

LOUISIANA RECOVERY AUTHORITY
Board of Directors Meeting
Louisiana State Capitol
House Committee Room 1
Baton Rouge, LA
Wednesday, July 30, 2008

DRAFT MINUTES

I. CALL TO ORDER

Mr. David Voelker, chairman of the Louisiana Recovery Authority (LRA), called the meeting to order at 9:11 a.m. at the Louisiana State Capitol in House Committee Room 1 in Baton Rouge, Louisiana. *(Note: Notices to the public and news media of the time and place of the meeting were given in compliance with the Louisiana Open Meetings Law.)*

II. PRAYER

Pastor Sherman Shelton of the Jeremiah Group led the Board in prayer.

III. PLEDGE OF ALLEGIANCE

Mr. Paul Rainwater led the Pledge of Allegiance.

IV. ROLL CALL

Ms. Fay Ayers called the roll.

Board Members Present:

Mr. David Voelker, Chairman
Rep. Karen Carter-Peterson
Mr. Rene Cross
Mr. Andy Guinn
Mr. Tom Henning
Mr. Ray Lasseigne
Ms. Pat LeBlanc
Mr. Walter Leger
Mr. Chet Morrison
Mr. John E. Smith

Board Members Absent:

Senator Joel Chaisson, II
Mr. Jas Gill
Mr. Sean Reilly
Representative Jim Tucker
Senator Sharon Weston Broome

Staff Members Present:

Mr. Paul Rainwater
Ms. Fay Ayers
Ms. Lynn Bankston
Ms. Krystle Beauchamp
Mr. Dave Bowman
Ms. Lindsey deBlieux
Ms. Laura Deslatte

Mr. Don Hutchinson
Mr. Kimon Ioannides
Mr. Wil Jacobs
Ms. Kim Jupiter
Ms. Robin Keegan
Mr. Ty Larkins
Ms. Kristen Parnell

Ms. JoAnn Early
Mr. Pat Forbes
Mr. Steve Green
Ms. Amanda Guma
Ms. Sandra Gunner
Ms. Dana Henry Pitts

Ms. Christina Stephens
Mr. Eric D. Shaw
Mr. Trevor Theunissen
Mr. Kris Van Orsdel
Ms. Alesia Wilkins-Braxton
Mr. Carl Williams

V. EXECUTIVE REPORTS

Chairman of the Board Report

Mr. David Voelker thanked Dr. Norman Francis for the fantastic job he did as chairman of the LRA Board of Directors. Mr. Voelker said it was an honor to be chosen as the new chairman.

Mr. Voelker introduced Mr. Paul Rainwater, who will present the Executive Director's report.

Executive Director's Report

Mr. Paul Rainwater, Executive Director of the LRA, thanked Mr. Voelker and welcomed the new members of the LRA Board of Directors. He explained that the Board had been streamlined, and new appointments had been made by Governor Jindal, as the result of legislation from the 2008 Regular Session that reduced the Board membership from 33 to 17 members. There are 13 members who serve at the governor's pleasure and four ex officio members.

Mr. Rainwater commented that ICF was fined over \$1 million in June, 2008, for not meeting certain performance measures related to homeowner closings. The state is reviewing data to determine if ICF met other performance measures and if additional penalties are necessary. Outreach meetings will be held throughout South Louisiana in the coming weeks as some Road Home deadlines are approaching. There are still over 4,000 homeowners who have not chosen an option. Over 29,000 homeowners have expressed interest in the Community Development Block Grant (CDBG) elevation program, and 16,000 homeowners have expressed interest in the Hazard Mitigation Grant Program (HMGP) elevation awards. To date, the average elevation grant has been \$23,000.

In March, 2008, we met with the U.S. Department of Housing and Urban Development (HUD), nonprofits, Speaker Nancy Pelosi and Majority Whip Jim Clyburn to discuss an extension to housing funding. We need to formalize our strategy and show what units have come online and what housing needs remain in order to justify the need for an extension.

The state has approved \$125 million in Long Term Community Recovery projects for New Orleans and Lake Charles. There are ten projects pending approval in Jefferson Parish. The LRA staff is working with the parishes and the state to synchronize these efforts.

The Rita Task Force was reactivated and met in June, 2008, in Lake Charles. Governor Jindal attended, as did members from East Texas. The Task Force will formalize a strategy to present our shared concerns, such as the fisheries and chemical industries, to Washington, D.C.

The top infrastructure priorities for Louisiana are Charity Hospital, St. Bernard Parish demolitions, first responders, higher education and marine debris removal.

The LRA met with Louisiana Department of Health and Hospitals Secretary Alan Levine and U.S. Secretary of Health and Human Services Mike Leavitt to discuss the path forward with regard to Charity Hospital. Documentation of the damages to Charity Hospital was submitted to the Federal Emergency Management Agency (FEMA), and two firms have been hired to perform the detailed analysis of the data. FEMA will review the recommendations from these two firms and respond to the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP).

LRA staff is working to ensure that FEMA completes both Phase I and Phase II of the St. Bernard Parish demolitions. The state will have to put up some funding for this effort, and Governor Jindal has agreed to this.

The state, FEMA and General Doug O'Dell are working towards setting and meeting goals for returning first responders to facilities. Some CDBG funding will be reallocated to cover the gaps between the obligated Public Assistance (PA) funds and the actual costs for repairing police, fire, and EMS infrastructure.

LRA staff has also met with the chancellors of higher education institutions in Southeast Louisiana to discuss their FEMA-ineligible costs. We will be able to designate approximately \$10 million in CDBG funds to fill some of their funding gaps.

Back in January, 2008, it was reported that marine debris removal was complete. We disagreed with this assessment, and launched an extensive outreach campaign to identify and map marine debris in Louisiana waters. Approximately 60 Wal-marts have posted flyers to educate the public, and the U.S. Coast Guard will continue to map the reported marine debris.

In April, 2008, Louisiana's Public Assistance rebuilding funds surpassed the recovery funds. We now have \$3.47 million in rebuilding funds available, and this number is expected to rise. In one year, we have paid out 40% more in PA funds than the previous year, with most of the funds being allocated to Orleans Parish. Since the Express Pay Program started in March, 2008, the average reimbursement turnaround time has decreased from 60 days to seven days, which has put an additional \$236 million into the hands of the citizens. Additional PA projects recently approved include the Plaquemines Parish docks and the East New Orleans Regional Library.

Mr. Walter Leger commented that FEMA determined that Charity Hospital would cost \$30 million, while Louisiana estimated that it would cost \$300 million to rebuild Charity Hospital. He asked if we would be able to waive the environmental review requirements and the Davis-Bacon Act.

Mr. Rainwater replied that HUD regulations are cumbersome and we have been unable to get these requirements waived. FEMA and HUD have different contracts and this has caused some issues, but we are working with Congress to ease some of the regulations.

Mr. Leger stated that FEMA has approved 1,500 properties for demolition in St. Bernard Parish; however the Office of Management and Budget decreased that number to 1,100. We will have to show health and safety data under CDBG regulations in order to get approval to demolish an additional 2,500 properties, and the chances for an environmental waiver is unlikely.

Mr. Rainwater pointed out that he would be flying to Washington, D.C. after the Board meeting and said he would be meeting with HUD to discuss technical assistance. The good news is that Phase I and II for St. Bernard Parish demolitions have been approved and will be announced next week.

VI. COMMITTEE REPORTS AND ACTION ITEMS

Soft Second Loan Program Resolution

Mr. Walter Leger notified the Board members that the Housing Task Force had approved a resolution on May 27, 2008, to provide for reallocation of \$75 million from the Small Rental Program to a Soft Second Loan Program to promote homeownership and to expand housing opportunities for existing low and moderate income renter households using the supply of Louisiana Land Trust (LLT) properties.

Mr. Leger explained that there are three sources of funding for housing; all have different regulations and restrictions. There is \$1.5 billion allocated to affordable rental housing, which includes the development of rental housing aimed at getting the workforce to return and the development of mixed income properties. There is the Small Rental Program which has \$557 million in funding, and the Piggyback Program, which has \$869 million for larger rental housing developments. The funding is allocated to the parishes based on need, with Orleans Parish receiving 69% of the funding.

The initial round of the Small Rental Program was aimed at small “mom and pop” rental units that included one-to-four units. The second round of funding was expanded to include somewhat larger rental units and first-time owners of rental properties.

The Jeremiah Group was initially an advocate for keeping the funding dedicated to rentals only. As the Small Rental Program applicants were serviced, the Jeremiah Group proposed the reallocation of some of the remaining rental funds to a first time homeowner program, which came to be known as the Soft Second Loan Program. Meetings and discussions were held with the parishes and local governments to ensure there was a consensus on this innovative and aggressive program. The funds will be used to buy down mortgages to make houses affordable for the first time homeowner.

Mr. Leger informed the members that the Board has to approve the reallocation of the funds for the Soft Second Loan Program by approving an Action Plan Amendment. Then the Joint Legislative Committee on the Budget and ultimately HUD will have to approve the reallocation of the funds.

Present in support of the reallocation of the funding for the Soft Second Program were Pastor Sherman Shelton, Ms. Jacqueline Jackson, and Janet Barnwell Smith, all with the Jeremiah Group.

Pastor Shelton commented that the state is facing monumental blight. (Several people in the audience held up pictures of blighted homes.) The City of New Orleans, the New Orleans Redevelopment Authority (NORA), Dr. Ed Blakely, Executive Director of the Office of Recovery and Development Administration, and Mr. Leger were instrumental in guiding the Jeremiah Group with developing the transfer of blighted properties into opportunities for low income home ownership.

Ms. Jacqueline Jackson stated that she is a renter and the Soft Second Loan Program will allow her to become a homeowner. She quoted Jeremiah 29:7: “Seek the welfare of the city and you will find your own.” She said this is a great opportunity for lower-income citizens.

Ms. Janet Barnwell Smith thanked the Board members for hearing them. She said the vote of the Board says to the people of Louisiana that millions of dollars will not sit in the state coffers while people are paying high rent when that money could go to a mortgage payment and building wealth. She asked for the Board’s continued support until everyone can get into their own home.

Present in opposition to the reallocation of the funding for the Soft Second Program were Mr. Donald Vallee, President, House Choice Voucher Landlords Association; Ms. Cheryl Sephus, and Mr. Mark Barthelemy, representing the Dream Cultivators, LLC.

Ms. Cheryl Sephus and Mr. Mark Barthelemy requested another round of the Small Rental Program be initiated and they suggested that blighted properties be renovated for renters.

Ms. Sephus noted that only 12,792 units have been given award letters through the Small Rental Program, and she would like to see an additional 5,000 units addressed under this program in order to meet the original agreement.

Mr. Wil Jacobs commented that \$100 million remains in the Small Rental Program which will be used for rental units. This program will be adjusted to serve the continuing needs of renters.

Mr. Leger said there was some discussion during the comments regarding replacing the funds that are reallocated from the Small Rental Program.

Mr. Walter Leger offered an amendment to the resolution to replace the \$75 million in reallocated funds from the Small Rental Program with any available funds left in the Road Home Program and approved by an additional Action Plan Amendment should the demand for the funding exist. The motion was seconded by Mr. John Smith

Approval of an Amendment to the Action Plan Amendment No. 24 to Action Plan No. 1 for the Replacement of the \$75 Million in Funding Reallocated from the Small Rental Program to the Soft Second Loan Program if Available Replacement Funds Remain in

the Road Home Program and such Replacement is Approved by an Additional Action Plan Amendment.

RESOLVED, that the Board approves the amendment to the Action Plan Amendment No. 24 to Action Plan No. 1 for the replacement of the \$75 million in funding reallocated from the Small Rental Program to the Soft Second Loan Program if available replacement funds remain in the Road Home Program and such replacement is approved by an Additional Action Plan Amendment.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Mr. Donald Vallee told the members that he replaced Mr. Voelker on the LLT Board of Directors. He pointed out that he worked with Mr. Wil Jacobs and the Office of Community Development (OCD) on the development of the Small Rental Program. Originally the program was to address 18,000 rental units, but only 5,800 units have received awards to date. OCD has stated that there is a shortage of 4-bedroom units and there are shortages in certain zip codes. Many people are still living on public assistance provided by FEMA because there are no affordable rental units available, and the Small Rental Program can address this need. People with disabilities have not been addressed. Landlords are afraid to rent to those who are disabled, and another phase of the Small Rental Program is needed to address this population. He said he would consider supporting the reallocation of funding if the funds are dispersed on a percentage basis tied to the LLT properties with a direct proportion to renters.

Mr. Leger explained that the parishes felt that the percentage basis allocation was unfair and that is why it was decided that \$75 million would be reallocated.

Ms. Pat LeBlanc asked how long before the Soft Second Loan Program would begin.

Mr. Wil Jacobs responded that it would take a number of months to get the program going. We will develop the program in conjunction with waiting for HUD approval; however, November, 2008, would be the earliest date for the launch of the Soft Second Loan Program.

Mr. John Smith pointed out that there had been much discussion relative to Orleans and St. Bernard Parishes and the Lot Next Door Program. He asked if the Lot Next Door Program would negatively impact the Soft Second Loan Program.

Mr. Jacobs said he did not think there would be any negative impact. He expects 5,000 LLT properties to be available for the Soft Second Loan Program, and not everyone will actually purchase the lot next door.

Ms. Karen Carter-Peterson asked about Mr. Vallee's comments.

Mr. Jacobs explained that there is \$520 million outstanding in Small Rental awards, and not everyone will reach final compensation because they will not be able to complete the renovations without additional funding. There will be funding remaining that can be used for an additional round of Small Rental Program grants to address further rental needs.

Mr. Walter Leger offered a motion to adopt the resolution to approve Action Plan Amendment No. 24 to the First Action Plan to reallocate \$75 million of CDBG funds from unallocated Small Rental Program to the Soft Second Loan Program to promote home ownership and to expand housing opportunities for existing low and moderate income renter households, using the supply of LLT properties. The motion was seconded by Ms. Carter Peterson.

Final Approval of Action Plan Amendment No. 24 to the First Action Plan for the Reallocation of \$75 Million in CDBG Funds from Unallocated Small Rental Program Funds to the Soft Second Loan Program to Promote Home Ownership and to Expand Housing Opportunities for Existing Low and Moderate Income Renter Households Using the Supply of Louisiana Land Trust Properties.

RESOLVED, that the Board hereby accepts and approves Action Plan Amendment No. 24 to the First Action Plan for the reallocation of \$75 million in CDBG funds from unallocated Small Rental Program funds to the Soft Second Loan Program to promote home ownership and to expand housing opportunities for existing low and moderate income renter households using the supply of LLT properties.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Building Code Enforcement Program Resolution

Mr. Walter Leger presented the resolution for the Board to approve Action Plan Amendment No. 29 to the First Action Plan to reallocate \$3.3 million of CDBG funds from the Technical Assistance budget to the Building Code Enforcement Program. This reallocation will increase the available funding to the Building Code Enforcement Program to \$16.3 million to train parish code enforcement staff and provide resources to local communities with code enforcement issues.

Mr. Walter Leger offered a motion to adopt the resolution to approve Action Plan Amendment No. 29 to the First Action Plan to reallocate \$3.3 million of CDBG funds from the Technical Assistance budget to the Building Code Enforcement Program. The motion was seconded by Mr. John Smith.

Final Approval of Action Plan Amendment No. 29 to the First Action Plan to Reallocate \$3.3 Million of CDBG Funds from the Technical Assistance Budget to the Building Code Enforcement Program.

RESOLVED, that the Board hereby accepts and approves Action Plan Amendment No. 29 to the First Action Plan to reallocate \$3.3 million of CDBG funds from the Technical Assistance budget to the Building Code Enforcement Program.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Homeowner Mitigation Grant Assistance Resolution

Mr. Walter Leger presented the resolution for the Board to approve Action Plan Amendment No. 27 to the First Action Plan to recommend that Homeowner Mitigation Grant Assistance not be counted against the Homeowner Assistance ceiling of \$150,000. This grant assistance is for minor mitigation assistance, such as elevating air conditioners, and provides grants of up to \$7,500 to homeowners, in addition to the maximum of the \$150,000 allowed for mitigation.

Mr. Tom Henning asked how much funding had already been used.

Mr. Leger explained that only Road Home applicants are eligible for these grants, and none have been awarded to date.

Mr. Paul Rainwater pointed out that it is impossible to change a program once it has been approved by HUD. These grants are additional funds that will provide mitigation for future storms for those who were Road Home applicants.

Mr. Leger said it was confusing because the original concept was to offer grants to anyone who wanted to mitigate; however, awarding of these grants was put on hold due to the shortfall in the Road Home Program.

Mr. Rainwater remarked that there are two funding sources for elevations; \$750 million was set aside for Hazard Mitigation Grant Program (HMGP) elevations, and there is also a CDBG elevation program.

Mr. Andy Guinn asked who is eligible for the elevation grants.

Mr. Rainwater noted that there are different requirements for the two different funding sources.

Mr. Leger offered a motion to adopt the resolution to approve Action Plan Amendment No. 27 to the First Action Plan to recommend that Homeowner Mitigation Grant Assistance not be counted against the Homeowner Assistance ceiling of \$150,000. The motion was seconded by Mr. Rene Cross.

Final Approval of Action Plan Amendment No. 27 to the First Action Plan to Recommend that Homeowner Mitigation Grant Assistance not be Counted Against the Homeowner Assistance Ceiling of \$150,000.

RESOLVED, that the Board hereby accepts and approves Action Plan Amendment No. 27 to the First Action Plan to Recommend that Homeowner Mitigation Grant Assistance not be Counted Against the Homeowner Assistance Ceiling of \$150,000.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Pre-Storm Valuation Methods Resolution

Mr. Walter Leger presented the resolution for the Board to approve Action Plan Amendment No. 28 to the First Action Plan to recommend that if more than one method of determining pre-storm value is available, the pre-storm value used in the Road Home calculation will be based on the method with the highest value, regardless of any difference between the values determined by different valuation methods, in accordance with Senate Bill No. 755 by Senator Hebert from the 2008 Regular Session.

Mr. Leger stated that HUD did not want the value of the lot included in the pre-storm value of homes when calculating the Road Home grants. A compromise was reached that allowed for the use of \$130 per square foot to determine the value of a home. HUD required a third party evaluation be used, which caused many problems. The Legislature passed Senate Bill No. 755, which requires the use of the highest appraisal of the property that is in the Road Home file. This Action Plan Amendment must go to HUD for approval of the will and intent of the Louisiana State Legislature. Originally, HUD required a broker price opinion (BPO) or automated valuation method (AVM) appraisal to determine home values. The LRA Board attempted to implement a policy that allowed homeowners to get their own appraisal for use in determining home values; however, HUD said the individual appraisal values would not be accepted if they were 20% above the original appraisal.

Representative Karen Carter-Peterson asked the impact of using higher valuations for people who have already received their Road Home grants, and whether we have the funds for this. She asked for an explanation of the appeals process.

Mr. Leger explained that he did not know how many applicants would be affected by this Action Plan Amendment, but he thought it would be a significant number and would apply to those currently in appeals.

Mr. Rainwater added that we would have to go back and review every file. He said the fiscal note for Senate Bill No. 755 was based on 65,000 applications that would require review.

Representative Carter-Peterson asked if this was the responsibility of ICF and whether this review was included in the ICF budget.

Mr. Rainwater said it would depend on HUD approval. The Legislative Auditor is scheduled to do a red ribbon review at the end of the Road Home Program, and the Office of Management and Budget (OMB) scrutinizes all expenditures. HUD felt that a 20% variance in home values was pushing the envelope.

Mr. John Smith stated that everyone needs to be treated fairly, and we will review the applications with the Legislative Auditor to insure this. He said he felt ICF made some arbitrary decisions.

Mr. Tom Henning asked if applicants will be able to acquire a new appraisal.

Mr. Rainwater responded that only appraisals already in the files will be considered.

Ms. Pat LeBlanc said we are involving many resources and our focus should be on progress. She expressed concern over the fiscal impact and HUD's approval.

Mr. Rainwater noted that he had testified before the Legislature and made it clear to the public that he did not think HUD would approve this change. We will undoubtedly run into some budget issues, and will have to eventually go to the OMB and Congress for additional funding. He said pre-storm value decisions were based on national policy with the Federal Housing Authority (FHA) and HUD, who thought a 20% variance was reasonable.

Mr. Leger disagreed that 20% was reasonable, especially since ICF did not do a good job with the initial appraisals. They did not do BPOs, but used arbitrary Internet figures based on the neighborhood. No one wants this program to go on forever, and OMB and HUD are tired of hearing about it. Over 115,000 applicants have received grants, but several thousand continue to have difficulties. He said it is ridiculous to put a 20% cap on the appraisal values.

Mr. Rainwater agreed that we want to give the homeowners as much as possible, but we have to work within the rules that are in place.

Mr. Walter Leger offered a motion to adopt the resolution to approve Action Plan Amendment No. 28 to the First Action Plan to recommend that if more than one method of determining pre-storm value is available, the pre-storm value used in the Road Home calculation will be based on the method with the highest value, regardless of any difference between the values determined by different valuation methods. The motion was seconded by Mr. John Smith.

Final Approval of Action Plan Amendment No. 28 to the First Action Plan to Recommend that if More than One Method of Determining Pre-Storm Value is Available, the Pre-Storm Value Used in the Road Home Calculation will be Based on the Method with the Highest Value, Regardless of Any Difference Between the Values Determined by Different Valuation Methods.

RESOLVED, that the Board hereby accepts and approves Action Plan Amendment No. 28 to the First Action Plan to recommend that if more than one method of determining pre-storm value is available, the pre-storm value used in the Road Home calculation will be based on the method with the highest value, regardless of any difference between the values determined by different valuation methods.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Approval of Minutes from the April 21, 2008 LRA Board Meeting

Mr. Tom Henning offered a motion to approve the minutes of the April 21, 2008, LRA Board meeting. There being no comments or corrections, upon motion duly made and seconded by Mr. John Smith, the following resolution was unanimously adopted:

Approval of the Minutes and Ratification of Actions Taken at the April 21, 2008, Meeting of the LRA Board.

RESOLVED, that the minutes of the meeting of the LRA Board held on April 21, 2008, as presented at this meeting, are hereby approved and all actions taken by the Board presented at such meeting, as set forth in such minutes, are hereby in all respects approved as actions of the LRA Board.

Hazard Mitigation Grant Program Resolution

Mr. Walter Leger presented the resolution to request the reallocation of \$350 million of HMGP funds to the “traditional” HMGP for use by parishes, state agencies, and other entities to continue recovery efforts and to protect against future emergencies across Louisiana. These funds would be used by the Louisiana Department of Natural Resources (DNR) and the Department of Transportation and Development (DOTD) for infrastructure improvements, such as evacuation routes and environmental improvements. Each parish would receive \$1 million for a mitigation project, and the 11 most impacted parishes would receive an additional \$2 million, \$74 million would be used for competitive projects, and \$100 million would be used for state agency projects, most of which would go towards coastal restoration and protecting critical roadways.

Mr. Walter Leger offered an amendment to the resolution to change the amount of the reallocation to \$260 million. The motion was seconded by Mr. Andy Guinn.

Approval of the Amendment to the Resolution to Change the Amount of the Reallocation of HMGP Funds from \$350 Million to \$260 Million for the “Traditional” HMGP for Use by Parishes, State Agencies and Other Entities to Continue Recovery Efforts and to Protect Against Future Emergencies Across Louisiana.

RESOLVED, that the Board hereby accepts and approves the amendment to the Resolution to change the amount of the reallocation of HMGP funds from \$350 million to \$260 million for the “traditional” HMGP for use by parishes, state agencies and other entities to continue recovery efforts and to protect against future emergencies across Louisiana.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Mr. Tom Henning asked how decisions were made as to which projects get funding.

Mr. Rainwater noted that HMGP is double encumbered, and you can either shore up roads or do drainage projects. DNR and DOTD will submit projects that they think are eligible and LRA staff or a state mitigation team will work through the process. Typically, the funding is spread over several projects.

Mr. Henning expressed his concern that some projects in House Bill Nos. 1 and 2 that were vetoed by Governor Jindal may come to us.

Mr. Rainwater explained that HGMP funds cannot pay for a road, but we can address evacuation route improvements that would protect life during a storm.

Mr. Walter Leger commented that some GoZone funding in Alabama went to dormitories next to their football stadium. Also, East Baton Rouge Parish received allocations that St. Bernard, Orleans and Plaquemines Parishes did not. In the Netherlands, they build bulkheads and levees above ground that are also roads. He would like to see projects like that in the more heavily impacted parishes.

Mr. Rainwater said we could provide a monthly update on the Hurricanes Rita and Katrina hazard mitigation funding, as is done monthly for the Joint Legislative Committee on the Budget. DOTD funds will go to evacuation routes and competitive grants will be weighted. He remarked that Orleans and Jefferson Parishes lead the country with repetitive flooding.

Mr. Tom Henning offered an amendment to the resolution to require monthly status reports on the HMGP projects to the LRA Board. The motion was seconded by Mr. Walter Leger.

Approval of the Amendment to the Resolution to Require Monthly Status Reports on the HMGP Projects to the LRA Board.

RESOLVED, that the Board hereby accepts and approves the amendment to the Resolution to require monthly status reports on the HMGP projects to the LRA Board.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Mr. Andy Guinn asked about the use of hazard mitigation funds for evacuations.

Mr. Rainwater stated that HMGP funds can only be used to protect or elevate the roads, and cannot be used to add capacity.

Mr. David Voelker asked if the funds could be used to raise LA Highway 1.

Mr. Rainwater said the HMGP funds could not be used on a project that was already underway using federal funds.

Ms. Pat LeBlanc asked how long it would take to get the funds to the parishes.

Mr. Rainwater said the funds are already being allocated to the parishes. There is an August 31, 2008, deadline for the additional funding, but we are going to ask for an extension. Some parishes will not apply, and those funds will be reallocated.

Representative Karen Carter-Peterson asked if the parishes have to submit a plan to the LRA.

Mr. Rainwater stated that the parishes must have an approved plan.

Mr. Walter Leger offered a motion to approve the resolution to reallocate \$260 million of HMGP funds to the “traditional” HMGP for use by parishes, state agencies, and other entities to continue recovery efforts and to protect against future emergencies across Louisiana, and to provide monthly HMGP status reports to the LRA Board. The motion was seconded by Mr. Tom Henning.

Final Approval of the Resolution to Reallocate \$260 Million of HMGP Funds to the “Traditional” HMGP for Use by Parishes, State Agencies, and Other Entities to Continue Recovery Efforts and to Protect Against Future Emergencies Across Louisiana, and to Provide Monthly HMGP Status Reports to the LRA Board.

RESOLVED, that the Board hereby accepts and approves the Resolution to reallocate \$260 million of HMGP funds to the “traditional” HMGP for use by parishes, state agencies, and other entities to continue recovery efforts and to protect against future emergencies across Louisiana, and to provide monthly HMGP status reports to the LRA Board.

Voting: Carter-Peterson, Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Livingston Parish Long-Term Community Recovery Plan Resolution

Ms. Krystle Beauchamp, LRA Assistant Planning Director, presented the Livingston Parish Long-Term Recovery Plan resolution. The proposed total for Livingston Parish is \$491,376.

Ms. Karla Cormier, representing Livingston Parish, commented that Livingston is the fastest growing parish in the state and their top priority is the creation of a Master Plan. Additional priorities for Livingston Parish include the creation of a parish-wide transportation plan, enhancement of workforce development and education, enhancement and expansion of the parish-wide water and wastewater system, and improvements to the Livingston Parish Jail.

Mr. Walter Leger offered a motion to give final approval to the Livingston Parish Long Term Community Parish plan. The motion was seconded by Mr. Andy Guinn.

Final Approval of the Livingston Parish Long-Term Community Parish Plan.

RESOLVED, that the Board hereby accepts and approves the Livingston Parish Long-Term Community Parish Plan.

Voting: Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

Allocation of Additional Funding to Fisheries Infrastructure Resolution

Mr. Paul Rainwater presented the resolution for the Board to approve Action Plan Amendment No. 26 to the First Action Plan to allocate \$9.75 million of CDBG funds to address continuing fisheries infrastructure needs resulting from the devastation suffered by the commercial fishing industry in the aftermath of Hurricanes Katrina and Rita. This will bring the total available funding to rebuild and repair fisheries infrastructure in Louisiana to \$28.5 million. This is still not enough funding to meet the needs.

Mr. Kris Van Orsdel stated that we are leading the charge to bring back the commercial fisheries, but the National Oceanic and Atmospheric Administration (NOAA) is the lead agency. The fisheries industry is a huge economic generator for the state.

Mr. Rene Cross pointed out that there were more applications than funds, and the original allocation of \$19 million was just a drop in the bucket. He thanked Mr. Van Orsdel for his efforts.

Mr. Rene Cross offered a motion to adopt the resolution to approve Action Plan Amendment No. 26 to the First Action Plan to allocate \$9.75 million of CDBG funds to address continuing fisheries infrastructure needs resulting from the devastation suffered by the commercial fishing industry in the aftermath of Hurricanes Katrina and Rita. The motion was seconded by Mr. Walter Leger.

Final Approval of Action Plan Amendment No. 26 to the First Action Plan to allocate \$9.75 million of CDBG funds to address continuing fisheries infrastructure needs resulting from the devastation suffered by the commercial fishing industry in the aftermath of Hurricanes Katrina and Rita..

RESOLVED, that the Board hereby accepts and approves Action Plan Amendment No. 26 to the First Action Plan to allocate \$9.75 million of CDBG funds to address continuing fisheries infrastructure needs resulting from the devastation suffered by the commercial fishing industry in the aftermath of Hurricanes Katrina and Rita..

Voting: Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

LRA Hurricane Rita Report Update Resolution

Mr. David Voelker informed the members that Mayor Randy Roach was stuck in traffic, and he asked Mr. Paul Rainwater to present the resolution on the Hurricane Rita report.

Mr. Paul Rainwater presented the resolution to approve the drafting and publication of an update to the LRA Hurricane Rita Report, which was originally published in September, 2006, and was last updated in September, 2007.

Mr. David Voelker offered a motion to adopt the resolution requesting that the Hurricane Rita Report be updated. The motion was seconded by Mr. Walter Leger.

Final Approval of the Resolution Requesting an Update to the LRA Hurricane Rita Report.

RESOLVED, that the Board hereby accepts and approves the Resolution requesting an update to the LRA Hurricane Rita Report.

Voting: Cross, Guinn, Henning, Lasseigne, LeBlanc, Leger, Morrison, John Smith and Voelker.

VII. COMMITTEE REPORTS AND ACTION ITEMS

GOHSEP Report

Mr. Walter Leger offered a motion to amend the agenda to delete the GOSHEP report. The motion was seconded by Mr. Ray Lasseigne.

The roll was called; nine members were present.

Members voting to amend the agenda to delete the GOSHEP report were Mr. Cross, Mr. Guinn, Mr. Henning, Mr. Lasseigne, Ms. LeBlanc, Mr. Leger, Mr. Morrison, Mr. John Smith and Mr. Voelker.

Legislative Session Report

Ms. Lynn Bankston provided an update of some of the legislation passed in the 2008 Regular Session. House Bill No. 622 streamlined the LRA Board to reflect the transition from the policy phase of the recovery to the implementation phase. This bill also allows for the flexibility of the ex-officio members to appoint a representative to help with quorums.

House Bill No. 935 moved the LRA to the Division of Administration. Senate Bill No. 740 would have allowed for a Road Home applicant's bill of rights. Part of this legislation was amended into Senate Bill No. 755, which provides for the use of the highest appraisal in an applicant's file in determining the pre-storm value of a home.

Mr. Walter Leger asked if House Bill No. 962 by Representative Karen Carter-Peterson, which would establish the Louisiana Statewide Educational Facilities Fund, was recovery related. Governor Jindal vetoed this legislation.

Representative Carter-Peterson explained that she was hoping for the surplus in the state budget to fund this in order to address the crumbling facilities across the state. The Governor felt that this was the local government's responsibility. She said other states use their funds for K-12 education and facilities because it is important. The bill was passed and was a priority to the citizens; however, the Governor did not agree.

VIII. UNFINISHED BUSINESS

There was no unfinished business.

IX. PUBLIC COMMENTS

There were no public comments.

X. NEW BUSINESS

There was no new business.

XI. ANNOUNCEMENTS

There were no announcements.

XII. ADJOURNMENT

The meeting was adjourned at 11:33 a.m.

Respectfully submitted,

Paul Rainwater
Executive Director

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Date approved: _____