

CASE STUDY: ○

Rebuilding for Resilience: How Damon Burns Turned Finance New Orleans into an Engine of Change

When Hurricane Katrina struck, Damon Burns had just a semester left in his MBA program at the University of New Orleans. He fled the city with four days' clothes, not knowing it would be four months before he could return, even briefly, to view the damage firsthand.

Burns suffered less disruption from Katrina than many. He moved 400 miles away to Houston, where he lived previously during college and had family and friends. The University of Houston accepted students from New Orleans, enabling him to finish his MBA and start a career in banking. Still, he felt compelled to return to New Orleans to help rebuild the community where he was born and raised.

"When I say New Orleans is my home, Louisiana is my home, my family has been there for too many years to count—well before this country was formed," he said. "The work that I've done over the past 20 years has been directly tied to my experience with Katrina."





A City in Crisis

In the early morning of August 29, 2005, Hurricane Katrina weakened slightly and veered slightly east of New Orleans as it made landfall. It briefly appeared that the city might be spared from a worst-case scenario until, one after another, the levees and floodwalls that protect New Orleans failed. Water up to 20 feet deep flooded 80 percent of the city, creating one of the worst disasters in American history.



Hurricane Katrina:

1,400

Claimed 1,400 lives.



70%

Damaged or destroyed 70 percent of all occupied homes.



\$200B

Inflicted \$200 billion in damage in today's dollars.

Two decades later, it is difficult to comprehend the scale of the catastrophe. Katrina claimed 1,400 lives, damaged or destroyed 70 percent of all occupied homes, and inflicted \$200 billion in damage in today's dollars. **It would take until 2023–18 years—to finish rebuilding the city's schools.**

Katrina displaced hundreds of thousands of people, many of whom moved permanently to Houston, Atlanta, or beyond. Already in a slow decline since the 1960s, the city's population dropped by half overnight, and it still hasn't returned to its pre-Katrina level.

Recovering from such a disaster requires more than physical reconstruction. The city also needed to rebuild the institutions that enable residents to thrive.

One of those institutions was Finance New Orleans, the housing and development finance agency that Burns would eventually lead. Founded by the New Orleans City Council as the New Orleans Home Mortgage Authority in 1978, the agency provides mortgages to lower-income homebuyers who cannot access financing from traditional banks.

The agency changed the lives of generations of New Orleanians. After joining the agency, Burns met a woman who bought her first home with a mortgage from Finance New Orleans after college and eventually bought multiple properties as investments. Another borrower, a Tulane University professor, still lives in the home she purchased decades earlier because of Finance New Orleans.



“People think all the professors at Tulane make a ton of money, but they don't, and they fit squarely into our programs as well,” he said.

Those types of stories stopped after Katrina. The disaster destroyed more than 90 percent of the agency's \$400 million mortgage portfolio as owners of flooded properties left the city with whatever insurance payments they could obtain.



From Private Sector to Public Service

Burns grew up mostly in New Orleans East, an expansive suburban district home to the city's African American middle class. He played baseball and football at St. Augustine High School, a historically Black private Catholic high school.

Burns left New Orleans to study marketing at Texas Southern University. The statistics and finance courses came easily to him, and he pursued an MBA in finance at the University of New Orleans.

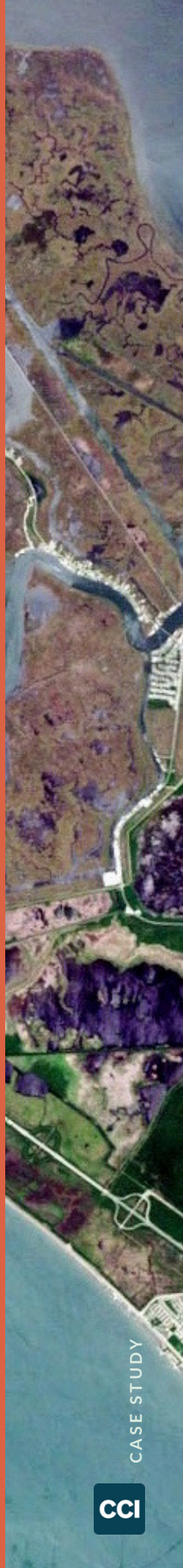
Even before Katrina, Burns felt called to improve his city. Growing up in the 1990s, he saw signs of disinvestment and blight around him. New Orleans was often called the murder capital of America because it had the nation's highest homicide rate. Burns and other young professionals thought about how to revitalize their city.

"The whole world passes through New Orleans," Burns said. "We have so many events—Mardi Gras, Super Bowl, Jazz Fest. It's an international attraction. And for some reason, we're not capturing all the economic value that passes throughout the city."

As Burns wrapped up his MBA in Houston after Katrina, Comerica Bank recruited him into a corporate banking role. A senior leader asked the new employees why they wanted to work for the bank, and Burns immediately knew his answer.

"I wanted to understand how to give more capital to my community and other communities that aren't getting capital," he said. *"I just had an interest in understanding that from a fundamental perspective."*

Burns returned to New Orleans a year later. After a stint with Louisiana's small business recovery program, he landed a job in municipal finance with the investment bank Raymond James. He saw it as an avenue to bring jobs and investment to New Orleans at a critical time.



His projects at Raymond James included financing school renovations, housing development projects, and expansion of a streetcar line after decades of planning.

“All of these things were meant to reinvest in New Orleans, to stimulate it after Katrina,” he said.

Burns learned to show investors why they should bet on his city—a task far more complex than the corporate projects he worked on at the beginning of his career.

“If a corporation were to do a project, they’re going to analyze how much product they’re going to sell,” he said. The questions for a municipal project are far less straightforward. “Is the city run well? Does it have good tourism? Does it have a corporate base? Does it have a university base?”

Burns left Raymond James in 2013 to launch Munivestor, a financial technology startup serving the municipal bond market. Three years later he was recruited to lead Finance New Orleans, one of his early clients at Raymond James.



From Private Sector to Public Service

When Burns became CEO in 2016, Finance New Orleans was still a shadow of its pre-Katrina self. The new leader would need to rebuild the agency—difficult enough on its own—but that wouldn't be enough.

After Katrina, severe storms, flooding, and heat waves did not relent, and climate change did not recede from the community's mind.

"We started to hear the community say, 'Yeah, we need you to get back on your feet and provide mortgage financing, but there's a whole lot more that this community needs and that you can do,'" Burns said.

Financial markets also sent clear signals. In 2017, the credit rating agency Moody's warned New Orleans and other cities that their interest rates for loans and bonds would be tied to their ability to deal with the risks brought on by climate change.

Meanwhile, other leaders in New Orleans were also focused on adapting to climate change and reducing the city's carbon footprint. The city completed its first resilience strategy, Resilient New Orleans in 2015, and a plan to reduce carbon emissions in 2017.

City leaders were closely watching Washington, DC, which was establishing the nation's first municipal green bank. Burns sensed an opportunity to meet a real need in his community.

"We made a decision that we would go all in," Burns said. "We told the city of New Orleans that we could play the role of the new green bank in the city. We already had the infrastructure. They would essentially be creating the same kind of entity with the same powers, so it would just shave a lot of time off if they were to just re-empower Finance New Orleans."



The city agreed, placing the agency at the center of its efforts to address climate change. In addition to issuing mortgages, Finance New Orleans would help retrofit homes and finance infrastructure like community solar installations, microgrids, electric vehicle charging stations, and stormwater systems.

The need for resilient homes and infrastructure is not theoretical—flooding or power outages can mean the difference between a paycheck and a financial emergency.

“We get calls in our office all the time with families saying, ‘You know what? I have a job, and I can’t miss days,’” Burns said. “‘So if it floods, that’s problematic for me, so I want to see some kind of stormwater infrastructure in my community that allows me to go to work and not miss days,’ or maybe somebody saying, ‘During that last hurricane, I had to leave my house for two weeks and I had to miss work, so I need solar and battery backup so that I don’t have to leave.’”

By 2016, the city not only faced extreme weather but also a severe housing crisis. About 60 percent of renters spent at least 30 percent of their income on rent. The agency began to finance multifamily housing development that meets environmental and hazard-resistant standards.

To fulfill its expanded role, Finance New Orleans obtained funding and technical support from organizations including the Kresge Foundation, C40

Cities Climate Leadership Group, Center for Community Investment, Mississippi River Cities and Towns Initiative, and Quantified Ventures.

Burns helped to establish the city’s Resilient New Orleans Finance Working Group. The group published the [Resilient New Orleans Finance Plan](#) in 2021 to coordinate investment in energy, buildings, transportation, and waste management.

Last year, it helped to produce the city’s 10-year [Housing Ecosystem Plan](#) for creating affordable, climate-resilient homes. The plan called for a housing trust fund that dedicates about 2 percent of the city’s budget each year to affordable housing. New Orleans voters approved the trust fund in November of 2024.

Under his leadership, Finance New Orleans has used new tools, such as property tax incentives and municipal bonds to spur sustainable development. He and his team have coordinated with agencies like the Office of Community Development, Housing Authority, Redevelopment Authority, and Industrial Development Board, to speed up financing for affordable housing.

Finance New Orleans has already financed the development of 11 multifamily projects, most recently the St. Bernard Circle Apartments, a complex with retail space and 51 homes—40 of them with rents below market rate for the next 99 years—in the city’s historic 7th Ward. The homes are built to high standards for sustainability and disaster resilience.

“Since Damon (Burns) has taken over there’s been a much better coordination, and Finance New Orleans has been seen as a leader in setting policy and bringing others together,” said Josh Collen, president of the company HRI Communities, which developed the project.

Meanwhile, the agency has strengthened its relationship with neighborhood groups and housing and sustainability organizations.

Finally, Finance New Orleans is working with local contractors, small businesses, and international firms to develop new technologies and methods for sustainable development. In 2024, it held the [Resilient New Orleans Innovation Challenge Showcase](#), a contest to identify new technologies to test in single-family home construction projects throughout the city.

The showcase attracted proposals from 34 companies, who presented to judges and community groups.

“The community asked the best questions,” Burns said.



“We have too much money in this country for some communities to struggle the way they do. It just doesn’t make sense.” – Damon Burns

Looking to the Future

Burns and the board of directors have a deceptively simple goal for Finance New Orleans—to drive \$1 billion in new community investment by 2035. It has already supported \$216 million in construction activity, but to reach its goal the agency needs to draw in new sources of money. That isn't always easy.

As somebody that used to be a banker, when you're a banker you are not trained to think about the future," he said. "You're trained to think about debt service coverage." That is, the revenue to pay back a loan. "We need to be thinking about city growth the same way we think about corporate growth."

That means taking risks and investing in projects that might deliver value to the community, even if the future is uncertain. Burns wants to convince lenders and investors that resilience is a path to a stronger local economy, and ultimately, financial returns. He wants Finance New Orleans to show that investing in sustainable housing, the local workforce, and small businesses can create a virtuous cycle that attracts young entrepreneurs to the city. If it succeeds, Finance New Orleans can help correct an injustice that has preoccupied Burns throughout his career.

Burns recalls meeting in New York with executives from several of the country's largest banks, whose assets totaled \$10 trillion. He was joined by representatives from a national foundation, which supported a pitch for \$25 million in financing to grow the agency's work in New Orleans.

"Our national foundation supporters said, 'We believe in what this agency is trying to do in New Orleans. We want to see the impact it's trying to create. We're willing to put our balance sheet on the line in order for it to happen.' And we still couldn't get a deal done with Wall Street."

The meetings raised questions that dogged Burns's mind 20 years ago when he and other young professionals sought to draw investment back into the city. But he is now closer to an answer.



About the Center for Community Investment

The Center for Community Investment (CCI), a sponsored project at Rockefeller Philanthropy Advisors, works to ensure that all communities, especially those that have suffered from structural racism and policies that have left them economically and socially isolated, can unlock the capital they need to thrive. Our work is supported by the Robert Wood Johnson Foundation, The Kresge Foundation, JPMorgan Chase & Co, Target Foundation, Wells Fargo Foundation, and The California Endowment.

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