

**DISASTER RECOVERY INITIATIVE  
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**CONSOLIDATED SECURITY, DISASTER ASSISTANCE,  
AND CONTINUING APPROPRIATIONS  
ACT, 2009**

**H.R. 2638 / Public Law 110-329**

**Louisiana Recovery Authority**

**Louisiana Office of Community Development**

***PROPOSED* STATE OF LOUISIANA ACTION PLAN  
FOR THE UTILIZATION OF CDBG FUNDS IN RESPONSE TO HURRICANES GUSTAV AND IKE**

**Proposed  
November 18, 2008**

**Public Comments  
December 10, 2008**

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Governor**

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The Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Pub. Law 110-329), enacted on September 30, 2008, appropriates \$6.5 billion through the Community Development Block Grant (CDBG) program for “necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by hurricanes, floods, and other natural disasters occurring during 2008 for which the President declared a major disaster...”.

The U. S. Department of Housing and Urban Development (HUD) was designated by Congress as the administering agency. In October 2008, HUD reduced the amount of funding to \$6.1 billion in response to a budget rescission requirement from Congress. On November 28, 2008, HUD made an initial one-third allocation to Louisiana of \$438 million. A second allocation for the remaining two-thirds will follow after January 2009.

The legislation specifically prohibits the use of funds for activities reimbursable by, or for which funds are made available by, the Federal Emergency Management Agency or the Army Corps of Engineers” and that “none of the funds...may be used...as a matching requirement, share, or contribution for any other Federal program.” It also states that, “not less than \$650,000,000 from funds made available on a prorated basis according to the allocation made to each State” shall be used for affordable rental housing. Thus the state will set aside 10.6 percent of its entire allocation to this purpose in accordance with the legislation. Parishes can, and are encouraged to, add resources from their allocation to increase the amount of affordable housing in their communities. Additionally, at least 50 percent of the funds must benefit low to moderate income individuals.

The Louisiana Recovery Authority, working closely with the Office of Community Development’s Disaster Recovery Unit, has developed the following action plan to outline the eligible activities available to assist parishes to meet unmet housing, business, public service, public infrastructure and other needs incurred by the 2008 disasters as well as addressing critical needs stemming from the catastrophic events of 2005 which impair long-term recovery, restoration of infrastructure and response to future disasters. Despite not having its full allocation, the state is moving forward to develop its plan, announce this plan publicly and seek necessary approvals. These programs are outlined below.

## **I. IMPACT OF HURRICANES AND LOUISIANA’S RECOVERY NEEDS**

Hurricane Gustav caused major wind and flood damage throughout the state, from the southern coastal parishes through central and north Louisiana. Two weeks later Hurricane Ike hit sending tidal surges across the state’s southern coastal communities. Ike exceeded storm surge caused by hurricanes Rita and Katrina. More than 1.9 million Louisiana residents were forced to evacuate for hurricanes Gustav and Ike. Many of these residents were unable to return to their homes and jobs for a number of days and a large number of residents whose homes remain unlivable continue to need short-term shelter and longer-term transitional housing. The State was forced to evacuate 30,000 critical transportation-need residents, including 10,400 medical evacuations, which is the largest medical evacuation in U.S. history. The state was also left with 1.5 million cubic yards of debris from Hurricane Gustav along federal and state highways.

Approximately 150,000 to 300,000 homes experienced some level of damage in the storm; more than 12,000 homes were flooded. Preliminary estimates show that approximately \$2 to 7 billion in residential property loss was incurred. Even homes built to the Federal Emergency Management Agencies Advisory Base Flood Elevations flooded as a result of this storm. The state also estimates more than \$1 billion in public infrastructure damage. The state has spent more than \$400 million in emergency response and immediate recovery activities.

Fifty-three of the state’s 64 parishes were included in the President’s disaster declaration for individual assistance; all 64 were declared for public assistance. The two storms caused tremendous damage, which, in turn, left most communities without electricity for days, and many for weeks. More than 120,000 homes received some damage.

### **Economic Impact**

According to preliminary estimates from Louisiana Economic Development, businesses experienced approximately \$2.5 to 5 billion in economic losses from Gustav. Approximately 97,000 businesses experienced at least some business interruption. The oil & gas industry could lose up to \$5 billion alone:

while it is estimated that agricultural losses could reach up to \$750 million. The state must have resources to provide low-cost financing and technical assistance to businesses in order to jumpstart its economic recovery. Additionally, employers need their workforce back in their communities. The state was already experiencing a workforce crisis following the impacts of the 2005 storms. Accelerated provision of temporary affordable housing and the development of permanent affordable housing are critical for the state's employers to get back to commerce and speed the recovery.

### **Infrastructure**

Much of the state's public infrastructure and facilities were severely damaged in the storms. Damage estimates reach more than \$1 billion for both storms. While still preliminary, estimates show that a large percentage of the state's K-12 schools received damage from the storm. Preliminary estimates indicate that there was at least \$100-150 million in damages to these facilities from both storms. The state's higher education facilities estimate at least \$33 million in damages to the physical facilities of the State's higher education system. While these estimates are preliminary, they are comprehensive for all campuses in higher education, inclusive of the community and technical college campuses, the University of Louisiana campuses, Southern University's campuses and all of Louisiana State University's campuses. The state's other public facilities are estimated to have damage in excess of \$100 million.

A large percentage of the state's educational facilities received damage from the storm. Preliminary estimates indicate that there was at least \$100 to \$150 million in damages to the primary (including pre-K and secondary education facilities). While most of these repairs will be covered through FEMA's public assistance program, certain repairs or necessary rebuilds may be deemed ineligible through FEMA's program.

Hurricanes Gustav and Ike impacted many of the State's port facilities resulting in large economic losses to the State and exposing the nation to large and significant economic impacts if long term disruptions were to occur from hurricane impacts as much of the nation's oil and gas, commodity and cargo traffic flows through south Louisiana facilities. While oil and gas enter the nation through facilities in south Louisiana, many more commodities that are vital to upper Midwest, and north and central Louisiana flow down the Mississippi river and are maintained at specific temperatures at port warehouse facilities along the Mississippi river before becoming exports. These raw products in turn employ thousands of Louisianans and create millions of dollars in economic value.

While the majority of public infrastructure repairs will be covered by FEMA programs, it is known from experience with the 2005 storms that there certain costs of repair including improvements or rebuilding will be deemed ineligible for FEMA funding.

### **Road Repair and Navigation Channel Dredging**

Preliminary cost estimates for the repair of Federal Highway Administration (FHWA) eligible roads and bridges sustained as a result of Hurricane Gustav total \$127 million. Federal-aid highway damage estimates are about \$119 million. While funding to address these damages is authorized under current law, the backlog associated with these needs may prevent the restoration or threaten the integrity of this critical infrastructure. To repair this critical infrastructure, \$119 million would be needed for Louisiana (Gustav - \$53 million; Ike - \$66 million) through the Federal Highway Administration's Emergency Relief program.

In addition, emergency funds are needed for the Corps of Engineers to dredge critical navigation channels that were impacted by the hurricanes. The Mississippi River, Atchafalaya River, Calcasieu Ship Channel and other critical waterways are vital to the country's energy supply and maritime commerce affecting nearly every state. For example, seven and a half percent of the United States' daily oil consumption is produced along the Calcasieu Ship Channel. Lake Charles is the home of the fourth largest refinery in the United States and one-third of the nation's strategic oil reserve is stored in salt domes around the ship channel.

Hurricanes Gustav and Ike have caused the channels to become silted up, thus reducing the depth that is required for vessels to navigate. If the vessels cannot navigate the channel due to inadequate depth, the cargo cannot be delivered to industry. In this event, the shipper has to offload the cargo onto smaller vessels or off-load cargo to temporary barges to lighten the load and thus reduce the draft of the vessel. This is tremendously expensive and leads to higher costs of production.

## **Housing**

Preliminary estimates indicate approximately \$1.7 billion in uninsured housing losses, with over half of that amount likely being homeowners. Hurricanes Katrina and Rita have taught us that repair costs generally outstrip insurance proceeds. Initial damage models based on flood and wind damage vary widely, but have a midpoint between \$3 and 4 billion dollars. Half of this damage may be uninsured losses due to uninsured and underinsured properties. With losses of housing stock concentrated in certain communities, Louisiana could have up to \$1.5 billion in uncompensated housing losses. Of this, the state will need to design programs in concert with local communities to rebuild and make up this loss. The state will develop the following Housing Recovery Programs to assist homeowners, renters and communities to recover.

## **Agriculture**

Hurricanes Gustav and Ike passed through the center of Louisiana's agricultural core just as many of the state's most valuable crops were being prepared for harvest. As a result, Louisiana's agricultural economy, including row crops, timber and livestock, lost more than \$700 million in value according to estimates by LSU economists. In addition, the state's struggling fisheries industry, the second largest in the nation, incurred \$250 million in losses because of hurricanes Gustav and Ike.

Because of the timing of the storms and growing seasons, Louisiana's agricultural damage was more extreme than in many other states. Louisiana's farm losses occurred very close to harvest when farmers had already fully invested the required resources to grow the crops. In many cases, funds were advanced pending harvest of the crops, which did not materialize because of the hurricanes. Unlike the situation after hurricanes Katrina and Rita in 2005, these croplands also remained flooded and waterlogged for weeks after Gustav and Ike, making harvesting any remaining crops difficult as the machinery required could not enter the fields. Crops therefore were lost both from the flooding and because farmers and laborers were not able to return to harvest them. This resulted in further impact on the surrounding communities because farm jobs and supporting industries were not utilized as in prior years. Cotton and sweet potato crops, of which Louisiana is a significant producer, were nearly completely lost in some parishes. Louisiana farmers, who harvest approximately 50 percent of this nation's sugarcane acreage, were directly affected by Hurricane Gustav when it made landfall in the center of this state's sugarcane producing area.

Despite these losses, there are no funds directly allocated within the most recent disaster supplemental bill (HR 2638; PL 110 329) to offset such losses. While \$410 million was set aside in the disaster supplemental for the U.S. Department of Agriculture, none of these funds can be used to cover crop loss or to provide funds to buy seed and reinvest in future harvests. Despite repeated requests from Louisiana's Governor, Agriculture Commissioner and our Congressional delegation, there are no traditional agricultural crop loss disaster loans in this provision. Traditionally the USDA, via the Farm Bill and its crop loss programs, has addressed these types of losses. However, in 2008, substantial new changes were incorporated into the Farm Bill. The USDA's supplemental revenue assistance payment program (SURE) was included in the 2008 Farm Bill as a successor to ad hoc crop disaster programs.

Additionally, the 2008 Farm Bill is inadequate in addressing a statewide disaster as opposed to individual farm losses. The legislation was signed late in the congressional cycle and the rules in the bill for claiming disaster aid have yet to be written. Furthermore, additional legislative efforts in the United States Senate to create a \$1.12 billion farm aid measure for all American farmers hurt by the natural disasters of 2008, including flood, drought, wildfire and hurricane, were blocked by some senators who were unaware of the impact a lack of resources could have on the nation's farm trade balance and food costs.

## **Fisheries**

Based on the 2007 Summary of Agriculture and Natural Resources by the LSU Agriculture Center and NMFS Revenue Data, the seafood industries experienced nearly \$250 million in revenue loss as a result of the two storms. Even prior to hurricanes Gustav and Ike, Louisiana's fisheries were struggling to recover from more than \$528 million in losses resulting from hurricanes Katrina and Rita in 2005. Hurricanes Gustav and Ike moved across the central Gulf of Mexico through some of the nation's most valuable and productive fishing grounds at the start of the state's most valuable shrimp season.

## **Hurricane Protection and Coastal Restoration**

Hurricanes Gustav and Ike caused extensive damage in South Louisiana as a result of storm surges, wind and rainfall. Hurricane Gustav and Ike-related surge overtopped flood protection systems in the New Orleans area and inundated many communities in South Louisiana. Before water levels could fully recede from Gustav, winds associated with Hurricane Ike pushed additional tidal surge into coastal Louisiana. This second storm had hurricane-force winds extending over 110 miles and produced storm surges higher than those from Hurricane Rita (one of the most powerful storms in history). The result has been significant flooding in all coastal parishes within the state. All levee systems were challenged. All of the systems to some degree suffered from breaches, scouring, erosion, slope failures and extensive debris.

The two hurricanes caused extensive damage to many levees in coastal Louisiana. The extremely poor condition of our adjacent coastal wetlands caused by the Mississippi River's levees cutting off the river's sediments from the marsh exacerbated the situation – resulting in increased storm surge in populated areas of our state. In addition to funds required to fulfill the 30-year payment agreement for the Greater New Orleans hurricane protection system, the following is a synopsis of the events and needs in coastal Louisiana. In an effort to allow Congress to act quickly in rebuilding our coasts and protecting our communities, the following synopsis is based on previously approved and authorized projects and is designed to provide a solid foundation for the restoration and protection of coastal Louisiana. This, however, is not an all-inclusive list of critical needs, and more will be required to complete Louisiana's protection and restoration efforts.

### **Emergency Repair and Flood Protection**

Emergency repair and flood protection efforts include air-dropped sand bags by U.S. Army Chinook helicopters in Plaquemines, Lafourche, Terrebonne parishes and other areas of the state. Up to one million gallons per minute pumping capacity was required to remove water from coastal communities following the hurricanes. The National Guard, U.S. Army Corps of Engineers, state agencies, parishes, levee districts and others were involved in emergency efforts and dewatering of communities in more than ten parishes. While the hurricane protection system in the greater New Orleans area did not fail, numerous vulnerabilities were exposed. An investment in a consistent protection standard for other areas of coastal Louisiana and the restoration of the coastal lands and wetlands eroding as a result of Mississippi River and Atchafalaya River levee construction would have prevented all flooding in these communities and improve this nation's energy security.

Recognition of the strong relationship between coastal land loss and hurricane vulnerability must be acknowledged. Louisiana lost 217 square miles of land as a result of Hurricanes Katrina and Rita and countless more from damages associated with hurricanes Gustav and Ike. Storm surge levels in many of our coastal communities during Hurricane Ike – a Category 2 storm – were the highest ever recorded. The loss of Louisiana's coastal lands and wetlands as a result of the federal governments' construction of levees requires mitigation. Congress has approved the construction of more than a dozen restoration projects. Congress and the Administration recognized the importance of providing updated protection for the greater New Orleans area. However, disparate protection standards remain in coastal Louisiana and little has been done to mitigate from the land loss associated with river levees.

## **II. OVERVIEW OF ALLOCATIONS AND PROGRAM DELIVERY**

These funds will be used for eligible disaster related activities supporting housing construction, rebuilding, elevation and rehabilitation, mitigation, economic revitalization, hurricane protection and infrastructure repair and improvements relating to the disasters of 2008 and the continued needs from the catastrophic events of 2005. Following the guidance of the Disaster Supplemental, ten percent of the state's total allocation must be used to repair, rehabilitate or construct affordable rental housing meeting certain eligibility criteria. No funds can be used to cover match on projects funded by other federal programs, including FEMA Public Assistance projects.

### **Project Area**

The project area includes those parishes most impacted by hurricanes Gustav and Ike as determined by HUD damage estimates based on FEMA and SBA inspection data.

### **Method of Allocation**

For the direct parish allocations, the state intends to utilize the same allocation methodology used by HUD for state distribution to allocate dollars to the individual parishes. (see Appendix A) The state will amend its

Action Plan with these allocations when HUD makes its funding allocation final. The HUD methodology will use a combination of FEMA and SBA damage estimates. Parishes will be allowed to select from a defined menu of options to be used for housing rehabilitation, public infrastructure repairs, economic revitalization activities and mitigation activities.

In addition, the State will set aside 25 percent of the total funds for competitive projects in the areas of affordable rental housing, agriculture, hurricane protection and fisheries within the disaster areas. The state will develop programs within the competitive pool that prioritize those individuals and families most heavily impacted by the storms and in greatest need. The state encourages parishes to develop programs that benefit those most impacted and in greatest need within their communities.

Five percent of the funds will be used for administration of the grant. This includes the state and parishes' allocation towards grants management and technical assistance.

These percentages only apply to the State's plan for how money will be set aside for the various recovery areas. Any individual parish may choose to apply any percentage of their allocation to a particular recovery area. For example, a parish could decide that they want to spend 90 percent of their parish allocation on infrastructure and 10 percent on housing (or even 100 percent on infrastructure).

Additionally, at least 50 percent of the funds must benefit low to moderate income individuals.

### **Method of Distribution**

The state will operate a grants management protocol in order to deliver resources to the eligible parishes. The process for parishes to apply will be as follows:

- The State will develop program criteria, basic guidelines and CDBG requirements for a slate of different programs including housing, infrastructure, economic recovery and mitigation measures.
- The State will develop criteria for statewide set-aside programs (Affordable Rental Housing, Economic Development, Coastal Restoration, Agriculture and Fisheries)
- Each parish will be required to develop an action plan, following a template provided by the state, for submittal to the state. Parishes will be required to follow a citizen participation plan as required by HUD.
- Parishes will apply for the statewide set-aside programs on a competitive basis.
- State will fund projects out of either the parish pool or the statewide set-aside as action plans are approved.
- Unused funds in both the parish programs and the statewide set-asides will be re-allocated based on demand from the parishes (with the exception of affordable rental housing which has a minimum requirement of 10.6 percent from HUD).
- The goal is to provide the greatest possible autonomy and flexibility to parishes.

### **Technical Assistance & Capacity Building**

The state understands that many parishes have limited capacity as they continue to recover from these storms. The state will provide Technical Assistance to parishes as well as resources for parishes to build their capacity to administer their disaster recovery CDBG portfolio.

- Parishes will be given Training & Technical Assistance on CDBG regulations at the initiation of the programs and will be provided assistance on regulatory compliance throughout the grant process.
- Parishes will be able to use allocated funds to hire grant administrative staff and/or consultants.
- The goal is to provide the greatest possible autonomy to parishes while ensuring compliance with CDBG regulations.

### **III. OVERVIEW OF ELIGIBLE PROGRAM ACTIVITIES**

These funds will be used for eligible disaster related activities supporting housing rehabilitation, mitigation activities, economic revitalization, hurricane protection and infrastructure repair and improvements at the requests of the local governments to assist the State of Louisiana. Following the guidance of the Disaster Supplemental, 10.6 percent of the state's total allocation will be used to repair, rehabilitate or construct affordable rental housing stock (including public and other HUD assisted housing). Following the 2008 Disaster Supplemental, CDBG funds may not be used to pay for match costs for FEMA Public Assistance projects.

**A: STATE IMPLEMENTED**

**1. Affordable Rental Housing**

According to the 2008 disaster supplemental bill, ten percent of the state’s overall allocation must be used on affordable rental housing programs. The state will develop affordable rental housing programs that will be facilitated at the state level in order to reach this threshold. Parishes will be able to apply to the state programs as well as be able to use their allocation to create additional affordable rental housing stock.

Approximately 31.5 percent of Louisiana’s housing stock is rental properties. Since Katrina and Rita, the state has suffered a severe shortage of housing, especially affordable housing. There is a need for both a rehabilitation program as a gap for uninsured losses for damaged rental property and a true incentive program as payment for landlords to provide mid- to long- term affordability for renters. The state will build programs to assist parishes in increasing their stock of affordable rental housing. The state may replicate components of the existing 'piggyback' program which leverages funds private investments. It will also be possible to attach funds to the next round of per capita credits to take care of longer-term needs in the impacted communities. Allocations will be developed on a competitive basis for those parishes that have a high percentage of damaged housing stock or are experiencing a high demand for affordable housing.

**Note: since the State CDBG Regulations at § 570.482 do not list specific eligible activities all regulations cited are the Community Development Block Grant at § 570.200**

Eligible Activity: Rehabilitation & Preservation Activities § 570.202 (a) (b) ((c) (d) (e) (f)  
National Objective: Benefit to Low Moderate income persons and elimination of slums and blight.

**2. Economic Development and Revitalization**

For the state to recover from these hurricanes and the events of 2005, new opportunities must be developed to provide for the losses in hurricanes Gustav and Ike and increase economic activity around key economic sectors.

The state will develop programs aimed at rapidly providing funds for operating expenses and commercial rehabilitation to small businesses with time-critical cash flow issues resulting from Hurricane Gustav and Ike as well as provide catalytic resources to small and medium sized businesses to support economic recovery. Funds may be used for economic revitalization activities within communities to grow local economies.

These programs together will ensure that these small businesses, the backbone of the state’s economy, can recover quickly and continue to generate economic wealth and new jobs for residents of the state.

Funds will also be set aside to support the recovery of state-owned port facilities.

Eligible Activity: Public facilities and improvements § 570.201 (a) (c) (d) (e) (f)  
Special Economic Development § 570.203 & 204  
National Objective: Benefit to Low and moderate income persons and removal of slum and blight and urgent need § 870.208

**3. Agriculture**

The Louisiana Department of Agriculture and Forestry (LDAF) will develop and operate programs to support farmers and agricultural-related businesses with time-critical cash flow issues resulting from Hurricane Gustav & Ike. Suggested programs may include the use of loan guarantees, loans and grants to offset operating losses and restart expenses as well as to support infrastructure programs. Eligible applicants will include:

- Agricultural-related businesses that suffered physical damage or economic loss due to hurricanes Gustav and Ike.
- Agricultural-related businesses that show a commitment to re-start operations within 18 months of receipt of assistance or after one planting cycle.

Eligible Activity: Special Economic Development § 570.203 & 204  
National Objective: Benefit to Low and moderate income persons and removal of slum and blight and urgent need § 570.208.

#### **4. Fisheries**

Louisiana's fisheries sustained over \$250 million dollars in damages from Gustav and Ike. To most efficiently assist with recovery a combination of State run programs and parish choice models will be employed to most efficiently assist this industry sector. The largest allocation of funds for this program will be to provide direct aid to commercial fisherman, wholesalers and dealers who held 2008 LDWF licenses and utilized the trip ticket data system and were impacted by the storms. Program funds allocated to the direct aid program will be distributed in a manner similar to the program already in place at LDWF to distribute approximately \$20m in reprogrammed Katrina and Rita recovery funds. In addition to direct aid the allocation will promote more efficient technologies for shrimp vessels to reduce fuel costs and reduce environmental impacts. Provide funds to purchase or modernize equipment needed to comply with forthcoming federal regulations that will improve quality and reduce business losses to the industry from future losses. The State's growing and significant recreational fishing industry will have access to specific recovery funds as well. These funds can be used to address infrastructure losses to the private industry and to repair, create or assist projects with public projects that benefit the recreational fishery.

To further protect the industry from future events, funds may be used by the LDWF to purchase and create up to three mobile ice plants for use in future disasters. Hurricanes Gustav and Ike again highlighted a primary constraint of the industry being able to return to work; the lack of ice for boats and haulers to maintain product quality. The creation of a mobile ice plants program for statewide use in any disaster will allow the industry to compete in a highly competitive global marketplace until private facilities come back on the grid. These ice plants will be state maintained and available to respond to any emergency action in the State.

Funds may be also be made available to the parishes as a Fishery Community Recovery Fund. These funds will be available for parishes to invest in a range of fishery related infrastructure projects in there communities whether to repair, replace, support, enhance or create access to fishing related activities. The allocation of funds for this section will be based on parish fishery loss estimates using either LSU sea grant economist's measures. Parishes may allocate funds to private marinas and large wholesale dealers after demonstrating an unmet need and coordinating with LDWF. In addition to state maintained data held from the LDWF direct aid program, the Gustav and Ike recovery program will utilize information gathered in LED's business recovery grant and loan program for fishing related businesses to help parishes determine local associated fishery related businesses impacted by the storms.

Eligible Activity: Public facilities and improvements § 570.201 (a) (c) (d) (e) (f)  
Special Economic Development § 570.203 & 204

National Objective: Benefit to Low and moderate income persons and removal of slum and blight and urgent need § 870.208

#### **5. Hurricane Protection**

Louisiana leads the nation in land loss and is actively engaged at all levels of government to find solutions to slow and reverse land losses that are critical in providing hurricane protection. Many Louisiana families have seen in two generations, areas used for recreation, business and hurricane protection turn from usable land, into marsh, into open water, CDBG funding will provide an opportunity to protect and restore areas significantly impacted from recent storm events.

The program will be managed by the Office of Coastal Affairs which is charged with restoring the State's coastline and is familiar with the wide range of restoration activities that are planned to restore Louisiana. Within Louisiana, there are Federal and non-federal coastal restoration efforts underway on both public and private lands. The State's coastal restoration activities are among the vital to the long-term sustainability with implemented projects providing our first line of defense to reduce impacts of hurricanes. Parish based projects will be solicited that comply with CDBG regulations that also are in accordance with the State's master plan for coastal restoration and protection. Project selection will be done to ensure that funds are fairly and equitably distributed across the entire area impacted by Gustav and Ike.

The program will be eligible to coastal parishes as determined by CPRA. In order to maximize protection and to address critical needs funding consideration should be given to those areas based on:

- Repetitive loss of structures
- Incurred environmental impacts and projected coastal land loss resulting from these storms
- Impact on Properties affected by the Storms
- Best opportunities for restoration effectiveness
- Economic Viability (work interruption, critical infrastructure, etc).

Eligible Activity: Public facilities and improvements § 570.201 (a) (c) (d) (e) (f)  
Special Economic Development § 570.203 & 204

National Objective: Benefit to Low and moderate income persons and removal of slum and blight and urgent need § 570.208.

## **B. PARISH IMPLEMENTED**

### **1. Housing**

Parishes can select from the program options from the eligible activities outlined below as appropriate for their recovery needs. Further program templates will be developed by the state. They can choose to adopt one or any combination of program options as needed. The state encourages parishes to develop programs that benefit those most impacted and in greatest need within their communities. Eligible activities will include, but are not limited to, the following:

- **Homeowners Program**

This program will be designed to provide an incentive and resources for individual homeowners to repair or rebuild their damaged property for the purposes of retaining community value and avoiding blight. These programs will include elevation and mitigation incentives to assist homeowners in building back safer, smarter, and stronger. Programs may also include incentives for green building and energy efficiency.

- **Housing Relocation Program**

Parishes will have the option of establishing a buy-out program for homeowners and rental properties located in dangerous areas prone to flooding for the purposes of allowing residents to relocate to safer areas. This program will enable the purchase damaged or destroyed homes from homeowners. Buyouts must be voluntary and compensation will be determined by the parish based on their optional relocation plan. Funds may also be used for clearance of properties and maintenance and liability costs until the alternate use is established. Funds may also cover mortgage costs for a limited period of time while relocation is finalized.

- **Additional Compensation**

This program will provide resources for homeowners who are not eligible for SBA, make less than 80% of the median family income and have damages that exceed their incentive program award, parishes may establish grant or loan pools. At the discretion of the parish, these may be no or low interest loans or deferred forgivable loans provided program requirements are met.

- **Homelessness Prevention**

Many households, especially rental households, that evacuated or whose homes were damaged by the storms were near the edge of sustainability prior to the storms. The parish may put resources towards these households most at risk of homelessness for rent/utility payments, deposits and arrears, moving and storage expenses, and emergency hotel housing, as necessary towards households most at risk of homelessness.

- **Community Economic Revitalization and Blight Reduction**

Parishes may use CDBG disaster resources to prevent properties in recovering areas from becoming blighted and assist in community economic revitalization projects to prevent overall blight in neighborhoods and increase economic opportunity.

**2. Infrastructure**

The state will develop a program to cover funding gaps in the repair of key infrastructure and public facilities. Examples of projects include repair, rebuilding, and improvement of public facilities, water and sewer systems, port facilities, storm drainage, levees, roads and bridges, etc. Eligible applicants will be public entities and/or private non-profit organizations that operate critical infrastructure, including school facilities. The match of FEMA Public Assistance or other federal programs is prohibited under the legislation.

Similar programs were developed for the 2005 storms which made possible full rebuilding of schools and other facilities, rather than replacement to pre-storm conditions. This program provides additional funding for infrastructure projects that:

- Repair damages or rebuild structures that were damaged by hurricanes Gustav or Ike (and/or are still in need of repair from the catastrophic events of 2005);
- Provide elevation and mitigation measures to address failures of function during Gustav/Ike.
- Harden existing structures or infrastructure to prevent damage from future disasters, including but not limited to projects related to drainage, coastal restoration or protective barriers.

**Eligibility Criteria**

- Project will address need arising from the 2008 storms (and/or still in need of repair from the catastrophic events of 2005.)
- Project is the best alternative to resolve the need
- The parish will determine the urgency of the need for the facility; threat to health, safety or welfare
- The parish will determine if sufficient other local, state, or federal funds are either not available or cannot be obtained in the time frame required

**3. Economic Recovery and Revitalization**

For the state to recover from these hurricanes and the events of 2005, new opportunities must be developed to provide for the losses in hurricanes Gustav and Ike and increase economic activity around key economic sectors.

Parishes will be able to develop programs aimed at rapidly providing funds for operating expenses and commercial rehabilitation to small businesses with time-critical cash flow issues resulting from Hurricane Gustav and Ike as well as provide catalytic resources to small and medium sized businesses to support economic recovery. Funds may be used for economic revitalization activities within communities to grow local economies. Additionally, the state will establish programs targeted to economic recovery. Combined these efforts will ensure that these small businesses, the backbone of the state’s economy, can recover quickly and continue to generate economic wealth and new jobs for residents of the state.

**V. Administration , Planning & Technical Assistance**

These funds will be used to pay reasonable administration costs related to the planning and execution of disaster recovery community development activities. Program administration costs will include staff and related costs required for overall program management, coordination, monitoring, reporting and evaluation. This category includes the State’s cost of administering the program, as well as units of general local governments’ (UGLG) costs of administering grants awarded by the State. For administration, the state is setting aside 5 percent of the total allocation. Of this, \$21,911,67, which is five percent of the first allocation, is being requested for the administration of these programs.

Eligible Activity	105(a)(13) (19) and § 570.489 (a)
Activity Amount (first allocation)	\$21,911,167

The LRA will develop priorities for the utilization of CDBG Disaster Funds. The LRA will work with OCD in design of programs and activities to meet the state’s objectives. Data gathering and research of best practices will be an important role of the LRA. The results of these efforts will inform the design of priorities and programs. In addition, LRA will evaluate the progress of such programs in accomplishing these goals and objectives.

**Technical Assistance**

Parishes will require technical assistance and planning capacity in order to successfully execute the programs above. Parishes can apply within their plan to provide additional capacity in the following areas:

- project and construction management services
- additional planning capacity including resource mapping, environmental engineering assessments, relocation planning, professional development, GIS resources and/or zoning planning and expertise
- case management assistance to individuals and families
- additional building code and compliance inspectors
- other capacity needs as approved by the LRA

### **Grant Administration**

The OCD-DRU and the LRA were merged into one organization in July 2008. As a coordinated organization, they plan to hire additional employees to carry out the associated with the continuing resolution. The OCD has the staff expertise to train additional employees on the federal and state regulations governing the CDBG program. The LRA has a mandate from the Governor and Louisiana Legislature to assure the coordinated use of resources toward the recovery and to support the most efficient and effective use of such resources. The OCD and the LRA will work together to achieve this goal.

The State has a monitoring plan for the regular CDBG program and has developed monitoring plans for the oversight of the current disaster recovery funds. These plans will be revised as necessary under this new appropriation and to accommodate any waivers given to the state and other provisions cited in the legislation. Particular attention will be paid to duplicate other benefits. The State will ensure through its application process, monitoring of recipients, and oversight by the LRA Board's Audit Committee, that recipients are not receiving duplication of benefits and that funds are not used for projects or activities that are reimbursable by or for which funds have been made available by FEMA or by the Army Corps of Engineers.

### *Place to Avoid Fraud, Abuse and Mismanagement*

The Legislative Auditor serves as the watchdog of public spending, overseeing more than 3,500 audits of state agencies and local governments and their quasi-public enterprises. Conducting independent financial and performance audits of the State's agencies, colleges, and universities, these auditors find ways to improve government and identify critical issues to protect public resources and tighten government control systems. When necessary, they follow up on allegations of fraud, waste, or abuse. The Legislative Auditor will perform an annual audit of the DOA in accordance with A-133.

In addition, the State has an established Office of Inspector General. The office's mission is to help prevent waste, mismanagement, abuse, fraud and corruption in the executive branch of state government without regard to partisan politics, allegiances, status, or influence. The Inspector General answers to the Governor.

The LRA Board has established an Audit Committee which, in conjunction with its LRA and OCD-DRU staff, is charged with ensuring that the work of the recovery in a manner consistent with the highest ethical standards. Throughout the recovery process, ensuring that the use of funds are disaster related and that funding allocated will not duplicate other benefits. The LRA Audit Committee and staff will receive and review reports from all governmental entities working to detect, prevent, and eliminate instances of fraud and abuse.

The Office of Finance and Support Services (OFSS), a section of the DOA, has established clear designation of responsibilities in order to ensure separation of duties. This separation of duties, along with other established operational policies and procedures, provides assurance that fraud cannot be accomplished without collusion among employees in separate areas.

The OFSS is responsible for payments, federal draw down requests, and state and federal financial reporting. The OCD is responsible for the day to day administration of the CDBG program. Their staff reviews all requests for payment and accompanying invoices are reasonable and within the scope of the activity funded.

In addition, the State has hired an internal auditor who will be placed within the OCD.

The State follows the State Procurement Code and all other sub recipients are required to follow Title 24 Part 84 and Part 85. The monitoring plan outlines the requirements that must be followed.

Training and technical assistance will be provided to local governments, contractors, and any other entity responsible for administering activities under this grant.

**Citizen Participation**

The state of Louisiana developed a specific citizen participation plan for disaster recovery. The plan includes citizen participation requirements both for the state as well as for the parishes and other entities implementing activities under this grant. It is attached as Appendix B.

## APPENDIX A: ALLOCATION METHODOLOGY

### CDBG Supplemental Appropriations for Disaster Recovery for Disasters Occurring in 2008 First Round Allocation Methodology

#### *Background*

This document provides background information and the methodology used by HUD to allocate \$2.145 billion in 2008 funds appropriated to address long-term recovery needs associated with disasters in 2008.

The Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Pub. Law 110-329), enacted on September 30, 2008, appropriates \$6.5 billion through the Community Development Block Grant (CDBG) program for “necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by hurricanes, floods, and other natural disasters occurring during 2008 for which the President declared a major disaster...”.

It went on to say “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” and that “none of the funds...may be used. ...as a matching requirement, share, or contribution for any other Federal program.” It also stated that, “not less than \$650,000,000 from funds made available on a pro-rata basis according the allocation made to each State” shall be used for affordable rental housing.

Finally, the statute called for “not less” than 33 percent of the funds to be allocated within 60 days of enactment (that is, by November 28th) based “on the best estimates available of relative damage and anticipated assistance from other Federal sources”.

#### *Schedule for allocations*

While Congress appropriated \$6.5 billion, \$377 million has been rescinded and \$6.5 million are set-aside for HUD administrative costs. The net result is that HUD expects to allocate a total \$6,116,500,000 for disasters that occurred in 2008.

This first allocation is the statutory minimum of 33 percent of \$6.5 billion, \$2.145 billion. It is being made within 60 days of enactment.

The remaining \$3,971,500,000 is expected to be allocated to all disasters in 2008, including supplementing funds allocated in this first round. That allocation is most likely to occur sometime after January 2009, with the timing depending on the availability of data for disasters that occur in November and December of 2008.

#### *Disasters in 2008*

As of November 18, 2008, there had been 70 major disasters that both occurred and were declared in 2008 in 33 states, Puerto Rico, and the Virgin Islands. Data on unmet needs at this time are only available for the 33 disasters in 19 states and Puerto Rico that were determined by FEMA to be eligible for Individual Assistance grants. There are currently no reliable data for making an allocation for the 37 disasters that received only a Public Assistance designation. The attached table 2 provides a list of all declared disasters to date and the number of counties receiving designations as eligible for Individual Assistance and Public Assistance.

The first round allocation was calculated for the 33 disasters that were designated as eligible for funding under FEMA’s Individual Assistance program. After calculating grants using the methodology described below, 6 states would have received grants of less than \$3 million and were excluded from funding in this first round. This first round allocation is an initial allocation to the 13 states and Puerto Rico that both had data available to document unmet need and would have grants in excess of \$3 million.

## *Allocation Methodology*

HUD staff have determined that the best estimates it can calculate on “relative damage and anticipated assistance from Federal sources” at this time for the targeted disasters come from data collected by FEMA for management of its Individual Assistance program and SBA for management of its disaster assistance loan program for housing repair and replacement. However, because this information is limited, HUD is only allocating the minimum it is required to allocate under law by November 28th, \$2.145 billion to the states with relatively large disasters in 2008. By late January or early February 2009, HUD hopes to have more complete data on business damage, economic revitalization needs, and possibly infrastructure needs for all disasters.

HUD however believes it is important to target these funds as effectively as possible to the places with the greatest needs for housing, economic revitalization, and infrastructure. To achieve this goal with relatively limited data, HUD’s allocation uses two components:

1. A direct measure of unmet housing needs. Fifty percent of the funds are allocated based on each state’s relative share of HUD estimated unmet housing needs for property owners experiencing serious damage to their dwellings.
2. A “proxy” measure for infrastructure and economic revitalization needs. Fifty percent of the funds are allocated to states with concentrated damage - specifically their share of seriously damaged homes in Census Tracts where 20 percent or more of the homes in the Tract experienced damage.

## *Calculating Unmet Housing Needs*

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA’s Individual Assistance program. For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program. The data HUD used for this allocation are based on extracts of both of those data sets on November 3rd. The data used for this allocation cover 33 disaster declarations in 19 states and Puerto Rico.

For those 33 disaster declarations, HUD calculated “unmet housing needs” as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA, where:

- The number of owner-occupied units with unmet needs are units FEMA housing inspectors determined would require more than \$3,000 to become habitable AND were determined by FEMA to be eligible for a repair or replacement grant (now up to \$30,300, earlier disasters in the year had a cap of \$28,800). In general, when HUD refers to units “seriously damaged”, it is referring to unit with a FEMA damage assessment of \$3,000 or greater.
- The number of rental units with unmet needs are units FEMA housing inspectors determined would require more than \$3,000 to become habitable AND are occupied by households with an income reported to FEMA of less than \$20,000. The use of the \$20,000 income cut-off for calculating rental unmet needs is in response to the statutory language that emphasized the use of the funds for affordable rental housing.
- Each of the FEMA inspected units are categorized by HUD into one of five categories:
  - o Minor-Low: Less than \$3,000 of FEMA inspected damage
  - o Minor-High: \$3,000 to \$7,999 of FEMA inspected damage
  - o Major-Low: \$8,000 to \$14,999 of FEMA inspected damage
  - o Major-High: \$15,000 to \$28,800 of FEMA inspected damage
  - o Severe: Greater than \$28,800 of FEMA inspected damage or determined destroyed.<sup>11</sup>

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<sup>1</sup> FEMA has recently raised its maximum grant to \$30,300. For this first round allocation, HUD continues to use the \$28,800 as the threshold since it applied for most of the declared disasters.

- The average cost to fully repair a home for a specific disaster within each of the damage categories noted above is calculated using the average real property damage repair costs determined by the

Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable. If fewer than 100 SBA inspections are made for homes within a FEMA damage category, the estimated damage amount in the category for that disaster has a cap applied at the 75th percentile of all damaged units for that category for all disasters and has a floor applied at the 25th percentile.

### *Calculating Concentrated Damage*

The concentrated damage estimates are based on the total number of homes in a Census Tract found by FEMA to have any damage divided by the total number of homes in that Census Tract in the 2000 Census. If a tract has more than 20% of its homes with any damage, it is considered a Census Tract with concentrated damage. For the allocation, all housing units with FEMA damage in excess of \$3,000 in the concentrated damage Census Tracts are summed up to the state level to calculate the intensity of the concentrated damage.

### *Accounting for previous CDBG disaster allocations for covered disasters*

This allocation does not duplicate funding already provided under the Supplemental Appropriations Act of 2008 (Pub. Law 110-252, 122 Stat. 2323), enacted on June 30, 2008, which appropriated \$300 million for disasters that were declared and occurred in May and June of 2008.

In the May-June allocation \$193 million of CDBG funds were allocated based on unmet housing needs and \$107 million was allocated based on unmet business and Public Assistance matching needs. Of these three factors, this allocation only overlaps on the unmet housing needs. The current allocation does not include information on unmet business or Public Assistance match, while the May-June allocation did not take into account needs for economic revitalization or infrastructure needs above the Public Assistance match requirement.

As such, this current allocation adjusts for the area of overlap, by accounting for what was already allocated. In effect, these allocations subtract out the \$193 million previously allocated for unmet housing needs from each May-June states.

### *Minimum amount to be used for affordable rental housing*

The statute called for a minimum of \$650 million of the funds to be used for affordable rental housing. HUD has calculated that of this first round allocation of \$2.145 billion, a minimum of \$227.7 million must be used for affordable rental housing. This amount was allocated proportionally among grantees. The \$227.7 million was calculated as follows. \$2.145 billion is 35% of the expected \$6.123 billion that will be allocated. 35% of \$650 million is \$227.7 million.

### *Allocation Equation*

State Grant =

$\frac{\text{State unmet housing needs}}{\text{disasters unmet housing needs}} * (\$1 .0725 \text{ billion} + \text{Total May-June CDBG allocation for unmet housing needs})$  All

- State May-June CDBG allocation for unmet housing needs

+  $\frac{\text{State proportion of seriously damaged units in Census Tracts with concentrated damage}}{\text{disasters seriously damaged units in Census Tracts with concentrated damage}} * \$1 .0725 \text{ billion}$  All

*Detailed Tables*

Attached are the following tables:

- Table 1: First Round Disaster Allocation. This table shows the aggregated data for unmet housing needs and concentrated damage for all states receiving a grant for this allocation. It shows how much is allocated to each state under the two factors, it shows the final allocation amount, and it shows how much of the funding provided must be used for affordable rental housing.
- Table 2: All Declared Disasters in 2008. This table shows all of the disasters declared in 2008 as of November 17, 2008 and how many counties are declared as eligible for FEMA Individual Assistance or FEMA Public Assistance. As noted above, due to data limitations, this first around allocation only allocates to disasters eligible for Individual Assistance. Future allocations will take into account data for all disasters.

**TABLE 1: FIRST ROUND CDBG DISASTER ALLOCATION (Pub. Law 110-329)**

<b>TOTAL AMOUNT TO BE ALLOCATED</b>	<b>\$2,145,000,000</b>
Amount to be allocated based on unmet housing needs:	\$1,072,500,000
Amount to be allocated based on concentrated housing damage greater than 20 percent as proxy for infrastructure and economic revitalization needs:	\$1,072,500,000
Minimum Grant Threshold:	\$3,000,000
Amount remaining to be allocated at a later time:	\$3,971,500,000

State	Data Used to Make Formula Calculation				Formula Grant Calculations						FIRST ROUND ALLOCATION	
	HUD Estimated Owner Unmet Needs	HUD Estimated Renter Unmet Needs	HUD Estimated Total Unmet Housing Needs	Concentrated Damage	Allocation Based on Unmet Housing Needs	Less Amount of Allocation due to Initial Allocation	Allocation Based on Unmet Housing Needs for May-June 2008 allocation	Allocation Based on Unmet Housing Needs (A-B)	Amount Based on Concentrated Damage (C)	Amount of Pro-rata adjustment****	Allocation ((A-B)+C+D)	Minimum amount required for
												affordable housing
	Needs	Needs	Needs		(A)	(B)			(D)		(B)+(C)+(D)	
Arkansas	\$42,588,615	\$18,231,189	\$60,819,804	103	\$22,391,732	\$3,983,642	\$18,408,090	\$1,839,561	\$47,206	\$20,294,857	\$2,154,443	
Florida	\$36,856,907	\$10,449,040	\$47,305,947	0	\$17,416,401		\$17,416,401	\$0	\$40,604	\$17,457,005	\$1,853,185	
Georgia	\$4,519,522	\$7,866,625	\$12,386,146	0	\$4,560,147		\$4,560,147	\$0	\$10,632	\$4,570,779	\$485,221	
Iowa	\$272,353,719	\$75,421,892	\$347,775,611	5,649	\$128,038,857	\$103,923,271	\$24,115,586	\$100,890,118	\$291,438	\$125,297,142	\$13,301,183	
Illinois	\$101,464,857	\$22,126,613	\$123,591,470	479	\$45,502,071	\$12,170,457	\$33,331,614	\$8,554,853	\$97,654	\$41,984,121	\$4,456,913	
Indiana	\$189,052,081	\$61,172,441	\$250,224,522	2,617	\$92,123,947	\$44,041,538	\$48,082,409	\$46,739,147	\$221,067	\$95,042,622	\$10,089,450	
Kentucky	\$5,133,295	\$3,586,168	\$8,719,463	0	\$3,210,202		\$3,210,202	\$0	\$7,484	\$3,217,686	\$341,580	
Louisiana	\$467,871,745	\$227,172,777	\$695,044,522	10,152	\$255,891,164		\$255,891,164	\$181,312,884	\$1,019,295	\$438,223,344	\$46,520,525	
Missouri	\$45,321,063	\$13,472,702	\$58,793,765	0	\$21,645,815	\$7,698,390	\$13,947,424	\$0	\$32,517	\$13,979,941	\$1,484,070	
Mississippi	\$15,400,123	\$7,484,184	\$22,884,306	0	\$8,425,204	\$2,156,415	\$6,268,789	\$0	\$14,615	\$6,283,404	\$667,028	
Puerto Rico	\$8,562,466	\$5,726,196	\$14,288,662	710	\$5,260,587		\$5,260,587	\$12,680,472	\$41,828	\$17,982,887	\$1,909,011	
Tennessee	\$10,353,160	\$36,302,076	\$46,655,236	191	\$17,176,831		\$17,176,831	\$3,411,225	\$47,999	\$20,636,056	\$2,190,664	
Texas	\$995,235,794	\$635,350,215	\$1,630,586,010	39,844	\$600,324,928		\$600,324,928	\$711,606,634	\$3,058,630	\$1,314,990,193	\$139,595,563	
Wisconsin	\$81,125,069	\$6,886,517	\$88,011,586	306	\$32,402,798	\$12,886,182	\$19,516,616	\$5,465,105	\$58,242	\$25,039,963	\$2,658,170	
<b>TOTAL***</b>	<b>\$2,295,583,484</b>	<b>\$1,139,146,192</b>	<b>\$3,437,046,899</b>	<b>60,051</b>	<b>\$1,265,400,857</b>	<b>\$192,900,857</b>	<b>\$1,072,500,000</b>	<b>\$1,072,500,000</b>	4,989,210	<b>\$2,145,000,000</b>	<b>\$227,707,006</b>	

\*Number of damaged homes with more than \$3,000 in FEMA assessed damage in Census Tracts where more than 20% of all homes received any damage (FEMA assessed damage of \$1 or more) \*\*Maine

Unmet Needs Calculation Adjusted to Higher May-June Estimate

\*\*\*Total includes unmet needs for states not meeting \$3 million minimum grant threshold for funding in this first round

\*\*\*\*The Pro-Rata adjustment reallocates the \$5 million that would have gone to states below the \$3 million threshold to the states above the threshold on a proportional basis.

**TABLE 2: DECLARED MAJOR DISASTERS THAT OCCURRED IN 2008 AS OF NOVEMBER 17, 2008**

DR#	Declaration Date (2008)	State	Incident Date	Disaster Title	IA	PA
1797	26-Sep	Alabama	9/12/2008	Severe Storms and Flooding associated with Hurricane Ike		2
1789	10-Sep	Alabama	8/29/2008	Hurricane Gustav		2
1796	26-Sep	Alaska	7/27/2008	Severe Storms, Flooding, Landslides, and Mudslides		5
1804	22-Oct	Arkansas	9/13/2008	Tropical Storm Ike		16
1793	18-Sep	Arkansas	9/2/2008	Severe Storms and Flooding associated with Hurricane Gustav		18
1758	20-May	Arkansas	5/2/2008	Severe Storms, Flooding, and Tornadoes	12	8
1751	26-Mar	Arkansas	3/18/2008	Severe Storms, Tornadoes, and Flooding	38	22
1744	7-Feb	Arkansas	2/7/2008	Severe Storms, Tornadoes, and Flooding	8	10
1762	26-May	Colorado	5/22/2008	Severe Storms and Tornadoes	2	
1806	27-Oct	Florida	8/31/2008	Hurricane Gustav		6
1785	24-Aug	Florida	8/18/2008	Tropical Storm Fay	28	40
1761	23-May	Georgia	5/11/2008	Severe Storms and Flooding	10	14
1750	20-Mar	Georgia	3/14/2008	Severe Storms and Tornadoes	7	3
1781	31-Jul	Idaho	5/15/2008	Flooding		2
1800	3-Oct	Illinois	9/13/2008	Severe Storms and Flooding	7	4
1771	24-Jun	Illinois	6/1/2008	Severe Storms and Flooding	14	19
1747	7-Mar	Illinois	1/7/2008	Severe Storms and Flooding	2	
1795	23-Sep	Indiana	9/12/2008	Severe Storms and Flooding	20	9
1766	8-Jun	Indiana	6/6/2008	Severe Storms and Flooding	39	31
1740	30-Jan	Indiana	1/7/2008	Severe Storms and Flooding	21	15
1763	27-May	Iowa	5/25/2008	Severe Storms, Tornadoes, and Flooding	72	84
1808	31-Oct	Kansas	9/11/2008	Severe Storms, Flooding, and Tornadoes		9
1776	9-Jul	Kansas	5/22/2008	Severe Storms, Flooding, and Tornadoes		54
1802	9-Oct	Kentucky	9/14/2008	Severe Wind Storm associated with Tropical Depression Ike		34
1757	19-May	Kentucky	4/3/2008	Severe Storms, Tornadoes, Flooding, Mudslides, and Landslides		13
1746	21-Feb	Kentucky	2/5/2008	Severe Storms, Tornadoes, Straight-line Winds, and Flooding	15	16
1792	13-Sep	Louisiana	9/11/2008	Hurricane Ike	20	16
1786	2-Sep	Louisiana	9/1/2008	Hurricane Gustav	52	53
1788	9-Sep	Maine	7/18/2008	Severe Storms, Flooding, and Tornadoes		3
1755	9-May	Maine	4/28/2008	Severe Storms and Flooding	2	7
1777	14-Jul	Michigan	6/6/2008	Severe Storms, Tornadoes, and Flooding		12
1772	25-Jun	Minnesota	6/7/2008	Severe Storms and Flooding		5
1794	22-Sep	Mississippi	8/28/2008	Hurricane Gustav	5	22
1764	28-May	Mississippi	4/4/2008	Severe Storms and Tornadoes	1	1
1753	8-May	Mississippi	3/20/2008	Severe Storms and Flooding	4	
1809	13-Nov	Missouri	9/11/2008	Severe Storms, Flooding, and a Tornado	16	48
1773	25-Jun	Missouri	6/1/2008	Severe Storms and Flooding	27	74
1760	23-May	Missouri	5/10/2008	Severe Storms and Tornadoes	3	
1749	19-Mar	Missouri	3/17/2008	Severe Storms and Flooding	19	70
1748	12-Mar	Missouri	2/10/2008	Severe Winter Storms and Flooding		18
1742	6-Feb	Missouri	2/5/2008	Severe Storms, Tornadoes, and Flooding		9
1767	13-Jun	Montana	5/1/2008	Severe Winter Storm		4
1779	18-Jul	Nebraska	6/27/2008	Severe Storms, Straight-line winds, and Flooding		4
1770	20-Jun	Nebraska	5/22/2008	Severe Storms, Tornadoes, and Flooding	16	60
1765	30-May	Nebraska	4/23/2008	Severe Storms, Tornadoes, and Flooding		5
1738	8-Jan	Nevada	1/5/2008	Severe Winter Storms and Flooding	1	1
1799	3-Oct	New Hampshire	9/6/2008	Severe Storms and Flooding		1
1787	5-Sep	New Hampshire	7/24/2008	Severe Storms and Flooding		3
1782	11-Aug	New Hampshire	7/24/2008	Severe Storms, Tornado, and Flooding		5
1783	14-Aug	New Mexico	7/26/2008	Severe Storms and Flooding		2
1801	8-Oct	North Carolina	9/4/2008	Tropical Storm Hanna		3
1805	24-Oct	Ohio	9/14/2008	Severe Wind Storm associated with Tropical Depression Ike		33
1803	9-Oct	Oklahoma	9/12/2008	Severe Storms, Tornadoes, and Flooding		10
1775	9-Jul	Oklahoma	6/3/2008	Severe Storms and Flooding		26
1756	14-May	Oklahoma	5/10/2008	Severe Storms, Tornadoes, and Flooding	4	3
1754	9-May	Oklahoma	4/9/2008	Severe Storms, Tornadoes, and Flooding		23
1752	5-May	Oklahoma	3/17/2008	Severe Storms, Tornadoes, and Flooding		14
1798	1-Oct	Puerto Rico	9/21/2008	Severe Storms and Flooding	19	14
1774	9-Jul	South Dakota	6/2/2008	Severe Storms and Flooding		29
1759	22-May	South Dakota	5/1/2008	Severe Winter Storm and Record and Near Record Snow		5
1745	7-Feb	Tennessee	2/5/2008	Severe Storms, Tornadoes, Straight-line Winds, and Flooding	18	16
1791	13-Sep	Texas	9/7/2008	Hurricane Ike	34	34
1780	24-Jul	Texas	7/22/2008	Hurricane Dolly	3	13
1790	12-Sep	Vermont	7/21/2008	Severe Storms and Flooding		7
1784	15-Aug	Vermont	7/18/2008	Severe Storms, a Tornado, and Flooding		3
1778	15-Jul	Vermont	6/14/2008	Severe Storms and Flooding		2
1807	29-Oct	Virgin Islands	10/14/2008	Hurricane Omar		2
1769	19-Jun	West Virginia	6/3/2008	Severe Storms, Tornadoes, Flooding, Mudslides, and Landslides	12	9
1768	14-Jun	Wisconsin	6/5/2008	Severe Storms, Tornadoes, and Flooding	29	29

## **APPENDIX B: DISASTER RECOVERY CDBG CITIZEN PARTICIPATION PLAN**

States were given several waivers relative to the Citizen Participation regulations such as the requirement for public hearings at the state and local level, consulting with all units of local governments, etc. The State will employ innovative methods to communicate with our citizens and to solicit their views on the proposed uses of disaster recovery funds. These comments and the states response to the comments will be made a part of the Action Plan and amendments to the plan. A summary of the Disaster Recovery Action Plan and amendments will be published in a minimum of five MSA newspapers as well as placed on the Office of Community Development's website for review and comments.

The Citizen Participation Plan will be distributed at public hearing(s) and will be posted on the Office of Community Development's website. Citizens and units of local government may make comments on the Citizen Participation Plan and on any substantial amendments to the Citizen Participation Plan at any Disaster Recovery public hearing. The State will consider any comments or views received in writing or expressed orally at any public hearing held on the original Citizen Participation Plan or amended Citizen Participation Plan. For those unable to attend the public hearing(s), views and comments may be submitted to the address shown below.

The Citizen Participation Plan will be made accessible to persons with disabilities upon request by telephone or written request to the:

Office of Community Development  
Post Office Box 94095  
Baton Rouge, Louisiana 70804-9095  
Telephone (voice) - 225/219-9600  
LA Relay Service - 711

In order to facilitate citizen participation requirements and to maximize citizen interaction, the State will take whatever actions are necessary to encourage participation by all citizens, especially those of low- and moderate-income, those living in slum and blighted areas and in areas where CDBG funds are proposed to be used, non-English speaking persons, minorities, and those with disabilities.

### **Public Hearings**

To maximize citizen participation, public hearings may be held prior to the development of the Disaster Recovery Action Plan and prior to the implementation of substantial amendments to the Disaster Recovery Plan. As is allowed by the federal regulations, the State may hold a public hearing for one or more purposes.

For example, the State may combine a hearing on a substantial amendment with a hearing on the previous year's performance. At a minimum, when a public hearing is held, the State will publish a notice of the public hearing in *The Advocate* which is the State's legal journal; such notice will appear a minimum of 7 calendar days prior to the public hearing. All public hearings will be held at a time and location convenient to potential and actual beneficiaries in a building that is accessible to persons with physical disabilities. Accommodations for non-English speaking persons and persons with other disabilities will be provided as necessary with a minimum notification of five working days to ensure a proper response to those needs. When the State is notified that a significant number of non-English speaking persons plan to attend a public hearing, the State will make every effort to have an interpreter available at the hearing.

### **Development of the Proposed Disaster Recovery Plan**

Prior to the submittal of the initial Disaster Recovery Action Plan, to the Legislature and the United State Department of Housing and Urban Development, public notices including a summary of the proposed plan will be published in a minimum of five MSA newspapers providing an opportunity for citizens to comment. A limited number of proposed plans will be made available at no charge to persons requesting copies. Copies of the proposed plan will also be available for review in the Office of Community Development. The State will identify a deadline for the submittal of written comments on the proposed plan in the public notice. The period for submittal of comments will be no less than ten calendar

days and a maximum of thirty calendar days. In addition, the summary as well as the entire plan will be posted on the Office of Community Development's website for citizen's review and comments. The plan will be posted in English, Vietnamese and Spanish.

### **Amendments to the Disaster Recovery Plan**

The State will amend the Disaster Recovery Plan periodically whenever it makes one of the following decisions: to make a change in its allocation priorities or a change in the method of distribution of funds; to carry out an activity using disaster recovery CDBG funds (including program income) not previously described in the Plan, or to change the purpose, scope, location, or beneficiaries of an activity.

Only those amendments which meet the definition of a substantial amendment are subject citizen participation process previously identified herein. Substantial amendments are defined as those which eliminate or add a program category or activity, exclude a previously defined geographical area, or involve a change of more than fifteen percent of the allocation of funds in any one program category or activity. Citizens and units of general local government will be provided with reasonable notice and an opportunity to comment on proposed substantial amendments to the Action Plan by way of a public hearing or public broadcast. Such hearing or broadcast will be held prior to the implementation of the amendment.

A summary of the proposed substantial amendment will be published in a public notice announcing the public hearing or public broadcast and will be included in the written notification of the public hearing. Copies of the proposed substantial amendment will be distributed at a public hearing or if a public broadcast is utilized instead of a public hearing, citizens will be informed where copies of the proposed substantial amendment may be obtained. A copy of the proposed substantial amendment may also be reviewed in the Office of Community Development. The State will identify a deadline for the submittal of written comments on the proposed substantial amendment; that timeframe will allow no less than ten calendar days and a maximum of thirty calendar days depending on the urgency of the substantial amendment proposed. Written comments may be submitted to the Office of Community Development, Post Office Box 94095, Baton Rouge, Louisiana 70804-9095. A summary of all comments received and the State's response to the comments will be attached to the substantial amendment to the Disaster Recovery Plan and submitted to HUD.

In addition, public notices summarizing the amendment and providing an opportunity for citizen's comments will be published in six out-of-state newspapers. The out-of-state newspapers will be selected in areas where there are large numbers of Louisiana evacuees living.

Copies of the summary and the amendment will also be sent to libraries in these cities so that citizens can review these documents. The State will identify a deadline for the submittal of written comments on the proposed substantial amendment.

### **Performance Reports**

The State must prepare and submit to HUD quarterly reports on the various aspects of the uses of Disaster Recovery funds and of the activities funded with these monies. Once HUD accepts the State's quarterly report, the report will be posted on the Office of Community Development's website for citizens to review and comment. Written comments may be submitted to the Office of Community Development, Post Office Box 94095, Baton Rouge, Louisiana 70804-9095.

### **Access to Records**

The State will provide citizens, public agencies, and other interested parties with reasonable and timely access to information and records relating to the State's consolidated plan and the State's use of assistance under the programs covered by the Consolidated Plan during the preceding five years. All requests for such information should be directed to the appropriate agency administering each program.

### **Complaints**

The State shall respond to complaints from citizens related to the Disaster Recovery Plan or amendments, and quarterly reports. Written complaints must be directed to the Office of Community

Development who will further direct the complaint to the appropriate agency as necessary. The State will provide a timely, substantive written response to the complainant within fifteen working days, where practicable.

### **CITIZEN PARTICIPATION REQUIREMENTS FOR LOCAL GOVERNMENTS PARTICIPATING IN THE LCDBG PROGRAM**

To ensure applicant and subrecipient compliance with Section 508 of the Housing and Community Development Act of 1974, as amended, the citizen participation requirements for units of general local governments applying for or receiving Disaster Recovery funds from the State are as follows:

Each applicant shall provide citizens with adequate opportunity to participate in the planning, implementation, and assessment of the CDBG program. The applicant shall provide adequate information to citizens, hold a minimum of one public hearing at the initial stage of the planning process to obtain views and proposals of citizens, and provide opportunity to comment on the applicant's previous community development performance.

All units of local government which receive CDBG funds must have a written and adopted Citizen Participation Plan which:

1. provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used;
2. provides citizens with reasonable and timely access to local meetings, information, and records relating to the State's proposed method of distribution, as required by regulations of the Secretary, and relating to the actual use of funds under Title I of the Housing and Community Development Act of 1974, as amended, and the unit of local government's proposed and actual use of CDBG funds;
3. provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;
4. provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodations for the disabled;
5. provides for a timely written answer to written complaints and grievances, within fifteen working days where practicable;
6. identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate;
7. Establishes procedures and policies to ensure non-discrimination, based on disabilities, in programs and activities receiving federal financial assistance as required by Section 504 of the Rehabilitation Act of 1973, as amended.

The plan must be made available to the public at the beginning of the planning stage, i.e., the first public hearing. The plan must include procedures that meet the following requirements:

#### **Scheduling and Providing Notices of Public Hearings**

In order to provide adequate notice of all public hearings, a minimum of five calendar days notice shall be given. The hearing may be convened on the fifth day excluding the date the notice was published. The applicant must provide citizens with reasonable and timely access to all hearings. The location and time of these hearings must be scheduled in such a manner as to be convenient to potential or actual beneficiaries. Citizens must be made aware of where they may submit their views and proposals should they be unable to attend any public hearing. Where a significant number of non-English speaking residents can be reasonably expected to participate in a public hearing, an interpreter must be present to accommodate the needs of the non-English speaking citizen and this must be so stated in the public notice. Additionally, all notices for public hearings shall state that accommodations for persons with disabilities will be provided.

A public hearing must be scheduled early in the planning process to ensure adequate public participation and still have time to develop an application. Citizens, with particular emphasis on persons of low and moderate income, and those who are residents of slum and blighted areas, must be encouraged to submit their views and proposals regarding community development and housing needs.

Citizens must be provided with the following information at the public hearing prior to application submittal to the state, and these items must be included in the **first** public notice as items to be discussed at the hearing:

1. The amount of funds available for proposed community development and housing needs;
2. The range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income;
3. The plans of the applicant for minimizing displacement of persons as a result of activities assisted with such funds and the benefits to be provided to persons actually displaced as a result of such activities;
4. If applicable, the applicant must provide citizens with information regarding the applicant's performance in prior LCDBG programs funded by the State.

Written minutes of the hearing and an attendance roster must be kept for review by State officials. Nothing in these requirements shall be construed to restrict the responsibility and authority of the applicant for the development of the application.

A **second** notice regarding the content of the application must be published after the first public hearing has been held but before the application is submitted. This notice must be published a minimum of seven calendar days prior to application submittal, and must inform citizens of the proposed objectives, proposed activities, the location of the proposed activities, and the amount of funds to be used for each activity. Citizens must be given the opportunity to submit comments on the proposed application. The notice must state the proposed submittal date of the application, and provide the location at which, and hours when, the application is available for review.

Applicants must submit a notarized proof of publication of each public notice with the application.

#### Technical Assistance

The applicant must provide technical assistance to facilitate citizen participation where requested, particularly to groups representative of persons of low to moderate income. The level and type of technical assistance shall be determined by the applicant/recipient based upon the specific need of the community's citizens.

#### Amendments

The recipient must involve citizens in amendments to the Disaster Recovery program. This may be done by means of a public hearing or a public notice prior to the submittal of the request for a program amendment to the State.

#### Complaint Procedures

Each applicant/recipient must have written citizen and administrative complaint procedures. The written Citizen Participation Plan must provide citizens with information relative to these procedures or, at a minimum, provide citizens with the information relative to the location and hours at which they may obtain a copy of these written procedures.

All written citizen complaints which identify deficiencies relative to the applicant/recipient's community development program will merit careful and prompt consideration by the applicant/recipient. All good faith attempts will be made to satisfactorily resolve the complaints at the local level. Complaints must be filed with the Chief Elected Official who will investigate and review the complaint. A written response from the Chief Elected Official to the complainant will be made within fifteen working days, where practicable. A copy will be forwarded to the Office of Community Development, Division of Administration.

The complainant must be made aware that if she or he is not satisfied with the response, a written complaint may be filed with the Office of Community Development, Division of Administration. All citizen complaints relative to Fair Housing/Equal Opportunity violations involving discrimination will be forwarded to the following address for disposition: Louisiana Department of Justice, Public Protection Division, Post Office Box 94095, Baton Rouge, Louisiana 70804-9095. The telephone numbers for that office are 1-800-273-5718 (voice) or 1-225-342-7412.

The Plan must also state that persons wishing to object to approval of a Disaster Recovery application by the State may make such objection known to the Office of Community Development, Division of Administration in writing. The State will consider objections made only on the following grounds:

1. The applicant's description of needs and objectives is plainly inconsistent with available facts and data;
2. The activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant; and
3. The application does not comply with the requirements set forth in the Disaster Recovery Plan and amendments to the plan or other applicable laws.

Such objections should include both identification of the requirements not met and, in the case of objections relative to item 1 on the previous page; the complainant must supply the data which she or he relied upon.

#### Performance Hearings

Prior to close-out of the disaster recovery program, the recipient must have a public hearing to obtain citizen views and to respond to questions relative to the recipient's performance. This hearing shall be held after adequate notice, at times and locations convenient to actual beneficiaries and with accommodations for the disabled and non-English speaking persons provided.

Documentation must be kept at the local level to support compliance with the aforementioned requirements.