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Hurricane relief guru is getting results

Influential executive carries Blanco's ball

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BATON ROUGE -- A few days after the Bush administration dropped the bomb that it would oppose the Baker bill, Louisiana's first choice for fixing the state's hurricane housing crisis, Sean Reilly was on a plane to Amarillo, Texas, to see if a compromise could be cobbled together.

Reilly, a leading member of Gov. Kathleen Blanco's Louisiana Recovery Authority, had been summoned to west Texas by Donald Powell, the president's Gulf Coast recovery chief. At what Reilly described as a "nondescript local restaurant," the two men talked for hours -- even scribbling notes on the paper table cloth -- about policy options, damage estimates and the amount of money needed to repair flood-soaked property across south Louisiana.

It was the first of several meetings between Reilly and Powell, as well as a few other authority members, which were soon supplemented by staff sessions aimed at determining exactly how many houses had been damaged and how much money was needed to repair them.

"Sean has been a guy who has reached out to me," said Powell, who also noted he has worked closely with several other members of the recovery authority and New Orleans city leaders. "He seems to have a sense of urgency about this."

The payoff

The result of the intensive negotiations was a major breakthrough a few weeks later: a pledge by the Bush administration to support an additional \$4.2 billion in housing assistance for Louisiana. Defending those dollars will prove the next big challenge for Reilly and other Louisiana officials, as leaders from other states hit by Hurricanes Katrina and Rita have already started to go after a share of the pot.

"We need to make the point that these numbers have been scrubbed," Reilly said. "Every dollar ties back to damaged local infrastructure, a damaged home or a program to accelerate the critical need for affordable housing." He added that lobbying Congress for the additional appropriation is the next priority.

As with almost every stage of the work of the recovery authority, including its inception, Reilly, a Baton Rouge businessman and former state legislator, is intimately involved. He was in Washington on Monday to try to convince key lawmakers and Appropriations Committee staffers that the data shows that Louisiana needs the money.

When Hurricane Katrina hit southeast Louisiana on Aug. 29, Reilly, 45, had been out of public life for almost a decade, concentrating on his young family -- he and his wife have

three children ages 4 to 8 -- and Lamar Advertising, the nation's third-largest billboard company, which he and his brother took public in 1996.

But when it was clear that the storm had devastated the New Orleans area, flooding 80 percent of the city and displacing hundreds of thousands of people, Reilly immediately got involved.

Drawing on contacts

He called George Biddle, a college roommate at Harvard University and a top official at the International Rescue Committee, a group that helps people fleeing war-torn areas. The group broke with its precedent of getting involved only in foreign disasters and came to Baton Rouge in the days after the storm, drawing up a plan for assisting evacuees. Part of that plan eventually turned into the Louisiana Family Recovery Corps, a nonprofit organization that is supposed to coordinate the work of relief and rebuilding charities and provide case management to help evacuees get the assistance they need.

While he was busy with his company, which suffered a \$20 million hit to its billboard inventory, in the weeks after the storm Reilly also became involved in the initial planning for the Louisiana Recovery Authority. A mutual friend brought in to assist by Andy Kopplin, then Blanco's chief of staff and later the executive director of the recovery group, suggested that Reilly was a good person to help figure out how to proceed.

Kopplin said Reilly became part of a group, including consultants from McKinsey & Co. who had offered their services for free, and the president of the Lower Manhattan Development Corp., who hammered out a plan for the entity. The recovery authority was modeled after the group that was created by New York Gov. George Pataki and then-New York City Mayor Rudy Giuliani after the Sept. 11, 2001, terrorist attacks.

About five weeks after the storm, Reilly recalled that the group briefed Blanco about the proposal, persuading her that some kind of organization was needed to focus on the recovery efforts. Blanco tapped Reilly for the group and asked him to recruit former Time magazine and CNN executive Walter Isaacson, a New Orleans native who lives in Washington, D.C., and heads the Aspen Institute, to serve on the panel.

"The burden of suggesting good ideas, you get asked to contribute to the implementation," Kopplin said.

'Common sense'

Isaacson, who was named vice chairman of the authority, said Reilly has emerged as one of the key decision makers.

"Sean Reilly has been the indispensable person in this whole process," he said, noting that he immediately reached out to Powell after the housing bill by Rep. Richard Baker, R-Baton Rouge, was rejected by the Bush administration to convince him that something more needed to be done. "He flew (to Amarillo) one weekend in late January and he just used a whole lot of common sense."

For Reilly, the recovery authority has become a huge commitment. He estimates that about 75 percent of his work time is spent on hurricane-related activities, leaving just 25 percent for Lamar Advertising, which he runs with his brother, Kevin Reilly Jr., who is the chief executive officer of the company. The business had been in the Reilly family since 1902 until it was taken public.

He has been an active member of the authority, regularly weighing in on decisions made by New Orleans officials and members of Mayor Ray Nagin's Bring New Orleans Back Commission.

The watchword for the recovery authority, which Reilly has consistently hammered in his public statements, has been "safety," with officials saying that rebuilding efforts must ensure that citizens are protected from future storms. This is not without some controversy,

as the recovery authority's insistence that homes be rebuilt to new "base flood elevations," which have not yet been released by the federal government, will make reviving certain neighborhoods much more expensive.

"We fundamentally disagree on that," said state Rep. Cedric Richmond, who represents a section of heavily flooded eastern New Orleans. "I think that instead of telling people to raise houses we should raise the levees and protect the area."

But Richmond said that although he disagrees with Reilly on this issue, he generally finds him to be someone he can work with. "He is straightforward. You always know where you stand and where he is coming from," he said.

Didn't miss a beat

After the defeat of the Baker bill, Isaacson said Reilly was involved not only in negotiating for more money but also in advocating for a housing plan that would establish uniform formulas across the state to award money to the owners of storm-damaged homes. The \$7.5 billion plan that was released last month depends on the state eventually receiving the additional \$4.2 billion promised by the Bush administration.

Reilly also has been raising money for the authority's private support foundation, the LRA Fund. The fund, which pays for many of the consultants who have been assisting in planning activities, was set up at the Baton Rouge Area Foundation, a organization that counts the extended Reilly family as active donors.

"I'm a huge admirer of the Reillys. They are leaders. They will step up. Sean does not need to do what he is doing with the LRA," said John Davies, president of the Baton Rouge foundation. Reilly's wife, Jennifer Eplett Reilly, who met him while he was at Harvard Law School and she was attending Harvard Business School, sits on the group's board.

The two are well-known as local philanthropists, along with the rest of the Reilly family and Lamar, giving money to various causes. Jennifer Reilly recently helped bring City Year, a youth volunteer program, to Baton Rouge.

The Reillys also regularly donate to political campaigns, most often to Democratic candidates, according to federal campaign records. Reilly served in the state House for two terms, taking over in 1988 the seat vacated by his father, Kevin Reilly Sr., who ran unsuccessfully against now U.S. Sen. Mary Landrieu for state treasurer. Kevin Reilly Sr. went on to serve as the head of the state Department of Economic Development.

Reilly sought the House seat when he was still in law school, taking a semester off to run his campaign and later finishing his education in the political off-season. When he got to the House, he ended up sitting next to Mitch Landrieu, the new treasurer's younger brother. Although the two families were at political odds at that time, the men became fast friends.

A Young Turk

"We had a little reform group," Reilly recalled. Along with Landrieu and then-Reps. Kip Holden, D-Baton Rouge, and Randy Roach, D-Lake Charles, who are now both mayors of their respective cities, as well as former Rep. Raymond Jetson, D-Baton Rouge, they were known as the early 1990s incarnation of the "Young Turks," a name typically given to young, reform-minded lawmakers.

The issues they focused on weren't always the most glamorous, but were important, said Landrieu, who emphasized the group's push to limit the state's debt and implement more rigorous ethics and campaign rules.

Landrieu, now lieutenant governor, and Reilly have remained friends, with Reilly recently holding a campaign fund-raiser at his Baton Rouge home for the New Orleans mayoral candidate. Landrieu downplayed the event, saying that other members of the recovery authority are contributing to other candidates.

Reilly said that although he held the fund-raiser for Landrieu, he has a good relationship with other leading candidates, noting that Ron Forman stayed at his brother's house after the hurricane. If somebody besides Landrieu gets elected mayor, Reilly said he will ensure that he works well with that person.

"I take my role on the LRA as probably the most important public service I've ever done in my life," said Reilly, who does not lack for self-confidence. "It is very easy for me to be objective and strive to do the right thing."

Because of his experience in the Legislature, Reilly is the head of the recovery authority's legislative and local government task force, responsible for making sure elected officials are fully informed about the group's proposals and plans.

Given the increasingly antagonistic relationship between Blanco and some lawmakers, it could become a tough job. Lawmakers have already been skeptical about some recovery authority initiatives, killing a proposal in the last special session to create a housing trust to administer federal money for buyouts and repair grants, and requiring that any recovery proposal that costs more than \$10 million be subject to full legislative oversight.

"I think there needs to be more communication with legislators on the important initiatives," said Sen. Lydia Jackson, D-Shreveport, echoing a comment that has been made by many lawmakers. "I think Sean is going to be very busy."

Other lawmakers said Reilly tried to reach out to them during the session, saying the problems lie more with the Blanco administration.

Reilly blamed the problems with the housing trust bill on the time constraints of the special session, saying that if legislators had more fully understood what it involved they would have supported the proposal. The Blanco administration is working on an alternative mechanism to handle federal housing money, which will likely need some degree of legislative approval.