FORWARD
New Orleans

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Forward New Orleans is a diverse, issue-focused, community initiative led by the Business Council of New Orleans and the River Region in collaboration with more than thirty civic, neighborhood and business organizations, all of which are committed to improving the quality of life in New Orleans.

Forward New Orleans:

FIRST PROGRESS REPORT

September 2010

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Forward New Orleans *presents this progress report, the first in a series it will periodically provide. This report revisits each issue presented in* ***Forward New Orleans****, with subtopics cross-referenced in bold, and provides a summary assessment of achievements to date.*

Forward New Orleans *imposes an overriding requirement of redirecting city government toward principled reform. It mandates accountability, transparency, fiduciary responsibility, and best practices. It seeks a partnership between citizens and their government.*

Forward New Orleans *presents a rational framework for achieving success and enables a hopeful vision based on excellence in city government.*

We have monitored performance since the elections to understand whether elected officials are fulfilling their campaign promises to achieve the ***Forward New Orleans*** *mandates. We are pleased to report that our confidence in leadership is growing. We observe integrity in the commitments of our elected officials. We acknowledge the momentum of progress.*

There is still much work to be done. On some issues, we await first-step policy changes. On many issues, we await implementation. Ultimately, we will seek institutionalization of these reforms to ensure our good work benefits future generations. For now, we are pleased that New Orleans is finally moving forward.

Issue One:
Crime

Summary Assessment:
GOOD PROGRESS

We commend the Administration for conducting a **National Search for a Police Chief** that yielded a highly qualified candidate. Superintendent Serpas is aligned in principle with our crime mandates. We note with approval his stated commitment to accountability, transparency and collaboration.

Thus far, **Strategies Against Violent Crime** are appropriate including, for example, the Violent Crime Abatement Team; the increased capacity of the Homicide Unit; the placement of a Community Coordinating Sergeant in each District; Project Safe Neighborhood; the firearms abatement program; and, the Code 6 Program. We also note with optimism the 65-point plan released Aug. 23, 2010, *Rebuilding the New Orleans Police Department – First Steps*, and the strategies and initiatives contained therein.

We are encouraged by **Performance Metrics and Public Disclosure.** Chief Serpas has opened Comstat meetings, improved crime mapping capabilities and availability, and begun the issuance of email updates to each district. He requested an audit of the department's crime-reporting mechanisms. He supports the federal intervention in NOPD reform; pledged cooperation with the Independent Police Monitor and the Inspector General; and, hired an "outsider" – a civilian lawyer who is not an officer – to lead the Public Integrity Bureau. He likewise has been receptive to **Engagement and Civic Support.** Chief Serpas has begun community policing. Based on these developments, we conclude that we are moving in the direction of transparency and effective, honest communication between law enforcement and the public.

Arrest, Charging and Incarceration Policies have improved and are trending in the right direction, but require further improvement. Initial policy changes on arrests are good, with progress in targeting violent and

repeat offenders. However, there are still far too many arrests of nonviolent, misdemeanor, petty offenders when tickets and summons should be issued instead of arrests. Thus, it is clear we need granular metrics that focus on arrest categories to enable better execution of policy changes on arrests.

There is notable improvement in expedited charging. However, there has been little progress on other potential methods for reducing the number of incarcerations for minor offenses. We note that the DA conviction rate is up significantly; and cooperation between the DA's office and the police appears to be working. Improvements have been made in the District Attorney's diversionary program. Challenges remain for effective use of drug courts, drug rehabilitation and mental health treatment.

On **Facilities and Technology**, we credit the Administration with initial progress. Some criminal justice facilities are among the initial, committed projects. We are encouraged by the Mayor's announcement of a possible global settlement with FEMA for essential facilities, including criminal justice and public safety facilities, similar to the lump-sum settlement for schools. We understand that technology is continuing to move toward an integrated information system.

We have learned that funding for electronic monitoring is at risk. The Administration recognizes the merits of electronic monitoring, and explains that funding is at issue as part of careful resource allocation, rather than any dispute about effectiveness. We strongly caution about the risk of loss of electronic monitoring, which has the potential for a highly effective and low cost method of monitoring adult and juvenile violent and repeat offenders.

Until the 2011 budget is prepared, it is premature to assess **Funding and Transparency**. However, we continue to urge full financial and performance audits, and adequate funding for the criminal justice system.

It is likewise premature to assess **Right-Sizing Jail Facilities**. However, we are encouraged by the recently convened advisory group to evaluate the size, funding, and policies of any future prison. We are particularly impressed with the Administration's expectation for the advisory group to issue recommendations by mid-November. We look forward to transparency and communication in this evaluative process. We also are encouraged by the Administration's stated commitment to Juvenile Justice Initiatives. On both of these issues, we await a specific action plan that both commits and implements best practices.

Issue Two:
Blight

Summary Assessment:
PENDING

We initially planned to give the Administration low marks for its performance on blight. Our dissatisfaction derived from the fact that we called for a **Strategic Plan** within the first 60 days, and we have not yet observed a comprehensive action plan that incorporates short and long term goals and objective benchmarks. It appeared to us that there had been no substantial movement on the blight mandates. Our neighborhood groups, who have long been in the trenches on this issue, remain frustrated by perceived inaction and lack of coordination and responsiveness.

However, after meeting with the Administration, we are persuaded that it is too soon to assess achievement of the blight mandates. The Administration has explained to us that it deemed 120 days a more appropriate timeframe for preparing the **Strategic Plan**, and that an announcement is coming within days. While this differs from the timeframe we imposed, we have been told that this was a strategic decision to enable a plan that is "full, rich and ready" to meet the challenge. The Administration appears eager to unveil its work product.

We find the Administration's assertions credible in light of the recent announcement of two strategies against blight – the Interim Nuisance Abatement Strategy and the Strategic Demolition Program - as well as the Administration's stated intention to aggressively sell blighted properties through code lien auctions. We also note that the Mayor has begun community

dialogue about the need for, and consequences of, real code enforcement. These developments suggest a forthcoming policy change and a shift toward the aggressive **Public Policy** we mandated. Thus, we are willing to delay our assessment until the plan is announced. However, we remain committed to vigilantly assessing whether any strategic plan prioritizes and achieves enforcement of the code as the rule of law.

We will closely monitor this issue in the near term and assess progress in our next report, if not sooner.

Issue Three:
City Finance

Summary Assessment:
GOOD PROGRESS

We acknowledge that balancing the budget is a monumental task. We are pleased to observe commitment and execution on this issue. The Administration has embraced **Budgeting for Outcomes**, and has initiated an appropriate and inclusive process through community meetings and solicitation of departmental strategic plans. The **Collaboration between the Mayor and City Council** appears to be occurring through open and frequent communication. We acknowledge the Administration's commitment to submit the budget to the Council on October 15th, and thereby allow more time than in prior years for review and collaboration. We encourage interim and ongoing involvement with the Council during the preparation of the budget.

We understand that the Administration is committed in principle to budget within the limits of recurring revenue and to stop using **Special Revenue Funds**. We are aware of the Administration's intention to allocate the proceeds from a recent Hurricane Katrina insurance settlement (approx. $23 million) to offset one-time revenue declines due to the recession and a deficit from the city's 2005 audit. We expect this to be the only exception to general policy that the budget should be based solely on recurring revenue.

We applaud the **Elimination of Wasteful Spending** that has occurred so far, including, for example, policy changes on take-home vehicles, business travel and outside employment for city employees; restraint on overtime spending; successful renegotiation of a sanitation contract (SDT); restructuring of a significant recovery contract (MWH); cancellation or reduction of IT contracts; and, the cost-saving renegotiation of the Methodist Hospital purchase. We accept the Mayor's characterization of these changes as "part of the Administration's long-term cost-savings measures and another way to streamline government, eliminate waste and effectively manage city assets." We look forward with great optimism to his next steps on this issue.

We note good first steps on the Administration's achievement of performance measurements and accountability. With regard to **Performance Measurements and Accountability: Operations**, the Administration's request to City Departments for strategic plans and department budgets is a necessary first step in developing performance metrics by which these departments later will be judged. With regard to **Performance Measurements and Accountability: City Contractors**, we are encouraged by the Mayor's stated commitment to high standards of performance and accountability for contractors, and by the demonstration of this commitment through the termination and disqualification of an underperforming contractor (Armstrong Park). We will continue to watch for the development of systematic processes for performance monitoring and accountability for both operations and contracts.

We note that **Peer City Benchmarking** and **Right-Sizing City Government** must follow the Administration's current assessment of operations and budgeting processes. We therefore deem assessment of those issues premature. We encourage the Administration to remain committed to align spending with current revenue levels.

Issue Four:
Economic Development

Summary Assessment:
GOOD PROGRESS

The **Creation and Funding of the NOLA Business Alliance**, the economic development public-private partnership, is a momentous step forward and satisfies our mandates. We now shift our focus from creation and funding to execution. We are optimistic about the future of economic development and will monitor progress directly with the NOLA Business Alliance as it begins executing its charge. Likewise in satisfaction of our mandate, the Administration, through Executive Order, has committed to creating a solid foundation within our economy for **Disadvantaged and Local Businesses**.

We understand that **Financial Incentives and Programs** will remain within the Administration, and will not be contained within the NOLA Business Alliance. We further understand that the Administration is committed in principle to standardization and has suspended the former incentive program pending formulation of a predictable and objective process to align incentives with assessment of opportunity. The Administration also has committed to explore best practices for a long-term solution for **Permitting and Licensing**. These commitments confirm alignment in principle with our mandates.

The Administration reports progress on **Armstrong Airport** in the form of a working committee including the City; the State; the airport director; GNO, Inc., SERAA, the CVB, and representatives from other parishes, who have partnered to advance recommendations on maximizing airport use and opportunity. The Administration views this as unprecedented coordination, and we concur. We urge continued commitment to strategic planning.

The mayor has committed to support the region's key **Economic Engines**, specifically including those suggested by us and others. To illustrate, he has firmly supported the biomedical corridor; opposed the deepwater and de facto shallow water drilling moratoriums; and championed our tourism industry.

Issue Five:
City Services and Infrastructure

Summary Assessment:
SATISFACTORY PROGRESS

The Administration's list of 138 committed projects (from an initial list of 655) confirms that it is ably auditing recovery projects, assessing needs and status, and developing a plan for execution. However, **Financial and Strategic Planning** for aging and declining infrastructure requires careful evaluation on several levels (financial, operational and physical). We apply the same rationale to **Street Maintenance and Repair**, with the correlating observation that the list of committed projects includes some road reconstruction and resurfacing; however we continue to call for a Pavement Management Plan to prioritize maintenance over repair over reconstruction. We note preliminary progress and continue to urge financial and strategic planning for infrastructure: streets, sewerage and water systems and capital projects.

The Administration has demonstrated a commitment to **Fiscal Responsibility** and improving the **Contract Award Process** for City Services and Infrastructure. It has expressed a desire to streamline processes and improve communication with contractors. It has committed to realistic, clear goals and efficient execution. The Mayor has exhibited an intolerance for substandard contractor work and an insistence on accountability. He has substantially reformed contracting processes. The Administration is creating a foundation for peer city benchmarking. It is working to eliminate – and, in some instances, has eliminated – expensive outsourcing. For these efforts, we are encouraged that the Administration is charting the course for fiscal responsibility.

We are encouraged by references to the possibility of a global settlement with FEMA for **Essential Facilities**, including criminal justice and public safety facilities, similar to the lump-sum settlement for schools. We strongly urge transparency and a consensus based process for prioritization and allocation of any settlement proceeds. We reiterate the need for

hardened infrastructure and smarter building for future infrastructure projects. We will monitor this issue for future developments.

We have no update on the **Sewerage and Water Board**, and persist with our expectation that any future Board appointments will deliver professional credentials and expertise to aid the SWB in many infrastructure challenges.

Issue Six:
City Contracting

Summary Assessment:
GOOD PROGRESS

The Mayor's June 3rd Executive Orders are fully in accord with our City Contracting mandates. We commend the Mayor for his leadership on this issue. For **Professional Services Contracts**, the Mayor enacted a standardized, consultative process that is subject to the Louisiana Open Meetings Act. He ordered written evaluation of applicants and the preservation of those written evaluations under the Louisiana Public Records Act. He adopted the best practice of a Procurement Office and authorized the hiring of an experienced, credentialed Chief Procurement Officer (CPO). He ordered the CPO to standardize RFPs and RFQs included in **Bid Packets**. He instituted monitoring and accountability, penalties for corrupt practices, and expressly included the IG in the professional services procurement process. The Mayor enacted **Contractor Disclosure**, including disclosure of subcontractors. While the Mayor did not require suspension of payment for failure to adequately disclose, as we mandated, he authorized the Chief Procurement Officer to promulgate penalties for noncompliance "including but not limited to disclosure requirements, change in subcontractor rules …." Executive Order MJL 10-05, ¶20.

To ensure **Legal Compliance with DBE goals**, the Mayor created a Provisional Certification to enable any business certified as a valid DBE by one of the several existing programs to immediately compete for city business.

He ordered development and implementation of a model supplier and contractor diversity program, including a Director of Supplier Diversity. He ordered the Director of Supplier Diversity to create a contract review committee to ensure legal compliance; and, he directed the Director of Supplier Diversity to conduct a disparity study and to explore the creation of a surety fund to provide bonding assistance to DBEs.

On implementation, the Administration advises it has begun receiving résumés for key positions in the Procurement Office; and, until it hires the permanent CPO, an acting CPO has begun implementing contracting reforms, including open meetings for professional services contracts. We urge the Administration to maintain this pace, and will closely monitor progress toward full implementation.

Issue Seven:
Public Education

Summary Assessment:
SATISFACTORY PROGRESS

On School Facilities, we appreciate the Mayor's advocacy of the $2 billion FEMA lump-sum settlement to finance the reconstruction of New Orleans school buildings. In light of the success of this settlement, we emphasize the need for support of the Facilities Oversight Committee and assistance in achieving the coordination necessary to amend the Facilities Master Plan to accurately reflect demographic information. We urge transparency in the process and request the Mayor's assistance in achieving it.

On the remainder of the Public Education mandates, it is premature to assess the Administration's performance. While the Mayor has remained a champion of Charter Schools, we cannot fully assess fulfillment of the education mandates until he has demonstrated support for the Continued Oversight by the Recovery School District of the RSD schools for a period of time sufficient to enable agreement on, and implementation of, the process, criteria and structure for returning schools.