

## **STATEMENT OF CHAIRMAN LANDRIEU**

U.S. Senate Subcommittee on Disaster Recovery

*Five Years Later: Lessons Learned, Progress Made & Work Remaining from Hurricane Katrina*

August 26, 2010

### **Scope of the Tragedy**

Hurricane and the ensuing flood claimed the lives of 1,577 Louisianans and hundreds more across the Gulf Coast. More than 800,000 citizens were displaced — the largest diaspora since the Dust Bowl of the 1930s. More than 200,000 homes in New Orleans were damaged or destroyed. Here in St. Bernard Parish, 81% of the housing units were damaged. 80% of the housing in Plaquemines Parish was damaged, and in St. Tammany Parish, the figure was 70%.

### **Failure of the Federal Government**

The levees, marshes, and barrier islands that should have protected Louisiana's coast from Hurricane Katrina had been weakened over time, and were ultimately insufficient in large measure due to decades of underinvestment and gross mismanagement by the federal government. In addition, the federal response to this unprecedented tragedy was slow, planning was insufficient, and personnel and funding came up short. Slowly and steadily, and with help from the federal government, strong local leadership and millions of volunteers, the city and region set about its recovery and rebuilding.

### **Progress Made**

#### *Flood Protection*

In the five years that have passed since federally-maintained levees failed and flooded 80% of New Orleans and all of St. Bernard Parish, the Corps of Engineers has committed \$14 billion to provide 100-year flood protection to southern Louisiana, by constructing higher and stronger floodwalls, re-designed levees, and new pump stations. They have also constructed a surge barrier near the Inner Harbor Navigation Canal which is the largest flood protection structure in the United States. We have closed the Mississippi River to the Gulf Outlet, which funneled storm surge into this parish in 1965 during Hurricane Betsy and again with Katrina in 2005. Senator Domenici and I passed legislation in 2006 that will provide Louisiana and other energy-producing Gulf Coast states with a long overdue share of the revenues from new offshore leases. These proceeds will provide a permanent funding stream to restore our coastal wetlands. I will continue to press for an integrated approach towards water management, acceleration of projects and offshore proceeds, and for at least 80% of BP fines to the federal government to go toward coastal restoration efforts in the Gulf.

#### *Housing & Neighborhoods*

HUD is on track to complete four major developments in New Orleans that will provide affordable housing to the city's workforce and mixed-income communities with a higher quality of life due to better infrastructure, land use planning, and a full range of services. The State of Louisiana is winding down the largest housing program in U.S. history, having disbursed \$10.4 billion to 127,000 homeowners and thousands more to renters and small landlords. It took nearly two years to secure funding for Louisiana that was proportionate to its share of the overall damage, but we eventually got it done. Congress has also changed the law to provide case management services for storm survivors to find housing and employment and access services such as financial or mental health counseling. We

helped to reduce FEMA's reliance on trailers, by authorizing the cost-effective repair of rental units after disasters and securing \$400 million for alternative solutions like Katrina Cottages, which are housing storm survivors in Lake Charles, Baton Rouge, Treme, and at Jackson Barracks here in St. Bernard Parish.

### *FEMA Reform*

Poorly trained FEMA personnel cycled in and out of communities every few months after the storms, sometimes reversing eligibility decisions after communities had purchased land and executed contracts, failing to provide information in writing, managing the Public Assistance program in a manner that focused on process over outcomes. All the while, I heard stories about places like Peebles Elementary in Iberia Parish that was declared eligible for replacement outside the floodplain, only to be left holding the bag after purchasing a new parcel of land for the facility when another FEMA employee decided to revoke their eligibility months later. FEMA has doubled its workforce since 2005, and established new training and credentialing requirements for reservists. Joint planning and exercises with state and local governments have increased, and a newly established Logistics Directorate now pre-stages supplies and pre-negotiates contracts for equipment and services before hurricanes come ashore.

FEMA's Public Assistance Program had been a source of significant delay in the recovery. FEMA staff delayed the rebuilding of St. Bernard Parish's wastewater facility for years after the storm, opting instead to pay contract trucking companies millions of dollars to ferry sewage out of the parish on a weekly basis while people were forced to endure not months, but years without this most basic of services. Disputes like this one, which have sometimes persisted for several years, prompted me to establish an arbitration panel which has issued \$545 million in awards to Gulf Coast communities since its inception, including \$474.5 million for the replacement of Charity Hospital. The catastrophic scale of Hurricane Katrina prompted a Congressional waiver of the 10% cost-share for facility repairs, which resulted in \$835 million in savings to Louisiana. Congress also capped flood insurance penalties for schools, police stations, and fire stations, and authorized lump sum settlements to allow for their systematic rebuilding in lieu of a building-by-building approach.

### *Education Reform*

After decades of poor performance, the public education system in the City of New Orleans has become a laboratory for innovation and change. The city has a higher percentage of students enrolled in charter schools than any other in the country, it has experienced an influx of new teacher talent, and test results have improved for the last 3 years in a row.

### *Health Care Infrastructure*

The Department of Veterans Affairs broke ground in June on a new \$1 billion medical complex in Mid-City, and the State is moving forward with plans to replace Charity Hospital with a new medical center and biomedical corridor adjacent to it. Local governments are also working with Federal agencies to sustain the 93 Community Health Clinics that have emerged since the storms to offer primary care and mental health services to the region's low-income residents.

### *The Rise of Nonprofits*

Civic participation and nonprofit activism are at an all time high, providing the region with a new framework and engine for self-determination and renewal. Neighborhood associations like the Broadmoor Improvement Association, Beacon of Hope, NENA, and the organization that Ms. Anderson represents here today, have increased their capacity and taken an active role in the redevelopment of their communities through blight removal, crime reduction, economic development and other initiatives.

### *Planning Capacity*

Since 2005, Louisianans have developed a series of planning tools to enhance resiliency, safe rebuilding, and smart growth. The Louisiana Speaks Plan used charrettes to gain input from 18,000 residents, the legislature adopted a statewide building code, New Orleans schools developed a Master Plan for facilities, and the City of New Orleans adopted a comprehensive plan that includes special attention to the concept of living with water. Green design and sustainable building methods are on the rise, the American Planning Association held its annual conference in New Orleans earlier this year, and groups like the Center for Planning Excellence in Baton Rouge are helping to implement new approaches toward land use and development.

### **Challenges Remaining**

We have more work to do though, both at the community level, and from a national policy perspective. More than 60,000 blighted, vacant, or abandoned structures remain throughout the metro region. Crime rates in New Orleans are higher now than they were prior to Katrina. Traditional industrial sectors such as energy, maritime shipping, and shipbuilding have continued to shrink, and we must do more to produce a skilled and educated workforce that can attract new businesses to the region and help local startups to flourish.

The federal government's current approach towards the challenge of flood protection, coastal wetlands loss, and rising sea levels is slow, underfunded, and narrowly focused on structural defenses. FEMA has not brokered a standing agreement with HUD to provide temporary housing or procured any alternatives to trailers. The Stafford Act remains limited in its ability to support recovery from a catastrophic disaster. And we do not have a framework in place to get children back into school or day care after they've been displaced by a disaster.

### **Message of Hope**

But despite the massive blow of the recent oil spill and moratorium, this region has been buoyed by new leadership, indomitable optimism, and a strong sense of purpose. I will continue working with other members of the delegation to fix broken institutions and correct flawed policies in Washington. And I am confident we can meet all of these challenges head on, by leveraging both the unbridled determination of our citizens, as well as the vast economic and cultural resources of our region.

As we spend this week reflecting on the progress made since Hurricane Katrina, Louisiana families, businesses and communities face yet another crisis in the Gulf. But with the proper leadership and vision we will overcome this, too. Elected officials at every level along the Gulf Coast will fight to ensure that BP pays everyone affected by this disaster, cleans up the marshes and waters that our fishermen depend upon for their living, and we will fight to get the moratorium lifted so the people who produce the oil and gas that power our entire country can go back to work. The Gulf Coast

overcame Katrina and Rita. We overcame Gustav and Ike. And, we will overcome the Deepwater Horizon disaster, as well. That starts with a robust federal, state, and local partnership to rebuild our coast, and as President Obama has committed, to make it stronger than it was before the spill and before Hurricane Katrina.

### **Hearing Overview & Segue Way**

Today's hearing will examine the lessons learned from Hurricane Katrina, the progress we have made in the five years since, and the work that remains to be done. We are privileged to be joined by the directors of the three Federal agencies with the largest stake in Louisiana's recovery, as well as an array of local representatives from government, academia, and the nonprofit sectors. Together, they will testify about a range of recovery issues from the perspective of several different Southeast Louisiana parishes.

I'd also like to thank Congressman Melancon, Congressman Cao, and Congressman Scalise for being here to participate in this important discussion. We look forward to receiving our witnesses' testimony, and I thank you all for being with us here today.