



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

OFFICE OF COMMUNITY PLANNING  
AND DEVELOPMENT

**MAY - 8 2009**

Mr. Paul Rainwater  
Executive Director  
Louisiana Recovery Authority  
and Office of Community Development  
State of Louisiana  
150 N. Third Street, Suite 200  
Baton Rouge, LA 70801-1916

Dear Mr. Rainwater:

On September 21, 2008, the State of Louisiana submitted a revised request seeking the Department's approval to grant certain exceptions to the requirements of Federal Register Notice 72 FR 70472 that no Road Home payments be made to applicants who missed the December 15, 2007, appointment deadline set by the state. Prior review of the state's proposed policy for granting exceptions for applicants who missed the first appointment deadline resulted in the Department permitting the processing of applicants that were:

- Physically unable to attend due to a medical related emergency
- On active military duty and unable to take leave as verified by a copy of orders showing tour of duty and or discharge orders showing the beginning and the end dates of a tour of duty.
- Incarcerated or otherwise physically detained by local, state or federal authorities.

At the time of the approval, the state's exception policy was not clearly defined in regard to cases that may have involved errors by the state and/or its contractor pertaining to both the July 31, 2007, application deadline and the December 15, 2007, first appointment deadline. HUD re-emphasizes that the Department cannot grant exceptions for applicants who failed to meet the *statutory* July 31, 2007, application deadline. Only cases that have met the application deadline (i.e. application filed on or prior to date and/or applicant information loaded into the state's eGrants system) can receive Road Home payments from the grant amounts covered by the Notice 72 FR 70472.

Road Home applicants that failed to comply with the July 31, 2007, application deadline may not receive any Road Home homeowner compensation program payments from the funds allocated to that program in accordance with the Action Plans for disaster recovery for the grants made under Public Laws 109-148, 109-234 and 110-116, as those plans had been amended and accepted by HUD as of the time described in the Notice. The Notice prevents the state from using the grant under Public Law 110-116 to make payments to those who missed the deadline, and it prevents the state from reprogramming funds out of the homeowner compensation program from the other two grants. The Notice would not prevent the state from re-budgeting funds from another activity, such as infrastructure, to add to those funds already budgeted, and it would not prevent those additional funds from being used to provide assistance



to applicants who missed the appointment deadline. To do this, the state would have to amend the relevant disaster recovery Community Development Block Grant (CDBG) Action Plan.

The state has developed first appointment deadline (December 15, 2007) policies and procedures to address exception cases that resulted from state and/or contractor deficiencies involving incorrect instructions to the applicant and the following instances:

- Applicants turned away at the Housing Assistance Center (HAC) for their initial appointment mistakenly by Road Home staff;
- Applicants informed by Road Home in writing or by phone that they would be contacted for an initial appointment, but then never received a phone call by Road Home to schedule their appointment (some applicants have provided their phone records to show they never received a phone call from Road Home prior to the December 15, 2007 deadline); or
- Applicants misinformed by Road Home staff that they were ineligible for the Road Home because they sold their home (these applicants would have either been turned away after appearing at the HAC for their Initial Appointment or received a letter of ineligibility from Road Home prior to the December 15, 2007 deadline); or
- Applicants originally determined ineligible for the Road Home program, but were then determined to be eligible for the Road Home program by Appeals after December 15, 2007; or
- Applicants is an heir to the property who inherited the house after December 15, 2007 due to the death of the eligible owner-occupant.

Documentation required to validate the above mentioned instances has been identified by the State and is listed below:

**Turned away at the initial appointment:** Road Home would provide proof that these applicants did show up for their initial appointment through signed attendance logs, an appointment schedule for that day to show the applicant was not seen by Road Home Advisors and/or notes from the advisor in the Road Home Application Issues Tracking System stating the applicant was turned away at their initial appointment.

**Inherited property:** Heir would have to provide a Death Certificate and Judgment of Possession showing they have inherited the property by death of the eligible owner-occupant at the time of the storm. Road Home would confirm the original owner-occupant was indeed eligible for the program before the heir could be determined eligible for assistance.

**Sold home:** Road Home would provide proof that these applicants did show up for their Initial Appointment through signed attendance logs, an appointment schedule for that day to show the applicant was not seen by Road Home advisors and/or notes from the advisor in the Road Home Application Issues Tracking System stating the applicant was turned away at their initial appointment because they were not eligible for assistance or, applicant would need to provide proof that they received a letter of ineligibility from the Road Home program for being a sold home prior to the December 15, 2007 deadline.



**Appeals:** Road Home would provide proof that these applicants did submit an application and were initially communicated to that they were ineligible for Road Home assistance prior to the December 15, 2007 deadline. Road Home would provide an Appeal Determination showing the applicant was approved for eligibility after the December 15, 2007 deadline.

**Other:** Applicants stating they received communication in writing and/or by phone from Road Home that they would be contacted by Road Home to schedule their Initial Appointment. Applicants who were advised by Road Home staff over the phone that they would receive a phone call to schedule their initial appointment will provide phone records as proof that they contacted Road Home and proof that no phone call was ever received back by Road Home to substantiate their claim.

HUD has since reviewed the revised exception policy memorandum (enclosed with this letter) and has determined that the revised policies and procedures are in compliance with the December 11, 2007, Notice. HUD hereby grants the exceptions for Road Home applicants who missed the December 15, 2007, first appointment deadline for the reasons referenced in this letter.

HUD looks forward to continue working with you and your staff in partnership to address the critical redevelopment of your state. If you have any questions regarding HUD's direction, please address them to Dr. Mark Mitchell, Acting Director, Disaster Recovery and Special Issues Division, at (202) 708-3587.

Sincerely

A handwritten signature in black ink, appearing to read 'Stanley Gfmont', written in a cursive style.

Stanley Gfmont  
Director  
Office of Block Grant Assistance