



Photos by Nicole LaCour Young for Knight Foundation

The early reconstruction of the Katrina-battered Highway 90 bridge between Ocean Springs and Biloxi was an important early symbol of the community's recovery.



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BILOXI, Miss. – On that fateful Monday morning – Aug. 29, 2005 – Alberto Ibarguen was watching television while he shaved. The news about Hurricane Katrina was predictably grim, but what struck him most was how the coverage seemed to be focused exclusively on New Orleans. As an ex-newspaperman, he instinctively sensed that far less public attention would be paid to another instant war zone, the Mississippi Gulf Coast. And as the newly installed president of Knight Foundation, which had longstanding ties to those coastal communities, he felt compelled to act.

And so within hours he directed that \$1 million be sent to the local chapters of the American Red Cross and Salvation Army – not realizing, of course, that the Salvation Army building in Biloxi had been reduced to a slab. Indeed, the storm had already rearranged the landscape in confounding ways – shredding ancient oak trees, sending ship containers of frozen chicken into people's yards, decimating historic beachfront homes, flattening the wooden domiciles that had housed generations of fishermen, picking up casino barges and dropping them hundreds of feet away, killing several hundred citizens, wrecking or destroying 50,000 housing units, and, all told, basically ending a way of life that cannot be reconstituted.

By the time Ibarguen witnessed this devastation for himself, during the first weekend in September, he knew that Knight would be committing financial resources for the long haul. Knight had long been a low-key philanthropic player on the Gulf Coast – there because the Knight brothers had owned the Sun Herald newspaper since 1986 – and here was a crisis, in a community long overlooked by national nonprofit groups, that clearly required an activist, high-profile response.

Today, nearly three years after the storm, and with expenditures thus far totaling roughly \$10 million, Knight Foundation can rightly point to a string of achievements – most notably, its crucial role in bringing world-class planners and architects to the afflicted region, and prompting citizens to chart new communities in ways they had never before imagined. Yet at the same time, political,

cultural and financial obstacles have impeded recovery on virtually all fronts. In the words of Mississippi Gov. Haley Barbour, who is praised for his recovery efforts even by political foes, “It’s all been way too slow to suit me.”

Venture capitalist Jim Barksdale, the former CEO of Federal Express and Netscape, who worked with Knight Foundation at a critical early juncture, now says, “It’s much easier to dream big dreams than to implement big dreams.” And Sun Herald publisher Ricky Mathews identified the biggest negative factor: “Parochialism. We have such a damn difficult problem speaking with one voice. And there are too many local leaders here who can’t see beyond their own cities.”



Hurricane Katrina scoured East Biloxi; many former home sites await reconstruction.

All of which prompts this question: How exactly should a foundation assess success or failure? Are its grant monies well spent only if there are tangible, and durable, end results? Or, particularly with respect to the far-flung crisis on the Gulf Coast, should Knight simply take pride in the fact that its investments have profoundly lifted the spirits of devastated citizens, and prompted new ways of thinking about the future – and that such an achievement cannot even be measured in dollars? Indeed, Gulfport Mayor Brent Warr says yes to the latter: “It’s hard to imagine anything better than what the Knight Foundation has done, and I’m not just saying that to butter their backsides.”

Tangible achievements

Knight, of course, has not been the sole player on the Mississippi coast, but it arguably has been the most committed. Other nonprofits have written bigger checks in the storm’s aftermath – the Robert Wood Johnson Foundation has spent \$20 million; the William Kellogg Foundation, \$38 million; the Bush-Clinton Katrina Fund, \$138 million – but their prime focus has been New Orleans. Although some Knight officials have sometimes felt that their efforts in Mississippi have been underpublicized, the foundation can already point to a number of tangible achievements.

Knight’s influence will be clearest with the passage of time, but its \$1 million grant to help set up Barbour’s Commission on Recovery, Rebuilding and Renewal – a donation matched by Barksdale – has already yielded tangible benefits. The commission enlisted a visionary planner, Andres Duany, along with more than 100 internationally recognized architects and planners, to stage town meetings on the Gulf Coast within weeks of the storm. Their credo of “new urbanism” – mixed-used, walkable communities – has been embraced, albeit in fits and starts, by a number of coastal towns and local developers, as evidenced by projects and zoning-code reforms in Gulfport (the

largest coastal city), Pass Christian, Pascagoula, Moss Point, Ocean Springs and D'Iberville – more than 50 percent of the 11 coastal communities.

The governor's commission led to the creation of the Gulf Coast Business Council (a regional group, also a Knight grantee, which is intended as an antidote to local parochialism). The Business Council in turn created the Gulf Renaissance Corp. (another Knight grantee, whose mission is to help modest-income people buy affordable housing, much of which still needs to be built). The Renaissance Corp., in turn, is sharing some elements of that mission with the Biloxi Housing Authority, another Knight grantee. Knight also provided money to help facilitate the purchase of a Gulfport building that now houses eight nonprofit agencies – including the Business Council and the Renaissance Corp. – thus making communication far more efficient.

Crucial decisions, during the immediate aftermath of the storm, were made by Knight's on-the-ground representative, Beverly Blake, who commuted frequently from her home in Georgia. The importance of having a program director on site cannot be overstated. Prior to the storm, Knight had been largely invisible in the community – “those folks didn't know me from Adam's housecat,” Blake recalls – but she quickly sent the message that Knight intended to be a high-profile participant in the recovery and rebuilding effort.

'On the ground all the time'

She recognized early on, for example, that the local nonprofit sector was in serious disarray after the storm, and repaired much of that damage by successfully urging that the Gulf Coast Community Foundation, a clearinghouse group for the local nonprofits, enact what she now delicately calls “appropriate management changes.” Today, with contributions from the Bush-Clinton Fund, the GCCF has a strong revenue stream – it funnels money to local nonprofits – and director Roger Wilder says, “Knight helped us get back on our feet, set us up from scratch.”



Gulfport Mayor Brett Warr

And even with respect to the arts (which often are treated as a lesser priority during survival crises), Knight is helping to finance the reconstruction of a beachfront museum that had been poised to open in 2006 – until it was partially crushed by a Katrina-tossed casino barge. Marjie Gowdy, executive director of the Frank Gehry-designed Ohr-O'Keefe Museum of Art, says, “We had to deal with the question, ‘How do you talk about art, when there is complete devastation?’ ... But the Knight people have shown us that they believe in us.”

On another front, Living Cities Inc., a national urban community development organization, got involved through Knight in the wake

of the storm. Reese Fayde, the CEO at the time, contacted Ibargüen and said she wanted to help. Ibargüen told her, “You’ve got to get down here and see this.” She did. Shortly thereafter, Living Cities was on site full time, as another Knight grantee, working on an ambitious redevelopment plan for the most stricken community, East Biloxi – and, in a separate endeavor, working with Mayor Warr in Gulfport on a management-by-objective program that, in layman’s terms, was designed to teach the rookie mayor and the wary City Council how to govern effectively in a crisis. Blake arranged for the financing of that program; Marvin Siflinger, the consultant who has run the MBO workshops, says that the early Knight support was “fabulous.”

Many observers say that Knight’s efforts were further enhanced by its decision, in December 2006, to hire a permanent troubleshooter, somebody with family roots in the region. Adele Lyons, who serves today as program director for the Gulf Coast, brought her networking skills. She uses them frequently. As a member of the Biloxi Housing Authority’s advisory board, she put the housing officials in touch with some urban development planners at New York University. Today, NYU people are helping the agency work up a plan to rebuild Biloxi’s Main Street. In the words of Helen Werby, the agency’s development coordinator, “Adele is ‘old Biloxi.’ It’s important for a foundation to have someone on the ground all the time.”

Idealism vs. parochialism

But the most critically important Knight-supported project – and, for some, the most controversial – was the brainstorming campaign supervised, during October 2005, by the Miami-based planner Andres Duany, the principle at Duany Plater-Zyberk and Co. Originally tapped for the governor’s commission by Leland Speed, then director of the Mississippi Development Authority, Duany has since come to symbolize the recovery and renewal effort at its best and worst – idealism colliding with parochialism, a clash of cultures.

His town hall sessions, known officially as the Mississippi Renewal Forum, envisioned a new Gulf Coast largely freed from dependence on cars – a constellation of mixed-use, higher-density communities with ample green space where people would walk for both work and leisure.

As Duany declared, with characteristic brio, in a November 2005 report, “(Sprawl) is simply no longer a sustainable living pattern – not in coastal Mississippi or anywhere else. The scarcity of petroleum and consequent rise in price is permanent. It will catalyze the restoration of communities to what they were historically – places that are traditional, walkable, mixed-use, mixed-income neighborhoods, towns, and villages. ...What is so extraordinarily hopeful in Mississippi is that the devastation of Katrina will allow the Gulf Coast to arrive at this inevitable future faster.”

Many locals were excited – as many still are – about Duany and his partners at the Chicago-



Andres Duany, right, debates flood plain elevations with FEMA representatives at the October 2005 charrette.

based Congress for the New Urbanism. Knight president Ibargüen says, “Duany’s whole process gave people a sense of hope. It helped people organize and think about the future – at a time, right after the storm, when they easily could have gone flying off in a thousand different directions.”

But there were problems. As Barbour explains, southerners on the Gulf Coast tend to like their cars. It’s a cultural thing; mass transit is largely an alien concept. It’s also a meteorological thing, according to Joe Cloyd, a former

Barbour aide who works for a Gulf Coast developer: “Walkability is all fine and good – until it’s 100 degrees outside, which is what happens here in the summer.”

And there were more problems. The Duany visions – known as “charrettes” – were drawn up without factoring in the views of the Federal Emergency Management Agency. At the time, FEMA had not yet produced new building requirements for the devastated areas; today, the rules stipulate that new structures in flood plains need to be elevated by roughly 18 feet. By then, the charrettes were finished. This allowed local skeptics to dismiss the Duany crowd as unrealistic.

Worse yet, the new urbanists made the mistake of telling the storm’s survivors they were free to dream “on a clean slate.” East Biloxians who had lost their modest, ungentrified, ancestral homes did not see their vanished neighborhoods that way. To the contrary, they wanted to rebuild everything just as it was, and they made this clear in countless meetings. The residents, in fact, were being unrealistic – FEMA would never allow it, and high insurance costs alone made it prohibitive. But this, too, did not help Duany.

Mathews, a Duany fan, says now, “He was too strong a personality and that offended people. He was practicing tough love on people who were feeling wiped out.”

Indeed, one of the offended parties was the powerful mayor of Biloxi, A. J. Holloway. He recalls, “They all said to us, ‘You now have a clean slate, you can do whatever you want.’ Well, that’s bull. People own that property. City can’t just come in and take it.”

Holloway has largely resisted the new-urbanist concepts, prompting Duany to declare earlier this year that Biloxi has “basically committed suicide,” in turn prompting Holloway to assail Duany for “arrogance.” Ibargüen, watching all this, says, “I’m sorry that this has all led to a distancing between them. Andres has a very informed opinion about the future, but it is only an opinion. This

is a democracy, and unless you have a Robert Moses (the legendary New York City planning czar), almost like a dictator, you're going to end up with some divisions."

Views vary on new-urbanist vision

Duany insists today that his walkability visions are practical as well as economically and environmentally desirable: "People walk in hot climates. They walk in Santa Fe. They walk in New Orleans. I was just in Morocco, in Marrakesh? 120 degrees, and it's full of tourists walking. So these are kindergarten complaints." Nevertheless, he says he would relish the opportunity to return and conduct some follow-up charrettes – preferably with financial backing from Knight – and to mend fences with Holloway.

Holloway, who is described by one Biloxi player as "a poker player with the shortest possible distance between his cards and his chest," and whose top priority was to energize the casino industry that drives the city's economy, opted early in 2006 to go his own way. He established a Biloxi-centric operation, the Reviving the Renaissance Committee, and tapped a close ally, retired Lt. Gen. Clark Griffith, to chair it. After some backroom discussions, the committee formed a partnership of convenience with Living Cities, which intended to develop a separate plan for East Biloxi, incorporating some new-urbanist principles.

Knight helped finance the Living Cities project, which ultimately yielded ambitious plans for mixed-use, walkable development and an elongated "central park." But Gordon Brigham, the Living Cities representative in charge, was acutely aware of his outsider status. "This was a place," he wryly says of Biloxi, "where long-term planning was not a built-in part of the municipal environment. ... And I would guess that the mayor has not spent a whole lot of time reading our report."

He may be right. When Holloway was asked recently if any facet of the Living Cities vision had been implemented by the city, he paused for a long moment before replying, "Can't think of anything. Though we're using it as a guide. Some of it could work, but it could take some time, too." (Griffith's shop produced a set of recommendations for the entire city, but none are binding.)

Holloway says today that most of East Biloxi will be rebuilt by private developers when the market is right, and he remains convinced that the visiting urban planners – and their financial sponsors – have never grasped the local culture: "Somebody coming from California or New York or wherever they're coming from – it's just different here. One thing people in Biloxi don't like is (visitors) telling them what to do. Proud people."

Nevertheless, ex-Barbour aide Joe Cloyd, who served as the administrative staffer on the Reviving the Renaissance Committee, firmly believes that Knight got tremendous bang for its buck in Biloxi. He points out that the Living Cities plan, combined in one volume with the Renaissance



Joe Cloyd and retired Lt. Gen. Clark Griffith sit at the Town Green in Biloxi. Cloyd says Knight's \$250,000 to support the Living Cities plan for East Biloxi helped open the spigot of up to \$40 million in federal funding.

plan, was approved by the Biloxi City Council in September 2006 – thus persuading the federal government that Biloxi had an official blueprint for the future. And that prompted the feds to open the money spigot.

“Had we not gone through that whole process,” says Cloyd, “we would not have been eligible to apply for CDBG money (Community Development Block Grants). We had to show that we had a plan. So, basically, the Knight Foundation spent \$250,000 on Living Cities – but helped us successfully leverage as much as \$40 million in federal money. You don’t need to

know math to see that’s the real deal.”

That episode typifies the mixed results on the Gulf Coast; as many locals are fond of saying, “Two steps forward, one step back.” Measured against the pre-Katrina era, the region is down 7,000 hotel rooms. Thousands of people are still living in roughly 6,000 FEMA trailers, where it’s physically difficult for an adult to pivot in the bathroom. On the other hand, the Biloxi Housing Authority has built new, quality affordable housing for displaced seniors, with more projects in the pipeline.

Affordable housing remains “a horrible problem,” in the words of local communications specialist Reed Guice, but the Knight-financed Gulf Coast Renaissance Corp. is ramping up rapidly, with some corporate partnering, to build 10,000 homes over the next 10 years. “Everybody is so anxious for results,” says CEO Laura Davis. “It’s something I have to manage.”

In Gulfport, Mayor Warr and the City Council, who were trained in hundreds of meetings by Living Cities advisers on how to work together effectively, have often found common ground – but, lately, not as much. Elections loom next year, and political tensions are resurfacing. But, unlike their brethren in Biloxi, Gulfport’s elected officials have embraced some of the Duany new-urbanist principles and have enacted some zoning reforms that should help put them into practice.

In the city to the east, where casinos drive the economy, Biloxi Mayor Holloway’s first priority is to ensure that the industry regains, and ultimately, surpasses its pre-Katrina clout. This seems likely, given the fact that, thanks to a new state law allowing legalized gambling 800 feet inland, the casinos are buying up a lot of the devastated land in East Biloxi. He’s also preoccupied with launching a seven-year project to clean out the storm drains and sewer lines that remain stopped up by the storm. In his words, “we’re digging up the city in pieces. Gonna take a whole lot of time.”

But Duany himself says he is optimistic about the region, sluggish progress notwithstanding – and about Biloxi as well: “We’re not giving up on that city, or any of the others. Some have been early adopters of new-urbanist thinking, some are partial adopters, others will be late adopters. An irrevocable process has been started. Planning is all about time. The destiny of the Gulf Coast ultimately has been changed, for the better.”

Critical assessments

Knight’s response to Katrina has hardly been flawless, of course. Reese Fayde, the ex-CEO of Living Cities, says that Knight could have worked a lot harder at the outset to network with other national foundations, and bring their collective weight to bear on the stricken region. Ibargüen himself admits, “I wish we could’ve moved faster to get more people permanently on the ground,” and says Knight could’ve lobbied harder to ensure that other nonprofits paid as much attention to the Gulf Coast as they did to New Orleans. Knight’s Blake concurs: “Knight wasn’t really an advocate within the foundation world for Mississippi. That disappointed me.”

Some Knight officials have also voiced disappointment that the foundation has not reaped greater public relations benefits for its contributions to Mississippi – particularly for its initial \$1 million outlay to the Governor’s Commission, which triggered the charrettes and the rebuilding process. Indeed, Knight’s pivotal role is not widely known – as communications specialist Guice, who handled the commission publicity, acknowledges: “Giving Knight a high profile was not even on our radar. Perhaps we were woefully lacking in our failure to put out that message. We just didn’t do it. But it’s also true that Knight never asked.”

Adele Lyons, the foundation’s program director, believes Knight was right not to lobby for credit during the crisis phase; she says it would have been inappropriate to do so: “That should not have been the story. When you read the newspaper, you were rightfully reading about what was happening to people in the community. ... (Taking credit) was not the story.”

Still, Fayde believes that, nearly three years after the storm, Knight could be doing more to publicize both itself and the ongoing woes of the region: “They have been reluctant to use their national bully pulpit to advocate for Mississippi. They’ve done absolutely valuable work on the ground, great work. But Mississippi continues to be a stepchild in national discussions about Gulf Coast recovery. All the talk is still New Orleans. Maybe Knight doesn’t feel like speaking from the bully pulpit is consistent with its role, but this is an opportunity that shouldn’t be missed.”

Most importantly, however, the locals today credit Knight for framing the big picture. Joe Cloyd says, “Their millions instilled hope in the hopeless. They brought rational planning to communities that hadn’t thought about planning in 200 years. These urbanists drew a lot of pretty pictures,

but those pictures have had an impact. A lot of local people – elected officials, developers – have now drunk the Kool-Aid.”

Embedded for the long haul

Others laud Knight for empowering the grassroots and embedding itself for the long haul. Clark Griffith, the retired Air Force general and Holloway ally, says: “It hasn’t been just ‘Here’s our two cents, and now we’re leaving.’ They’ve been here since the get-go, they keep following up on their efforts, and they’re still here.” Indeed, Lyons talks with enthusiasm about the ongoing Knight-supported training of the local nonprofit groups, with the goal of creating “a more professional sector.”

As for the daunting challenge of determining whether Knight’s expenditures have yielded tangible achievements, one pivotal player contends that, in this particular case, such measurements are not necessary. Jim Barksdale, the corporate CEO who teamed with Knight to kick-start the entire process in Gov. Barbour’s office, puts it this way:

“There are two kinds of giving – strategic giving and relationship giving. The first is when you determine a specified social need, like a reading program for kids, and you design ways to measure performance. But the second kind, relationship giving, is what Knight has been doing on the Coast. The storm hit, and Knight decided to make something happen, put a lot of people together – people with a lot of good ideas, people with big hearts, people who were hurting and tugging at you.

“Good things are happening, and they will take time to play out,” he says. “This effort is about building good relationships, creating a positive mood and new possibilities. This is the world of anecdotes, not cold metrics. Sometimes you just have to say, ‘We’re doing our best, it feels great, let’s just get on with the work.’”



The Katrina Memorial on Biloxi’s Town Green features a sculpture created from found debris objects contributed by town residents.

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