

**Louisiana Recovery Authority
Board of Directors Meeting
LaBelle Hearing Room
LaSalle Building
Baton Rouge, Louisiana
Monday May 17, 2010**

I. CALL TO ORDER

Mr. David Volker, chairman of the Louisiana Recovery Authority (LRA) called the meeting to order at 9:15 am in LaBelle Hearing Room located in the LaSalle Building in Baton Rouge, Louisiana. *(Notices to the public and news media of the time and place of the meeting were given in compliance with the Louisiana Open Meetings Law.)*

II. PRAYER

Mr. John Smith led the Prayer

III. PLEDGE OF ALLEGIANCE

Mr. John Smith led the Pledge of Allegiance.

IV. ROLL CALL

Ms. Duncan called the roll

Board Members Present

**Rep. Neil Abramson
Mr. Rene Cross
Mr. Ray Lasseigne
Ms. Pat LeBlanc
Mr. Walter Leger
Mr. Roy O. Martin**

**Sen. Ed Murray
Mr. Sean Reilly
Mr. John Smith
Speaker Jim Tucker
Mr. David Volker**

Staff Members Present:

**Ms. Lynn Bankston
Ms. Stacy Bonnaffons
Mr. Dave Bowman
Ms. Krystle Beauchamp**

**Mr. JC Ceaser
Ms. Adrienne Duncan
Mr. Pat Forbes
Mr. Richard Gray**

**Ms. Amanda Guma
Ms. Sandra Gunner
Mr. Don Hutchinson
Mr. Wil Jacobs
Ms. Kimberly Jupiter
Ms. Robin Keegan
Mr. Tommy Latour
Ms. Janice Lovett
Mrs. Kristen Parnell**

**Mr. Dan Rees
Mr. Brian Roberts
Ms. Lara Robertson
Ms. Marisa Robertson
Mr. Eric D. Shaw
Mr. Brad Sweazy
Ms. Angela Vanveekhoven
Kris Van Orsdel
Mr. Carl Williams**

V. Reading and Approval of the Minutes of the Preceding Meeting

Mr. Leger moved to get the Minutes approved, and Mr. Smith seconded the Motion. There being no comments or corrections, the following resolution was unanimously adopted:

Approval of the Minutes and Ratification of Actions Taken at the May 17, 2010 meeting of the LRA Board

- VI. RESOLVED, that the Minutes of the LRA Board held on May 17, 2010, as presented at this meeting are hereby approved and all actions taken by the board presented at such meeting, set forth in such minutes, are hereby in all respects approved as actions of the LRA Board.**

VII. Executive Director's Report

Ms. Keegan began with an update on the Oil Spill and noted that to date the LRA does not have a direct roll. The staff has been working with fisherman and the due to the excellent relationships the staff has the LRA can while they go through this crisis.

Ms. Keegan noted that she attended the 2010 National Building Museum's Industry Council for the Built Environment in Washington, DC where founders of the New Orleans Habitat Musicians' Village received the 2010 Honor Award. Also she participated in the panel discussion, "How Government can work with the Private Sector to develop a Plan and React to Natural Disasters". In addition to the Council, Ms. Keegan also met with CODEL and NOAA, HUD, and FEMA.

Ms. Keegan stated that the staff has been working on a series of recovery protocols for the June Board Meeting in combination with all of the partner agencies (GOHSEP, DSS, DHH, La

Workforce Commission, LHFA, FEMA and LaVOAD) so that we are prepared for any future natural disasters.

The first protocol is Disaster Housing Recovery Protocol where the working group will create a disaster housing recovery protocol that identifies the objectives primary and support agencies and resources for each of the five stages of housing recovery following a disaster and make sure there is a plan in place.

Regarding the Road Home, Ms. Keegan stated that to date 127,000 awards have been given out and the average award \$66,445. 9,000 families have received funds from ACG cap removal. Once the change was made and the homeowners are responsible for checking back with the Road Home regarding their status. For Road Home appeals, HGI 209 remaining and 48 at the state are in progress.

Ms. Keegan noted that for CDBG elevation 31,217 homeowners are interested and eligible for funds through Road Home. 29, 792 elevation disbursements were awarded and \$863 Million is dispersed

In the Hazard Mitigation Grant Program March 10th was the interest deadline and after that date it will be based on a first come first serve. With \$750 in the program, the good news is that there is funding for these homeowners. The staff is working with speeding up the funding process. Currently 600 payments a month and by July the goal is 1400 a month.

For the Small Rental Program Ms. Keegan stated to date there have been 1600 closings on the properties producing 3,296 units which 2,718 are affordable. All building units and will be under construction by December 2010.

Ms. Keegan noted that for the Piggyback program there are 57 projects awarded, 19 closed and 20 completed. Still, we wait for the congressional decision on the Place in Service date

The Alternative Housing Pilot Program has 470 total units 175 units completed, (91 in Jackson Barracks, 42 in Baton Rouge, and 42 in Lake Charles) 179 under construction and 22 occupied units. For AHPP case management 2,629 applications mailed and 848 have been returned (766 complete and 82 incomplete)

FEMA trailer deactivation; to date 958 in trailers, Ms. Keegan added that the goal is to have all Katrina/Rita families placed in a permanent housing program by the 5th anniversary of Katrina. Our staff is working each case. All matching and assignment done and we are certain they will be moved by Dec 10.

In regards to Gustav/Ike temporary Housing, there are 324 total FEMA trailers and working family by family to get them out of the trailers. Most are in the sales and donation portion Ike DHAP, there are 2693 families in the program and 80% of Louisiana DHAP- Ike clients have received hardship waivers.

HUD Monitoring and technical site visit was done May 3-7, and there were no reported findings and the HUD team gave exemplary praise on the programs.

Ms. Keegan stated that there are 45 Gustav/Ike Proposals which have been submitted and the staff has approved 35 proposals. We are almost done on receiving these and putting their projects underway

Most parishes have infrastructure and planning projects and 6 parishes with housing programs. There will be significant amount of technical assistance so there is successful implementation. There was a Drainage Technical Assistance which was held April 28th at the LITE Center in Lafayette. Revised plan for housing TA workshops will be throughout May.

Ms. Keegan added that Gustav/Ike state implemented programs include the \$10 Million Community Resiliency Program, the \$50 million Affordable Rental Program, the \$25 million Piggyback Rental Permanent Supportive Housing, and the \$30 Million dollar Municipalities Infrastructure Program.

Regarding Public Assistance, for Katrina there are 2,163 applicants, 18,225 projects, \$8.2 obligated and \$4.9 billion paid. For Rita there are 931 applicants, 4,433 projects with \$618 million obligated and \$465 million paid. For Gustav there are 416 applications, 1509 projects, \$171 Million obligated and \$96 million paid. For Ike, 416 projects, 1, 509 projects for \$171 million obligated and \$96 million paid.

Ms. Keegan gave a brief overview of the organizational chart and the history of the LRA and OCE 'noting that the LRA is capped at 30 staff members and in July 2008, the OCD/ LRA merged and are now one entity. Gustav and Ike hit in September 2008 and through April 2010 we are consolidated positions and had staff members take on different roles and responsibilities. To date, there are 147 staff members and expect a 10% decrease in staff as programs close, especially HMGP Dec 2011. Currently there are 65,000 HMGP applicants and 4,000 calls a day so there is a large support staff and we do expect to ram down those call centers as we move to the closeout of the program and the ramp down.

Ms. Keegan reminded the board, that as of April, there have been multiple deadlines and to be aggressive and for the piggyback program without the PIS date and the funds will be moved to another rental purpose and if there is a PIS date then there will be a deadline of 6 months to

close. For Small Rental, the implemented deadline is as of Dec 2010, all construction must be underway. For Road Home, there are 1000 homeowners who are refusing to close, so there has been a letter sent which gives them 30 days to close. These letters were sent in early April

For the Infrastructure program, applicants have until Oct. 2010 to submit all projects and if they have not then the funds go back to parishes based on the parish damages.

Ms. Keegan asked if there were any questions.

Mr. Leger asked if on page 9 slide 16, the pink were approved and the white are those who are not. Ms. Keegan confirmed that is correct.

Sen. Murray asked that on the numbers of appeals that are outstanding, specifically the Lakewood South group which his office receives calls regarding, are they in appeals or are they the 30 days.

Ms. Keegan noted if they are active appeals then they are in appeals, however if they are active then they are in that number for the 30 days.

Sen. Murray, for HMGP are their appeal? I have constituents who are approved who are not approved.

Ms. Keegan responded no they are not in appeals

Sen. Murray asked someone after the board meeting can help me with these files?

Ms. Keegan answered, yes someone will.

Ms. Keegan noted that for HMGP that 11, 000 files were being held by FEMA but now we have received 7, 000 so we think we will finally be able to move on those files.

Mr. Leger asked about the "Mat exceptions", the particular odd cases and they caught in the storm and how are we doing with that and making justice done?

Ms. Keegan we are working with those case by case and working on a policy change and working through some of the cases still.

Mr. Smith for infrastructure projects, the ones who have been approved they are not impacted in this number.

Ms. Keegan St Tammany is not in this number

Mr. Smith these additional dollars would be reallocated to parishes based on damages

Ms. Keegan yes we will have a discussion on this today and it will follow the LTCR dollars.

Mr. Cross regarding the oil spill, I know you met with Plaquemine and St. Bernard officials. Are we going to support them in any way with funds?

Ms. Keegan there are supplemental passes and there is a motion to move the money quickly and I do not know which avenue will be used maybe the NOAA.

Mr. Cross would the LRA disburse this

Ms. Keegan responded that there is not a determination yet.

Mr. Leger asked to what extent you have been involved

Ms. Keegan we have met with LDWF, coastal businesses, LED and trying to keep in touch with the businesses and following the BP follow up on the claims process. We are assisting with the colleague agencies.

Mr. Leger thanked Ms. Keegan for her report

VIII. Agenda Items

Holy Cross Neighborhood Association

Charles Allen, Marna David, Kathy Muse

Mr. Allen thanked the board for their time and noted that he is here today for approval for Global Greens gap funding. This is for 18 affordable apartments and a community center, it is a 1.38 acre site and to tell you about the significance and it is the first of its kind. This community came together and formulated a plan to bring the community back in a unique way and to prove to the world that we can become an energy efficient community.

We have gone through workshops with Global Green and talk about the nuances of this project and the affordable units are geared towards the pre Katrina lower 9 residents and have them come back to this new healthy way of life and it has been a trek. One of the current homes is an information center and this project is the forerunner for the "Make it Right Project." Thanks to

the fact that one of the global green homes has solar panels, this area has the most solar panels in of America. We appreciate the consideration on the application.

Mr. Leger asked if this project has been approved and before the bond commission.

Mr. Volker noted that he was glad to have you back and in New Orleans.

Ms. Keegan added that we have already awarded this and it has to go to the bond commission.

Mr. Volker stated, "You go with our support."

Discussion Public Comment of consideration of the strategy to assist Road Home Option 1 Homeowners with Unmet Needs

Ms. Keegan state that currently we have Road Home applicants who have a shortfall by many reasons including credit access, contractor fraud, contaminated drywall. We have brought some programs such as nonprofit pilot program and now we request that HUD allow this construction financing home and to provide the additional gap which we estimate is about \$20,000- \$40,000 for each homeowner. The details are under draft and we need to ask HUD to see what we can do with the funds. We have support and we do have some opposition. Those who are opposed want it to go through the Road Home Program.

Mr. Leger asked what the status is of this program

Ms. Keegan stated that it went out to Public Comment and then it with your approval it will then to Joint Budget.

Mr. Reilly noted stated that mechanically the homeowner goes and takes out a loan that is back stopped and it then the mechanics have to be worked out.

Ms. Keegan responded that yes we are trying to go back to some models that we use and we are working with lenders and that for some of them they need the guarantee and work with the credit scores.

Mr. Reilly asked if a constituent in and has issues, would the lender have an interest in seeing other funds as a lien and that may be a good thing to show the homeowner. For example, they have already received money in insurance and now they are going to get more and they are going to get financial and construction expertise?

Mr. Smith responded that yes that would be helpful to the homeowner and as far as the bank is concerned it is pricey and a local nonprofit it is better. However, it will hit local objectives with blight remediation and constriction and if you go back to with HUD said to do I think that it would insure that the recipient back in the home and that would have been the right thing to do

Mr. Reilly followed up and asked regarding procedure what do we do.

Ms. Keegan responded with what we are asking now is for the board all to allow us to ask HUD for this and we wait for HUD approval.

Mr. Leger added that Ms. Keegan seeks the board's approval of funds for construction funds delete the public comment language out of the resolution. So, you want approval of APA 43 and then to go to Joint Budget and then to HUD.

Speaker Tucker asked if someone got \$150,000 from the Road Home and the money is in the bank and it will cost \$200,000 and you rebuild the home. So, this program will be a scope and of work and so will this loan would be for \$200,000 and take the \$150,000 and then figure a way to get the rest of the \$50,000?

Ms. Keegan responded that the point to create a loan

Speaker Tucker asked if Ms. Keegan could give more detail on this program

Ms. Keegan responded that we would like to give this to HUD to work on this program to see if this is an option for the funds. With the loan loss reserve programs and soft seconds for the homeowners some were forgivable and that is one model type of program to base it on.

Speaker Tucker asked contractor fraud is the issue and half of my money is gone and it is going to cost \$150,000 to rebuild and \$75,000 is gone and how does this help in the backstopping of the remainder of the money.

Ms. Keegan responded that we believe we can make this work through HUD unmet needs

Speaker Tucker asked if this could make it a possibility to receive more than the \$150,000.00

Ms. Keegan said we are working with the banks and if it is forgivable then yes.

Speaker Tucker says say someone received the \$150,000 and gambled the rest away

Ms. Keegan responded that the unmet needs policy requires individuals have to show contractor fraud etc.

Speaker Tucker noted that he thought that Joint Budget will not approve without the details and that this plan is too wide open

Ms. Keegan noted that the staff is happy to put more detail before Joint Budget. However the concern here is that the approval is requested, so that we could move this forward.

Mr. Leger asked if after Action Plan's Amendments, then you will go to DOA to Joint Budget and there will not be a board to go through then who will approve it.

Speaker Tucker responded that the legislature will pass the Action Plan Amendment. When the LRA goes away if we do not anything legislatively, and the joint budget goes away and so that is a concern that there is no public comment.

Mr. Leger asked if he would like to extend the LRA.

Speaker Tucker replied no

Mr. Leger added so you just want to have the legislative input?

Speaker Tucker responded that legislative input is the citizens input

Mr. Leger responded so basically this would just be our politician's approval?

Sen. Murray asked if in terms of the nonprofits, would this be a program?

Ms. Keegan noted that the Nonprofit Rebuild Pilot Program is already in point and we would work with banks for this project.

Sen. Murray asked what affect a dept ratio and credit score would have. If they have to do that they will not be eligible? If you include the info then they might be able to pass the ratio.

Ms. Keegan noted that the language will be clarified and it will work with lenders who can work with this in untraditional ways.

Sen. Murray stated regarding the bottom of page 3.

Rep. Abramson noted that he agreed that there are 20-30% of people who cannot get in their homes which was talked about at the committee meeting this month. What is the mechanism to identify these people and if OCD was working on a protocol and concern is economical monitoring so that we are not spending these funds.

Ms. Keegan stated to follow up from the Select Committee on Hurricane Recovery. We are using an analysis of utility and postal data and so if their lights are on and they are receiving mail we know they are in the home. So then we can take the smaller number to monitor and send surveys and take a small population and go out to those homes and do a triage on those homes to figure what solutions can work

Rep. Abramson asked has the protocol been written up.

Ms. Keegan replied that we are working on this.

Rep. Abramson asked where the funds are coming from. Is it coming out of the admin/monitoring?

Ms. Keegan responded that she would get you the numbers

Mr. Reilly stated that this is a little wide up to vote on and, he likes it and we are going to allow people to demonstrate their good will. The cases of I did my best and I need more money and that self directed responsibility will help us to feel comfortable and local bankers. There is a lot of good here and we can have this brought back to the June Meeting. Therefore, I believe we should approve it as written and open back up to public comment and then come back with a better plan.

Mr. Volker motioned to approved and Mr. Cross seconded.

All in favor all passed and the resolution as drafted served as approved

Approval for Discussion, Public Comment and Consideration of Resolution for Action Plan Amendment Number 43, of the strategy to assist Road Home Option 1 Homeowners with Unmet Needs

BE IT RESOLVED, the Louisiana Recovery Authority Board does hereby approve for public comment Amendment No. 43 to be reconsidered at the June Meeting once a more detailed plan has been created and presented to the board for approval.

Voting: Abramson, Cross, Guinn, Lasseigne, LeBlanc, Leger, Martin, Murray, Reilly, Smith, Tucker, Volker

Mr. Leger asked if any public comments were regarding other things to do with these funds were there any other options

Ms. Keegan stated that they were very positive and there were some negative

Mr. Leger noted that for those who have legitimate concerns will get back in them and those who are not legitimate do not get it.

Discussion, Public Comment and Consideration of Proposed Reallocation Plan for Katrina/Rita CDBG Budget

Ms. Keegan gave an update on the budget. There was \$100,000,000 spent this month and this makes sure that the funds this resolution outlines that as they meet their deadlines those funds will be moved down to the parishes according the damaged estimates and into the LTCR program and we would amend the contracts with the parishes as additional funds become available. The only other piece is that it would make sure that these funds follow the 19% on affordable rental and exclude the 3rd allocation on the Road Home program.

Ms. LeBlanc asked if this total is right around \$300 Million

Ms. Keegan responded yes and if and when we hit the infrastructure deadline and the estimate is \$200 million

Ms. LeBlanc asked to the extent then, those funds would go back to the pool for other parishes to apply for based on their damage.

Ms. Keegan they would go through the LTCR progress.

Ms. LeBlanc stated that there could be new projects that they could apply for on this formula

MR. Volker asked if this aligns with what the Speaker wants in the description?

Speaker Tucker responded that the bills get to the same spot but the bills get money to the parishes faster and the issue on the dates was chosen to move as quickly as possible and we have to work on the dates.

Mr. Reilly asked if we pass this it will go for Public Comment?

Ms. Keegan noted that this would be submitted to HUD

Mr. Reilly asked so this would be how we feel about this matter. It would be nice if we were all on the same page and the concern with the legislation. I see it as two fold First, the legislation has an arbitrary date as July 1st and that could be the deadlines and would violate the contracts out there and would encourage the thought. Second, the concern is HUD compliance and should we worry and yes because we are on the hook on this for compliance

Speaker Tucker stated we can talk and work thought dates and look at that, and for compliance we can work with the Legislative Auditors on the how question

Mr. Reilly noted that he moves to vote favorably

Sen. Murray noted that there a feeling from this board that it needs to survive past June 30th and is there something out there that we are not aware of but would require us to serve past June 30th?

Mr. Volker responded that at some point the job of every citizen committee comes and we should do it gladly and we all should go together to build the state back.

Mr. Smith noted that the deadlines in regards to St. Tammany, we have 6 projects funded and approved and I am not worried about the date but the time frame to finish the projects is worrisome. Our projects are drainage that the timeframe to finish the projects is 2014 and there is a timeline for the projects pre guidelines (right away acquisitions and engineering etc) and ask that you consider that the parishes which have been funded and look at the dates.

Speaker Tucker noted that he is talking on the commitment or start dated but not complete dates

Mr. Lasseigne asked concerning the deadlines, then goes in to a pool and then allocated to the parishes or do the parishes make applications?

Ms. Keegan it would be allocated like the parishes and then the LRA would approve for the CDBG For the projects.

Mr. Leger added that he thinks that it is appropriate we are willing to serve but we understood and the concern to see through and finish the job and throughout the program the governors and the LRA retained and hired the best of staff and experts and did planning on data and the we

have competed it and the local government should be looking at it and we are ready to move on and the Chair will entertain the motion to approve the Resolution

Mr. Lasseigne seconded the motion

Rep. Abramson noted that Appropriations Committee did add amendments but besides the date is it the same

Ms. Keegan added that the date was the question and what programs are affected by this bill.

Rep. Abramson noted that the legislation does not change anything all programs stay the same all it does is shift the admin of the programs to the parish and the parish can leave it at the state and we are not pulling the plug on any programs.

Mr. Leger noted the recommended date is Oct 31, 2010 on the contexts on the coastal parishes are involved in other things and it is a good date.

Ms. Keegan noted that we will look at it and they might not be finished or they are working with FEMA and going down their list to other projects and especially with New Orleans we are waiting on the new Mayor.

Speaker Tucker noted that he spoke with the parish presidents and they are comfortable with the date and the legislation

Ms. Keegan noted that we are familiar with this and there are parishes that are in favor of this there for ex. Small rental was sent to first time homebuyers in Plaquemine.

Approval for Discussion, Public Comment and Consideration of Proposed Reallocation Plan for Katrina/Rita CDBG Budget

BE IT RESOLVED, the Louisiana Recovery Authority Board does hereby approve the Proposed Reallocation Plan for Katrina/Rita CDBG Budget

Voting: Abramson, Cross, Guinn, Lasseigne, LeBlanc, Leger, Martin, Murray, Reilly, Smith, Tucker, Volker

IX. Public Comment

There was no Public Comment

X. New Business

There was no new business

XI. Announcements

There were no new announcements

XII. Adjournment

The Chairman moved to adjourn. Ms. Pat LeBlanc seconded