

# LOUISIANA RECOVERY AUTHORITY

## School District Funding Allocation Approval

February 12, 2008

**OVERVIEW:** A resolution to request the approval of an Action Plan Amendment No. 19 to the first Action Plan to recommend the allocation of an additional \$47.5 million of Community Development Block Grant (CDBG) funds to the Local Government Emergency Infrastructure Program for Primary and Secondary Education, increasing the funding from \$200 million to \$247.5 million to cover additional costs for FEMA-ineligible repairs and expenses to K-12 schools due to damage from Hurricanes Katrina and Rita.

Whereas, Governor Blanco included infrastructure rehabilitation in the list of priorities for investment of supplemental CDBG funds approved by Congress and President Bush to assist Louisiana in its recovery efforts;

Whereas, the state's first action plan set aside funds for the Local Government Emergency Infrastructure activity, for match dollars for the Federal Emergency Management Agency (FEMA) Public Assistance Grants, and for providing the non-federal match for FEMA Hazard Mitigation Grants;

Whereas, Action Plan Amendment No. 2 to Action Plan No.1 expands the infrastructure program to pay for repairs that are ineligible under the FEMA Public Assistance 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 established criteria;

Whereas, at the board meeting held on July 6, 2006, the LRA Board approved Action Plan Amendment No. 2 to Action Plan No.1 allocating \$200 million CDBG funds for the repair of primary and secondary schools to cover FEMA-ineligible costs and the LRA Board also committed an additional \$50 million for that purpose;

Whereas, the LRA Board later approved reducing the additional \$50 million it had committed to \$47.5 million as part of the reallocation plan to add funding to the Road Home Program;

Whereas, resources need to be targeted based on the most critical ongoing K-12 school recovery infrastructure needs, in a manner similar to the formula that was used in the Federal Restart Program;

Whereas, the LRA Board recommends that an additional \$47.5 million of Community Development Block Grant funds be allocated to school districts which have the most

critical ongoing challenges due to Hurricanes Katrina and Rita to cover FEMA ineligible costs;

Whereas, at the LRA Board meeting held on June 25, 2007, the board approved funding scenario number 3 of six different funding scenarios, which effectively allocates the funds to the school districts most heavily impacted by Hurricanes Katrina and Rita;

Whereas, at the board meeting held on December 11, 2007, the LRA Board directed the LRA and OCD staff to develop and publish for public comment an Action Plan Amendment for an additional \$47.5 million of Community Development Block Grant funds to be allocated to school districts which have the most critical ongoing challenges due to Hurricanes Katrina and Rita;

Whereas, the LRA Board also directed that funding be allocated based on funding scenario number 3 which was approved at the June 25, 2007 board meeting, to cover FEMA ineligible costs, repairs and expenses including but not limited to energy efficiency or LEED-related enhancement funds necessary to seed the creation of a State or Local Facilities Construction Authority, deferred maintenance, insurance deductibles, costs associated with the NFIP, and other facilities rebuilding costs which FEMA will not cover; and

Whereas, this Action Plan Amendment No. 19 to Action Plan No. 1 was drafted and published for public comment.

**THEREFORE BE IT RESOLVED**, that the Louisiana Recovery Authority Board does hereby approve Action Plan Amendment No. 19 to Action Plan No. 1 which allocates an additional \$47.5 million of Community Development Block Grant funds to the Local Government Emergency Infrastructure Program for Primary and Secondary Education, increasing the funding from \$200 million to \$247.5 million to cover additional costs for FEMA-ineligible repairs and expenses to K-12 schools due to damage from Hurricanes Katrina and Rita.

**THEREFORE BE IT FURTHER RESOLVED**: that the Louisiana Recovery Authority Board does hereby recommend that the allocation be distributed according to funding scenario number 3 which was approved at the June 25, 2007, board meeting detailed as follows:

- \$45,000,000 be added to the allocations for the most impacted school districts following the criteria previously established. These funds will supplement the \$200 million already allocated to cover FEMA ineligible costs, repairs, and expenses including but not limited to deferred maintenance, insurance deductibles, costs associated with the NFIP. The \$45 million shall be distributed based on the existing \$200 million formula.
- An additional \$2,500,000 be set aside to seed the creation of a state or local school facilities construction authority, to support the development of energy efficiency or LEED-related enhancements, and/or to provide match or in-kind

support that enhances or creates public/private partnerships that contribute to better school facility design and rebuilding strategies.

**THEREFORE BE IT FURTHER RESOLVED:** that the Louisiana Recovery Authority Board does hereby recommend that Action Plan Amendment No. 19 to the first Action Plan be sent to the Governor and the Louisiana Legislature for approval.