

Katrina Index Monthly Summary of Findings: April 5, 2006

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Days Since Katrina Made Landfall: 220

Over the past thirty days, the number of new building permits filed in the metro area more than quadrupled, and the first of thousands of homes destroyed by Katrina finally started being demolished in Orleans Parish. Meanwhile, the most recent population statistics released by the city of New Orleans in March showed that over 180,000 people now live in New Orleans. But, little or no progress was made in rebuilding many key components of the area's infrastructure and hospitality industry.

- **New housing construction took off throughout the state of Louisiana during the past thirty days.** Over 1,700 permits were filed in Louisiana for new construction in March, and nearly 400 were filed just in the New Orleans metro area alone, a four-fold increase from the month before. Meanwhile, construction in Mississippi has leveled off over the past few months.
- **The unemployment rate continued to fall in Louisiana, now standing at a lower level than before Katrina made landfall.** At 4.3 percent, Louisiana also has a lower unemployment rate than the national unemployment rate. Most of this large drop in unemployment since September was the result of the large overall reduction in the size of the workforce.
- **The most recent population estimate released by the city of New Orleans showed a large increase over past predictions, from about 156,000 to over 181,000.** This 16 percent increase in population includes both returnees and new workers to the city and parallels growth in the metro area and in the entire state, albeit at a much more modest scale.
- **However, other key areas of rebuilding progress, such as the return of the hospitality industry and public services, remain unchanged in New Orleans over the last several months.** The number of operating food establishments, hospitals, hotels, public buses, and schools changed only modestly or not at all.

With the population of New Orleans growing, and housing demolitions and construction now on the rise through out the area, residents of greater New Orleans are clearly showing a renewed commitment to reclaiming their community. But, uncertainty still lingers over the city and region as restaurants and hotels wait for additional workers and many public services struggle to keep up with demand. To continue moving forward, federal, state, and local leaders must act quickly, honestly, and in unison to inject more market and public confidence in the rebuilding process.

At the federal level, leaders need to address three outstanding issues. First, federal leaders must clarify their commitment to safety in the area, with affirmation for investment in levees and coastal restoration. Second, federal leaders need to issue the revised elevation advisories to inform homeowners of the requirements for rebuilding their homes. Finally, the federal government must pass the proposed \$19 billion supplemental package to support post-Katrina reconstruction, which includes much-needed Community Development Block Grant funds to facilitate the rehabilitation and new construction of single family homes and affordable rental housing for residents and workers. Once this funding is passed, state and local level leaders must provide clear guidelines for families and small business owners on how best to tap the new funds to rebuild housing in the area.