

§220.4. Louisiana Recovery Authority; creation; executive director; board

NOTE: Repealed by Acts 2006, 1st Ex. Sess., No. 5, §4, eff. June 30, 2016; Acts 2008, No. 831, §5, changed the repeal date to July 1, 2010.

A.(1) The Louisiana Recovery Authority is hereby created as a state agency within the office of the governor, division of administration. **The authority shall be a body corporate with power to sue and be sued.** The domicile of the authority shall be in the parish of East Baton Rouge. The purpose of the authority shall be to recommend policy, planning, and resource allocation affecting programs and services for the recovery, to implement programs and provide services to the recovery, and to identify duplication of services relative to the recovery where appropriate. The authority shall carry out its functions to support the most efficient and effective use of resources for the recovery.

(2) The board shall provide leadership and oversight for the activities of the authority.

(3) The authority shall have an executive director who shall be appointed by the governor and subject to confirmation by the Senate. The executive director shall serve at the pleasure of the governor and shall be paid a salary which shall be fixed by the governor. The executive director shall be responsible to the governor and the board.

B.(1)(a) **The board shall be composed of no more than seventeen members. Thirteen members shall be appointed by and serve at the pleasure of the governor and subject to confirmation by the Senate and four ex officio members shall serve as provided in Paragraph (4) of this Subsection.** Of the thirteen members appointed by the governor, no less than one member shall be appointed from each congressional district. The board shall be composed of members who reflect the diversity of the state as to race and gender to the greatest extent practicable.

(b) Notwithstanding any provision of law to the contrary, any member of the board of the Louisiana Recovery Authority who is appointed to or remains appointed to the board of the authority as established in this Part shall be subject to the confirmation of the Senate.

(2) The appointed members of the board shall serve terms that expire when statutory authority for the Louisiana Recovery Authority ceases on July 1, 2010.

(3) A vacancy in the office of an appointed member shall be filled in the manner of the original appointment for the remainder of the term.

(4) In addition to the appointed members, the speaker and speaker pro tempore of the House of Representatives and the president and president pro tempore of the Senate or their respective designees shall be members of the board. Such designees shall be members of the Louisiana Legislature. If the speaker of the House of Representatives, speaker pro tempore of the House of Representatives, president of the Senate, or president pro tempore of the Senate desires to have a designee serve on his behalf, he shall provide written notice of the name of such designee to the chairman of the board. Such written notice shall name the member of the Louisiana Legislature who shall be the official designee until the speaker of the House of Representatives, speaker pro tempore of the House of Representatives, president of the Senate, or president pro tempore of the Senate revokes such designation.

(5) Official action of the board shall require action by a majority of a quorum. A quorum shall be not less than a majority of the number of voting members authorized by law.

(6) All appointed members of the board shall serve without additional compensation; however, subject to the approval of the chairman of the board, such members shall be entitled to reasonable and necessary travel expenses in accordance with state travel policy for state employees. An ex officio member of the board may seek per diem and mileage reimbursement in accordance with rules of his respective house of the legislature.

(7)(a) The chairman and vice chairman of the board shall be selected by the governor.

(b) The board may elect other officers as it deems necessary.

(c) The board shall meet according to a schedule established by the board. Meetings shall also be held on call of the chairman or as otherwise provided by the board.

(8) The board shall encourage and provide for input from all stakeholders in the recovery, both public and private.

C. The authority, and the board, shall be subject to the Code of Governmental Ethics, the laws relative to public records and open meetings, the laws relative to public bid and procurement, and all other provisions of law applicable to state agencies.

Exhibit A
Bernofsky v. Road Home

D. All funding received, expended, or disbursed by the authority shall be subject to audit, review, and examination by the independent accounting firm or firms engaged by the state or any agency of the state to oversee the receipt and disbursement of funds as well as audit by the legislative auditor pursuant to R.S. 24:513.

Acts 2006, 1st Ex. Sess., No. 5, §2, eff. Feb. 23, 2006, and §4, eff. June 30, 2006; Acts 2008, No. 639, §1, eff. July 1, 2008; Acts 2008, No. 831, §§3 and 5, eff. July 1, 2008.

§600.62. Definitions

As used in this Chapter, the following words and terms shall have the following meanings, unless the context clearly indicates or requires another or different meaning or intent:

(1) "Division of administration" means the division of administration created within the office of the governor by Title 39 of the Louisiana Revised Statutes of 1950.

(2) "Project" collectively means the acquisition, disposition, purchase, renovation, improvement, leasing, or expansion of housing stock, including but not limited to housing stock as described in action plans for The Road Home Program, for the purposes set forth therein, as such action plan may hereafter be amended, supplemented, or otherwise modified, by the corporation. The project may be financed with funds provided in whole or in part from the United States Department of Housing and Urban Development's Community Development Block Grant Program, as administered by the Louisiana office of community development of the division of administration.

(3) "Road Home Corporation" means the nonprofit corporation authorized to be formed by this Chapter, or any corporation succeeding to the principal functions thereof or to which the powers conferred upon the corporation by this Chapter shall be given by law. Such corporation may amend its articles of incorporation to change its name to Louisiana Land Trust. It is further declared that any such corporation shall not constitute a state agency, board, or commission; nor shall it constitute an instrumentality of the state or of any political subdivision.

(4) "State" means the state of Louisiana or any agency or instrumentality thereof.

Acts 2006, No. 654, §1, eff. June 29, 2006; Acts 2009, No. 428, §1, eff. July 7, 2009.



DISASTER RECOVERY UNIT MONTHLY PROGRAM UPDATE

April 1, 2009

PROGRAM	PROGRAM DESCRIPTION	PROGRAM UPDATE
INTERNAL PROGRAMS		
<p>Administration and Technical Assistance (SAAD, SAAC, SATA)</p> <p><u>Budgeted</u> \$191,300,000</p> <p><u>Expended</u> \$26,696,792</p> <p><u>Start Date</u> 5/9/2006</p> <p><u>Proposed End Date</u> 5/9/2016</p>	<p>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.</p>	<p>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.</p>

PROGRAM	PROGRAM DESCRIPTION	PROGRAM UPDATE
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>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		
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>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>

Disaster Recovery Initiative
U.S. Department of Housing and Urban Development (HUD)

[Docket No. FR-5051-N-01]

Federal Register / Volume 71, Number 29

Department of Defense Appropriations Act, 2006

**Louisiana Office of Community Development,
Division of Administration**

Louisiana Recovery Authority

***Proposed Action Plan Amendment 31 (First Allocation) –
Extension of Deadline for Homeowners Who Have Sold Their
Homes***

November 5th, 2008



Bobby Jindal
Governor

Mitch Landrieu
Lieutenant Governor

Angele Davis
Commissioner of Administration

David Voelker
Chairman, LRA Board

Office of Community Development
150 N. 3rd Street, Suite 700
Baton Rouge, LA 70801
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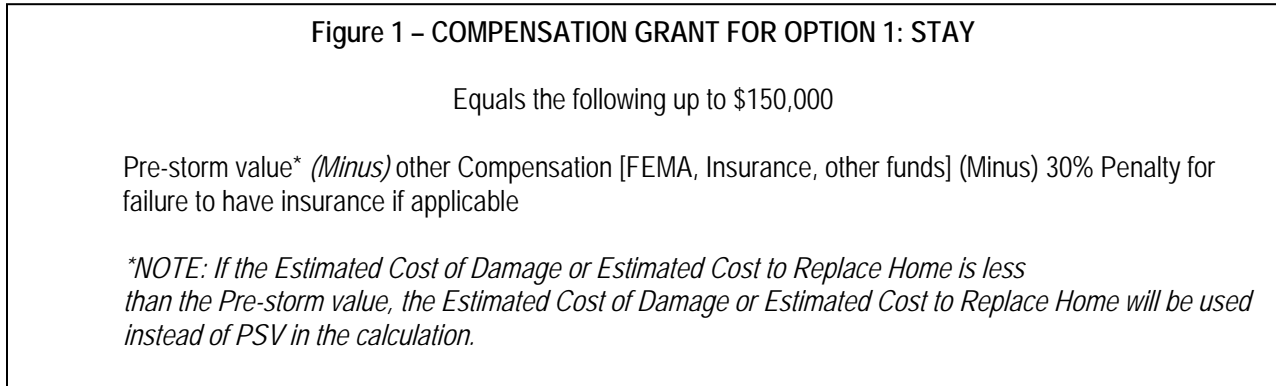
Baton Rouge, LA 70804-9095

<http://www.doa.louisiana.gov/cdbg/cdbg.htm>

Exhibit C
Bernofsky v. Road Home

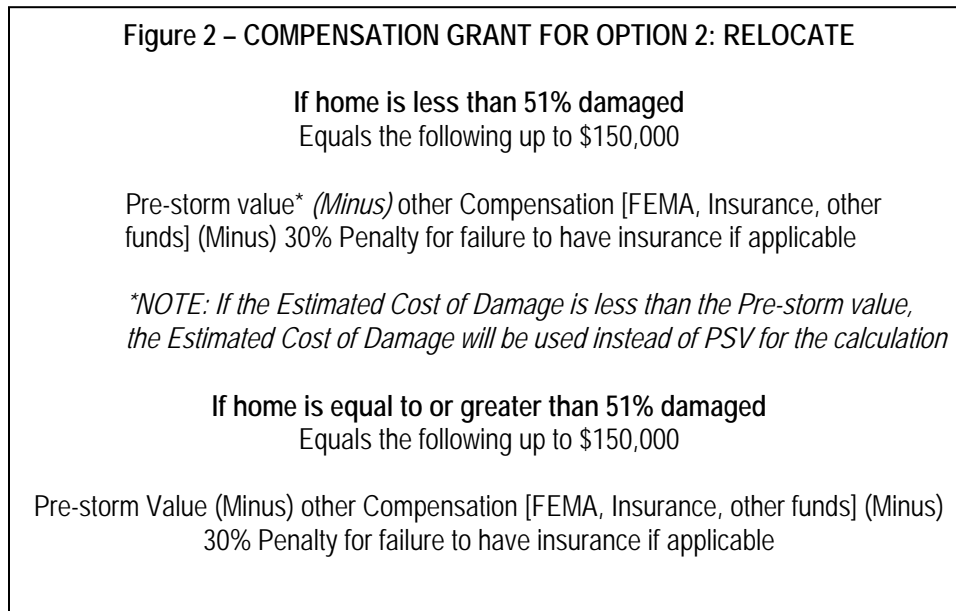


Figure 1 provides a summary of the basic calculations that the *Road Home* program will use to determine compensation benefits.



2.4.5 Option 2: Relocate

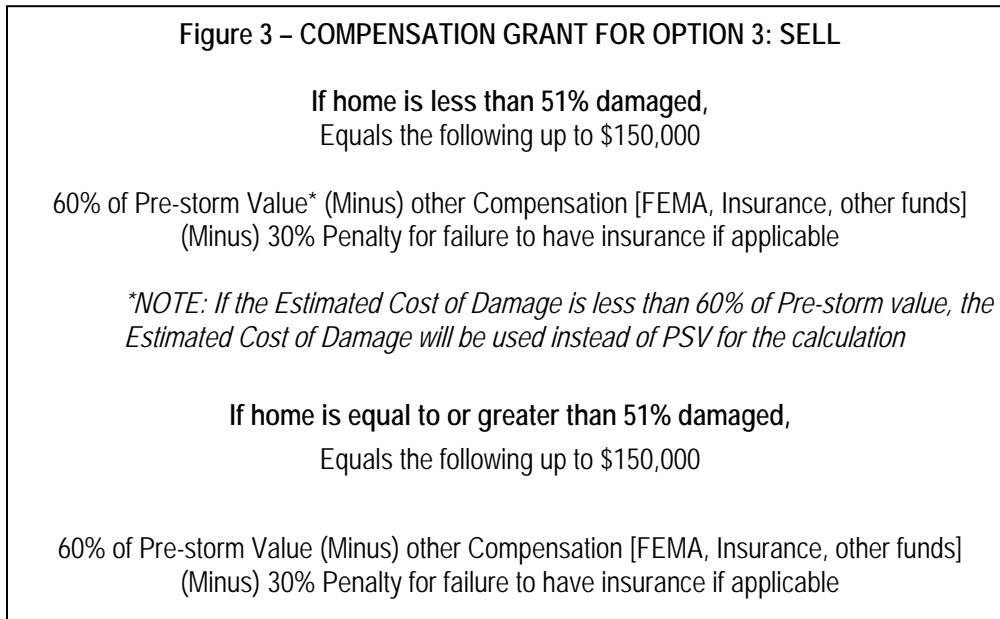
A homeowner who elects to stay in Louisiana as an owner, but not in the same home will be able to sell their property to the State. **Figure 2** provides a summary of the basic calculations that the *Road Home* program will use to determine compensation benefits. Depending on the percentage damage to the home, the State will compensate the homeowner based on the home's pre-storm value or the Estimated Cost of Damage.



2.4.6 Option 3: Sell

Homeowners may elect to forego homeownership in the State. They may choose to sell their property to the State and relocate outside of Louisiana or remain in the State but choose not to purchase a home. Depending on the percentage damage to the home,

the State will compensate the homeowner based on 60% of the home's pre-storm value or the Estimated Cost of Damage. For elderly households and military personnel called to duty, calculations for compensation will be based on 100% Pre-storm Value and will follow the calculations in Figure 2 above. Figure 3 provides a summary of the basic calculations that the *Road Home* program will use to determine compensation benefits.



2.5 Redevelopment of Purchased Property

The publicly chartered nonprofit The *Road Home* Corporation will take title to properties purchased by the *Road Home* Homeowner Assistance Program. Properties purchased by the program and held by The *Road Home* Corporation will be redeveloped and returned to commerce or preserved as green space, in a manner which is consistent with local land use plans and direction. Pursuant to a primary goal of the Homeowner Assistance Program, purchased land will not be left to blight and disrepair⁷.

The *Road Home* Corporation will work with local and parish governments to decide on the disposition of purchased properties. Working with local and parish governments, The *Road Home* Corporation may among other things:

- *Develop* properties by packaging the properties for redevelopment, offering them for redevelopment through competitive bids, and overseeing the redevelopment of the property consistent with local and regional plans that have been approved by the LRA and in adherence to the policy guidelines for rebuilding, recovery, and land use management set forth by the LRA. Any proceeds derived through

⁷ Any required environmental compliance review will be conducted on the proposed redevelopment re-use, once the re-use has been established and prior to any commitment to redevelop or preserve as permanent open space.

homeowner would have been required to meet to qualify and receive assistance under the Program.

Death or Infirmity of Eligible Owner: Some homeowners have died since the time of the storms. In such event, an heir who has been placed into legal possession of the property under applicable law will be eligible for homeowner assistance in place of the deceased owner. If a homeowner is incapacitated due to illness or other infirmity, any person legally authorized to act on behalf of such a person, such as is provided by a power of attorney, is eligible to apply for assistance on behalf of the homeowner.

If a homeowner who has received assistance from *The Road Home* dies after receiving assistance and signing the required legally binding agreements to ensure compliance with the Program requirements, the agreements will continue to apply to the property.

Owner-Occupants Who Have Sold Their Principal Residence Without Assistance from *The Road Home*: Some homeowners may have chosen to sell their homes without assistance from the *Road Home* Homeowner Assistance Program. It is the goal of *The Road Home* to ensure that damaged properties qualifying under the Homeowner Assistance Program do not remain blighted and undeveloped. Homeowners who have sold their homes prior to August 29th, 2007 may be eligible if the goals of the Program are met, and a homeowner can demonstrate that he or she remains in a loss situation after selling the damaged property to another party, such homeowners may receive assistance under the Program to compensate for remaining losses in accordance with the Program requirements. Assistance for these homeowners is subject to the availability of funds.

Owners Who Have Received Other Assistance: Policies will be set for discounting compensation amounts for any grants or below-market interest rate loans from government agencies that may have been received by an owner for these purposes. Pursuant to federal statute, assistance from *The Road Home* must be used to repay any loans from the Small Business Administration (SBA) that a homeowner has received in compensation for the same losses.

Owners of Homes Located on Leased Land: Owners of a site built home, manufactured home or mobile homes may also be eligible for assistance regardless of whether they own the land on which the damaged home was located, to be determined by criteria developed in order to ensure ownership and immobilization of the structure.

Appeals: Any homeowner has the right to appeal decisions made by the *Road Home* program including eligibility decisions and calculation amounts used to determine funding assistance awards. To appeal a *Road Home* award, call 1-888-Road2LA (1-888-762-3252) for instructions or check the web site at Road2la.org. TTY callers use 711 relay or 1-800-846-5277.

**Robert T. Stafford Disaster Relief and Emergency Assistance Act,
Public Law 93-288, as amended, 42 U.S.C. 5121-5207,
and Related Authorities**

**UNITED STATES CODE
TITLE 42. THE PUBLIC HEALTH AND WELFARE
CHAPTER 68. DISASTER RELIEF**

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- (l) Report on Federal and State Administration - Not later than Oct. 30, 2000, the President, in consultation with State and local governments, shall submit to Congress a report evaluating efforts to implement this section and recommending a process for transferring greater authority and responsibility for administering the assistance program established under this section to capable States.
- (m) Termination of Authority - The authority provided by this section terminates September 30, 2008.

Sec. 204. Interagency Task Force (42 U.S.C. 5134)

- (a) In General - The President shall establish a Federal interagency task force for the purpose of coordinating the implementation of predisaster hazard mitigation programs administered by the Federal Government.
- (b) Chairperson - The Director of the Federal Emergency Management Agency shall serve as the chairperson of the task force.
- (c) Membership - The membership of the task force shall include representatives of
 - (1) relevant Federal agencies;
 - (2) State and local government organizations (including Indian tribes); and
 - (3) the American Red Cross.

Title III -- Major Disaster and Emergency Assistance Administration

Sec. 301. Waiver of Administrative Conditions (42 U.S.C. 5141)

Any Federal agency charged with the administration of a Federal assistance program may, if so requested by the applicant State or local authorities, modify or waive, for a major disaster, such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster.

Sec. 302. Coordinating Officers (42 U.S.C. 5143)*

- (a) Appointment of Federal coordinating officer - Immediately upon his declaration of a major disaster or emergency, the President shall appoint a Federal coordinating officer to operate in the affected area.

Lawmakers look at surplus of storm funds

Advocate, The (Baton Rouge, LA) - Wednesday, December 9, 2009

Author: SARAH CHACKO

Legislators questioned Tuesday where money expected to be left over in the state's largest storm recovery program will go.

Louisiana Recovery Authority Executive Director Paul Rainwater said of the \$1.4 billion remaining in the Road Home program, about \$320 million is projected to be left for unmet housing needs.

"The question is on whether we'll be able to use that money or not," Rainwater said.

Rainwater said U.S. Department of Housing and Urban Development Secretary Shaun Donovan is supportive of directing leftover funds to community programs. Rainwater said he wants to use some of the money to remove blighted structures in neighborhoods.

But the federal budget office will probably want the money back, he said.

The Road Home program was created in 2005 to help homeowners rebuild after Hurricane Katrina.

Rainwater gave an overview of the LRA's program to a joint meeting of the Louisiana House and Senate municipal affairs committees.

Rainwater said he does not support moving funds out of existing programs to other areas. However, if projects fail to get off the ground before the deadline on the funds in June, that money could be reallocated, he said. The U.S. Congress would have to allow the LRA to use money for other purposes, Rainwater said.

"You've got folks who want to use it for other things," he said. "If we're focused on using it for housing, I think we'll be able to use it for housing."

The limitation on recovery dollars has recently become an issue as state officials try to help homeowners who used tainted drywall to rebuild their homes.

The LRA set aside, at the state's request, \$5 million in recovery dollars to help affected families. However, the money can only be used for people who participated in the Road Home program.

State officials and homeowners have complained that many people who rebuilt with the tainted drywall were not Road Home recipients.

State Sen. Lydia Jackson, D-Shreveport, emphasized that despite any flexibility the state receives for use of the funds, the money should only be used for those affected by the hurricanes.

"I don't expect one dime or dollar of this money to be reallocated to an area outside a storm impacted area," Jackson said. "If we think we're there, we're not even close."

LRA deputy director Robin Keegan said if permission is given to use funds for more than Road Home applicants, the money would still only go to people and programs affected by the hurricanes.

A large portion of the \$320 million is expected to go to the remediation of blighted property, Keegan said.

Nonprofit groups urged state officials to use the remaining money to continue programs that have brought affordable housing options to affected areas.

Amber Seely with the Renaissance Neighborhood Development Corp. in New Orleans said removing blight and building affordable housing do not always have to be separate projects with separate pots of money. Many groups rebuilding in the area, including her organization, get rid of blight by replacing it with affordable housing, she said.

Jessica Venegas with UNITY of Greater New Orleans requested \$33 million to build housing units for people who need support services, such as veterans, youth aging out of foster care and disabled residents.

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Deadline looms for elevation grants - Money available for flood mitigation

Times-Picayune, The (New Orleans, LA) - Monday, March 8, 2010

Author: David Hammer Staff writer

Road Home recipients have until Wednesday to tell state officials whether they want additional money to help with elevating their houses or protecting windows, roofs or large household equipment against future storms.

So far, about 40,000 homeowners have expressed interest in the Hazard Mitigation Grant Program, a state-run, FEMA-financed effort to help homeowners rebuild safer and stronger from Hurricanes Katrina and Rita. But only 293 participants have been paid so far, and all but 16 of them have received just part of their payments after midpoint inspections.

The state has managed to spend only \$6.7 million of the \$750 million allotted for the program. The vast majority has been given to property owners who are raising their home, while a handful of applicants have received money for other kinds of reconstruction work.

Eligible homeowners can receive up to \$100,000 for elevation or reconstruction and as much as \$7,500 for other storm-proofing measures. The money is for Road Home recipients only, but it is awarded separately and is not included in Road Home's \$150,000 cap.

The state is asking anyone who received a Road Home rebuilding grant and is interested in the additional reconstruction and mitigation money to return voluntary participation forms sent out in 2008. If a Road Home participant believes he or she should have received the forms but didn't, that person can call the state's toll-free mitigation hotline at 877.824.8312.

The Louisiana Recovery Authority, which sets policy for this and other programs, says it will continue to accept statements of interest after Thursday, but only on a first-come, first-served basis, suggesting that the agency wants to get a final count on how many people will be seeking the money before finding other uses for any leftover hazard mitigation cash.

And it appears there will be plenty of that.

It took nearly two years after Katrina hit for the state and FEMA to agree on a use for the \$1.2 billion for hazard mitigation. This allotment was in addition to the more than \$10 billion the state received from U.S. Housing and Urban Development to run the Road Home program.

It took another two years for the state to give hazard mitigation grants to qualified applicants, during which time it realized it could find only enough eligible and interested recipients for about two-thirds of the money FEMA originally offered.

Late last year, the state eased some of its rules related to elevating or reconstructing properties to move more of the money, adding the option for up-front payments, easing limits on the size of rebuilt homes and allowing applicants to collect money to make up for aid they previously lost to documented contractor fraud.

The state also launched a program that would pay up to \$7,500 for storm-proofing measures, using the same pot of hazard mitigation money. That money -- set aside for storm shutters, roof tie-downs, elevating heating and air-conditioning units and other mitigation measures -- was originally supposed to come from the Road Home, but was shifted under the FEMA effort last year.

The storm-proofing effort has had its own difficulties getting off the ground. Some interested homeowners say they were put off by program advisers when they called the hotline and can't get anything in writing to document their desire to participate.

Program officials have been meeting regularly with a number of certified contractors since launching the program in November, but the contractors report confusion over ever-shifting rules.

For example, some companies wrote agreements with applicants months ago to cover as many windows with storm-grade shutters as a full \$7,500 mitigation award would buy. But then in February, FEMA ruled that all windows in the house had to be covered for a grant to be paid, regardless of the out-of-pocket cost to the homeowner.

The state initially said there would be a "work-around" in which some windows could be covered with shutters and others with cheaper material, such as a film that keeps the glass from being blown out by high winds. Then, a week ago, contractors were informed that, too, was not possible under the program.

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Homeowners with mitigation questions can call 877.824.8312.

David Hammer can be reached at dhammer@timespicayune.com or 504.826.3322.

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PUBLIC LAW 109-148—DEC. 30, 2005

119 STAT. 2779

MARITIME ADMINISTRATION

OPERATIONS AND TRAINING

For an additional amount for "Operations and training", \$7,500,000, to remain available until September 30, 2007, for necessary expenses related to the consequences of hurricanes in the Gulf of Mexico during calendar year 2005: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

TENANT-BASED RENTAL ASSISTANCE

For an additional amount for housing vouchers for households within the area declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) resulting from hurricanes in the Gulf of Mexico during calendar year 2005, \$390,299,500, to remain available until September 30, 2007: *Provided*, That such households shall be limited to those which, prior to Hurricanes Katrina or Rita, received assistance under section 8 or 9 of the United States Housing Act of 1937 (Public Law 93-383), section 801 or 811 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625), the AIDS Housing Opportunity Act (Public Law 101-625), or the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77); or those which were homeless or in emergency shelters in the declared disaster area prior to Hurricanes Katrina or Rita: *Provided further*, That these funds are available for assistance, under section 8(o) of the United States Housing Act of 1937: *Provided further*, That in administering assistance under this heading the Secretary of Housing and Urban Development may waive requirements for income eligibility and tenant contribution under section 8 of such Act for up to 18 months: *Provided further*, That all households receiving housing vouchers under this heading shall be eligible to reoccupy their previous assisted housing, if and when it becomes available: *Provided further*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for the "Community development fund", for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005 in States for which the President declared a major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) in conjunction with Hurricane Katrina, Rita, or Wilma, \$11,500,000,000, to remain available until expended, for activities

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authorized under title I of the Housing and Community Development Act of 1974 (Public Law 93-383): *Provided*, That no State shall receive more than 54 percent of the amount provided under this heading: *Provided further*, That funds provided under this heading shall be administered through an entity or entities designated by the Governor of each State: *Provided further*, That such funds may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further*, That funds allocated under this heading shall not adversely affect the amount of any formula assistance received by a State under this heading: *Provided further*, That each State may use up to five percent of its allocation for administrative costs: *Provided further*, That Louisiana and Mississippi may each use up to \$20,000,000 (with up to \$400,000 each for technical assistance) from funds made available under this heading for LISC and the Enterprise Foundation for activities authorized by section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), as in effect immediately before June 12, 1997, and for activities authorized under section 11 of the Housing Opportunity Program Extension Act of 1996, including demolition, site clearance and remediation, and program administration: *Provided further*, That in administering the funds under this heading, the Secretary of Housing and Urban Development shall waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds or guarantees (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a request by the State that such waiver is required to facilitate the use of such funds or guarantees, and a finding by the Secretary that such waiver would not be inconsistent with the overall purpose of the statute, as modified: *Provided further*, That the Secretary may waive the requirement that activities benefit persons of low and moderate income, except that at least 50 percent of the funds made available under this heading must benefit primarily persons of low and moderate income unless the Secretary otherwise makes a finding of compelling need: *Provided further*, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further*, That every waiver made by the Secretary must be reconsidered according to the three previous provisos on the two-year anniversary of the day the Secretary published the waiver in the Federal Register: *Provided further*, That prior to the obligation of funds each State shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure: *Provided further*, That each State will report quarterly to the Committees on Appropriations on all awards and uses of funds made available under this heading, including specifically identifying all awards of sole-source contracts and the rationale for making the award on a sole-source basis: *Provided further*, That the Secretary shall notify the Committees on Appropriations on any proposed allocation of any funds and any related waivers made pursuant to these provisions under this

Federal Register,
publication.
Deadline.

Reports.

Notification.

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heading no later than 5 days before such waiver is made: *Provided further*, That the Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report quarterly to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits: *Provided further*, That the amounts provided under this heading are designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006. Reports.

ADMINISTRATIVE PROVISIONS

SEC. 901. Notwithstanding provisions of the United States Housing Act of 1937 (Public Law 93-383), in order to assist public housing agencies located within the most heavily impacted areas of Louisiana and Mississippi that are subject to a declaration by the President of a major disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) in connection with Hurricane Katrina or Rita, the Secretary for calendar year 2006 may authorize a public housing agency to combine assistance provided under sections 9(d) and (e) of the United States Housing Act of 1937 and assistance provided under section 8(o) of such Act, for the purpose of facilitating the prompt, flexible and efficient use of funds provided under these sections of the Act to assist families who were receiving housing assistance under the Act immediately prior to Hurricane Katrina or Rita and were displaced from their housing by the hurricanes.

SEC. 902. To the extent feasible the Secretary of Housing and Urban Development shall preserve all housing within the area declared a major disaster under the Robert T. Stafford Disaster Relief and Emergency Act (42 U.S.C. 5121 et seq.) resulting from Hurricane Katrina or Rita that received project-based assistance under section 8 or 9 of the United States Housing Act of 1937, section 801 or 811 of the Cranston-Gonzalez National Affordable Housing Act, the AIDS Housing Opportunity Act, or the Stewart B. McKinney Homeless Assistance Act: *Provided*, That the Secretary shall report to the Committees on Appropriations on the status of all such housing, including costs associated with any repair or rehabilitation, within 120 days of enactment of this Act. Reports. Deadline.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Courts of Appeals, District Courts, and Other Judicial Services", \$18,000,000, to remain available until expended, for necessary expenses related to the consequences of hurricanes in the Gulf of Mexico during calendar year 2005: *Provided*, That notwithstanding any other provision of law such sums shall be available for transfer to accounts within the Judiciary subject to approval of the Judiciary operating plan: *Provided further*, That the amount



Road Home approves rebuilding extension - LRA chief says he'll try to offer more cash

Times-Picayune, The (New Orleans, LA) - Friday, August 21, 2009

Author: David Hammer Staff writer

Just before a high-temperature congressional hearing on the Road Home program Thursday, the head of the Louisiana Recovery Authority announced that changes have been made to two major rules affecting recipients who are still having trouble rebuilding.

LRA Executive Director Paul Rainwater said a change has already been approved to extend a three-year time limit for grant recipients who can show they need more time to rebuild.

Rainwater also said he would seek approval from his board next month to offer more money to about 20,000 low- to moderate-income homeowners who qualify. He plans to make \$600 million available for that purpose, which would mean an average grant of \$30,000.

A few hours later, at a congressional field hearing at Dillard University, U.S. Rep. Maxine Waters, D-Calif., urged the state to use about \$1.5 billion left in the Road Home's \$10.3 billion budget simply to give all eligible applicants a flat additional payment.

Sitting before a tough-talking Waters and a partisan audience, Rainwater said he was ready to help.

"We can't tell you how much (to give), but we don't want another set of rules to put these people through a thousand hoops," Waters said. "Don't you bring me any \$2,000, OK? It has to be significant to help people who are struggling."

"Congresswoman, I will send out the money faster than . . ." Rainwater said as the audience drowned him out in cheers.

But after his testimony, he said in an interview that Waters' suggestion would require massive changes to federal laws that the state has been trying to change for years.

He also said Waters' plan to give a flat amount to every qualified Road Home applicant, regardless of their financial situation, would actually undermine the effort to help poorer families. To make flat payments, Rainwater said the state would likely have to seek a waiver so it would no longer have to give at least half of the Road Home dollars to low- or moderate-income families.

To make the extra money available, Rainwater wants to eliminate the \$50,000 cap on the Road Home's Additional Compensation Grants. Such grants have been offered to low- to moderate-income families as a way to cover some of the gap between home values and rebuilding costs.

However, a recent study by demographer Greg Rigamer found the additional grants were falling far short of making up the difference. The analysis showed the total gap between the cost of rebuilding and the combined Road Home and insurance proceeds of 125,000 grant recipients is between \$1.6 billion and \$2.3 billion.

The problem was exemplified at Thursday's hearing by the story of Lillian Baker, an octogenarian whose home in Pontchartrain Park was destroyed. The Road Home said her estimated damage was \$209,000, but her prestorm value was only \$84,000, and based on that figure, her final grant was \$54,000.

"The Road Home program was supposed to help us get back into our home, but it only created more stress at a time when stress wasn't needed," Baker wrote in testimony read by her daughter, Shari Baker.

For the families who had received Additional Compensation Grants alone, the gap remained \$600 million, Rigamer found.

Rainwater's plan is to use \$600 million of leftover Road Home money to pay additional grants. Doing so will require an action plan approved by the LRA board and approval from the U.S. Department of Housing and Urban Development.

The \$600 million became available when the LRA decided to use money from another source to finance up to \$7,500 to Road Home applicants for storm shutters, roof tie-downs and other mitigation measures. That program still hasn't begun and won't be ready until at least October, Rainwater said.

The Times-Picayune reported more than a year ago that many recipients got far less than what they needed because the Road Home grant formula is based on prestorm values rather than rebuilding costs.

Waters' alternative, in addition to requiring changes to the federal Stafford Act and other legislation, would likely disrupt the LRA's current plans for nearly all the remaining \$1.5 billion in the Road Home budget.

In addition to the \$600 million he wants to distribute to cover rebuilding costs, Rainwater said Thursday that he expects \$500 million to go to a few thousand applicants who are still waiting for grants, another \$85 million to go to applicants who sold their home in the first two years after the storm, and \$245 million toward demolishing thousands of blighted homes that applicants sold to the Road Home.

The covenant extension, already implemented, offers grant recipients up to two more years to rebuild their homes. The original grants set a three-year limit.

"We're coming up on three years of some of the (first) covenants that were signed," Rainwater said. "But there are still significant gaps in funding out there. That's why we're looking at individual covenant waivers on a case-by-case basis, and raising the cap on the ACG -- to get real money into real people's hands."

Rainwater acknowledged that enforcing the three-year time limit to rebuild is difficult for the state. But he denied that offering people a chance to ask for up to two yearlong extensions was a backdoor way of figuring out who is not rebuilding.

"I have no desire to enforce a covenant on someone who is really trying," he said. "But we all know that some people took the money and moved away. We want to help people work through issues, but in some cases we need to enforce the covenants."

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