



One Year After Katrina

NeighborWorks® Recounts Progress Made in the Gulf Coast Region and Announces Ambitious Plans for New Housing and Financial Education Through 2010

A year since Katrina made landfall it's still difficult to comprehend the amount of damage done by the hurricane and those that followed. More than a thousand people lost their lives, and New Orleans and a long stretch of the Gulf Coast was left in ruins. The aftermath of these hurricanes has presented the nation with a tremendous challenge — to clean up and rebuild homes and communities on a massive scale. Over the last year, we have seen tens of thousands of volunteers generously give their time to assist on specific clean-up and fix-up projects. At the same time, the public, private and nonprofit sectors have formed new alliances not only to meet immediate needs, but to plan for long-term solutions for the many residents of hurricane-ravaged communities.

NeighborWorks® Role in Rebuilding

NeighborWorks® America, a leader in affordable housing and community development with a long-time presence in the Gulf, has and will continue to focus on the tens of thousands of families who lost everything and are still in need of permanent housing. Since the hurricanes a year ago, the NeighborWorks® network has worked tirelessly to assist evacuees in meeting their immediate needs, as well as to make decisions about how to rebuild their homes, communities and lives.

NeighborWorks® is working to increase housing production and to help those affected make informed financial decisions, particularly about the use of reimbursement payments. As an urban policy expert recently pointed out in a Shelterforce article, "Without homeownership counseling, people [in the Gulf] could become unwitting victims of unscrupulous and predatory lenders and contractors, who prey on desperate people, do shoddy construction and charge excessive fees. This would lead to large-scale foreclosures in a few years."

The stakes are high. The choices people make will likely affect their families for generations to come.

NeighborWorks® America has embarked upon an ambitious initiative — "Power of Ten" — in the Gulf Coast. The Power of 10 commitment will enable NeighborWorks® America to achieve the following goals by January 1, 2010:

- ▶ 10 NeighborWorks® organizations established throughout the Gulf in Mississippi, Louisiana and Alabama; 10 Housing Resource Centers created across the Gulf region; and 10 strategic partnerships formed,
- ▶ 100 communities in the Gulf region served and 100 scholarships to NeighborWorks® Training Institutes provided to nonprofit industry leaders working in the Gulf,
- ▶ 1,000 resident leaders trained in the Gulf region,

- ▶ 10,000 new or rehabilitated affordable homes available for Gulf residents and Katrina-impacted families,
- ▶ 100,000 families preserve or achieve homeownership, and protect their financial assets,
- ▶ \$100,000,000 in direct investment, and
- ▶ \$1 billion in leveraged investment in the Gulf region.

NeighborWorks® America invites national and local partners to join in our efforts to meet the needs in the Gulf Coast.

“We realize these plans are ambitious,” said Thomas J. Curry, director of the FDIC and chairman of the board of directors for NeighborWorks® America. “But the scope of the disasters calls for a far-reaching strategy for assisting the affected families and communities. What NeighborWorks® brings to the table are considerable assets in affordable housing production, expertise in housing rehabilitation, and excellent resources in financial and homeownership education that can combat predatory lending and foreclosures. These are all capabilities that are sorely needed in Gulf communities.”

“We’re proud of the new homes we’re helping to develop in the Gulf region,” added Ken Wade, chief executive officer of NeighborWorks® America. “But just as important is our educational effort. We believe that the counseling and other resources we provide will prepare thousands in the Gulf region to make informed financial decisions that will have a positive impact on families for years to come.

“How we go about helping rebuild communities is critical. As we have done in every community we’ve served for over 25 years, we will engage new partners and enable resident voices to be heard every step of the way.”

NeighborWorks® Resources Aim for Long-Term Impact

We have already begun our work in meeting the goals of the Power of Ten, and to date, NeighborWorks® has provided more than \$3.2 million in grants and dedicated thousands of staff hours to meeting these goals.

Housing Rehabilitation and Rebuilding:

NeighborWorks® America and our network organizations are helping to rebuild and restore homes and communities throughout the Gulf Coast. For example, with support from NeighborWorks®, Voice of Calvary Ministries, a NeighborWorks® organization in Jackson, Mississippi, provided housing and services to evacuees and built a new 16-unit subdivision in McComb, Mississippi. In addition, NeighborWorks® has provided substantial support to Jackson-based Enterprise Corporation of the Delta (ECD), which, in turn, made loans of up to \$3,000 so homeowners could repair their damaged properties in the hard hit communities of Pass Christian and Biloxi. Enterprise Corporation of the Delta is also developing needed homes for displaced families in Pass Christian.

NeighborWorks® member DASH for LaGrange, Georgia, brought its construction expertise to the disaster area through the establishment of an affiliate organization, DASH of the Gulf Coast. With NeighborWorks® America’s support, the organization has created a homeownership center in



Mobile, Alabama, near the Katrina devastation, and will soon rebuild almost 300 homes that were destroyed in Pascagoula, Mississippi. Within 10 years, Mobile-based DASH of the Gulf Coast plans to build over 1,200 homes.

Working with partners in the region, NeighborWorks® is expanding its reach and assisting more people. NeighborWorks® committed to providing three years of operating support for the newly formed nonprofit real estate development organization, the Gulf Coast Housing Partnership. This new partnership, which has significant development experience, has set a goal of building or rehabilitating 10,000 homes in the region. In addition, NeighborWorks® is assisting the newly formed nonprofit, Providence Community Housing, which is taking possession of adjudicated properties in New Orleans — those that were vacant prior to Katrina — so that it is able to build and rehabilitate affordable homes for families in need.

To help other organizations and partners in rebuilding, NeighborWorks® will offer customized training on specific Gulf-rebuilding issues over the next several years. For example, NeighborWorks® America has significant expertise in housing rehabilitation and NeighborWorks® personnel with construction expertise are helping Gulf Coast nonprofits increase their housing production and rehabilitation. NeighborWorks® hosted a training event in New Orleans in March to assist organizations in the region with hurricane clean-up and rehabilitation techniques. We also trained on worker safety protocols, avoiding unscrupulous contractors, and how best to manage the influx of volunteers and partially-skilled workers in the Gulf.

We have developed new resources specifically for those engaged in clean-up projects. For example, NeighborWorks® America teamed up with The National Center for Healthy Housing, Enterprise Community Partners, and locally with Neighborhood Housing Services of New Orleans to publish a field guide for the clean-up of flooded homes. This step-by-step illustrated guide for do-it-yourselfers and contractors aims to prevent mold-related health problems, save damaged homes and speed the recovery of communities throughout the Gulf Coast region.

Financial Education: Many Gulf residents are asking: Should I return to my hurricane-damaged home? Should I rebuild my house or tear it down? How should I spend my insurance money or check from the state?

Across the Gulf region, signs that “We Buy Houses,” dot otherwise vacant streets, and once families begin receiving funding through the States’ recovery programs, the threat of opportunistic and predatory practices will only increase. Without accurate and unbiased information, families in distress will be at risk of greater loss. We are expanding the reach of NeighborWorks® financial education in the Gulf with a focus on preserving and protecting financial assets.

The NeighborWorks® Center for Homeownership Education and Counseling (NCHEC) recently joined with the FDIC to develop a guide called “Navigating the Road to Housing Recovery.” The purpose of the guide is to assist families in the process of either repairing their existing homes or replacing ruined residences. The guide walks families through various processes, including working with contractors, accessing assistance, dealing with lenders if making mortgage payments is difficult, and applying for rehabilitation loans. Through partnerships in Mississippi and Louisiana with state governments and others, we are working to put this invaluable guide in the hands of those who will benefit directly — Gulf Coast families.

NeighborWorks® America also developed a creative way to deliver counseling services, by taking education and counseling on the road through two “HomeHelp Express buses.” The buses, sponsored by Freddie Mac and NeighborWorks® America, bring assistance to homeowners in the Gulf Coast region by responding to their immediate housing needs. They are equipped with computer labs, workspaces, and counseling advice to help homeowners work through a myriad of tough decisions.

Gulf-Coast Training in New Orleans: The next NeighborWorks® Training Institute will be held December 11-15, 2006. Over 1,500 new and experienced community development professionals from across the Gulf Coast and the nation will attend this high-quality training. Training attendees will have the opportunity to learn about the recovery process, and participate in hands-on volunteer opportunities in recovering neighborhoods.



Inside the Home Help Express bus.

NeighborWorks® and its partners will be offering 125 scholarships to Gulf Coast community development practitioners and volunteers, including those who may be learning about housing and community development for the first time as they rebuild their communities. NeighborWorks® has already provided almost 100 scholarships to our National Training Institutes in San Francisco, Atlanta, Kansas City and Washington, D.C., to Gulf Coast practitioners and volunteers. One participant from Alabama who attended our Training Institute on scholarship summed up her experience as follows:

“The information given in the courses we attended has been very much needed in our area. The experience at the training institute has allowed us to expand into housing counseling services, and we’re also doing a lot of community building. Since Katrina, and even before, we saw a real need for these expanded services, and we’ve been able to fill that need. The training has been very beneficial to us as we serve our homeowners. Right now, we’re helping them work through issues with their mortgage and insurance companies related to the hurricane, and in a crisis like this, good training is really important.”

Engaging Residents in Rebuilding: NeighborWorks® continues to invest in residents’ involvement in their communities to help build community leadership for maximum long-term sustainable impact in the Gulf. The New Orleans Training Institute will feature a symposium, Organizing for Social Equity and Community Rebuilding, which will focus on community organizing and resident leadership needed to rebuild communities in the Gulf Coast and throughout the country. We expect at least 200 resident leaders to attend.

In December 2005, NeighborWorks® participated in a community gathering of approximately 100 participants, including many community leaders, sponsored by Tulane University and Xavier University. Many of these community leaders are helping us to bring together key community organizers throughout the Gulf Coast region. In June 2006, we met with 15 of these key organizers in New Orleans and we are convening a larger group of almost 50 key leaders from New Orleans and beyond in September. It is through this outreach that we have gained the confidence of grassroots organizers and community builders to work with us for the December Community Organizing Symposium and in our future Gulf Coast work.

NeighborWorks® and our partners are supporting the creation of community centers in New Orleans. More than \$200,000 was contributed by NeighborWorks® staff, Sears customers, and the F.B. Heron Foundation to Neighborhood Housing Services of New Orleans, which lost its own office to four feet of flood water and recently moved back to the office after working in temporary quarters across from Lake Pontchartrain. The funds, partly donated by Sears customers through its promotion of the “Extreme Makeover — Home Edition” television show, as well as NeighborWorks® grant support, will help in the creation of three much-needed neighborhood centers. These centers will not only provide a place for residents to rejuvenate as they rebuild, but will serve as a catalyst for increased housing production and community rebuilding.

NeighborWorks® Experience in the Gulf—Our First Response

In addition to our efforts to rebuild destroyed communities, NeighborWorks® and our member organizations played critical roles in devastated areas in the immediate aftermath of the hurricanes. After the hurricanes, our first objective was to meet the basic needs of people, some of whom lost everything. Though NeighborWorks® organizations are not relief agencies, they had housing stock and provided other services that were quickly used to assist families in need. Some 20 NeighborWorks® organizations around the country successfully provided temporary and permanent housing, food, help locating relatives, assistance with recovery paperwork, and many other basic services to more than 3,500 individual evacuees.

One of the thousands helped by NeighborWorks® organizations was LySandra Kenion-Paul, who fled her home in Slidell, Louisiana, with her nine-week-old twins and one-year-old son. She found her way to Charlotte, North Carolina, where she received assistance from NeighborWorks® member Charlotte-Mecklenburg Housing Partnership.

“Within two days, I was settled,” said Kenion-Paul, whose husband, a Louisiana state trooper, remained behind to assist with emergency relief. “Everyone opened up their hearts and gave without any questions, so it’s really been a blessing.”

Texas NeighborWorks® organizations helped hundreds of evacuees from New Orleans and many others from other areas in Louisiana — some of the state’s poorest residents. In Austin, for example, NeighborWorks® member Foundation Communities transformed a modest hotel into emergency housing for nearly 300 evacuees.

“We were able to act quickly because we saw what hurricane evacuees needed was ‘housing plus services,’ which is what we do every day,” said Executive Director Walter Moreau. “In a few days we hired social workers, set up computers with Internet access, and sorted donations so when evacuees arrived, they were greeted with a box of food and everything they needed.”

Affordable Housing Resources, a Nashville NeighborWorks® organization, and its sister organization, the Resource Foundation in Baton Rouge, Louisiana, set up a call center that fielded 45,000 calls a week from Louisiana citizens looking for various kinds of hurricane assistance. Eddie Latimer, executive director of the Nashville nonprofit, said “We’ve helped people find jobs, helped them get out of housing dilemmas, and helped them get unstuck with bureaucratic dilemmas.”

Moving Forward in the Gulf

Looking back on the past year, NeighborWorks® and the NeighborWorks® network have successfully assisted thousands of Gulf Coast residents in meeting their short-term needs. As we pass the one-year mark, and move towards meeting the long-term needs of Gulf Coast families and communities, we are leveraging our experience and expertise to enable existing and potential homeowners to reclaim their lives, to strengthen local capacity to rebuild, to partner with local organizations, government and the private sector to meet the diverse needs of hurricane ravaged areas, and to invest and assist in rebuilding homes and communities.