



Cypress Cottage Partners

**TESTIMONY TO THE HOUSE COMMITTEE ON
TRANSPORTATION & INFRASTRUCTURE
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT,
PUBLIC BUILDINGS, & EMERGENCY EMANGEMENT**

**HEARING ON “POST-KATRINA TEMPORARY
HOUSING DILEMMAS AND SOLUTIONS”**

**DELIVERED BY BEN DUPUY
EXECUTIVE DIRECTOR OF CYPRESS COTTAGE PARTNERS**

**WASHINGTON, D.C.
MARCH 20, 2007**

**Cypress Cottage Partners
236 Third Street
Baton Rouge, Louisiana 70801
(225) 408-3259**

Introduction

I am Ben Dupuy, I am a native New Orleanian, and I am the Executive Director of Cypress Cottage Partners.

Shortcomings of Existing Housing Options

The shortcomings of FEMA's emergency housing options allowed for under current law are well known. The Inspector General of the Department of Homeland Security has reported that some of FEMA's group sites on the Gulf Coast will be operating for five or more years and that the living conditions are far from ideal. For an 18-month period, the costs of FEMA travel trailers and manufactured homes are nearly \$60,000 and \$90,000 respectively. With 70,000 trailers in use in Louisiana as of February 2007, that amounts to a cost of at least \$4.3 billion in that state alone. Using \$4.3 billion for temporary housing that has no hope of becoming a suitable permanent solution is clearly not in the best interests of displaced citizens, affected communities, or taxpayers.

The Alternative Housing Pilot Program

The combination of the unprecedented demand for disaster recovery housing and the shortcomings of the options available under the Stafford Act prompted Congress last year to appropriate \$400 million to FEMA for the Alternative Housing Pilot Program to, one, identify new solutions for disaster recovery housing and, two, transition displaced families into housing more appropriate for long-term use. The legislation included a one-time waiver of the Stafford Act so as to make it possible for homes built under this program to be occupied for longer than 18 months. The selected proposal for Louisiana

was the Cypress Cottage Partners solution to build homes that transition from temporary housing to permanent communities, or what we call “temp-to-perm.”

Cypress Cottage Partners

Cypress Cottage Partners is the consortium of companies that have come together to deliver the “temp-to-perm” model, and it includes Cypress Realty Partners as the developer, Andres Duany as the planner and architect, Marianne Cusato as the designer, The Shaw Group as the engineering and construction provider, Lowe’s Home Improvement as the materials provider, and Worthington Industries as the steel framing provider.

The homes we will build are affordable; permanent; quickly constructed; appropriate for various sizes of families; able to withstand winds of up to 140 miles per hour; and easily adaptable to local zoning, building codes, and architectural styles.

We will build several models of single-family homes, ranging in size from two to three bedrooms. We will also build single-story, multi-family buildings with units ranging from one to four bedrooms.

A significant problem that FEMA encountered on the Gulf Coast was the placement of temporary group sites. Many communities, not wanting to be saddled with trailer parks they feared could become permanent, prohibited the building of group sites. In contrast, our temp-to-perm model appeals to local governments in several ways, including

aesthetics, size, speed to construct, and ability to transition to permanent communities. Our homes will carry a higher initial cost than trailers; however, they will generate significant savings over their total life cycle when compared to travel trailers and manufactured homes. Most importantly, our homes will enable displaced citizens to move more quickly into housing appropriate for long-term use. If all of the trailers in group sites in the New Orleans area were instead temp-to-perm homes, the city's affordable housing crisis would certainly not be as severe as it is today.

We plan to build our homes at four sites in southern Louisiana. Two of the sites are in the New Orleans area and were affected by Hurricane Katrina. Two of the sites are in Southwestern Louisiana and were affected by Hurricane Rita.

Additional Funding for Gulf Coast Recovery Housing

204,000 homes in Louisiana experienced major or severe damage from Katrina and Rita, and there is much greater demand for permanent homes like the ones we are building than can be delivered through Louisiana's \$74 million Alternative Housing Pilot Program grant. Several solutions exist. First – and most significantly – Congress should encourage FEMA and OMB to write the regulations and policies necessary to implement Congressman Richard Baker's important provision in the FEMA reform legislation passed at the end of 2006 that amends the Stafford Act to enable the federal government to build permanent housing in the wake of large-scale disasters. Congressman Baker, a longtime member of the Transportation & Infrastructure Committee, has been a real leader in the effort to change the Stafford Act to allow for the construction of permanent

homes in the wake of catastrophic disasters, and the legislation he worked to enact last year will result in a remarkable improvement in the government's response to future housing crises. Second, Congress should dedicate part of the funds from the proposed GSE Affordable Housing program to the appropriate agencies in Louisiana and Mississippi to build additional homes. Third, as Governor Blanco and members of Louisiana's congressional delegation have advocated, Congress could appropriate additional funds to a federal agency for the purpose of creating additional units. Finally, the State of Louisiana could use proceeds from the sale of the homes we build to create a revolving fund that could be used to generate additional permanent homes.

Conclusion

In conclusion, to respond to future disaster situations, the federal government should have among its available solutions the ability to deploy temp-to-perm housing that enables displaced citizens to return quickly to their communities and that prevents the prolonged purgatory of life in temporary group sites. The Cypress Cottage Partners model is that solution.