

LOUISIANA RECOVERY AUTHORITY

Approval of the Intended Distribution of the Remaining Gustav/Ike Funding and Previously Submitted Funds Request

January 28, 2010

OVERVIEW: A Resolution of the Louisiana Recovery Authority Board providing for the publication and conditional approval of Amendment No. 4 to the Hurricane Gustav/Ike Action Plan to confirm the intended distribution of the remaining \$100 million of statewide unmet needs funds and the redistribution of previously submitted funds. 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, the State of Louisiana was awarded an initial allocation of \$438,223,344 in Community Development Block Grant (CDBG) Disaster Recovery funding from the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 for the purposes of disaster relief, long-term recovery, and restoration of infrastructure, housing and economic revitalization directly related to the consequences of recent 2008 hurricanes Gustav and Ike;

Whereas, the State submitted its Disaster Recovery Action Plan to the Department of Housing and Urban Development (HUD) for approval on January 8, 2009 which provided the framework for distribution of the initial \$438,223,344 of funding under the Act;

Whereas, HUD approved \$309,791,652 of the initial \$438,223,344 of funding under the Action Plan on March 19, 2009 and requested a clarifying Amendment be submitted for the remainder;

Whereas, the framework for the distribution of the initial allocation became Action Plan No. 1 which detailed activities under affordable housing, fisheries, agriculture, coastal restoration, and administration;

Whereas, Action Plan No. 1 was approved by HUD on July 24, 2009;

Whereas, HUD issued notice of a second allocation for grant funds for CDBG disaster recovery of \$620,467,205 to Louisiana, as published in the Federal Register on August 14 (FR-5336-N-01).

Whereas, this notice requires the State to submit an Amendment to Louisiana's initial Action Plan for Disaster Recovery to provide further details for the distribution of funds and the eligible program activities for the second allocation;

Whereas, Action Plan Amendment Number Two requested approval for the entire second allocation of \$620,467,205. The second allocation in the amount of \$408,368,165 was added to the existing program areas described in the approved Action Plan and Action Plan Amendment Number One. Those parameters have governed the funding of this additional allocation under these program areas;

Whereas, funds from the second allocation will be distributed as detailed in Action Plan Amendment Number Two and Action Plan Number Three. Action Plan Number Three allocated \$112,099,040 of the remaining \$212,099,040 and provided details on the specific program areas to be funded under the broad terminology of “Statewide Unmet Needs Initiatives,” as written in Amendment Number Two. This designation of programs results from further assessment of damages, recovery needs and parish plans for revitalization and sustainability into the future, identifying gaps and outstanding needs; and

Whereas, Action Plan Amendment Number Four allocates the remaining \$100 million of the \$212,099,040 to statewide unmet needs, including federal cost-share requirements and economic development programs. The amendment details the parameters of the \$80 million dedicated for economic development programs. The specific projects to be funded underneath must be individually approved by Joint Legislative Committee on the Budget following the megafund project documentation requirements.

Whereas, Action Plan Amendment Number Four also resubmits for approval a program for interoperable communications infrastructure at a revised amount of \$17,099,040 reduced from the original amount of \$22,099,040 with the \$5 million difference going to the Agriculture Recovery Grant and Loan Program.

THEREFORE BE IT RESOLVED, that the Louisiana Recovery Authority Board does hereby approve for public comment Amendment No. 4 to the Hurricane Gustav/Ike Action Plan to confirm the intended distribution of the remaining \$100 million of statewide unmet needs funds and the redistribution of previously submitted funds.

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.