

WRITTEN TESTIMONY OF PATRICIA H. GAY  
EXECUTIVE DIRECTOR  
PRESERVATION RESOURCE CENTER OF NEW ORLEANS

SUBMITTED TO

HOUSE COMMITTEE ON GOVERNMENT REFORM  
SUBCOMMITTEE ON FEDERALISM AND THE CENSUS  
Congressman Mike Turner (R-Ohio), Chair

POLICY HEARING

on

HISTORIC PRESERVATION vs. KATRINA:  
What Roles Should Federal, State and Local Governments Play in  
Preserving  
Historic Properties?

October 21, 2005

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The disaster Hurricane Katrina has wrought on the City of New Orleans and its surrounding parishes is immense, with major negative economic and cultural impact on the city itself as well as on the state of Louisiana, the Gulf Coast region and the nation. I am pleased to be asked to submit to the Committee on Federalism and the Census our observations and recommendations on the role that the federal, state and local governments should play in the preservation and restoration of the historic built environment of New Orleans. I believe there are solutions. In particular, after many years of involvement in this field I feel more strongly than ever before about the economic importance of our historic neighborhoods and architecture, especially in this time of diminished economic resources.

My organization, the Preservation Resource Center of New Orleans, was established in 1974 and has had a major impact on revitalization of historic neighborhoods in New Orleans since that time. The population of New Orleans peaked in 1960 at 629,000 and while the city's current population of under 500,000 has not started to increase, prior to Hurricane Katrina we have seen residents returning to, and remaining in, almost all of the older neighborhoods in the city. No one yet knows what the city's population will be once stability returns in the aftermath of the disaster, but we feel sure that should resources be applied to promoting the livability of the city and its unique neighborhoods that the city's population will increase. Some of the areas where the PRC programs, working with other organizations, have had impact in revitalization are Lafayette Square, Warehouse District, Algiers Point, Algiers Riverview, Bywater, Holy Cross, Esplanade Ridge, Lower Garden District, Irish Channel, Faubourg Delachaise, Edgewood Park, Ponchartrain Park, Gentilly Sugar Hill and many others.

It is important to understand the issue in perspective. There is some good news – basically all of New Orleans that the typical visitor might see, did not flood. It remains to be determined, of course, what the ultimate impact of the flooding in others will be on all New Orleans neighborhoods. In the following discussion about the buildings of New

Orleans, both historic and later buildings, we of course are for the most part talking about the homes and neighborhoods of the people who live here, and that in New Orleans in most cases there is much diversity, cultural, economic and sociological.

Of the 175,000 – 200,000 buildings in New Orleans, 37,000 buildings are in National Register districts. Of these 37,000 buildings, almost 30,000 are in the oldest areas of the city that developed along higher ground along the river and on ridges of higher land. These neighborhoods, which did not experience severe flooding, stretch downriver from the Vieux Carre to Bywater and the Industrial Canal, and upriver along the St. Charles Avenue streetcar line all the way to Carrollton. Although these older neighborhoods did receive more wind damage than initially realized, and while there was some flooding, these districts and their many unique neighborhoods are basically intact. Even Holy Cross, a National Register and local historic district that is in the Lower Ninth Ward, is more or less intact, in spite of flooding. These are the neighborhoods that give New Orleans its unique visual identity, an identity that so many people around the world recognize and love.

We are also fortunate that there was very little flooding on the West Bank, which includes the Algiers Point Historic District, bringing the approximate total number of New Orleans buildings in areas that had very little or no flooding to an approximate total of 50,000. However, we must keep in mind that wind damage in the entire city is much greater than initially estimated.

The real tragedy of course is that so many areas were underwater for up to two weeks, and some areas flooded a second time from Hurricane Rita. While there are raised houses that are less damaged, and while there are stretches of higher ground that did not flood, it seems that there are around 100,000 buildings that had standing water for several days.

There are five predominantly twentieth century areas that are National Register districts, and there are other neighborhoods that we believe might be determined eligible for National Register listing, all of which flooded. The National Register districts are Gentilly Terrace, Mid-City, Parkview, Broadmoor and South Lakeview, for a total of 7,527 buildings. Holy Cross, with 857 buildings of both late nineteenth and early twentieth century also flooded. Prior to the storm, my organization was working with many other neighborhoods that flooded, some of which we believe are nationally register eligible, including Ponchartrain Park, the first suburban development built for African Americans, in 1950, and neighborhoods along Elysian Fields and Gentilly Boulevard.

Most of the buildings in New Orleans East, Lakeview and the Lower Ninth Ward were flooded, as well as other areas between I-10/Claiborne Avenue and Lake Ponchartrain. Most still do not have power or water. In the Lower Ninth Ward we are fortunate that the National Register and local district of Holy Cross is on higher ground and did not have water standing as long as the rest of that area. Residents were allowed back into Holy Cross for the first time on October 13. A small portion of Lakeview is on the National Register and many residents are working on their homes, with water service reinstated and electricity gradually becoming available.

Most of the buildings in these neighborhoods had several feet of flooding, and because citizens were not allowed to return to their homes the houses now have mold. The mold can be removed, as we have learned, and we are giving workshops and advice on how to remove wet and moldy materials and possessions. It can be done. In most cases the structural integrity of the buildings has not been impacted. Yet this is a very difficult process and homeowners need assistance. Working in partnership with the National Trust for Historic Preservation, the PRC has developed programs to assist homeowners with their damaged houses. We are encouraged that more and more people are returning each day, yet we want to see more. We believe these neighborhoods are an economic gold mine, but only if they are recognized as such and revitalization measures put in place.

We are fortunate indeed that so much of the historic built environment of our city survived Hurricane Katrina, because the devastation would otherwise be total. If our city has a future, it depends upon preservation of our historic built environment, and upon saving as much of the twentieth century neighborhoods as we possibly can, because historic districts alone do not a city make. The fate of our twentieth century neighborhoods, including later suburban development, will have a major impact on the older areas. We need people moving back into these later neighborhoods, and we need to help them with their flood-damaged homes. That is the current focus and mission of my organization, and an important part of our mission is to convince local, state and federal leaders that a plan must be developed immediately to encourage and assist residents in returning to their homes.

It should be a given, of course, that at the least New Orleans would keep in place all current protective and review procedures and commissions, not diminish them in these challenging times, but these agencies have indeed come under scrutiny and have been diminished in staff. Over the years we have found that designation of historic districts for protection and review has at the least maintained stability and in most cases stimulated revitalization. Before the storm, several neighborhoods were seeking historic district designation. We feel the Historic District Landmarks Commission should be able to accommodate any neighborhood that qualifies for designation and that seeks such designation.

The economic significance of preserving the historic built environment of the City of New Orleans cannot be overstated. It was important before the storm, and is even more important now. Collectively, historic preservation programs, including the federal tax credit for historic rehabilitation and local city preservation agencies, and organizations such as my own, have generated a major industry for the city. Because of renovations in New Orleans, the state of Louisiana ranks consistently in the top ten states attracting the most investment dollars through renovation projects. This translates into jobs, far more jobs than new construction, with the added contribution to cultural heritage and quality of life that new construction fails to contribute. Additionally, a focus on older neighborhoods has helped retain and attract residents in these neighborhoods, again with renovation dollars generating jobs and restoring vitality to older inner-city areas.

More residents and more jobs is good for business. Small businesses thrive where there is renovation activity going on – more residents mean more customers and clients. In turn, this leads to more business activity and also to a stronger cultural tourism industry.

In New Orleans, our tourism is by definition cultural tourism. Surveys have indicated time and time again that people visit New Orleans to enjoy the ambience and cultural vitality of our older neighborhoods. For example, dollars spent on promoting gambling do not get results the way dollars spent on promoting cultural attractions get results, and surveys indicate that directly or indirectly historic architecture is part of the attraction. Tourism was important before the storm, and it is more important now. Fortunately, as indicated earlier, the many parts of the city that visitors frequent are in tact - we must be sure they remain so, and in fact we can broaden the tourism experience to stimulate economic recovery in other parts of town, by creating plans and objectives to do so. This is perhaps the best part of the tourism industry – if we do it right, it can lead to other business development. Attractive and thriving older neighborhoods are very appealing to business investors, leading to more jobs and a better quality of life for all. New Orleans can stimulate its economy post-Katrina by putting such strategies in place.

There seems to be a misunderstanding among leadership at the local level about the structural integrity and the restorability of the homes that were flooded. There is a void of recognition of the remarkable energy and determination of heart and soul of residents who are willing and able to return and restore their homes. We have heard primarily talk about demolition, which is the ultimate failure and which would be an economic disaster. While we realize that there are many issues that must be resolved, such as levees, insurance and building codes, and that some buildings will be lost, we believe that a commitment to historic preservation and assisting residents in returning to their homes would greatly alleviate the disastrous economic conditions facing the city at this time. This should be a top priority in our recovery efforts.

Fortunately there is the Section 106 review requirement of the National Preservation Act, which we believe will prevent demolition using federal funds of buildings in National Register districts and eligible districts. However, we must go beyond preventing demolition - buildings must be put back into service. Plans need to be in the making for helping people restore their homes to livability. Furthermore, without priorities and plans in place, the likelihood increases that owners will not return to their homes, and that they, or new owners, will request permits to demolish their buildings, which would not be subject to Section 106 review. This is a major issue. Additionally, since those who work in historic preservation tend to see the city holistically, there is concern for the future of all neighborhoods, not just historic neighborhoods.

The City of New Orleans has endured a devastating tragedy, but all is not lost and there remains hope. The historic neighborhoods of the city remain, and can be the launching pad for economic recovery and for rebuilding our population. The federal government can and must assist in preventing needless demolition of this economic and cultural resource of national importance. There is even an opportunity to provide an example of success in

rebuilding an older city, at a time when so many cities across the country continue to experience population decline, resulting in urban problems of major dimensions.

We thank you for the opportunity to present information and to make recommendations on the role the various levels of government should play in these critical times.

### RECOMMENDATIONS

#### Recommendation I.

Require plans for homeowner assistance and neighborhood recovery. Buildings, historic or otherwise, will not be restored without residents. We submit that should the federal government be concerned about economic recovery and sustainability in New Orleans, there should be a requirement that the city have a plan in place that acknowledges the economic importance of attracting homeowners back to their homes, and a plan that provides for restoration of the livability of as many existing residences as possible. Certainly a priority would be properties in National Register districts and eligible districts, but there are many other neighborhoods that are economically as well as culturally and sociologically important which should be included in such planning. Additionally, the city should be encouraged to establish a residential development plan, with the participation of neighborhood associations.

#### Recommendation II.

Related to the above, the city should be encouraged to utilize the historic district commissions toward the end of reestablishing populations and revitalization. These agencies should be considered economic development resources. They offer tremendous opportunity for restoring vitality and growth in New Orleans.

#### Recommendation III.

We urge the federal government to take the necessary action to provide grants to all homeowners (within a particular income range) who were uninsured or underinsured who wish to restore their homes.

#### Recommendation IV.

Request that federally-funded programs for neighborhood revitalization and assistance to homeowners be implemented in such a way as to create economically mixed neighborhoods. The idea behind the Hope VI program, to create mixed-income neighborhoods, should be applied to existing neighborhoods. By confining all HUD programs to very low-income buyers and renters, for example, the need for mixed incomes is not accommodated. To put buildings back into service and to stimulate vitality in existing neighborhoods, programs must be available to middle-income buyers as well, in order to create the needed mix of incomes. Unfortunately, over the past several decades cities throughout the United States have experienced a decline in middle-income residents, a problem that must be reversed because there is no such thing as a viable, functional city without an urban middle class.

#### Recommendation V.

Establish a federal preservation grants fund for the disaster areas that would be implanted by the states affected by Hurricane Katrina. Since so many historic buildings have been destroyed, it becomes even more important to ensure that damaged historic properties are not lost. The National Trust for Historic Preservation is advocating a \$60 million fund for this purpose.

**Recommendation VI.**

Establish a one-time pilot homeowner rehabilitation tax credit for the disaster areas. In past years there was considerable bi-partisan support for a homeowner tax credit, but the proposal was not ever voted out of committee. Such a credit would have a major impact encouraging homeowners to return and restore their homes in disaster areas. Tax incentives work incredibly well, and are important because they attract private sector investment. There is always an impressive "ripple effect" in attracting more private sector investment as well.

**Recommendation VII.**

Alleviate some requirements of the federal tax credit as necessitated by conditions in the disaster areas.

**Recommendation VIII.**

Regarding urban disaster preparedness as well as revitalization, we believe public transit should be an important part of the planning. After the disaster, public transit could play an effective role in revitalization, for example, possibly including, as in the case of New Orleans, funding for a new streetcar line serving the downtown neighborhoods. In making plans for evacuation, mass transit should be incorporated to the degree possible.

**Recommendation IX.**

Encourage the State of Louisiana to recognize the economic significance of its preservation programs and to incorporate preservation measures in its recovery plan. For many years historic preservation programs, such as Main Street and tax credit projects, have had major impact on the economy of towns and cities across the state, as well as on the state's second largest industry, tourism. With a focus on these programs the economy of the state is likely to rebound more quickly.

**Recommendation X.**

Some states already require municipalities to have growth and development plans in place that include protection of historic and environmental resources. Perhaps this would be a good time for Louisiana to consider such a planning requirement of municipalities.

**Recommendation XI.**

Last but not least, maintain the Section 106 review process through FEMA. Without a commitment to the Section 106 review process, there will be tremendous pressures to resort to "quick files" for demolition, rather than well thought out, long-term solutions. Already the FEMA-led survey teams inspecting New Orleans houses detect a tendency, as evidenced by red stickers applied to buildings by city inspectors, sometimes to label a building with even minimal damage as unsafe, and the teams fear this might be the first

step toward demolition. Wholesale teardowns will result in wasted effort and resources – time, irreplaceable materials, labor and dollars, and will undermine all efforts to build a better New Orleans. Demolition will also destabilize neighborhoods that have survived the storm. The Preservation Resource Center has found, over many years of experience, a very encouraging reality : there are people who will buy deteriorated properties and transform them from blight into beauty. An older house is an irreplaceable treasure and potential jewel. The PRC is ready to help, but protective measures must be in place.

Attachments: Preservation and the 21<sup>st</sup> Century Economy, Donovan Rypkema  
Data on age of housing in New Orleans, by neighborhood  
Editorial from the Times-Picayune: Preserving the City's Character  
Editorial from the Times-Picayune: Rebuild With Character  
Welcome Home flyer

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Ms. Gay has served as Executive Director of the Preservation Resource Center of New Orleans since 1980 and has been a powerful advocate for promoting the preservation of New Orleans' historic architecture, neighborhoods, economic development and tourism. She was a volunteer with the organization since its founding in 1974 before becoming executive director.

Under her leadership her organization has developed many successful and creative strategies and programs to enhance the historic built environment, reversing decline and deterioration and stimulating economic development, including cultural tourism development. The PRC, a citywide not-for-profit organization, has a staff of 20 and works with volunteers and neighborhood associations throughout the city.

An important voice at the state, local, and federal levels, Ms. Gay supports preservation legislation to protect historic resources. Efforts include saving the federal tax credit for historic rehabilitation, opposing demolitions, creating a property tax abatement for historic home renovation, and encouraging numerous zoning measures favorable to historic neighborhoods.

Ms. Gay's civic involvement has mirrored her passion for preservation and has included service to organizations such as: National Center for Preservation Training and Technology, Preservation Action, Louisiana Preservation Alliance, Presidential Roundtable on Preservation and Neighborhoods, Greater New Orleans Black Tourism Network, State Tourism Development Commission, and the Council for International Visitors. She has been published in several books and is frequently quoted in preservation commentary.