



Everything New Orleans

## St. Bernard Parish faces challenge of filling in the blanks after Hurricane Katrina

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**Chris Kirkham, The Times-Picayune**

Drive down Palmisano Boulevard in the heart of **Chalmette**, where stately brick homes line nearly every bit of the divided thoroughfare, and memories of a pre-flood suburban landscape emerge.

But just two blocks to the east along Riverland Drive, it's a flashback to the 1960s, when subdivisions across **St. Bernard Parish** were first springing up from drained wetlands. There's a checkerboard of one or two houses per block, with vast sections of open lots interrupted by a few lingering concrete slabs.

"When we bought this lot, we bought it off a map, so nothing was here either," said Melanie Hoover, who purchased the lot off Riverland Drive with her husband more than 30 years ago.

The five-year process of home and slab demolitions after **Hurricane Katrina's** floodwaters drowned the parish has left her neighborhood feeling in some ways as it did in the beginning, she said. But the second start is fraught with many more questions than the first.

"There's a lot of space now, but I don't know what there is to entice newcomers to build on the space," she said.

The differing fates of these two closely linked blocks can be seen all across the parish, where a complex brew of individual choice and financial circumstance have largely dictated the repopulation of neighborhoods. No other Gulf Coast community was undone so profoundly as St. Bernard, a tight-knit suburban enclave that has often remained a footnote in the annals of Katrina's destruction.

Its population has rebounded to 41,000 — 60 percent of where it was before the storm — a remarkable turnaround from total destruction. Yet restitching it back together, with fewer people over the same amount of space, is a challenge that will shape the destiny for future generations.

As with New Orleans, there were early plans to strategize redevelopment patterns in St. Bernard, with a citizens' recovery committee supporting a limited-footprint concept that would have restricted development in lower-lying areas closest to the back levees that failed during Katrina and pushed more of the population to higher ground

near the Mississippi River.

But those plans for concentrated green space were never acted upon by the parish government, leaving random patches of open space scattered throughout St. Bernard. The result is what could be termed "ruralization," a smorgasbord of neighborhood settings ranging from the dense suburban style that dominated the years before Katrina, to patchier, almost country-like sections where few houses have returned.

The absence of a consistent redevelopment plan after Katrina also led to a rash of quick-hit, low-quality home renovations, many by out-of-state investors, before there was a realistic demand for housing. The excess supply drove down prices for the entire market, and continues to do so, cementing St. Bernard's role as the weakest real estate market in the metro area — down more than 9 percent in the first half of this year, compared with 2009.

"It was one of the least expensive parishes historically, and I always presented that as an advantage, if people were first-time buyers," said Wade Ragas, a retired University of New Orleans professor who analyzes home sale trends for the New Orleans Metropolitan Association of Realtors. "But the reality meant if you were an existing owner there, there wasn't much price appreciation. Now of course it's the reverse. Prices keep trending downward."

### **Backlog of unused land**

Though lingering blighted and abandoned houses and shopping centers still irk many residents, St. Bernard has been much more aggressive than neighboring New Orleans in its push to clear vacant lots and eliminate physical reminders of the destruction.

But what has emerged as the biggest challenge for the parish is how to fill in those blanks, nearly 8,000 of them haphazardly distributed across the area. Some 4,400 of the vacant lots are owned by the state, after properties were sold to the Road Home program. Thousands of others are still in the hands of private property owners, many of whom live elsewhere, giving the parish government little control over their future use.

A much-anticipated, long-stalled lot-next-door program promises to offload a portion of the properties to adjacent homeowners, who can use the lots for home additions but not new construction.

But within the next year, the parish government will become one of the single largest holders of developable land in St. Bernard, as thousands of Road Home lots are transferred over. It's a task that carries immense responsibility for redevelopment in the decades to come, and one that will also bring considerable added costs. Once lots are transferred from the Land Trust to the parish, the monthly lawn care bills for lots that aren't purchased by neighbors will be St. Bernard's responsibility.

Already the parish is down more than \$7.5 million in revenue from taxes, licenses and fees from 2004 levels, taking out federal disaster loans that have buoyed St. Bernard's budget since Katrina. Next year will be the parish's first full budget year in which government services are not subsidized by federal disaster loans.

With the contrasting landscapes throughout the parish, services are becoming stretched as fewer people pay into a system tasked with providing basic parish services such as water, garbage pickup and fire protection over the same geographic expanse. Last year, voters shot down a Parish Council request for an additional \$20 per household per month to cover major shortfalls in garbage collection and paying the fire department.

Now the parish is scrambling to pay firefighters to staff stations across the same pre-Katrina parish geography. Earlier this year the parish negotiated a \$875,000 federal subsidy that will allow the hiring of 13 new firefighters over the next two years, but there's no guarantee that will continue.

"When you talk about services, this is where we knew we were going to get to a challenge point, and we're quickly approaching it," said Parish President Craig Taffaro.

### **'I'm in the crosshairs'**

The parish is also on the verge of completing more than \$1 billion worth of FEMA-financed infrastructure repairs to sewer lift stations, parks and government buildings. Maintaining that new infrastructure will bring added costs.

Residents who returned know they will feel the pinch.

"You take a step back, how are you going to finance this?" asked Mark Abshier, who lives on Palmisano, one of the few largely repopulated sections of Chalmette. "You've got a physical plant, but where's the money going to come from to keep it up? Uncle Sam's not going to pay it. Me as a taxpayer with a job, I'm very nervous right now because I'm in the crosshairs."

On one hand, the parish is blessed with an industrial base that includes a port facility, two oil refineries and a sugar refinery, which continue to pay much of the freight for government.

But staving off further declines in the real estate market by persuading new residents to settle within a fragmented landscape will be a long-term challenge, made doubly hard by the recession and a tightening in credit markets for potential investment.

Still, many in the parish say the five years of recovery have positioned St. Bernard at a point for rediscovery. Prior to Hurricane Katrina, much of the central part of the parish was built out and dense, the product of poor planning as the parish boomed in the 1960s and 1970s.

Though the open space isn't concentrated, it is available in much greater quantities than it had been decades before Katrina.

"You start to look at that, and we have a superabundance of land in St. Bernard. You've got a canvas that's blank

to work with,” said Cliff Reuther, a real estate agent and homebuilder in the parish who served on the citizens’ recovery committee. “That’s what’s so interesting about this. You can paint it any way you want, and you can make it into anything you want it to be.” The question now is how to prioritize and divvy up that land in a way that encourages newcomers and increases the value for those who have already returned.

### **Parks and open spaces**

During the next six months, Taffaro expects the parish to complete the lot-next-door program that will push properties sold to the state’s Road Home program into the hands of adjacent homeowners. The presence of more than 4,000 concrete slabs, which had to be removed in a separate process after home demolitions, has put St. Bernard’s lot-transfer program behind the one in New Orleans.

More than 1,500 homeowners have expressed interest in the lots, with 833 already putting down deposits.

Some of the remaining lots will be used to improve drainage by creating more open space around canals or building community lakes that would provide public space and floodwater retention benefits. Many neighborhoods have ideas to package lots into park space or community gardens, even community orchards for some of the larger open spaces.

“We’re at a tipping point now,” said Howard Luna, the president of Rediscover District C, a neighborhood organization in Chalmette. “I would like to see us move past the recovery and into the creation mode.”

The parish eventually plans to bundle lots for investors to rebuild homes, possibly combining two lots into one to space out development over time. Of course all of these plans are still in their infancy, and observers caution that the longer the parish waits to come up with a comprehensive plan to deal with its vacancy, the more signals it sends to the market that it is not a viable option.

“Everybody wants to fixate on the technical solution for how you deal with 8,000 vacant parcels. That’s not the story. The story is what a vacant parcel represents, and what it represents is unpredictability, and that’s what the market hates,” said Charles Buki, a community development consultant who has studied market trends in St. Bernard and other local parishes on behalf of the Greater New Orleans Foundation. “The market is looking for the parish to cowboy up, show some cojones and say, ‘This is how the game will be played in St. Bernard.’ And they haven’t done that.”

### **Seizing the opportunity**

Although the newfound open space is a marked improvement over the derelict houses of a few years ago, it’s now the smaller things — the toppled chain-link fences ringing abandoned properties, the derelict signs lining Judge Perez Drive — that nag at homeowners wanting to move beyond recovery.

"We're not pulling up houses, we're not cleaning up streets, we're not cleaning up debris anymore. Now we're looking at overgrown properties. That shouldn't become the norm," said Polly Campbell, president of the Lexington Civic Corporation, who is now working as the director of neighborhood initiatives for the St. Bernard Community Foundation, an arm of the Greater New Orleans Foundation.

St. Bernard this summer received a \$305,000 grant from the remaining proceeds of the Louisiana Recovery Authority to develop a master plan for the parish, including strategic land use and zoning regulations that would make better use of water resources in the parish. It is expected to put the package out to bid next month.

"I believe our major task right now, at the five-year point, is to make sure that we are marketing the community so that when there is a surge, we're in the consideration in the metropolitan area to live and raise a family," Taffaro said. "We are on the cusp now of not being a laughingstock of a community. ... Katrina put us on a stage. Now if we miss that opportunity, shame on us."

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