

DISASTER RECOVERY INITIATIVE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Allocations, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant
Disaster Recovery Funds in Response to Disasters Occurring in 2016
*The Continuing Appropriations Act, 2017, The Further Continuing and Security Assistance Appropriations Act, 2017
and The Consolidated Appropriations Act, 2017 (Public Law 114-223, 114-254 and 115-31)*
Federal Register Docket No.
FR-5989-N-01 and FR-6012-N-01

LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT, DISASTER RECOVERY UNIT



STATE OF LOUISIANA
ACTION PLAN AMENDMENT No. 2
FOR THE UTILIZATION OF
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
IN RESPONSE TO THE GREAT FLOODS OF 2016

Public Comment Period: Wed., June 7, 2017 and runs through Tues., June 20, 2017 at 5 p.m.
SUBMITTED TO HUD: June 23, 2017
APPROVED: July 3, 2017

[John Bel Edwards](#)

Governor

Billy Nungesser

Lieutenant Governor



1. Summary of Changes

This Action Plan Amendment No. 2 modifies the income requirement for the Rapid Rehousing Program, and authorizes the program to pay for temporary lodging expenses for households at immediate risk of homelessness.

State of Louisiana CDBG-DR Total Allocation	
Total Allocation	\$1,656,972,000
Restore Louisiana Housing Programs	\$1,423,693,120
Homeowner Program	\$1,293,693,120
Rental Housing and Homelessness Prevention Programs	\$ 130,000,000
Restore Louisiana Economic Recovery and Revitalization Programs	\$62,000,000
Infrastructure Program (PA Match)	\$105,000,000
Administration and Planning	\$ 66,278,880

2. Proposed Use of Funds

Eligible Activity	HCDA Sec. 105 (a)(4), 105(a)(8)
National Objective	Benefit to low- to moderate-income persons, Urgent Need
Program Budget	\$16,000,000

Proposed Use of Funds and Maximum Award:

As described in Action Plan Amendment No. 1, the state's Rapid Rehousing Program funds could be used for up to 24 months of the actual costs for rental assistance, security and utility deposits, rental and utility arrearages, application and background check fees charged when applying for housing. Now that FEMA is ending its Transitional Sheltering Assistance (TSA) Program, it has been determined that more than 50 households will be at great risk of homelessness as they secure long-term rental housing. In order to prevent these households from becoming homeless, the state seeks to also allow temporary lodging expenses, including hotels and motels, as an eligible expense.

Eligible Applicants: Displaced households at 80% AMI and below are eligible for the Rapid Rehousing Program. Additionally, all households enrolled in FEMA's Transitional Housing Assistance program as of May 29, 2017, regardless of income level, are eligible for temporary lodging expenses.

3. Public Comment

This Action Plan Amendment is considered substantial as it changes the income requirements, and thus the program beneficiaries. The formal public comment period for the plan begins Wed., June 7, 2017 and runs through Tues., June 20, 2017 at 5 p.m. Citizens and organizations can comment on this amendment via:

- The OCD-DRU website, http://www.doa.la.gov/Pages/ocd-dru/Action_Plans.aspx;
- Emailing them to ocd@la.gov;
- Mailing them to Disaster Recovery Unit, P.O. Box 94095, 70804-9095, Attn: Janice Lovett; or
- Faxing them to the attention of Janice Lovett at (225) 219-9605.

The plan will be translated into Vietnamese and Spanish to reach the limited English proficiency citizens in the impacted areas. Citizens with disabilities or those who need other technical assistance can contact the OCD-DRU office for assistance via the methods listed above.

APA 2 FLOODS PUBLIC COMMENT & THE STATE'S RESPONSE

My family along with probably several thousand other families had flood insurance to cover our homes in case of flood. I have submitted my survey for the distribution of the \$1.6 billion Community Development Block Grant and I am aware that we do not qualify for any of the first 6 phases of the program because we have flood insurance coverage. There are thousands of families with the same situation as we are faced with.

We understand that people who did not carry flood insurance on their property need immediate financial help or they will have no way to repair their homes. They may have to walk away from their homes abandon the place they have started and raised their families because for whatever reason they felt that there was no need for flood insurance. Hopefully they will be helped within the first 6 phases.

That being said we who have carried flood insurance were forced to borrow money either from the SBA or private lenders in order to repair our homes. I don't know if the state is aware that the flood insurance adjustments are falling way short of the amount of money the contractors are charging to repair the homes. The difference is unbelievable. This is a wide spread problem that is forcing hardships on the families who thought they would have no problem repairing their homes.

I know the \$1.6 billion can only go so far in helping flood victims and there is little hope that more money to help will be appropriated. I offer this idea that would help the thousands of families who do not qualify for any of the 6 phases. Since a huge percentage of these families had to borrow from the SBA if those SBA loans can be forgiven then those people would receive relief from the burden caused by the shortfall of their flood insurance. Congress may have to approve it but the money is already distributed and a pen stroke is the only thing needing approval.

I think this would be achievable with the help of our congressmen and our governor. A lot of us are faced with a discrepancy that the flood insurance left us with and with no way to cover without borrowing the difference. It is a shame that we have to fight for the flood insurance money we were counting on. Most of us haven't even maxed out our policy coverage but yet have to borrow more.

I would appreciate you forwarding this idea to the appropriate entity. Thank you in advance for your help. If there are any questions you may have about this idea please contact me.

OCD-DRU RESPONSE: Thank you for your comment on the state of Louisiana's proposed Action Plan Amendment 2 for recovery from the Great Floods of 2016. OCD-DRU will include your comment and our response when we submit the plan to HUD for approval in late June. Unfortunately, as you indicate above, at this time given the limited funds currently available, the first six phases of the program are designed to ensure that those homeowners who are most vulnerable and had no coverage at all receive help first. Once those families get at least some measure of assistance, the program will move through phases that reach increasingly larger groups. Of course, that is not to suggest that you were provided enough money to cover all damages or that anyone should be disadvantaged for having insurance. Please know that we're working tirelessly to secure additional dollars so we can open up those additional phases to serve homeowners like you.

In response to your comment regarding the flood insurance adjustments not matching the amount of assistance you need to complete the repairs to your home, assuming your policy coverage has not been maxed out, we encourage you to appeal to your flood insurance underwriter to have them re-evaluate your inspection and needs to repair or reconstruct your home. Even if or when this program opens to include recipients of flood insurance, the Community Development Block Grant funds cannot be used to fill the gaps of what could be paid by the homeowners' flood insurance policies.

In response to your recommendation on the SBA loans, the Governor has worked hard with members of Congress, SBA, HUD and FEMA to encourage SBA loans to be forgiven or to allow CDBG-DR funds to take

out SBA loans. Unfortunately, as of June, the federal government has written an opinion that the structure and duplication of benefits surrounding SBA will remain unchanged. However, the Governor is committed to continuing to push on this matter, given the scope of the impact on homeowners across the state.