

TESTIMONY OF CONNIE UDDO

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NEW ORLEANS, LOUISIANA

Before

The COMMITTEE ON FINANCIAL SERVICES

SUBCOMMITTEE ON HOUSING AND INSURANCE

"New Orleans: Ten Years after the Storm"

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My name is Connie Uddo, Director of the St. Paul's Homecoming Center, which operated as a Hurricane Katrina Recovery Center from 2006-2014 in the Lakeview and Gentilly Neighborhoods of New Orleans and would still be operating today had we not lost funding in 2014. In preparation for this testimony, I found previous testimony that I presented in Washington D.C. on May 24, 2007 to the AD Hoc Subcommittee on Disaster Recovery, Committee on Homeland Security and Governmental Affairs - U.S. Senate – chaired by Senator Mary Landrieu. As I read through my testimony, I realized that not much has changed in regards to how government addresses disasters in our country.

I thank you for inviting someone like me that is not with a government agency nor a private contractor, but someone that has been on the **front lines of this recovery** for ten years in New Orleans. Being an everyday citizen was an asset in many ways as I used common sense approaches to rebuilding the community, gained trust of the residents quickly, and knew the geography and demographics of the neighborhood. I will do my best in this testimony to point out what worked and what didn't work from a "boots from the ground" perspective.

I appreciate that you all recognize a need to become more expedient, efficient, and humanitarian in your approach to disaster recovery. It's very important that this process changes and that we get this right as disasters are becoming an everyday occurrence in our country.

In January 2006, my family was the first of ten families to move back to our devastated Lakeview neighborhood of eight thousand flooded homes. While living very much alone and seeing there was very little help coming our way, I realized that the recovery was going to be up to us and the quicker we got going the better off we would be. I started a recovery center out of my home and our mantra in Lakeview became – **"Don't wait for the government"** - they will slow you down and hold you up. If we do, we will in wallow in bureaucracy and false promises. As a result, Lakeview became the model in the City of New Orleans for "Do It Yourself Recovery." Using organizational skills, volunteers and connections

to the private sector, the residents united and raised funding for the rebuilding of schools, churches, a firehouse and our public green spaces all while waiting for FEMA to get their act together.

People of New Orleans were devastated both physically and emotionally by Hurricane Katrina. Depression shifted from the storm to the recovery where **hopelessness and stress** continued for years due to the failures of government programs such as the Louisiana Road Home Program, the Hazard Mitigation Program, and the Non-profit Rebuild Pilot Program (NRPP), to name a few.

LA Road Home – ICF International was awarded a **\$756 million** contract to run 2 Louisiana Road Home Programs: The Homeowner Effort and the Small Rental Repair Program. Both programs failed so miserably, that ICF International is reviled by most Louisianans and is essentially banned from doing new business with the state, but walked away **\$900 million richer, holding lucrative contracts with governments across the country**. The employee that landed the contract for ICF was awarded a **\$1 million bonus** while thousands of people were struggling to rebuild their homes and to return home.

Failures:

- The program's **cumbersome verification procedures** and constantly changing rules dragged out the process for years.
- **Appraisal process total failure** – appraisers were from out of state and didn't know the market. The awards should have been based on loss and bricks and mortar cost to rebuild.
- Paperwork was constantly **lost**.
- Case **managers constantly changed** along with the rules.
- **Lack of caring** for the suffering and unwillingness to find ways to help desperate homeowners.

- When a for-profit company is administering the program, their **priority is to make money** for their company, therefore they avoid spending extra money to assist homeowners in the manner they need.

Hazard Mitigation Program – a State Run Program that contracted with the Shaw Group, a private, for-profit company.

- **Reimbursement** program – homeowners had to come up with the money to raise their homes first and then would be reimbursed.
- Many homeowners borrowed money to elevate their home after being approved, only to be told that a mistake had been made or the rules had changed and they **wouldn't be reimbursed** the \$30,000-\$80,000 or more that they had already spent. One of our homeowners, a middle class, white male with three young children shot himself by committing suicide after he was told he wasn't going to be reimbursed the \$80,000 he had borrowed from his parents retirement account to raise his home.
- Much of the work for this program was administered by the Shaw Group – a Baton Rouge based company that had very little understanding about the issues and demographics that made up New Orleans.
- The Shaw Group did a very poor job in regards to recommending credible shoring companies. Many **contractors were fraudulent** in their practices and faced legal consequences – these contractors were on the Shaw Group's list of recommended contractors.
- The Shaw Group was also hired to oversee the case management part of this program which **failed homeowners** miserably.

If for-profit contractors such as ICF International, Shaw, etc. continue to receive the multi-million dollar contracts to run the humanitarian and public safety piece of recovery, disaster-hit areas will look much like New Orleans does today with areas not rebuilt and over 30,000 blighted homes in the city.

For-profit contractors may not have the experience, or the desire to spend the money to address the humanitarian and public safety issues because they are out to make profits. Had it not been for the non-profits and faith-based organizations, New Orleans clearly would not be economically and socially where it is today.

The Non-profit Rebuild Pilot Program – A State run program that was supposed to fund local Non-profit and Faith-based groups, allowing them to rebuild homes for low income families. They were on the right track with this, but failed because they made it a **reimbursement grant**, constantly **changed the rules**, and made the application and **verification process so cumbersome** that it took years to get approval. These were some of the problems with the NRPP Program:

- This was a **reimbursement grant** which made it extremely difficult for non-profit and faith-based organizations to utilize it.
- Rebuilding programs such as Catholic Charities and the Episcopal Rebuilding Program were forced to close as it took over **two years to get reimbursed** for hundreds of thousands of dollars. They had no funds to continue the work and the churches **totally lost faith** and were exhausted from fighting the system to continue their much needed work in the community.
- Many non-profits “staffed up” to deliver this grant, only to sit for years with **no funds**.
- The application and verification process was so **restrictive and cumbersome** it could take years to get a homeowner approved. One to two years after non-profits had been told that were approved for this grant, not a single homeowner had been approved.
- Paperwork was lost
- The **rules of the grant changed** over and over. They were constantly **moving the goal posts**, with desperate homeowner’s hopes dashed time and time again.

In response to the failures of all of these programs, both non-profit and faith-based organizations stepped up to fill the void. Non-profit and faith-based organizations recognized that the recovery money was not going to make it to the

people who really needed it the most. Despite all of the roadblocks and difficulties, non-profit and faith-based organizations **rebuilt thousands of homes, advocated for thousands of homeowners, and played a critical role in the social and economic recovery** of the city. This is why I advocate for the non-profit and faith-based organizations to be included in disaster relief and recovery funding.

Non-Profits & Faith-based Organization:

- Non-profits are **well prepared to expedite with great efficiency** the distribution of federal funding while not losing their main focus which is to love and care for people who have lost everything.
- Non-profits have gained and become **more experienced, more fiscally responsible** and organized in the past ten years due to the many disasters that have hit our country.
- A critical part of the non-profit and faith-based model is **utilizing volunteers**. Literally millions of volunteers came from all over the world to help with our recovery. This greatly increased the impact that non-profits and faith-based organizations were able to have on the recovery. The dollar value of these volunteer hours is well over \$100 million.
- Had the non-profits and faith-based organizations been given a small portion of the \$900 million that ICF International profited, a much larger portion of the city including the 9th Ward could have been rebuilt by now, with lives and homes restored. You would not see the over 30,000 blighted properties in our city today.
- Government needs to understand that non-profits stretch dollars every day. Better progress would be made in recovery work if they weren't having to fund raise constantly to keep their doors open. Funds need to be given to non-profits upfront absolutely **no reimbursement programs**.
- Government also needs to understand that any money that non-profits receive **goes back into the communities** and the sustainability of the organization, rather than the stock portfolios or pockets of CEO's making multi-million dollar salaries.

- If Government could **identify non-profit and faith-based** organizations with **proven track records** and strong ties in the community to **partner with** immediately after a disaster to administer humanitarian assistance, many more people could be helped in a timely manner. The longer it takes for assistance to be received, the greater the damage both physically and emotionally. We had many houses that were salvageable directly after the storm, but were a complete loss by the time funding was made available years later.

For-profit contractors do play a vital role in recovery, but their **role should be more in the heavy lifting** work such as debris clean-up and infrastructure repairs, not humanitarian, housing, and case management administration.

In the aftermath of a devastating event, victims need hope and energy, yet these two things are quickly depleted. **Hope and energy** are restored when the non-profit and faith-based organizations are involved because of the personal, on-the-ground presence, trust, and relationships that they build.

Contrarily, the for-profit contractor does exactly the opposite. The dysfunctions, bureaucracy, prolonged time lapses and lack of personal caring increases the stress of victims, and robs them of the hope and energy they need to recover.

The money that was received from the government was **greatly appreciated and needed**, but it could have been spent more **efficiently and effectively** had it had been given to the **local stakeholders** who are invested in the community.

I cannot emphasize enough the importance of having a strong partnership between local non-profit and faith-based organizations (boots on the ground) and the government to address humanitarian and public safety issues. **Recovery cannot be a profit-driven enterprise.** It has to be focused on getting the money to the people who need it most, ensuring that the resources are available to rebuild destroyed lives and homes, and that this is done in a timely manner. People

cannot be expected to wait years for assistance. We had homeowners dying or even committing suicide while waiting for assistance that never came.

In closing, I have experienced first-hand what happens when government which works top down and non-profits which work from the bottom up can meet in the middle and work together. Government needs the non-profit to do what they can't do and that is to be the boots on-the-ground everyday doing the work with disaster victims. On the other hand, non-profits need government to enforce laws and policies and to get the money to the devastated communities as quickly as possible. When government and non-profits come together – visible progress is made, and communities are restored. **Together we can be an unstoppable force!**