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*Metropolitan Crime Commission*

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## **The New New Orleans**

**Gregory Rusovich**

**E**ighteen hundred people dead, flooded streets, destroyed homes, dangling power lines, downed trees, a green city turned to brown, inept and corrupt political leadership, a broken school system, higher crime, and pervasive institutional dysfunction permeated New Orleans in the post-Katrina landscape. This nightmare was exacerbated for business owners and leaders of local companies who faced the added challenge of stemming the tremendous financial losses to our businesses caused by the post-Katrina collapse, and our commitment, dedication, and desire to help our displaced employees and their families get reestablished and economically supported in their time of dire need. All quite a challenge for a wonderful, unique community and a business leadership ready to return and rebuild from the worst man-made disaster in modern history.

The Business Council of New Orleans and the River Region was formed in 1985 by the iconic chairman and CEO of Freeport McMoRan, Jim Bob Moffett. The core mission of the Business Council during its thirty-four years has been to improve the region's business climate, enhancing the quality of life for the community, working to effect principled reform, and simply striving to make New Orleans a safer and better place to live, work, and raise a family. It consists of CEOs and owners of primarily the largest businesses and employers in the city and has ranged in total membership from a low of about twenty leaders in the early days to about seventy currently.

Immediately following the Katrina devastation and upheaval, the Business Council emerged with new leadership who were able to quickly return to the city, willing and able to pour heart and soul into saving a beloved city and home. The post-Katrina chairman of the Business Council, Jay Lapeyre (CEO of Laitram, LLC), accepted the immense challenge and became the leader of the dramatic reform effort that would positively impact the region for decades to come. Jay, along with the new Business Council leadership team, focused on the city's core institutional failures, critical recovery issues, and, most important, he worked tirelessly to make the city a better place. The Business Council team, confronted with the need to handle at once the multiple urgent challenges and critical issues facing the community, pursued each issue with vigor and tenacity. Key business leaders stepped up and led task forces that attacked each critical reform and recovery issue. Massive work was urgently needed to protect the city from further flooding and levee collapse as future hurricane seasons fast approached; major overhaul was needed to reform the inept and nonaccountable levee board system; the public education system was broken as graduation rates plummeted and poverty rose; the criminal justice system was incapable of providing adequate public safety or fairness; and city government was failing to meet a requirement to deliver basic city services.

The task forces went to work formulating a strategy, narrative, and action plan to address each major need. We recognized the importance of building community and coalition support across

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the city to ensure diversity and deeper support for our actions and to put pressure on the political leadership to act. We recognized the urgency of securing government support and recovery funding. Business delegations traveled to Washington, DC, to present our case to the National Press Club. Regular meetings were held with congressional leaders and the Bush and Obama administrations. Business delegations held regular meetings in the state capital at Baton Rouge with Governor Kathleen Blanco and state legislative leaders. In New Orleans, we met regularly with the editorial boards of key news outlets, and we maintained an ongoing engagement with Mayor Ray Nagin and city council leaders. As coalitions were built with civic and neighborhood organizations, rallies were held on the steps of Capitol Hill and in the State Capitol demanding action.

While our business leadership was actively engaging political and media leaders, the neighborhoods of the city went to work rebuilding (with or without government help) and began to speak out on a similar set of issues, with aligned interests and goals. Civic and neighborhood leaders picked up the mantle and led their critical part of the revolution. Our business leadership pounced, joining forces and the beautiful art of coalition building was launched.

One of the earliest partners to lead the revolution with the Business Council was Citizens for 1 Greater New Orleans. Citizens for 1, founded and led by Ruthie Frierson, had begun the work of organizing a major grassroots effort to reform the corrupt and ineffective levee board system. Ruthie and other women volunteers (known and feared as “the Red Coats”) had pushed for reform in an urgently held state legislative session in November 2005, about two months after the storm. The usual political insiders won the initial battle and defeated the reform effort. The insider’s initial victory was short lived as public outrage grew and additional organizing and coalition building took place. Subsequent levee board reform legislation was successfully passed and the reform movement was set ablaze. A convoluted, archaic “good old boy” levee board system was abolished, replacing ill-intentioned politicians on the multiple boards with a single east bank and west bank professional levee board. The legislation insured an apolitical nominating process that required expertise connected to the board’s functions. The levee boards of today are professional, independent, and appropriately responsible for regional flood protection. As important, new business and community alliances were forged and the foundation for reform was laid.

Simultaneously, massive design, engineering, and construction work had to be done to protect, remodel, and rebuild the region’s levees, flood walls, and pump systems. It had to be done with urgency, but it had to be done right. The original design by the federal government decades ago had proven to be badly flawed and not constructed as a cohesive system. Compounding the problem, those charged with operating and maintaining the flood protection system worked in silos and failed to do their mission-critical job. While Hurricane Katrina was a force of nature, the devastating flooding of New Orleans should be appropriately categorized as a man-made disaster. Merritt Lane, chairman and CEO of Canal Barge and a member of the Business Council executive committee, took the reins and provided a strong, steady, and knowledgeable business voice to the federal, state, and regional discussion of the system’s redesign and rebuild. Merritt’s task force held weekly meetings with the leadership of the US Army Corps of Engineers to review, assess, and track the best path forward. As momentum built around the newly opened dialogue with the Corps of Engineers, the levee board, the Sewerage and Water Board, and state stakeholders were added to the regular meetings, fostering increased cooperation and collaboration. The Business Council task force convened the meetings and deployed classic executive skill sets to the effort. As goals and objectives were agreed on, timetables and performance metrics were put forth to ensure that everyone stayed on task. Additionally, the task force provided strong encouragement,

effective venues, and additional resources to assist the Corps of Engineers in communicating their plans and progress clearly and consistently to local industry groups, business, and civic leaders, as well as the public at large, all of whom needed confidence in the effectiveness of the flood protection system in order to reinvest. The state created the Louisiana Coastal Protection and Restoration Authority (CPRA) to organize state and federal funding for wetlands and coastal protection. The CPRA became a vital partner to the task force and to the overall effort to protect the region. Our Business Council team also worked hand in hand with our US senators, Mary Landrieu and David Vitter, and the entire Louisiana delegation to secure major funding for the redesign and rebuild. Regular lobbying in Washington became a key component of the team's mission. Bush administration officials and congressional leaders visited New Orleans regularly. After witnessing first-hand the extraordinary effort, resilience, and integrity local business and civic leaders were putting forth, they became supportive of our cause to rebuild from Katrina's devastation.

Since 2005, about \$14.6 billion have been spent on Corps of Engineers upgrades for hurricane defenses in the New Orleans area. The largest surge barrier and drainage pump station in the world has been constructed. Levees and flood walls have been strengthened, and gated structures and pump stations have been placed at strategic locations to protect from storm surge and flooding. Business leaders working with federal, state, and local partners have nourished a culture of collaboration, cooperation, and accountability.

While levee board and flood safety reform and initiatives were under way, extensive work also had to be undertaken to enhance public safety. Members of the Business Council's criminal justice task force (which I led) met with representatives of the multiracial civic organization Common Good (led by Mike Cowan) and subsequently organized a series of meetings, led by the Business Council, with Citizens for 1, Common Good, and the leading crime-fighting organizations in the city (Metropolitan Crime Commission, New Orleans Police and Justice Foundation, and Crimestoppers) to launch a vigorous strategy for city leadership to adopt in fighting crime and rebuilding the criminal justice system. Mike and Common Good helped to further build the coalition by recruiting key members, such as the Urban League and Puentes into the coalition. Nolan Rollins, then president and CEO of the Urban League of Louisiana, became an invaluable partner in countless major reform efforts. Through Nolan's steady hand and ongoing outreach, a rock-solid Business Council/Urban League partnership was forged and became a formidable team throughout the recovery efforts.

The New Orleans Crime Coalition was launched in 2007 and was made up of the leading crime-fighting, business, and civic organizations in New Orleans. When rising crime and a broken criminal justice system threatened our recovery, the Crime Coalition used its political leverage to insist on specific actions to reduce violent crime and implement criminal justice reform. Our twenty-member coalition announced our action agenda on the steps of the Criminal District Courthouse. We called for urgent federal funding to help rebuild the badly damaged criminal justice system infrastructure and to fill the gap of depleted resources. Post-Katrina manpower losses had reduced the ranks of the New Orleans Police Department (NOPD) and the district attorney (DA) prosecutorial staff. Infrastructure for crime-fighting technology had been destroyed. We undertook an extensive lobbying effort in Washington in collaboration with our congressional delegation. The Crime Coalition scored its first major victory by securing federal funds to backstop critical needs. We would later also secure funding for at-risk-youth services, substance-abuse treatment, additional violent crime prosecutors, additional public defender services, community policing programs, and electronic monitoring. We were able to ensure integrity and metrics in

expenditures by designating the independent New Orleans Police and Justice Foundation to act as the fiduciary agent. While the federal effort was under way, the Metropolitan Crime Commission (MCC), led by Rafael Goyeneche, took action at the local level, identifying and reporting serious problems in NOPD arrest strategies and an abysmally low felony conviction rates by police and prosecutors. In 2007, the MCC reported that approximately half of all arrests made were for traffic and municipal offenses. The first half of 2008 saw 26,718 arrests by NOPD but only 104 violent felony convictions. Felony conviction rates were well below nation averages. Only 24 percent of felony suspects arrested in 2007 were convicted of a felony.

The Crime Coalition in coordination with the MCC persuaded the New Orleans City Council and state legislature to enact new ordinances and statutes that allowed officers to issue summons rather than arrest nonviolent misdemeanor offenders. Furthermore, the coalition convened several joint meetings between the DA and the NOPD to improve coordination, collaboration, and cooperation by providing improved police reports and organizing joint DA-NOPD investigative teams at crime scenes. In 2010, the MCC reported that the felony arrest to conviction rate had improved to 45 percent, doubling the previous rate. And by 2011, total arrests went down 45 percent in response to legislative reforms.

The coalition also undertook semi-annual public surveys of NOPD performance to track levels of community satisfaction with local policing. In August 2009, overall public satisfaction with NOPD performance was 33 percent. By March 2014, the satisfaction level had risen to 60 percent. In recent years, the level has remained consistently at 50 percent.

In response to a lack of proficiency and judiciousness in the criminal district court system and among several judges that was creating bottlenecks, the Crime Coalition and a reform-minded newly elected city councilman, James Carter (with strong advocacy from Citizens for 1 and Common Good), launched Courtwatch NOLA. The program recruited more than a hundred citizen volunteers to monitor court proceedings. Carrying bright yellow clipboards, the volunteers cast watchful eyes and reported their findings to Courtwatch NOLA. As a result of their efforts, judicial efficiency was greatly improved, and subsequently, a new slate of judges was elected. Once again, the citizens of New Orleans implemented transparency and accountability.

Related to the challenges presented by violent crime and an ineffective criminal justice system was endemic public corruption. Too many politicians were feeding at the public trough, and the citizenry was fed-up. An invigorated US Attorney's Office under the leadership of Jim Letten, collaborating with a resource-enhanced local FBI office, led the effort to root out corruption. Local anticorruption organizations, such as the MCC (with support from the Business Council), began receiving a historically high number of citizen tips on corrupt actions by political officials. Through a review of national best practices, the business and civic community identified the need for the city to establish a robust Inspector General's (IG's) office. With support from the Business Council, Common Good organized a multi-racial coalition to coordinate the effort to establish an IG's office. A city council ordinance was passed laying the foundation for a public vote. In October 2008, New Orleanians voted overwhelmingly to establish an IG's office, whose main purpose is to investigate corruption in New Orleans and identify cost savings by eliminating waste, fraud, and abuse. The post-Katrina assault on public corruption culminated in 2013 with the conviction of Mayor Ray Nagin on bribery charges. The IG's office continues to carry out its mission.

Also on the agenda for reform was the city's dysfunctional and poorly performing K-12 public education system. The nationally recognized education reformer Leslie Jacobs, a member of the Business Council's executive committee and chair of its education task force, took the helm in advocating for significant change. Before Katrina, Leslie and the Business Council had supported

the creation of the Recovery School District (RSD) through legislation and a constitutional amendment that provided the foundation for the state and RSD to take over and improve New Orleans' schools after Katrina. Several members of the Business Council volunteered and served on charter school boards. We were strong supporters of Teach For America and actively engaged in the state legislature to kill bills that were aimed at disrupting the charter reform movement.

Because the New Orleans school facilities, buildings, and campuses were also devastated by Katrina, the Federal Emergency Management Agency provided two billion dollars for rebuild and reinvestment. The Business Council, under task force chair Paul Flower, working with Leslie and her team, led the effort to ensure accountability, transparency, and tight oversight of the expenditure of funds. To ensure ongoing political support, we once again collaborated with the Urban League to form Forward New Orleans for Public Schools. Mandates were established to hold elected officials accountable to support charters, choice, and accountability. The tenacious effort has resulted in a dramatic turnaround and improvement for students and parents. By the end of 2019, 100 percent of public school students in New Orleans were attending charter schools. In 2004 (pre-Katrina), the high school graduation rate was 54 percent; in 2018, the graduation rate was 78 percent. In 2004, the college entry rate was 37 percent; in 2017, the rate was 61 percent. In 2005, 62 percent of New Orleans students attended Louisiana's lowest-performing schools; by the end of 2019, the figure was now down to 8 percent. New Orleans has become a national model in the education reform movement and is positively impacting the lives of students and their families.

As more and more major areas in need of reform were being addressed, it became clear that citizens, not politicians, would need to lead us to recovery. Broad coalitions that encompassed all segments of the community were needed to hold political officials accountable for their commitments, actions, and results and ensure political success. As a representative of the Business Council executive committee, I met regularly at PJ's Coffee Shop with the Common Good leader Mike Cowan to organize a citizen coalition to attack the lack of public safety, lack of usable playgrounds, blighted properties, corrupt city contracting, poorly performing public schools, lack of business growth, significant budgetary deficits, and ineffective and unresponsive local government. We reached out to Citizens for 1 and the Urban League, then to more than twenty other civic, neighborhood, and business organizations, and in 2010, we launched Forward New Orleans. Since its founding, Forward New Orleans (FNO) has framed the debate in municipal elections by creating issue-based platforms guided by the basic tenants of good government: accountability, transparency, efficiency, and fiduciary responsibility. The coalition identifies the priority issues facing our city and develops a plan of well-researched action items for each issue. We then present the platform to candidates for elected office and seek written pledges of support. Before each election, FNO widely publishes a score card that shows each candidate's willingness, or lack thereof, to align on each issue.

After the election, the newly elected officials' pledges become mandates for action, effectively setting an agenda for the term. To hold officials accountable, FNO then publishes detailed reports that assess both progress and shortcomings on achieving platform objectives. Along the way, FNO members stand ready to help our local leaders translate the platform into successful action.

This coalition effort has had a tremendous, positive impact on critical quality-of-life issues facing the city from public safety to city finance, from economic opportunity to education, from blight reduction to improved city infrastructure. FNO continues building its community coalition, holding public officials accountable and positively impacting the lives of New Orleanians.

As reform and recovery took hold, the city and region had to create conditions that attracted new businesses to the area and an economic-development delivery organization to spearhead the

effort. FNO had mandated a local New Orleans economic delivery organization, the New Orleans Business Alliance, into its platform, which was later adopted by Mayor Mitch Landrieu as a public-private partnership. For region-wide focus, Greater New Orleans, Inc. (GNO, Inc.) had hired Michael Hecht in June 2008 as its CEO. Since his hiring, Michael has led the successful effort to bring the devastated post-Katrina business and economic-development environment into a new realm of excellence and success unimaginable even in the years preceding Katrina. Conditions to improve the business climate were put into place through more competitive corporate tax policies and incentives, effective workforce training initiatives, and modernization of key assets, which helped lead to an economic renaissance for the region. Emerging industries, such as high-tech and digital media, and successful entrepreneurial start-ups were recruited to enhance the traditional foundational industries, such as energy, shipping, hospitality, and advance manufacturing. Young people poured into the region. Business Council members joined the GNO, Inc. board and actively supported its efforts.

When the NBA New Orleans Hornets (now Pelicans) announced in the fall of 2010 that they were leaving New Orleans at the end of their lease because ticket sales were falling short of the contractual benchmark, GNO, Inc. and the Business Council quickly formed the Hornets Business Council (HBC). The HBC worked closely with longtime civic and business leader Bill Hines, who had led the effort to secure the NBA franchise for New Orleans, and we used the model of the Saint's Business Council launched by the business leader Tommy Coleman in 2005 to keep the Saints in the region. The HBC rallied the business community and citizens and gobbled up enough tickets to deter the loss of the team. The effort was so successful that the Hornets sold more tickets per person than any other team in the NBA, leading Commissioner David Stern to go to other markets in North America and ask, "Why can't you perform more like New Orleans?" The Hornets were later purchased by Tom Benson, the local owner of the New Orleans Saints. The Pelicans continue to flourish in New Orleans to this day.

Recognizing the need for the region to have better global outreach and connectivity, Stephen Perry (CEO of New Orleans and Company and the leader in the post-Katrina resurgence of the city's vital hospitality sector), Iftakhar Ahmad (director of aviation at Louis Armstrong New Orleans International Airport), and Michael Hecht and I deployed shuttle diplomacy and positive passenger data to nab a direct regular flight by British Air from London to New Orleans, the first nonstop roundtrip flight to Europe for the region since 1982. British Air continues its regular nonstop, roundtrip service, which has had a major economic and tourist impact on the region.

The Greater New Orleans area won several awards for the favorable and friendly business conditions that can be directly attributed to a combination of strong executive and volunteer leadership. The area became number one for the decade for economic development wins in the South (*Southern Business and Development* magazine), number one for export growth in the United States (US Chamber of Commerce), and the fastest growing tech cluster in the United States (*Area Development* magazine). GNO, Inc. continues its incredible success. It was recently named the number two economic development organization in the United States (*Business Facilities* magazine) and continues to recruit and secure major national and global firms' investments, headquarters, and operations into the region.

New Orleans is a very different place than it was before Katrina. Since Katrina, the city has seen significant improvements in education, in the criminal justice system, and in neighborhoods through blight reduction and the reduction of violent crime. It has also seen economic and job growth, a renewed anti-public corruption vigor, and a vastly improved flood safety infrastructure and levee system.

But most important, a reinvigorated business community joined with civic and neighborhood organizations to rebuild and reform a beautiful and historic city. Post-Katrina recovery and reform demonstrated that a cohesive local community can take charge, lead, and succeed. Local political leaders who understand that collaborative business-citizen coalitions can be formidable forces, join the efforts, and succeed, while politicians who believe that the people work for them, fail. While the Katrina disaster was certainly not our best moment, the robust and vigorous business-citizen-led reform and recovery was historic, powerful, notable, and unique. After all, only one moment in recent New Orleans history matched the recovery effort and spirit: the New Orleans Saints Super Bowl victory in 2010. So, to all New Orleanians who toiled and recovered—WHO DAT!