

Drop deadlines, Road Home urged - Lawyers say plans too confusing to some

Times-Picayune, The (New Orleans, LA) - Thursday, August 7, 2008

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Legal assistance groups are calling on the state to rescind new Road Home deadlines, alleging they are discriminatory and will keep thousands of homeowners from collecting the rebuilding money they have been trying for as long as two years to secure.

But state recovery chief Paul Rainwater said Wednesday the deadlines are necessary to unclog the final stages of the multibillion-dollar homeowner compensation program and to figure out which of about 14,000 stalled applicants are still serious about collecting grants.

The Louisiana Recovery Authority recently established a Sept. 5 deadline for two groups of applicants. The first includes about 5,300 people who sold their properties before the Road Home began in 2006. State officials decided days ago to reserve grant money for this group; they want such applicants to provide more information and make it clear they still want the help.

The second group includes an estimated 7,700 applicants who may not have done their part to complete the grant process, often failing to establish legal proof that they owned or lived in damaged properties at the time of Hurricanes Katrina or Rita.

For example, some applicants have been unwilling to go to Entergy to get a utility bill from the time of the storms because they have outstanding balances, Rainwater said.

The LRA on Wednesday also imposed a new deadline on 2,822 applicants facing title, succession, power-of-attorney and mortgage problems, giving them until Oct. 1 to resolve their legal issues or become ineligible for grants. Also, 505 applicants who, according to the state, "refuse to close" for other reasons face the Oct. 1 deadline.

Two years after the Road Home program began, 116,009 homeowners have collected at least a part of their compensation grant, records show. Some 18,797 more have selected the type of grant they want and are still eligible but are waiting for a closing.

Rainwater said the deadlines don't affect anyone with an active appeal. He promised that his staff and the Road Home contractor's 1,500 employees will carefully review each case affected by the deadlines and extend them for anyone actively pursuing proof of ownership or occupancy or with any other reasonable explanation for their delays.

But lawyers from Southeast Louisiana Legal Services and Loyola University Law School worry that the Road Home's famously arcane rules are more to blame for delays than anything the applicants are, or are not, doing. They also don't trust the program, which has had a reputation for ignoring advocates' requests for documents, to fairly dole out extensions.

"Many clients will not understand the need to apply for extension, or even more importantly, how to explain their circumstances well enough to justify the extension," legal advocates David Williams, Davida Finger and Bill Quigley wrote in a letter sent to Rainwater and Gov. Bobby Jindal this week.

They also said the deadlines will have an inordinate impact on minority, low-income, elderly and disabled applicants, and state lawyers are reviewing those claims.

Rainwater said he is sensitive to the advocates' concerns and the public sense of distrust.

"I committed to 100 percent transparency and we're working towards that, but there are some issues that we'll never be able to solve and there's a history here I never will be able to undo," he said. "So, we're sitting down and talking with people and trying to help them understand what went wrong in the program. It's time to set realistic expectations of what this program can or can't do."

To that end, the state has started a series of outreach meetings to help applicants address specific obstacles to closing. The first was held Wednesday in Houma, and 298 applicants received help, Rainwater said. The first of five meetings in the New Orleans area is scheduled for Saturday, from 10 a.m. to 3 p.m. at the University of New Orleans Lindy Boggs Conference Center. No pre-registration is required.

"This is an interactive process," Rainwater said. "The goal is not to drop people out of the program unnecessarily."

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Record Number: 423616734

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