

Homeowners
Assistance Program

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Press releases as of: 08.24.2015

Road Home to Provide Additional Resources, Assistance to Program Participants

HUD Provides Clarity For Louisiana's Road Home Elevation Incentive Program

Need to Become Compliant? Liaison Services Can Help

The Greater New Orleans Housing Alliance (GNOHA) and Franklin Associates have been chosen to provide liaison services to Road Home applicants who are not yet compliant. The liaison agencies can help you identify your best path to compliance with the Road Home. To make an appointment with the liaison service provider in your area, call 1-888--762-3252, Extension 2 and ask for Liaison Help.

1) Is this a new program, or is there a new grant available? No, this is still the Road Home Program, and there are no new grants available unless you've encountered an eligible unmet need. These services are being provided to help current grantees who are not compliant or not yet back in their homes have additional help in working through the compliance process.

2) Who are the agencies providing liaison services? The Greater New Orleans Housing Alliance (GNOHA) and Franklin Associates will provide services in the Greater New Orleans area, while Franklin will also provide the services in the Southwest Louisiana area.

3) Why did the Road Home contract with these liaison service agencies? The liaison service agencies will act as an intermediary between the homeowner and the Road Home staff and serve as a second reviewer of some of the most complicated files that remain open. The agencies, like the Road Home, will work with the homeowners within all applicable HUD regulations and policies.

4) Who is going to be helped by the liaison services? The liaison service agencies will work with homeowners who are not compliant with their grant and need additional assistance to become so.

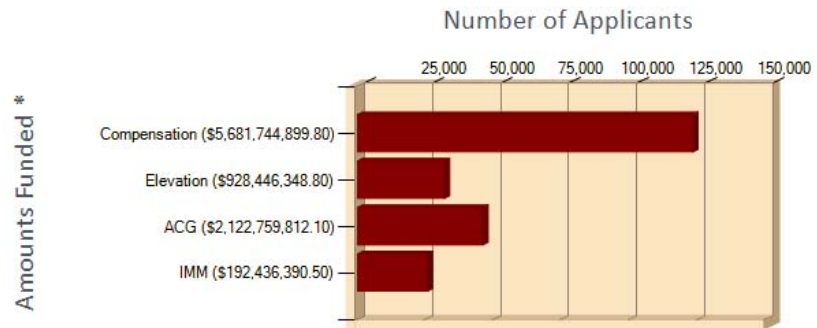
5) Can the liaisons help me with Small Rental or HMGP Elevation grant issues? No, they will not have access to the Small Rental or HMGP documents or files. You should contact those programs directly if you need assistance with them.

6) Will the liaison services agencies reach out to me? Will I get a letter or a phone call? The liaison agencies have been given the contact information for all Road Home applicants who are not compliant with their Option 1 or Option 2 grants. They will be contacting homeowners and hosting outreach events in the near future.

As of mid-2013, The Road Home Program has successfully assisted more than 130,000 Louisiana citizens affected by Hurricanes Katrina and Rita. The program has disbursed more than \$8.9 billion to the residents of Louisiana to rebuild their homes. The program has had, and will continue to have, a tremendous impact on the largest rebuilding effort in American history.

We will continue in our dedication to help Road Home applicants rebuild safer, stronger, and smarter even as we move toward the close of this portion of recovery from the 2005 storms. We are aware that some applicants have encountered obstacles during their recovery process, causing them to be unable to fulfill their obligations within the Road Home Program. The next phase of the Road Home will be to consider the unmet needs and the obstacles of the applicants, on a case-by-case basis.

Road Home Program - Grant Disbursements As Of:
Thursday, September 03, 2015



* Net Amounts Funded (Minus Funds Returned)

The **Office of Community Development - Disaster Recovery Unit** does not discriminate on the basis of race, color, national origin, sex, age, religion or disability, and provides, upon request, reasonable accommodation, including auxiliary aids and services, to afford an individual with a disability an equal opportunity to participate in all services, programs and activities. Towards this end, we continually strive to make our web platform friendly to screen readers and other accessibility-related software, and provide accessible documents where possible. Any person requiring assistance, or would like a copy of a specific document, should contact the Special Needs Coordinator at (225) 276-2738. TTY callers please use the 711 relay* or dial 1.800.846.5277.

Program funded by the U.S. Department of Housing & Urban Development.
Housing centers are accessible and reasonable accommodations will be provided as requested.
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State of Louisiana

Division of Administration
Office of the Commissioner

FOR IMMEDIATE RELEASE

Contact: Gregory Dupuis, 225-342-7038 or 337-501-0902

Road Home to Provide Additional Resources, Assistance to Program Participants

BATON ROUGE – The State of Louisiana’s Office of Community Development, Disaster Recovery Unit announced today it has collaborated with HUD on a plan providing for additional construction assistance and administrative remedies for Road Home grant recipients who have not yet returned to their homes, not yet elevated, or are otherwise non-compliant with the Road Home Program.

The plan also sets the course for aggressive implementation of recovery processes for grantees who continue to be non-compliant. For those homeowners who have not returned and do not or cannot participate in this additional assistance, the State’s recovery processes will address the homeowner’s repayment liability through collection and recapture.

"As the 10th anniversary of the landfall of hurricanes Katrina and Rita approaches, the State and HUD have worked closely together to ensure the successful close out of the Road Home program," said OCD-DRU Executive Director Pat Forbes. "While more than 94 percent of the over 119,000 Road Home grant recipients who chose to rebuild are back in their homes, there are still challenges that we will be able to meet with this proposal for additional construction assistance and administrative remedies, as well as full implementation of our recovery processes."

Forbes said challenges still exist for those who want to, but have not been able to return home; for those who received a Road Home Elevation Incentive grant but have not been able to elevate; for those who received an Option 1 grant and decided not to rebuild, but need to get compliant; and for those who utilized their elevation grants to rebuild their homes, but have been unable to produce the receipts required for reclassification of the grant.

The State and HUD have worked closely together with input from legislators and non-profits to develop a Plan of Action for the close-out of the Road Home Homeowner Assistance Program. This plan includes the following initiatives:

- For those homeowners who had to use a large portion of their Road Home grant for housing expenses while they were trying to get their homes rebuilt, and who are still non-compliant for occupancy or elevation:
 - OCD-DRU is submitting an Action Plan Amendment allowing up to two years of interim housing expenses incurred while homeowners waited to get back into their homes to count as an unmet need in the program. These families will have access to additional resources targeted at repairing or rebuilding, as well as reclassification of their elevation grant (this Action Plan Amendment will be published for comment by mid-September);
- For those who have not been able to return home, but still wish to, additional funding sources to fill homeowner resource gaps for construction through the Nonprofit Rebuilding Pilot Program administered through the Louisiana Housing Corporation or the Road Home construction management program. Funds for this activity will come from remaining unobligated Road Home funds (around \$30 million), and other sources, such as return of grant and program income, as they become available;
- For those who received the Road Home Elevation Incentive grant and have not yet elevated due to lack of sufficient funds, additional funding will be provided under FEMA's hazard mitigation grant program and other programs to complete those elevations. These funds will come from the remaining funds from the existing Road Home HMGP, as well as other HMGP funds that become available through de-obligation;
- For those homeowners who spent their Road Home Elevation Incentive grants on repairing their homes but have been unable to produce the required receipts, the program will now be able to conduct an inspection to verify completed work and expenditures, removing the need for receipts for reclassification of their RHEI grants;
- For those grantees who chose Option 1, but are either unable or unwilling to rebuild, there will be additional ways to convert to Option 2 or 3, or to go through a voluntary adjudication process for transfer of their property to the local jurisdiction; and
- For households of low-to-moderate income that have not yet been able to return home, additional construction funds may be available for repair, reconstruction or elevation needs in excess of the \$150,000 cap imposed by the Road Home program, in exchange for a repayment of the extra amount from a later sale of the property.

These measures are intended to provide additional avenues for existing Road Home grant recipients to return home and/or to elevate, and to become compliant with the program. The plan does not provide for new Road Home applicants to enter the program, nor does it provide additional compensation grants. Additional assistance will be provided through a construction program.

Road Home and Liaison staff will continue to work with homeowners to help them determine their best path forward, and they will now have additional tools.

The Disaster Recovery Unit within the Office of Community Development is dedicated to helping Louisiana's citizens recover from hurricanes Katrina, Rita, Gustav, Ike and Isaac. As the State's central point for hurricane recovery, the

OCD-DRU manages the most extensive rebuilding effort in American history, working closely with local, state and federal partners to ensure that Louisiana's recovery is complete, secure, and sustainable.

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FAQ RH INTERIM ASSISTANCE

1. Q: Are you opening the Road Home program for new applications?

No, the last date to apply was in July 2007. The purpose of the announced initiatives is to help existing Road Home applicants who are non-compliant to get compliant by:

- returning to their homes or
- getting their homes elevated or
- getting their elevation grants reclassified or
- selling their properties to the Road Home program

2. Q: Where is this money coming from?

The Road Home has remaining unobligated funds, but the state is also looking at other sources that can be applied to these activities, such as:

- Other Disaster CDBG funds that may be available or become available,
- HMGP funds that were previously obligated to other activities, but may now be available
- Other non-federal sources

3. Q: The release says there's elevation funding. What are the requirements for the additional elevation funding and how do I apply?

The elevation funding will be prioritized for those Road Home recipients of Low-to-moderate income who received the Road Home Elevation Incentive grant but have not yet elevated. The program is still in development, but Road Home and liaison staff will work with Road Home recipients who are currently non-compliant for elevation to determine if they may be eligible.

4. Q: The release says there's additional construction funding. What are the requirements for the additional construction funding and how do I apply?

- There is no additional application necessary.
- Those Road Home Option 1 grant recipients who wish to repair or rebuild their homes but have been unable to do so can work with Road Home staff or liaison services to determine their eligibility.
- There will not be any additional incentive grants provided.
- The additional assistance will be provided in the form of managed construction.

5. Q: The release says there's interim housing assistance. What are the requirements for the interim housing assistance and how do I apply?

The Action Plan Amendment to allow Interim Housing Expense as an unmet need will be published for comments by mid-September. OCD has been working with HUD to develop the acceptable types of proof of interim housing expense. The final APA will specify how interim housing expenses can be used and the type of evidence required. After receiving and responding to comments, the APA will be submitted to HUD for approval, which can take up to 45 days. Road Home Staff and Liaison services staff will assist homeowners who believe they may be eligible. Use of interim housing expenses as an unmet need will not result in additional grants being provided to anyone. They are only for making additional resources available through the construction program, or for reclassification of Road Home Elevation Incentive grants or reduction of amount of funds owed back to the program.

6. Q: The release says there are remedies for people who have spent elevation funding with no receipts. What are the requirements getting a waiver on these receipts and how do I apply?

The program will now be able to conduct home inspections to establish value of rehabilitation work that has been done to a home. The results of this inspection will determine the amount of the RHEI that can be reclassified as compensation. Grantees must also sign an affidavit confirming that the RHEI grant was used for rehabilitation. The program has over 1300 grantees who have already told us they spent their RHEI on the rebuilding of their homes. Road Home staff will be working with those grantees first, and other elevation non-compliant homeowners who spent their RHEI grants on rebuilding can request an inspection for confirmation. Depending on the number of grantees who request inspections, the inspection/certification process may take up to 12 months to get through all grantees who request an inspection.

7. Q: The release says there are additional method of resolution for Option 1 grants who don't now intend to rebuild. What are these resolutions and how do I apply?

Those grantees who have clear title and wish to convert their Option 1 grant to an Option 2 or Option 3 may do so, as always, with a post-closing option change. Those Option 1 grantees who do not wish to rebuild but who do not have clear title to transfer can work with the program and their local building compliance officials to have the property voluntarily adjudicated by the local authority and have their obligation to Road Home reduced or eliminated.

8. Q: The release says there are remedies for low-to-moderate repair/reconstruction/ elevation needs that exceed the \$150,000 cap in exchange for a repayment of the extra amounts from a later sale? What are these remedies and how do I apply?

For those Option 1 grantees that have not been able to complete repairs and rebuilding in order to return home, and have not received sufficient funds to do so, the program may be able to provide additional funds above \$150,000 cap by taking an interest in the property through a lien. The funds will only be available if the grantee is completing the home through the NRPP or the Road Home Construction Management Services Program. This interest will be repaid to the program when the house is sold if funds are available after all other mortgages are met. There is no application process. Grantees can work with Road Home staff or liaison staff to determine whether there is a construction funding gap that might be met through this process

9. Q: Since I have already reoccupied, can I get back payments for interim housing assistance/elevations/construction/other related out-of-pocket expenses, too, because that only seems fair?

As is already the case, application of the unmet needs criteria only applies to those Option 1 grantees who have either not yet reoccupied their homes or owe funds back to the program for non-compliance or overpayment.



HUD NEWS

U.S. Department of Housing and Urban Development – Julián Castro, Secretary
Office of Public Affairs, Washington, DC 20410

HUD No. 15-113

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202-708-0685

<http://www.hud.gov/news/index.cfm>

FOR RELEASE

Monday

August 24, 2015

HUD PROVIDES CLARITY FOR LOUISIANA'S ROAD HOME ELEVATION INCENTIVE PROGRAM

WASHINGTON – The U.S. Department of Housing and Urban Development (HUD) today announced it has worked with the State of Louisiana on a series of proposed amendments to its *Road Home Elevation Incentive Program* to provide certain homeowners relief from having to pay back funds intended to help elevate their homes. Under this approach, the State of Louisiana will identify qualified homeowners who used their elevation grants to rehabilitate their homes or for interim housing expenses. If any of the estimated 16,000 homeowners can demonstrate to the State that their elevation grants were used for remaining unmet housing needs, HUD will no longer hold the State liable for repayment.

In 2013, HUD's Office of the Inspector General (OIG) issued a report on Louisiana's *Road Home Elevation Incentive Program (RHEI)* which found widespread noncompliance among a sampling of cases. HUD's OIG recommended HUD determine the scale of this noncompliance and consider requiring the State to recover funds from homeowners who received elevation incentive payments, but have yet to elevate their homes. HUD has been working with State officials over the past two years to address these issues.

"We believe there are a significant number of responsible homeowners who participated in this program in good faith but ultimately lacked sufficient resources to repair their damaged homes," said Harriet Tregoning, HUD's Principal Deputy Assistant Secretary for Community Planning and Development. "We won't victimize people who made an honest effort to do the right thing. We intend to work very closely with our Inspector General and the State to overcome the original design flaws in this program to further housing recovery in Louisiana. We are pleased to see that the State is committed to finishing the job for homeowners whose properties still need to be elevated and made more resilient to future storms."

The Road Home Elevation Incentive Program:

HUD allocated to Louisiana a total of \$13.4 billion through its *Community Development Block Grant Disaster Recovery (CDBG-DR) Program* to support the long-term recovery in the State following Hurricane Katrina. Using these funds, the State established multiple recovery programs, including the RHEI Program. This incentive program was intended to encourage qualified homeowners living in high-risk areas to elevate their homes to the Federal Emergency Management Agency (FEMA) base flood elevation standards by offering grants of up to \$30,000. In return, participating homeowners signed a

covenant to elevate their home to these standards and to reside in the home for at least three years. The grants were provided as an incentive to elevate and were never expected to be enough to cover the full cost of elevation in all cases; however, many homeowners were unable to secure private financing or other funds to fill the gap.

Following the Inspector General's audit findings, the State of Louisiana estimated that approximately 16,000 households who received elevation incentive payments did not elevate their homes. The majority of these households were lower income or senior citizens who did not have sufficient resources to either rehabilitate their homes or to elevate them, and many appear to have chosen to apply their elevation grants toward the repairs to their properties or interim living expenses while rebuilding.

To overcome this design flaw and to address the concerns expressed by the Office of the Inspector General, HUD is now requiring the State to perform on-site inspections to verify how noncompliant households actually spent their elevation grants. If the State can determine that these households used the funds to repair their properties or to sustain themselves in rental housing, HUD will consider these households compliant with the overarching policy goals of long-term recovery, and they will not have to repay their elevation grants.

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*HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all.
More information about HUD and its programs is available on the Internet
at www.hud.gov and <http://espanol.hud.gov>.*

You can also connect with HUD on [social media](#) and follow Secretary Castro on [Twitter](#) and [Facebook](#) or sign up for news alerts on [HUD's Email List](#).