

LOUISIANA RECOVERY AUTHORITY

Approval of Additional Local Government Infrastructure Program Funding

September 22, 2009

OVERVIEW: A Resolution of the Louisiana Recovery Authority Board providing for the publication and conditional approval of Amendment No. 38 to Action Plan No. 1 to provide for an additional \$40 million of Community Development Block Grant (CDBG) funding to the Local Government Infrastructure Program. These funds will be derived from the Disaster Recovery Funds to address ongoing Federal Emergency Management Agency (FEMA) ineligible issues as originally intended. Following a public comment period, the Board recommends that this Amendment be sent to the Governor and the Joint Legislative Committee on the Budget for consideration.

Whereas, this program was originally developed to provide local governments with the required non-federal match for FEMA public assistance program grants, then added non-federal match for Hazard Mitigation Grant Program (HMGP) funds and for work performed by the Natural Resources Conservation Service in removing hurricane debris from drainage features in rural areas of the state, as previously detailed in Action Plan Amendments 2, 10, 25 and 35;

Whereas, the program was also designated for repairs and enhancements that are ineligible under the FEMA Public Assistance (PA) grant program, including but not limited to uninsured and underinsured damages, insurance deductibles and improvements for code compliance, if they are determined to be critical to continued delivery and or protection of vital public services by state and local government entities in accordance with criteria established by the Louisiana Recovery Authority (LRA). These criteria shall take into account the areas where the hurricane damages were most severe;

Whereas, in 2007, former President Bush granted a 100 percent waiver of match requirements for FEMA projects;

Whereas, with the elimination of the need to match FEMA PA projects and the availability of HMGP match credits from other sources, one of the original purposes of the program was eliminated but there are still many public infrastructure recovery and rebuilding needs that are not covered by other recovery programs;

Whereas, through continued monitoring of these disaster-related gaps, the LRA has determined that CDBG funds from the Local Government Infrastructure program should be used to facilitate neighborhood and community recovery by addressing specific recovery needs, that are either not eligible for other disaster programs, or for which there is insufficient funding in existing programs to address these critical needs;

THEREFORE BE IT RESOLVED, that the Louisiana Recovery Authority Board does hereby approve for public comment Amendment No. 38 to Action Plan No. 1 to provide for an additional \$40 million of CDBG funding to the Local Government Infrastructure Program.

THEREFORE BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority Board does hereby recommend that Louisiana Recovery Authority and Office of Community Development staff shall publish an Action Plan Amendment to be sent to the Governor and the Joint Legislative Committee on the Budget for approval. In the event that comments during the public comment period do not require any changes to the Action Plan Amendment, the LRA Board does hereby authorize the chairman of the LRA Board, to approve the plan and send it to the Governor and the Joint Legislative Committee on the Budget without additional full Board review in order to move the plan forward in the most timely manner possible.