

DRAFT, subject to revisions and/or amendments

LOUISIANA RECOVERY AUTHORITY
Board of Directors Meeting
State Capitol - House Committee Room 1
Friday, January 13, 2006

MINUTES

I. CALL TO ORDER

Dr. Norman Francis, chairman of the Louisiana Recovery Authority (LRA), called the meeting to order at 8:50 a.m. in House Committee Room 1 of the State Capitol in Baton Rouge, Louisiana. It is noted for the record that notices to the public and news media of the time and place of the meeting had been given in compliance with the Louisiana Open Meetings Law.

II. PRAYER

Ms. Linda Johnson, led the board in prayer, followed by the recitation of the Pledge of Allegiance.

III. PLEDGE OF ALLEGIANCE

IV. ROLL CALL

Ms. Karen Stephens called the roll.

Board Members Present:

Dr. Norman Francis, Chairman
Ms. Dale Atkins
Rev. Harry Blake
Ms. Donna Brazile
Mr. Tim Coulon
Mr. James Davison
Ms. Donna Fraiche
Mr. Tom Henning
Ms. Linda Johnson
Mr. John T. Landry
Mrs. Laura Leach
Mr. Sean Reilly
Dr. Mary Ella Sanders
Mr. Matt Stuller
Mr. Rod West
Mr. Mike Woods

Board Members Absent:

Mr. Walter Isaacson, Vice Chairman
Mr. Boysie Bollinger
Mr. Rene Cross
Ms. Sibal Holt
Mr. Walter Leger
Dr. Calvin Mackie
Ms. Mary Matalin
Mr. Virgil Robinson
Ms. Susan Taylor
Mr. David Voelker

Ex-Officio Members Present:

Representative Yvonne Dorsey

Ex- Officio Members Absent:

Representative Joe Salter

Senator Don Hines

Senator Diana Bajoie

Staff Members Present:

Mr. Andy Kopplin, LRA Executive Director

Ms. Karen Stephens, House Legislative Services (HLS) Committee Secretary

Ms. Rhonda Repetowski, HLS Administrative Secretary

Ms. Robyn Cockerham, HLS Information Specialist / Librarian

Mr. Jaubert Ambeau, HLS Television Audio Engineer

Ms. Gloria Angus-Bolds

Mr. Charles Braud

Ms. Jessica Dardenne

Ms. Dominique Duval-Diop

Mr. James Gilmore

Ms. Kim Hamilton

Ms. Catherine Heitman

Mr. Adam Knapp

Ms. Pam Laborde

Ms. Meg Mahoney

Ms. Alison Neustrom

Witnesses Present (in order of appearance):

Governor Kathleen Babineaux Blanco

Mr. Jerry Luke LeBlanc

Mr. Jerry Jones

Ms. Susan Elkins

Mr. Peter Werwath

Ms. Judith Bell

Ms. Linda McMahan

Mr. Don Powell

Mr. Taylor Beery

Mr. Jodey C. Arrington

Mayor Ray Nagin

Mr. Joe Canizaro

Mr. Mel Lagarde

Mr. John Beckman

Congressman Richard Baker

Councilwoman Cynthia Willard- Lewis

Representative Karen Carter

Representative Cedric Richmond

Ms. Mary Fontenot

Reverend Luke Nguyen

Mr. Randall C. Pierce

V. READING AND APPROVAL OF THE MINUTES OF THE PRECEDING MEETING

The Chairman called for a motion to approve the Minutes of the December 16, 2005, LRA Board meeting. There being no comments or corrections, upon motion duly made by Mr. Rod West and seconded by Ms. Linda Johnson, the following resolution was unanimously adopted:

Approval of the minutes and ratification of actions taken at the December 16, 2005, meeting of the LRA Board.

RESOLVED, that the minutes of the meeting of the LRA Board held on December 16, 2005, as presented at this meeting, are hereby approved and all actions taken by the Board presented at such meeting, as set forth in such minutes, are hereby in all respects approved as actions of the LRA Board.

Voting: Atkins, Brazile, Coulon, Davison, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Stuller, West, and Woods

The Chairman called for a motion to amend the Minutes of the November 11, 2005, LRA Board meeting. There being no comments, upon motion duly made by Ms. Laura Leach and seconded by Mr. John Landry, the following resolution was unanimously adopted:

Approval of amendments to the minutes of the November 11, 2005, meeting of the LRA Board.

RESOLVED, that the minutes of the meeting of the LRA Board held on November 11, 2005, as presented at this meeting, are hereby approved and all actions taken by the Board presented at such meeting, more particularly, with respect to supporting BESE Board of Regents, are hereby in all respects approved as actions of the LRA Board.

Voting: Atkins, Brazile, Coulon, Davison, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Stuller, West, and Woods

VI. EXECUTIVE REPORTS

a. Chairman of the Board Report

Dr. Norman Francis gave a brief overview of the action items and presentations to be made at today's meeting. He stated his belief that 2006 would be the year that the LRA would take decisive action to implement initiatives that would be good for the recovery of the state.

b. Executive Director's Report

Mr. Andy Kopplin, executive director, gave a ten-minute PowerPoint presentation (Attachment #1), which outlined the progress made in the recovery process and detailed the remainder of the work to be completed. His report contrasted the impact of the storms upon Louisiana and Mississippi and gave a comprehensive explanation of the expected supplemental Community Development Block Grant

(CDBG) funding. Mr. Kopplin summarized HR 4100, authored by Congressman Richard Baker (known as the Baker bill), which would provide additional housing funds and innovative programs to support the state's recovery.

c. Community Development Block Grants (CDBG), Remarks by Governor Kathleen Blanco

The text of Governor Blanco's remarks follows:

It was my privilege - and, I believe, my duty - to travel to The Netherlands this week in a 50-member Louisiana delegation organized by Sen. Mary Landrieu. It was a short visit, but we packed a lot of work into those few days. Four LRA members made the trip: Dr. Calvin Mackie, Rene Cross, Walter Leger and Senator Diana Bajoie. I know they will present you with a full report but, allow me to give you a brief overview.

We learned a number of things from the Dutch. They are a people who measure their level of protection not by the standard of a once-in-100-year flood but, by a once-in-10,000-year flood.

The Dutch have used many engineering marvels to protect and supplement their levees. Even with all their work, a levee failed three years ago. It was caused by drought, not by high water. The lesson: no man-made barrier is 100% fail safe, but thoughtful planning can mitigate the amount of damage. Before their great flood of 1953, the Dutch had more than 2,000 water boards. After that disaster, they consolidated down to about 20.

Flood protection is a national concern in the Netherlands. Their largest cities - Amsterdam and Rotterdam - are, like New Orleans, both below sea level. I learned that the Dutch are amazed that a nation as large and rich and powerful as America would question - for even one moment - the necessity of investing in category five hurricane protection for a city like New Orleans. We had a thoughtful series of discussions in those few days. I realized that Louisiana needs to work more closely with the Corps of Engineers on a comprehensive flood-control plan. We're on our way to doing that through the newly created Coastal Protection and Restoration Authority. You will hear more details later on what we learned from the Dutch. Now, let's talk about what lies before us today.

Last year ended with good news from Washington. President Bush and the Congress made a down payment on the federal share of the costs of Louisiana's recovery. Of the \$29 billion they appropriated, \$6.2 billion will go for Community Development Block Grants. We are moving quickly to secure those funds for Louisiana communities, Louisiana families and Louisiana businesses.

The Legislature is our partner as we invest this money in Louisiana's recovery. I value their input - four top leaders have been active members of this board - and I respect their oversight role in this process. I created the LRA to bring the entire state into this recovery to avoid duplication and increase efficiency and to put aside partisanship and politics. This inclusive formula is working and it will continue to work.

Investing this special CDBG money is a big challenge. I am directing the LRA and your staff to seek input from the Legislature as you develop the policies and set the priorities. You will send

me those plans and programs and I will, in turn, forward them to the Legislature for their review and approval. Then our plan will be sent to HUD for approval.

We need mid- and long-term plans for putting that aid to work, especially in housing. You all know that housing and jobs are my top priority for this recovery. Without homes, our workers can't return to their jobs, they can't bring their families home and our businesses can't get back to work. Your staff is hard at work crafting ways to solve our housing problems. You will soon offer ideas and programs to help our people.

In the meantime, we need immediate action in three areas.

One: A successful recovery must be driven by the private sector. We're doing everything we can to get struggling Louisiana businesses back on their feet and to get our people working again. One way to do that: invest more money in our extremely successful bridge loan program.

Two: Families and businesses can't return and rebuild without critical services like sewer, water and law enforcement. Local governments have been crippled. They need money to repair important infrastructure.

Three: Families and businesses also need critical state services like hospitals, universities and law enforcement. We will move to repair that infrastructure.

Now, this special CDBG money is not ours just yet. The federal bureaucracy will take another two weeks to a month to draw up rules for how these grants will be awarded. Let me be clear: Louisiana can't afford to wait. So, I am instructing you and your staff to create programs NOW.

We must have our plans and our paperwork in order and ready to file when the federal Department of Housing and Urban Development is ready with their rules and regulations. Our people can't come home until they have their jobs back. So, the first of my immediate plans will pump \$100 million into our economy by creating another bridge loan program for Louisiana business hurt by the hurricanes. Our businesses are starving for cash. They can't put our people to work. We quickly used up the first \$10 million we made available for bridge loans. Another \$100 million will put more businesses - and more people - back to work.

Let me say it again, Louisiana can't afford to wait, our businesses can't wait, our workers can't wait. So, I am ordering the Division of Administration to lend \$30 million of our regular CDBG funds to get this bridge loan program going NOW. This will help businesses while we wait for the federal help that we know is coming. Once we get the federal funds, the \$30 million will be reimbursed to the regular CDBG program to complete local projects already underway. It is also important to use \$100 million to fund local governments' 10% share of infrastructure repair. That means cities, towns and parishes can attract enough federal money to fund a total of \$1.5 - \$2 billion in repairs.

We will create a similar plan to repair state schools and hospitals. We will dedicate another \$150 million of the special CDBG money as our state match to attract federal money under the same 90-10 formula.

I am asking you to endorse these three plans today so that I can present them to the Legislature's Joint Committee on the Budget next week for approval. I don't need to remind you: time is of the essence. Our families, our businesses and our governments need this aid now. Your approval on these immediate plans will help push our recovery forward.

Once you've endorsed these plans, you will turn your attention and talents on how we will invest the remaining \$5.8 billion in the CDBG package. Those funds will go into housing, infrastructure and economic development. I know you will find creative and innovative ways of helping our displaced homeowners repair, rebuild or just recoup their losses. I want you to set aside resources to help communities plan their futures, to make their rebuilt communities better, stronger and safer.

This grant money is not the complete solution to our housing needs. It is a start and we will make the best use of what we have. I support Congressman Richard Baker's proposal for the Louisiana Recovery Corporation. Congressman Baker's plan stalled in Congress last month but he will be back next year and I will do what ever I can to see that his plan passes. We are dedicated to making sure high-quality, mixed-income neighborhoods are built. We are dedicated to listening to local folks and tailoring our help to local needs. We have much work to do to help our existing businesses survive the storm and to attract new industries and manufacturers to Louisiana.

Before the hurricanes, my formula for creating a better Louisiana through attracting quality jobs, affordable housing and effective education was paying extraordinary dividends. We brought in more than \$3 billion in manufacturing investment alone. Our workers are taking those jobs as we speak. Those workers have good benefits and can afford decent housing. I'm proud that we're number one in the nation in improving public education.

That remains my formula for this recovery. We just have a larger challenge ahead of us. Working with the Legislature and with the talent, energy and experience in this room serving on and working with this authority, I know we can meet that challenge.

So, I give you the charge to action, Dr. Francis. Your words were appropriate and I know that we've got the right kinds of people working with us, with the LRA, and we're going to rebuild and restart our economy. We'll have a stronger, better, and smarter state. Thank you so much.

Dr. Norman Francis thanked the governor for using the state's money as a primer for rebuilding until federal CDBG funds become available. He said now was the time for action on some of the urgent, emergency items studied by the LRA, even as planning continued. Dr. Francis pointed out that task force members had been working diligently for months, and called on Mr. Matt Stuller to present a report.

d. CDBG Action Items

i. Economic Development Task Force Recommendations

Mr. Matt Stuller presented the report of the Economic Development Task Force which outlined the result of two weeks of hard work on block grant issues. He said that wise use of the money was of the

utmost concern, and that both short and long-term needs of the state had been studied. He further stated that redevelopment of business as an economic driver would play a vital role in the overall recovery plan. Mr. Stuller stated his belief that a well-trained labor force was the most important asset of the state and absolutely necessary in order to insure the growth of business.

Mr. Stuller said interest-free bridge loans were crucial in order to get capital into the hands of business owners to help them grow, and in many cases to help them survive. He briefly explained the bridge loan program: the initial \$10 million of Economic Development funds were exhausted within three weeks; a \$25,000 cap on the loan amount; and the interest-free loans were distributed through local community banks.

Mr. Stuller mentioned that the criteria for some of the business loans in the future might be expanded in size and length of repayment time. He said the loan dollars could be used for equipment purchase, payroll, and the like, but not for construction. Mr. Stuller said that oversight would be provided by the office of the Legislative Auditor, in addition to tight restrictions from the Department of Housing and Urban Development (HUD).

Dr. Norman Francis stated his understanding that the Economic Development Task Force would meet prior to the next board meeting to revisit deferred action items. Mr. Stuller agreed, and restated that the resolution to be voted upon was for the \$100 million bridge loans. Mr. Andy Kopplin said the resolution had been distributed to the members.

Ms. Donna Brazile asked for clarification on how the money would be distributed and whether or not the utilization of the money was monitored. She asked if the money would be distributed through local banks. Mr. Stuller said the money was available only in the devastated areas, and was monitored very closely by the lender banks which were paid a fee to handle the loans. Mr. Kopplin said that there was a formula for distribution of the initial \$10 million that was based upon the number of businesses in each devastated area, and that some of the loans had already been repaid.

Ms. Brazile asked if women and minority-owned business had been encouraged to apply for the loans. Mr. Stuller emphatically answered yes. He added that past experience with the bridge loans indicated a 94% repayment rate, which was a great track record, and would generate a tremendous "workhorse" of dollars that could be reinvested for years to come.

There being no further comments or discussion on the motion duly made by Mr. Sean Reilly and seconded by Ms. Donna Fraiche, the following resolution was unanimously adopted:

To endorse the use of dollars provided through the Supplemental Appropriations to the CDBG program for up to \$100 million for a Louisiana Economic Small Business Disaster Bridge Loan Program; that the Task Force on Economic Development and the Board review the Small Business Bridge Loan Program before the second \$50 million is used; and that any partial action plan for Supplemental CDBG dollars be approved by the Joint Legislative Committee on the Budget prior to submission to the Secretary of Housing and Urban Development.

RESOLVED, that the LRA Board, hereby, endorse the use of dollars provided through the Supplemental Appropriations to the CDBG program for up to \$100 million for a Louisiana Economic Small Business Disaster Bridge Loan Program.

BE IT FURTHER RESOLVED THAT, the LRA Board, adopts that the Task Force on Economic Development and the Board review the Small Business Bridge Loan Program before the second \$50 million of the \$100 million is used.

BE IT FURTHER RESOLVED THAT, the LRA Board, hereby adopts that any partial action plan for Supplemental CDBG dollars be approved by the Joint Legislative Committee on the Budget prior to submission to the Secretary of Housing and Urban Development.

Voting: Atkins, Blake, Brazile, Coulon, Davison, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

ii. Infrastructure Task Force Recommendations

Mr. John Landry presented the report of the January 12, 2006, meeting of the Infrastructure and Transportation Task Force and explained two resolutions relative to the required 10% match for Federal Emergency Management Agency (FEMA) funding. He reported that state-owned buildings suffered approximately \$1.75 billion in damages from the hurricanes and explained that devastated state and local entities could apply to FEMA for 90% of reconstruction and recovery costs. He said that the remaining 10% cost match was, in many cases, unbearable and unaffordable. Mr. Landry recommended the adoption of two resolutions: \$150 million of the supplemental CDBG funds to pay the 10% match for repair of critical state buildings, according to the Office of Facility Planning and Control (OFPC) prioritization list; and \$100 million provided to local governments for the 10% match on emergency infrastructure projects.

Dr. Mary Ella Sanders asked when the prioritization list for state projects would be available. Mr. Jerry Luke LeBlanc, Commissioner of Administration, said the OFPC had developed a process, or "decision tree", for prioritization which would be presented to the Joint Committee on the Budget for comment next week. He said there was no way that the state could spend the whole \$1.7 billion in one year, and deferred to Mr. Jerry Jones, Director of OFPC, for further comment. Mr. Jones explained that the decision tree was the result of many factors, and the prioritization list would be presented to the LRA for approval at a later date.

Mr. Sean Reilly stated his understanding that the 10% was a statutorily required match that could not be waived by Washington. Mr. Jones agreed and added that the 10% must be "in the bank" at the beginning of the repair in order for the 90% FEMA funds to be released. He said that funding proceeded on a per project basis. Mr. Jones said that FEMA was ready to flow money and OFPC was anxious to get started on construction.

There being no further comments or discussion on the motion duly made by Mr. John Landry and seconded by Dr. Norman Francis, the following resolution was unanimously adopted:

To adopt a resolution to recommend that \$140.76 million of the Supplemental CDBG dollars be allocated for the purpose of cost match for FEMA Public Assistance funding for repair of the most

critical state buildings according to the prioritization of the Office of Facility Planning and Control.

RESOLVED, that the LRA, hereby, recommends that \$140.76 million of the Supplemental CDBG dollars be allocated for the purpose of cost match for FEMA Public Assistance funding for repair of the most critical state buildings according to the prioritization of the Office of Facility Planning and Control.

Voting: Atkins, Blake, Brazile, Coulon, Davison, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

Ms. Linda Johnson asked if local educational agencies would be eligible to use the money. Ms. Susan Elkins, Director of the Office of Community Development, Division of Administration, said the money was strictly for the use of local government entities. Mr. Andy Kopplin said the LRA must address school boards separately.

Ms. Donna Fraiche asked for clarification of "infrastructure," specifically whether or not services were included, or just bricks and mortar. Ms. Elkins stated her understanding that the term referred only to bricks and mortar.

Mr. Tim Coulon asked how quickly the information would be shared with local government. Ms. Elkins said that her office was working on an allocation method and hoped to have a formula ready for discussion in two to three weeks.

Mr. Landry asked if school facilities would be earmarked for potential future funding. Ms. Elkins said that schools were already eligible for the money if applied for by a local government. Mr. Landry said the information clarified Ms. Johnson's earlier question. Dr. Francis said that CDBG funds allowed for a lot of flexibility in spending, within certain parameters.

There being no further comments or discussion on the motion duly made by Mr. John Landry and seconded by Mr. James Davison, the following resolution was unanimously adopted:

To endorse a resolution that will allow the sum of up to \$100 million of CDBG dollars to be provided to units of general local government for a portion of the entire match amount required by the Federal Emergency Management Agency Public Assistance Program for emergency local government infrastructure projects; and to direct the LRA staff to work with the State Office of Community Development to develop a partial action plan for allocation of these funds to local governments, using specific guidelines; that any partial plan for Supplemental CDBG dollars be approved by the JLCB prior to submission to the Secretary of HUD; and that the programs approved using Supplemental CDBG funding provided through a state agency should be subject to oversight of the appropriate legislative committee for such agency and activity.

RESOLVED, that the LRA approves the sum of up to \$100 million shall be provided to units of general local government for a portion of the entire match amount required by the Federal

Emergency Management Agency Public Assistance Program for emergency local government infrastructure projects.

BE IT FURTHER RESOLVED THAT, the LRA directs the LRA staff to work with the State Office of Community Development to develop a partial action plan for allocation of these funds to local governments, using the following guidelines: (A) Funds be provided for cases of emergencies; (B) Funding be provided as match for projects eligible for FEMA Public Assistance; (C) Funding be provided to parishes adopting the latest base flood elevations of the FEMA Flood Recovery Guidance; (D) Funding be provided to parishes or communities that adopted, implemented, or in the process of implementing, the new statewide building code standards adopted in the 2005 First Extraordinary Session of the Louisiana Legislature; (E) Funding be provided to communities for projects recommended through a broad community planning process; and (F) Projects receiving funding follow the best design for delivery of services in light of the population shifts and changed faces of many Louisiana communities.

BE IT FURTHER RESOLVED THAT, directs any partial plan for Supplemental CDBG dollars be approved by the JLCB prior to submission to the Secretary of HUD.

BE IT FURTHER RESOLVED THAT, directs that the programs approved using Supplemental CDBG funding provided through a state agency should be subject to oversight of the appropriate legislative committee for such agency and activity.

Voting: Atkins, Blake, Brazile, Coulon, Davison, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

Dr. Francis thanked all of the task force chairpersons for their diligent work over the past four months.

VII. GUEST PRESENTATIONS

a. Remarks by Don Powell, Federal Coordinator, Gulf Coast Rebuilding

Mr. Don Powell introduced Mr. Taylor Beery and Mr. Jodey C. Arrington, Deputy Federal Coordinator of the Gulf Coast Recovery and Rebuilding Council and stated that Ms. Donna J. Gambrell would also work full-time, on-site with the LRA and the citizens of Louisiana. Mr. Powell said that he was very impressed with the deliberation, thoughtfulness, and bias for action of the LRA, and he looked forward to working with the group.

Mr. Powell stated that President Bush was "committed to making sure that the Gulf Coast was rebuilt". He said that he could see the level of commitment in the president's eyes, and the president stressed to him that the plans for rebuilding come from the local folk, without any dictation from the federal government. Mr. Powell further stated that he was here to listen, interact, and interface with the board and to answer any questions that the board members might have regarding support.

Dr. Norman Francis assured Mr. Powell that the LRA welcomed his and the President's commitment to the rebuilding process.

Mr. Sean Reilly encouraged Mr. Powell to give the LRA guidance and to become an advocate for the Baker bill, passage of which would stretch federal dollars to meet the needs of housing in Louisiana. Mr. Powell said, "I'll work with you - we share a common goal." Dr. Francis emphasized that the Baker bill was a major lynchpin in the Louisiana recovery effort.

Governor Blanco welcomed Mr. Powell and asked when the federal money for levee reconstruction would be forthcoming. Mr. Powell said "I'm convinced that Congress will ... that the money will be spent as presented during that announcement as it relates to that \$1.5 billion - arming the levees, closing the canals, putting in new state-of-the art pumping stations - I'm convinced that we'll get that - to bring it back to pre-Katrina ... "

Governor Blanco asked for the actual dollar amount of the allocation. Mr. Arrington said the reallocation amount was \$1.4 billion, "and we believe the money's there, so we don't believe it's a question of the money, we believe it's just reprioritizing and getting authorization from Congress to actually do what the President committed to with regard to the pumping stations, the armoring, the flood gates. And a lot of that was by virtue of sort of the tail end of the process, so again, as the chairman [Mr. Powell] said, we're confident that working with Congress we're going to be able to do that." Mr. Powell reiterated that the President was committed.

b. Land Use Report from the Bring New Orleans Back Commission (BNOB)

New Orleans Mayor Ray Nagin, BNOB co-chair Mr. Mel Lagarde, and BNOB member Mr. Joe Canizaro gave a 40-minute PowerPoint presentation (Attachment #2) entitled "Action Plan for New Orleans: The New American City - January 11, 2006 - Urban Planning Committee." Mayor Nagin said BNOB was in the process of "rolling out" the final version of the plan, and this presentation covered one of the most critical areas - the urban planning section which addressed infrastructure needs related to housing. He said thousands of residents had participated in and provided feedback through the BNOB process. Mayor Nagin said the plan was comprehensive, creative, and controversial.

Mr. Canizaro said the plan represented the effort of more than 250 people and six BNOB committees who worked hard to pull together a good plan for the future of New Orleans. He said the BNOB was committed to work with the LRA to recover the state. Mr. John Beckman of Wallace Roberts & Todd, LLC, Master Planners, said the Urban Planning Committee, chaired by Mr. Canizaro, was charged with the formulation of a plan of action to address the physical future of the City of New Orleans. He said the plan had to answer the question, "How will the city evolve from disaster to a bigger and better city that is sustainable in the long-term?" Mr. Beckman said that, although the committee was focused on the short-term of 2.5-3 years, they were mindful that each and every recommendation must go toward eventually building a bigger and better city in the long-term.

At the conclusion of the presentation, Mr. Beckman said that a debt of gratitude was owed to hundreds of people who volunteered thousands of hours to create the plan, in spite of the deep personal, employment, and financial losses experienced by many.

The BNOB report is also available for viewing on the Internet at this link:

www.bringneworleansback.org/Portals/BringNewOrleansBack/Resources/Urban%20Planning%20Final%20Report.pdf

Ms. Dale Atkins thanked the group for their efforts. She stated her belief that "neighborhood planning teams" should be heavily populated with neighborhood residents, and asked how BNOB planned to identify the residents. Mr. Canizaro said that there would be an aggressive outreach program which would utilize information from local politicians, FEMA, and utility companies to identify the maximum number of residents in a given neighborhood. Ms. Atkins asked whether every neighborhood would be given a chance to rebuild under the plan. Mr. Canizaro said absolutely.

Mr. Sean Reilly commended Mr. Canizaro for the hard work of the committee. He offered the financial resources of the LRA support organization, if necessary, so the committee could carry out their ambitious planning process. Mr. Canizaro said that FEMA might pay for the expense of the planning process. Mr. Reilly urged the BNOB committee to use the PolicyLink resources funded by the LRA. He stated his belief that the creation of redevelopment authorities at the local level was a critical tool necessary to the rebuilding effort.

Mr. Rod West, the LRA representative on BNOB, agreed that the Crescent City Redevelopment Corp. (CCRC) was a necessary entity for the long-term. Mr. Canizaro said the LRA could set up the parish-based recovery authorities once the LRA was statutorily established.

Ms. Donna Brazile asked if the plan would be submitted to the New Orleans City Council for final approval. Mayor Nagin said he planned to meet with small neighborhood focus groups, then submit the plan to the council. Ms. Brazile asked if any changes in the plan were anticipated once FEMA had submitted revised flood maps. Mayor Nagin said the FEMA flood maps should be completed in a few months, and would not make the elevation process any worse. He said "anyone that has gotten a permit from the time that the event happened to today would be grandfathered in, in the event that they had to raise their elevations higher or lower as a result of FEMA's updated maps." Ms. Brazile asked if renters were envisioned as stakeholders in the process, and would renters be involved in neighborhood planning. Mayor Nagin said "absolutely, that is part of our outreach program." Ms. Brazile asked about a reported moratorium on building permits. Mayor Nagin said a recommendation from the committee had been reported in the media as a moratorium, however, building permits were still being issued, and there was no moratorium at this time.

Mr. Andy Kopplin reminded members that the governor had declared January 21, 2006, as Louisiana Planning Day, with meetings to be held around the state and country.

c. Remarks by Congressman Richard Baker

Congressman Richard Baker said he appreciated the opportunity to appear and make modest recommendations for the use of CDBG funds. (Attachment #3) He said "I recognize that this authority is the principal organization through which these important decisions should be made ... that money made available should flow through this authority for its intended purpose, that this authority be the entity which is accountable to the federal treasury for the utilization of those funds, and it is very clear ... that unless we speak with a unified single voice at the federal level, our ability to assist you in this matter will be greatly impaired. Having said that, I am very pleased at the work that you have initiated ... your generous comment and endorsement of HR 4100 were most strategically helpful." Rep. Baker said that, to his knowledge, there was not a single House of Representatives vote of opposition to HR 4100, as it was now constructed. He explained the bill in great detail and talked at length about his past

efforts and future plans to pass the bill. He firmly stated his belief that CDBG money should not be used for housing at this time, and urged patience on the part of the LRA, at least until the end of March.

Governor Blanco said she believed the Baker bill was a critical tool in the recovery efforts. She and Rep. Baker discussed aspects of the funding dedicated to Louisiana in contrast to the amount of funding promised to the state of Mississippi. He said that Louisiana sustained three times the population and five times the damage of Mississippi. Rep. Baker, Dr. Norman Francis, Mr. Sean Reilly, Ms. Donna Brazile, and Ms. Donna Fraiche discussed the bill at length. Ms. Fraiche asked for clarification of her earlier "bricks and mortar" question to Ms. Elkins, wherein Ms. Elkins had said the money could not be used for supplemental services and must be spent on bricks and mortar. Rep. Baker said he disagreed with Ms. Elkins' assessment, and said the pending \$6.2 billion CDBG funding was "very broad in its utilization deployment and in fact, the only criteria for the utilization ... is HUD approval." He stated his opinion that utilization of those resources for that purpose would clearly be with the guidelines for HUD approval. Congressman Baker said he would have his staff check to be sure, and get back to the LRA with an answer in writing. Mr. Andy Kopplin said the resolution passed by the LRA that morning was for hard infrastructure, and that future recommendations could be made to the governor for other possible uses of CDBG funds.

Dr. Norman Francis recessed the meeting at 12:55 p.m. for lunch. He reconvened the meeting at 1:50 p.m.

VIII. TASK FORCES - DISCUSSIONS AND REPORTS

a. Housing Panel

Mr. Andy Kopplin, Mr. Peter Werwath, Vice President of Enterprise Community Partners, Inc., Ms. Judith Bell, President of PolicyLink, and Ms. Linda McMahon of J.P. Morgan Bank, gave a 40-minute PowerPoint presentation (Attachment #4) which outlined the proposed objectives of CDBG funding. Mr. Kopplin illustrated various approaches to bridging the gap between homeowner needs and available resources. He said the state had more need than financial resources with which to solve the need and reiterated that CDBG funds were flexible and must be used creatively and leveraged to the maximum extent and benefit possible.

b. Infrastructure and Transportation Task Force

Mr. John Landry outlined task force member Mr. Ted Falgout's idea for the study of dune restoration in the Port Fourchon area by using marsh grass storm debris to fortify and rebuild diminished dunes. He said that Secretary Scott Angelle, Department of Natural Resources, and Secretary Johnny Bradberry, Department of Transportation and Development (DOTD), both thought the idea was reasonable. Mr. Landry explained the resolution.

Mrs. Laura Leach said the study was vitally important, and would accomplish a great deal of good toward the repair of the coastline and the protection of inland areas against a future storm surge. Mr. Matt Stuller questioned whether or not the resolution language should only allow biodegradable materials to be used. Ms. Donna Fraiche said the concept was still in the study stage and worth expeditious exploration.

There being no further comments or discussion on the motion duly made by Mr. John Landry and seconded by Mrs. Laura Leach, the following resolution was unanimously adopted:

To adopt a resolution, to explore the use of hurricane-generated waste in coastal restoration or protection projects.

RESOLVED, that the LRA accepts the recommendations to direct the appropriate state and federal agencies to secure funds for and/or adopt an expeditious permitting process for the experimental use of hurricane-generated waste in coastal restoration or protection projects.

Voting: Atkins, Blake, Brazile, Coulon, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

In other business, Mr. Landry distributed information (Attachment #5) relative to the Louisiana Immersive Technologies Enterprise (LITE), a facility under construction at the University of Louisiana - Lafayette (ULL). He explained that LITE was one of only a few highly advanced 3-D data analysis and visualization facilities in the world, and formed the cornerstone of the ULL research park. Mr. Landry offered LITE to the LRA as a tool for decision-making, and issued an invitation to attend the demonstration/presentation dates: 9-11 a.m. & 1:30-3:30 p.m. on January 25 and 26, 2006.

c. Long Term Planning Task Force Report

Ms. Donna Fraiche presented the report of the Long Term Planning Task Force. She briefly discussed the advancements in planning and said the task force now met on a weekly basis in order to insure that all of the information was coordinated and not duplicated. She stated her belief that, as long as the LRA "speaks with one voice and hears with one ear", the stakeholders in the recovery process would be well served. Ms. Fraiche also detailed the locations and objectives for Louisiana Planning Day on January 21, 2006.

Ms. Donna Brazile asked if internet access or video conferencing were planned for those people that could not physically participate at the planning day locations. Mr. Andy Kopplin said he hoped the PolicyLink portal would be operational by that date. Ms. Brazile suggested using the media to get the word out about the existence of the portal. Ms. Fraiche said that the communication plan was highly developed and included those persons that did not have internet access.

d. State Legislative Task Force

Mr. Sean Reilly presented the report of the State Legislative Task Force and briefly explained two proposed resolutions which would call for the consolidation of levee boards in coastal areas and create the LRA in statute. Mr. Coulon clarified that the levee board consolidation resolution did not affect levee districts.

There being no further comments or discussion on the motion duly made by Mr. Sean Reilly and seconded by Mr. Tim Coulon, the following resolution was unanimously adopted:

To adopt a resolution that would call for the consolidation of levee boards in coastal areas where hurricane protection is an important aspect of levee management.

RESOLVED, that the LRA Board supports levee board consolidation as a topic for legislative initiative in the upcoming special legislative session.

Voting: Atkins, Blake, Brazile, Coulon, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

There being no further comments or discussion on the motion duly made by Mr. Sean Reilly and seconded by Mr. John Landry, the following resolution was unanimously adopted:

To adopt a resolution that would create the Louisiana Recovery Authority by statute.

RESOLVED, that the LRA Board endorses the action to create the LRA by statute to give it the full authority it needs to accomplish its charge.

Voting: Atkins, Blake, Brazile, Coulon, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

Dr. Norman Francis suggested the LRA change the language of the just-passed levee board resolution to reflect LRA support of Governor Blanco's announcement that levee board consolidation would be included in the call for the upcoming extraordinary legislative session.

There being no further comments or discussion on the motion duly made by Mr. Sean Reilly and seconded by Ms. Donna Fraiche, the following resolution was unanimously adopted:

To amend the levee board resolution to include that the LRA Board supports the Governor's announcement to include in her call, levee board consolidation legislation in the upcoming extraordinary legislative session.

RESOLVED, that the previous levee board resolution shall reflect that the LRA Board supports the Governor's announcement to include in her call, levee board consolidation legislation in the upcoming extraordinary legislative session.

Voting: Atkins, Blake, Brazile, Coulon, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

There being no further comments or discussion on the motion duly made by Mr. Sean Reilly and seconded by Ms. Donna Fraiche, the following resolution was unanimously adopted:

To adopt a resolution to amend the previous levee board resolutions to reflect that the resolutions only include "levee boards" and not "board districts". The board districts will remain the same.

RESOLVED, that the LRA amend the previous levee board resolutions to reflect that the resolutions only include “levee boards” and not “board districts”. The board districts will remain the same.

Voting: Atkins, Blake, Brazile, Coulon, Fraiche, Francis, Henning, Johnson, Landry, Leach, Reilly, Sanders, Stuller, West, and Woods

e. Additional Task Force Reports

Health Care Task Force

Dr. Mary Ella Sanders presented the report of the Health Care Task Force. She reported that Secretary Leavitt of the U.S. Department of Health and Human Services (HHS) came to Louisiana to meet with a large group of the health care community. Dr. Sanders said that Secretary Leavitt urged the group to begin to define the process for the selection of a list of priorities for the short-term recovery of health care, relative to the \$500 million in social services funding that was appropriated at the end of 2005. She said that Mr. Leavitt was very interested in long-term health care planning for the region and spoke with eloquence about the opportunity for Louisiana to create a model health care system.

Education Task Force

Ms. Linda Johnson gave an update on activities of the Education Task Force, which met on January 12, 2006. She said Dr. Scott Cowen presented the education recommendations that would be made at the next BNOB meeting. Ms. Johnson said that the task force agreed, in concept, with everything included in Dr. Cowen's report.

IX. UNFINISHED BUSINESS

There was no unfinished business.

X. PUBLIC COMMENTS

Councilwoman Cynthia Willard-Lewis presented a letter to the LRA from the New Orleans City Council (Attachment #6) which outlined the objections and opposition to the recommendations made in the report of the BNOB Urban Planning Committee.

Rep. Karen Carter and Rep. Cedric Richmond thanked the committee for their hard work and commended the members for their volunteer effort.

Rep. Carter challenged the LRA to study the issue of emergency preparedness for the next disaster and to identify specific locations across the state to which New Orleans citizens could evacuate in a short time frame. She asked for a plan for the evacuation which included transportation, and education of citizens about the existence of the plan. She stated her belief that, relative to education reform in Orleans Parish, the state took over the school system too soon. Rep. Carter said that, to date, the Department of Education had not provided a clear plan on how to open schools so that residents could return.

Rep. Cedric Richmond said that both of his homes were in areas that were proposed to be "green space" according to the BNOB Urban Planning Committee. He said that he especially did not want people penalized because of the man-made failure of the levees, and did not think it fair to erect more barriers that would discourage people from returning home. He voiced his concern that distantly relocated persons were not available and could not participate in the planning process for rebuilding the city. Rep. Richmond said a disservice would be done to all parties involved if a way were not found to allow the displaced citizens of Orleans Parish a way to vote in the upcoming elections.

Dr. Norman Francis assured the witnesses that the information provided and objections raised had not fallen on deaf ears.

Ms. Mary Fontenot, Executive Director, PICO All Congregations Together and Louisiana Interfaiths Together (PICO LIFT), stated her belief that participation of ordinary citizens was absent from the BNOB plan and asked for organizations such as hers to be included in the planning sessions. She encouraged the LRA to work diligently to insure that the voice of the citizens was a part of the planning process.

Reverend Luke Nguyen, Mary Queen of Vietnam Catholic Church, gave a brief overview of the post-Katrina status of the Vietnamese-American community served by his church. He said that, although families were spread out all over the country, at least 500-700 families had remained in or close to their New Orleans homes. He said that church attendance had risen to approximately 2,000 per week, and expressed concern about the BNOB recommendation for a minimum of 5,000 persons to qualify for "neighborhood" status.

Dr. Norman Francis recommended that families continue to attend BNOB meetings and stay involved in the planning process. Mr. Rod West assured Rev. Nguyen and Ms. Fontenot that there was no question that Mary Queen of Vietnam and its parishioners would be considered to be a community by BNOB planners.

Mr. Matt Stuller said that one of the responsibilities of the LRA was to use federal money wisely, and that HUD had made it clear that rebuilding in areas that will flood again was not good stewardship. Ms. Fontenot noted that flooding was caused by failure of the Mississippi River Gulf Outlet (MRGO), and those areas did not have a history of flooding prior to Hurricane Katrina, therefore should not be penalized for the man-made failure of MRGO.

Mrs. Laura Leach expressed regret that more LRA members were not in attendance for Rev. Nguyen's remarks and asked that the Public Comments portion of the agenda be moved to the beginning of the meeting. Mr. Sean Reilly suggested that opportunity for public comment be given after each item for discussion. Ms. Fraiche suggested allowing for such a provision in the proposed LRA enacting legislation.

Mr. Randall C. Pierce, Executive Director, Association of Louisiana Electric Cooperatives (ALEC), offered the assistance of ALEC to the Infrastructure and Transportation Task Force.

XI. NEW BUSINESS

There was no new business.

XII. ANNOUNCEMENTS

Dr. Norman Francis announced that the next LRA meeting would be held at 9:30 a.m. on Thursday, February 16, 2006 in Lake Charles.

XIII. ADJOURNMENT

The meeting was adjourned at 4:40 p.m.

Respectfully submitted,

Andy Kopplin, Executive Director

/kls

Date approved: _____