recovery
Of the
Committee on Homeland Security and Government Affairs
United States Senate

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Madame Chairwoman and Committee Members, thank you for the opportunity to testify today on behalf of housing advocates in Louisiana about the deficiencies in Federal disaster housing assistance after Hurricanes Katrina and Rita

My name is Krystal Williams, Executive Director of the Louisiana Housing Alliance (LHA). Formed in 2006, we are a non-profit statewide coalition that works to ensure the preservation and production of quality affordable housing for low to moderate income Louisianans and those with special needs. Specifically this involves advocating for a greater coordination in public policy that supports quality affordable housing for low-income citizens, conducting research and policy analysis as to the housing needs in Louisiana, and educating as to best practices for providing affordable housing. This coalition consists of housing advocates, social service providers, Community Development Corporations, and Community Based Housing Organizations who realized the need for such an alliance after the devastation caused by Hurricanes Katrina and Rita. We are the only non-profit statewide housing policy advocacy organization in Louisiana.

Since these catastrophic disasters, the LHA has worked closely with a number of state and local government agencies, and national partner organizations such as the National Low Income Housing Coalition (NLIHC), Policy Link, Oxfam, and the Equity and Inclusion Campaign to assist our elected officials and government agencies in identifying the actual deficiencies in federal disaster housing assistance after Hurricanes Katrina and Rita and work with them to develop real solutions and recommendations for improvement. Overall, the findings of this report can be undoubtedly supported by many state and local agencies, and non-profit organizations that work without ceasing to ensure that the populations that they serve are assisted timely and fairly allowing them to return home. However, due to the fact that FEMA had no operational catastrophic housing plan when Hurricanes Katrina and Rita struck, housing recovery has been stalled, and thousands of people face the possibilities of homelessness while others remain in exile

Two critical issues that continue to slow recovery and the return Louisianans to their homes include: first, the effectiveness of Federal public assistance funds should not depend on which particular state they were allocated to due to the dependency of Federal agencies upon state and local governments. Second, FEMA's post-disaster housing assistance programs were not designed to address the needs of severely low income. According to the Stafford Act, major disaster must be based on the finding that "the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary." The responsibility of program implementation of Federal funds fell heavily

upon State and local government agencies that were beyond the capability to respond effectively. They lacked the capacity for case management to implement programs and administer assistance. This subcommittee report states that flawed FEMA public assistance programs blocked State and local governments from restoring public services needed for housing recovery.

The disbursement of the FEMA disaster vouchers has not led to the timely transition of families and individuals from temporary housing to affordable homes. Although these vouchers were needed and critical to recovery efforts, transition has been delayed because of the absence of available rental units. Many private developers participating in the Small Rental Program under the Louisiana Recovery Authority (LRA) built affordable rental units after Katrina but are still waiting on reimbursements from the State while families and individuals receiving assistance are still waiting to transition into homes. "Deadlines and numerous expirations on Disaster Vouchers and Temporary Housing Assistance continue to threaten families served by FEMA and DHAP assistance programs with eviction and homelessness, averted by last minute decisions that promise short extensions, yet program end dates are not tied to timing of permanent housing coming back on line. The lack of systematic case management systems hinders the movement of people from temporary housing programs to affordable homes coming on line."

In February of 2009, Secretary Donovan extended the Disaster Housing Assistance Program (DHAP) to August 31, 2009 allowing a six month extension. Those who are not eligible for vouchers are based on income (they make more than 50% AMI), are convicted felons, or sex offenders. The constant threat of DHAP expirations leaves many worried and stressed about where they will live; and this also raises concerns about rising levels of mental health problems in our communities.

The early refusal of FEMA to fund a rental repair program left many individuals and families with no other choice but to reside in trailers and hotels. While the State works to increase the stock of affordable housing, the deadline for the removal of FEMA trailers is constantly being extended. Just recently the deadline for removal of trailers was extended to May 1, 2009 by the Department of Homeland Security Secretary. It has been reported that of the 1,271 FEMA trailer sites that exist in Orleans Parish half of the homeowners living there have just begun to fix their homes and the other half have not even started. Leadership from FEMA and HUD should have administered funding and programs in such a way that resources were put into restoring communities through providing long-term solutions to maintain healthy communities rather than wasting resources with short-term fixes.

The lack of funding for case management is a critical issue in Louisiana. According to the Long Term Recovery Initiative Program (LTRO) of the United Way for the Greater New Orleans Area, servicing Orleans Parish and Jefferson Parish, there is a great need for federal case management funding for the non-profit sector to continue to assist Katrina and Rita clients. In Jefferson Parish alone, there are at least 22 clients of this organization who need continued assistance to rebuild. Most non profit organizations in this area have

hundreds, if not thousands of clients that may not have yet been assisted. Their greatest fear is that these clients will be left with no one to help navigate them through the process once agencies no longer have Long Term Recovery Case Management Programs due to lack of funding. These twenty-two cases have gone through extensive screenings to determine eligibility. This number may seem small but most of these cases need extensive rebuilding work done to their homes which can total over \$450,000.

All of the money the LTRO's have received for administrative costs and on behalf of clients is from other non profits or faith based organizations. None have come from government or the state. Most Katrina survivors go to non profits, such as United Way, for assistance. Once the case management programs are gone, there will be little assistance available for clients to be referred to. These clients, especially those in FEMA housing will ultimately end up homeless or in uncomfortable living arrangements.

Leadership and accountability from the Federal government must be provided for long-term disaster recovery of future catastrophic events to ensure an equitable recovery. Federal public assistance must be uniform across the Gulf Coast, not heavily reliant upon state and local government agencies to direct recovery in their time of suffering. Each state is under different leadership with different policies, therefore, it is no guarantee that the missions of FEMA and HUD will be successfully accomplished without providing stronger oversight and public assistance to states and local government agencies.

These problems will not end with Katrina and Rita; more storms will come; more storms have come; so FEMA must have an operational catastrophic disaster plan. Similar information regarding FEMA's response following Hurricanes Gustav and Ike has been reported. Bayou Interfaith Shared Community Organizing (BISCO) stated that Terrebonne Parish is experiencing "forced migration by federal policies." Following Hurricane Gustav, there is an increased need for extended mandatory evacuations, besides the inherent financial stressors, causes an increased need for sheltering and emergency housing, as well as short-term housing. Flood Zone Regulations that prohibit the use of federal emergency housing for entire parishes/regions of the state create the effect of delaying, deterring and preventing housing recovery for large numbers of people causing forced migration on populations that have lived in these communities for hundreds of years.

In February of 2009, housing advocates from across the Gulf Coast Region convened with our national partner organization organizations to discuss disaster recovery. We met with HUD, FEMA, the Office of Management and Budget, and elected officials from Alabama, Louisiana, Mississippi, and Texas. From that meeting, disaster recovery assistance problems were identified and recommendations for improvement were made to FEMA and HUD as follows:

Move FEMA outside of the jurisdiction of the Department of Homeland Security to again become an independent, cabinet-level agency. There is a need for more accountability

and less bureaucratic red tape that has been indicative of FEMA within the Department of Homeland Security structure.

Devise an effective National Disaster Housing Strategy. FEMA failed to submit this comprehensive disaster housing plan on time as required by law. The plan that was finally submitted fell far short of providing clear path forward for reforming how temporary and permanent housing recovery is conducted in an effective and equitable manner after a disaster. The Senate Disaster Subcommittee and Secretary Napolitano should review the strategy submitted by FEMA in January 2009 to ensure that both long term and short term disaster housing strategies are in place. Any new plan must address the fundamental flaws in procedure and recovery approach that were revealed over the last three years. The plan must set out agency roles to lead disaster housing efforts, particularly in the areas of interim housing, disaster preparedness and sheltering, as well as setting out responsibilities for individuals, local governments and nonprofit organizations, so that lessons from recent disasters benefit future victims in more effective response.

Articulate Clear Structure for Implementation. Devolution of disaster recovery resources to states and localities without sufficient guidance and technical support have meant inequitable treatment for victims of the same disaster, depending on their location and stance of inclusion or exclusion by their local and state governments. This has resulted in uneven recovery of individuals, neighborhoods and parishes.

Ensure that the 60-day extension of direct housing does not expire without a concrete plan to transition current residents into permanent homes. Families these programs assist have faced numerous expirations that threaten eviction and homelessness, averted by last minute decisions that promise short extensions. Concluding the temporary direct housing assistance program successfully will depend upon adequate case management funds to help survivors navigate resettlement and housing subsidy programs to make existing units affordable to temporary housing residents.

Revise the Robert T. Stafford Disaster Relief Act to Protect Against Future Disasters. The response to Hurricanes Katrina, Rita, Gustav, Ike and Dolly demonstrated that the need for a plan to address initial disaster response and long term disaster recovery is a matter of national security. State authorities are simply ill-equipped and unable to cope with recovery on a catastrophic scale. Federal government has the primary duty and responsibility to provide protection and humanitarian assistance for those displaced during catastrophic disaster, as well as lead long-term disaster recovery in such a way as to meet the needs of all displaced persons, with special attention to vulnerable populations, until conditions associated with displacement

Structure funding sources to address most vulnerable needs quickly. While CDBG funds were allocated as a 'flexible' source of federal funds to serve recovery needs of

individual households and community infrastructure—these funds are intended to serve low and moderate income households. Yet bureaucratic rules hampered this purpose, hampering programs and making the most vulnerable households the slowest to be served. More affluent neighborhoods in Louisiana, Mississippi, Alabama and Texas have returned to a spectrum of services and occupancy, while lower and moderate income neighborhoods in those states are still hobbled by the pace of recovery funding.

These recommendations support and add to the recommendations made by the Ad Hoc Subcommittee on Disaster Recovery. My testimony only highlights a few examples of the experiences of housing advocates on the ground in Louisiana resulting from the deficiencies in federal disaster housing assistance after Hurricanes Katrina and Rita. These flaws have caused increased stress on individuals and families needing assistance and state and local government agencies and nonprofit organizations that work to assist them. Those that work to assist recovery are victims themselves of Katrina and Rita. Yet we are overcoming and have not remained victims. Non-profit agencies across the state continue to analyze policies to make better recommendations for improvement, provide case management, build affordable housing while remaining flexible to fulfill any other need of the community that should arise.

The housing community in Louisiana has strengthened and will continue to support the work of this Subcommittee to improve the housing conditions of the people we serve. With a new administration in place it is our hope that a more integrative strategy will ensure that disaster assistance correlates with overall long-term recovery goals set by FEMA and HUD.

Thank you for inviting me and considering these recommendations supported by the Louisiana Housing Alliance which came from the work of so many housing advocates working across the Gulf Coast Region.