



DISASTER RECOVERY UNIT MONTHLY PROGRAM UPDATE

April 1, 2009

| PROGRAM | PROGRAM DESCRIPTION | PROGRAM UPDATE |
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| INTERNAL PROGRAMS | | |
| Administration and Technical Assistance (SAAD, SAAC, SATA) <u>Budgeted</u> \$191,300,000 <u>Expended</u> \$26,696,792 <u>Start Date</u> 5/9/2006 <u>Proposed End Date</u> 5/9/2016 | The Disaster Recovery Unit (DRU) of the Office of Community Development (OCD), Division of Administration (DOA), was created in the aftermath of the 2005 hurricanes Katrina and Rita. The DRU administers the CDBG Disaster Recovery funds approved by Congress on December 23, 2005. Personnel were hired from within Louisiana and around the United States with experience in all aspects of CDBG programs. Managers and staff were retained in the areas of homeownership housing, multifamily/rental/supportive housing, infrastructure, economic development, policy and reporting, legal, and financial and auditing. This activity supports the administrative work conducted to implement disaster recovery projects funded with these resources. This includes technical assistance as well as general administrative costs. | The Disaster Recovery Unit (DRU) of the Office of Community Development (OCD), Division of Administration (DOA), was created in the aftermath of the 2005 hurricanes Katrina and Rita. The DRU administers the CDBG Disaster Recovery funds approved by Congress on December 23, 2005; June 30, 2007; and January 15, 2008. Personnel were hired from around the United States, as well as within Louisiana, with experience in all aspects of CDBG programs. Managers and staff were retained in the areas of homeownership housing; multifamily, rental, and supportive housing; infrastructure; economic development; policy and reporting; legal; and financial and auditing. Experienced employees of the OCD-CDBG Program provide training as needed to newly hired. In addition, the OCD continues to supply CDBG training in partnership with the Council of State Community Development Agencies and ICF International. The DOA's resources are available to augment the DRU with expertise in budgeting, accounting, contract review, and legal matters. The DRU is in close contact with the Louisiana Legislative Auditors. Currently, there are 3 separate teams from the LLA assigned to the DRU, with approximately 30 employees. At the close of this quarter, the OCD-DRU had 60 full-time employees, 4 part-time employees, and 3 student workers. The LRA had 25 full-time employees and 2 student workers. The Katrina Cottages program has 1 employee. The DRU received approval in September, 2006, to raise the total number of staff to 74. The administrative budget is used to fund salaries and related benefits, travel expenses, operating supplies and services, professional services, and inter-agency transfers. As the OCD-DRU further develops and implements program monitoring plans this quarter, travel expenses remain steady. The state follows the State Procurement Code. All sub-recipients are required to follow Title 24 Part 84 and Part 85. Monitoring plans are still being developed for the new disaster recovery activities funded under this program. |

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| <p>Planning (PLAN) <u>Budgeted</u> \$15,500,000 <u>Expended</u> \$9,515,311 <u>Start Date</u> 5/9/2006 <u>Proposed End Date</u> 6/30/2010</p> | <p>Governor Blanco established the Louisiana Recovery Authority (LRA) with Executive Order KBB 2005-63 on October 17, 2005. The LRA coordinates, leverages, and targets these newly committed resources with existing state and federal resources to improve their efficiency and effectiveness and to avoid duplication of efforts. The LRA leads long-term community and regional planning efforts and works to ensure transparency and accountability. It also assists coordination of resource allocations as it pertains to issues that may include, but are not limited to: 1) economic and workforce development; 2) environmental quality and review; 3) temporary and permanent housing; 4) healthcare; 5) infrastructure and transportation; 6) education; 7) fiscal stability; 8) family services; and 9) law and order. On November 9, 2007, HUD approved <i>Action Plan One, Amendment 16</i>, which increased funding for this program by \$3,000,000. On May 28, 2008, HUD approved <i>Action Plan One, Amendment 22</i>, which increased funding for this program by another \$3,000,000 by once again moving funds from the <i>Technical Assistance Program</i>.</p> | <p>In the first quarter of 2009, the Louisiana Recovery Authority continued to educate local, state and federal leaders about the progress of Louisiana’s recovery from hurricanes Katrina and Rita.</p> <p>The state was honored to host HUD Secretary Donovan, along with Department of Homeland Security Secretary Napolitano, as they toured parts of New Orleans and St. Bernard Parish in early March. It was important for the Secretaries to see both the progress that has been made and the work that remains to be done following the 2005 storms.</p> <p>After HUD announced in February that it was allowing a six-month transition period for citizens enrolled in the Disaster Housing Assistance Program, LRA staff began working to find housing solutions for the near 17,000 families still enrolled in DHAP at that time. Residents who are eligible have been encouraged to take advantage of the Housing Choice Voucher Program (HCV). To ensure a proper safety net for families ineligible for HCV, the LRA agreed to HUD’s request to administer the case management component of the transition. While working with providers, partners and the families still in DHAP has taken tremendous coordination, the state is confident that our vulnerable families will be in a much better place after the end of this transition period.</p> <p>The LRA decided to divide the remaining functions of the Road Home Program among several companies so that each would be easier to manage. To that end, this quarter the LRA announced that Hammerman and Gainer, Inc., was chosen to run the homeowner portion, ACS State and Local Solutions, Inc. will manage the Small Rental Program and CGI Technologies and Solutions, Inc. will oversee the IT services. To ensure that homeowners and landlords have continuous service, the state is transitioning the management of these programs from ICF International, whose contract expires in June. All contracts will have performance measures to hold contractors accountable.</p> <p>Another Road Home contract soon to be awarded will be for the Piggyback Program, which saw great progress in the first quarter of 2009. See section on the <i>Piggyback Program</i> for details.</p> <p>Finally, CDBG infrastructure funds supported improvements to schools and recreational facilities, as well as new medical facilities. Nearly \$4 million was approved through the LRA’s Primary and Secondary Education Program for projects in St. Bernard and Iberia Parishes, while more than \$21 million in Long Term Community Recovery dollars were approved for work in Orleans, St. Bernard and Vermilion Parishes.</p> |

HOUSING PROGRAMS

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| <p>Homeowners Assistance (HAOO, H2OO, H3OO) <u>Budgeted</u> \$8,986,716,525 <u>Expended</u> \$8,381,563,503 <u>Start Date</u> 5/30/2006 <u>Proposed End Date</u> 5/30/2016</p> | <p>HUD approved the release of funds for the <i>Homeowners Assistance Program</i>, outlined in <i>Action Plan One (API)</i>, on May 9, 2006, to compensate homeowners whose homes sustained severe or major damage due to hurricanes Katrina and Rita. Louisiana homeowners were provided three options: to rebuild, relocate in the state of LA, or relocate outside the state, with a 40 percent penalty. HUD approved the release of funds in lump-sum disbursements in <i>API, Amendment 14</i> on May 15, 2007; <i>API, Amendment 15</i> on November 9, 2007; <i>API, Amendment 17</i> on December 20, 2007; <i>Action Plan Two, Amendment 4</i> on November 11, 2007; and \$2,000,000,000 from Appropriation 3 as of December, 2008.</p> | <p>By the end of the first quarter of 2009, 166,094 of the 185,113 recorded Road Home applicants had been through the first appointment process to discuss disaster grant options. After extensive evaluation, 153,257 of the applicants were sent benefit option letters ranging in amounts from 0\$ - \$150,000. There are 15 homeowners appealing ineligibility. Of those eligible, 123,807 or 80.8% have closed on some type of a Road Home grant. Of those awarded a grant amount, 189 are appealing the award amount. The total amount disbursed by the Office of Community Development Disaster Recovery Unit (OCD-DRU) for closings occurring as of 3/31/2009 was \$7,924,115,064.59. The low-to-moderate income families in Louisiana are receiving \$4,136,585,525.03 or 52.2 % of this amount. The homeowners receiving grants in the New Orleans Metro Area total 96,087 and are receiving a total of \$6,792,747,194.69. -calculations done on data in the eGrants Reporting Database</p> |
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