

**DRAFT, subject to revisions and/or amendments**

**LOUISIANA RECOVERY AUTHORITY**

**Board of Directors Meeting**

Mandeville, Louisiana – St. Tammany Parish Administrative Complex

Friday, January 12, 2007

**MINUTES**

**I. CALL TO ORDER**

Dr. Norman Francis, Chairman of the Louisiana Recovery Authority (LRA), called the meeting to order at 9:22 a.m. at the St. Tammany Parish Administrative Complex, 21454 Koop Drive, Suite 2-F, Mandeville, Louisiana. *(Note: 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**

Pastor Steve Robinson, Church of the King, Mandeville, Louisiana, led the prayer.

**III. PLEDGE OF ALLEGIANCE**

Dr. Francis led the Pledge of Allegiance.

**IV. ROLL CALL**

Dr. Francis stated that roll would be called at a later point in the meeting.

**BOARD MEMBERS PRESENT:**

Dr. Norman Francis, Chairman  
Mr. Walter Isaacson, Vice Chairman  
Senator Diana Bajoie  
Mr. Boysie Bollinger  
Mr. Tim Coulon  
Mr. Rene Cross  
Ms. Donna Fraiche  
Mr. Tom Henning  
Ms. Linda Johnson  
Mr. John T. Landry  
Mr. Walter Leger, Jr.  
Mr. Chet Morrison  
Mr. Sean Reilly  
Mr. Virgil Robinson  
Mr. John E. Smith

**BOARD MEMBERS ABSENT:**

Ms. Dale Atkins  
Rev. Harry Blake  
Ms. Kim Boyle  
Ms. Donna Brazile  
Mr. James Davison  
Representative Yvonne Dorsey  
Senator Don Hines  
Ms. Sibal Holt  
Dr. Calvin Mackie  
Ms. Mary Matalin  
Mr. David Richard  
Representative Joe Salter  
Mr. Matt Stuller  
Ms. Susan Taylor

**BOARD MEMBERS PRESENT (cont'd):**

Mr. David Voelker  
Mr. Mike Woods

**STAFF MEMBERS PRESENT:**

Mr. Andy Kopplin, Executive Director	Ms. Kim Jupiter
Mr. Dave Bowman	Ms. Robin Keegan
Mr. Miles Bruder	Mr. Adam Knapp
Ms. Ella Camburnbeck	Ms. Melissa Landry
Ms. Angel Ellis	Ms. Kristen Parnell
Mr. Pat Forbes	Mr. Paul Rainwater
Mr. Ramsey Green	Ms. Christina Stephens
Ms. Ann Guissingner	Mr. Kris Van Orsdel
Mr. Jeff Hebert	Ms. Alesia Wilkins-Braxton
Ms. Catherine Heitman	Mr. Carl Williams
Ms. Desirée Honoré	Ms. Natalie Wyeth

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

Dr. Francis stated that approval of the minutes would be voted on at a later point in the meeting.

**VI. EXECUTIVE REPORTS**

**Chairman of the Board Report**

Dr. Francis thanked the board members and staff for the work during 2006. He recognized Mr. Kevin Davis, St. Tammany Parish President, as the host of the meeting.

Mr. Davis congratulated Dr. Francis on receiving the Presidential Medal of Freedom award. He stated that St. Tammany Parish was one of the hardest hit areas in the state during Hurricane Katrina. He commented that there were critical resolutions to be voted on at the meeting which would assist the recovery process.

**Executive Director's Report**

Mr. Kopplin stated that parish governments come to the LRA for help due to the accountability that the authority provides to the public. He stated that the role of the LRA in 2007 would be as problem solver and to ensure that programs are executed. He commented that the various entities asking for assistance are worthy of the funding requested and that there are needs beyond the available funds. He stated that the Workforce Commission made grant awards at the end of last month. There has been an overwhelming demand for the funding. Research and Commercialization Program for universities was moving forward. He stated that the Bridge Loan Program ended in December 2006 and funding was moved to the Small Business Grant Program which was expected to launch in another week. The Small

Business Retention Program would begin by the third week in February. The Long Term Recovery Loan Guarantee Program would begin in February. Contracts had been signed in the Tourism and Recovery Program. The bulk of the work for the infrastructure programs would be to match FEMA funding. Mr. Kopplin stated that Congress appropriated \$400 million to support alternative housing pilot programs. The LRA submitted an application on behalf of the state to FEMA for six projects. FEMA awarded a grant of up to \$74.5 million for the Cypress Cottage Partners project. He stated that the four site areas for the cottages were Lake Charles, Abbeville, New Orleans, and Jackson Barracks. Project sites and budgets must obtain final FEMA approval by February. He further stated that the governor and delegation have written to inquire about the unfair distribution of federal money for these projects.

Dr. Francis asked about the timeline for starting the projects.

Mr. Kopplin responded that Mr. Dupre from Cypress Cottage Partners would be able to answer the question.

Mr. Dupre responded that the projects would be ready to begin in approximately one month, after validating cost and confirming locations.

Dr. Francis commented that the project may have to wait to begin until more money is allocated from FEMA.

Mr. Kopplin stated that there has not been a suggestion to stop implementation of the program.

Dr. Francis stated that the sentiment of the authority was to begin the project and to continue to request more funding.

Mr. Kopplin stated that the Housing Finance Agency would work with the winning submitter to execute the contract and expedite the funding. Mr. Kopplin continued his report by reviewing plans for the LRA during 2007. He stated that policy and planning issues would be reviewed. He further stated that there would be continued oversight, accountability, and problem solving with the Road Home Program.

Dr. Francis asked for further explanation of the rental program.

Mr. Kopplin stated that there were two rental programs recommended and approved, and funded by the authority. The piggyback program works with large developers to build affordable housing in mixed income communities. The Housing Finance Agency awarded about \$430 million in CDBG grants in December to create approximately 6,000 housing units. The grants have been approved and the work was underway. The small rental program should be launched by the Division of Administration within the next few weeks and has funding of \$869 million. He further stated that the money would assist repair of rental property.

Dr. Francis stated that the total amount available through these programs would be \$3.2 billion.

Mr. Kopplin responded affirmatively. He stated that the funding consisted of \$1.5 billion of block grants and \$1.7 billion of private investment triggered from low-income housing tax credits provided by Congress. He further stated that approximately 35,000 units of rental property would be developed under the two programs. He commented that assistance would continue to be requested to FEMA.

Ms. Johnson asked about the availability of the housing at Jackson Barracks.

Mr. Kopplin responded that the housing at Jackson Barracks would be available to families that either work at the barracks as contract employees or for military personnel assigned there. He commented that if such persons do not fill the housing, those units would be available to the general population.

Mr. Leger asked whether an adjustment of the amount of funding would be made and whether there was any indication of political reasons for the allocation.

Mr. Kopplin responded that a review panel made the rankings and the funding decision was made by another official of FEMA with homeland security. He further responded that the congressional delegation requested that FEMA delay the allocation of funding.

Mr. Voelker congratulated Dr. Francis on receiving the Medal of Freedom.

Dr. Francis stated that the order of the agenda would be changed to receive the Committee and Task Force Reports.

## **XI. COMMITTEE AND TASK FORCE REPORTS AND DISCUSSIONS**

### **d. Education Committee**

- i. Review of school infrastructure repairs and teacher housing**
- ii. Report on Committee Resolutions on teacher housing and public-private management of school design guidelines**
- iii. Public comments**

Ms. Johnson reported that two resolutions had passed through the committee. One resolution directed the Department of Education to work closely with FEMA to solve the modular housing issue for teachers. One problem discovered was that funding to the Recovery School District did not get routed to the school involved. She stated that the issue has been cleared.

Mr. Isaacson commended Ms. Johnson on the work of the committee. He stated that one problem with getting people to come back was the slowness of bringing the schools back. He further stated that buildings had been vandalized. He commented that education reform and revitalization would be destroyed if buildings are not repaired. He further commented that funding should be allocated to repair of the buildings to bring the neighborhoods back.

Ms. Johnson responded that the buildings in disrepair are an issue and have been identified as a problem which the committee would review.

Dr. Francis asked about the funding to repair these buildings.

Ms. Johnson commented that consideration should be made to funding the repair of these buildings.

Dr. Francis commented that the problem should not be exacerbated due to the failure to allocate necessary funding.

Mr. Coulon commented that every task force has priority issues. He stated that many buildings have not been assessed for damage which was critical and confusing. He further stated that the level of results is not up to expectation. He commented that the report which is descriptive of the state of the school system in New Orleans required review.

Dr. Francis commented that education was the fundamental issue of the state and tied into neighborhood recovery. He stated that the next item for consideration would be the funding for match costs for FEMA Public Assistance costs to local governments for Categories A and B. He recognized Mr. Jerry Luke LeBlanc, Commissioner, Division of Administration, Baton Rouge, Louisiana, for information.

**a. Infrastructure Task Force**

**v. Discussion and consideration for final approval of a resolution on funding for match costs for FEMA public assistance costs to local governments for Categories A and B**

Mr. Kopplin provided an overview of the resolution. There is an emergency request from the governor for the LRA to amend the infrastructure program which is permanent work in Categories C through G in FEMA to cover Categories A and B on a temporary basis. There were five parishes that needed debris removal. The 10% match for debris removal has now become the responsibility of state and local government. The LRA has insisted that the federal government pay 100% of the cost. The governor has requested that the legislature pay the costs. The resolution recommends \$100 million of CDBG funds to be allocated to pay match funds for Category A and B and further asks the legislature use its authority in the upcoming session to fund some of the infrastructure which had been previously committed and budgeted by the LRA for the permanent work.

Mr. LeBlanc stated that there was a cash flow issue. There was an attempt in the last special session to place surplus dollars from the prior year into the match but that did not get accomplished. He requested that the LRA allow the eligibility in the short term and that remedies would be pursued in the upcoming legislative session for the funding.

Mr. Henning asked if the parishes affected by Hurricane Rita would be covered.

Mr. LeBlanc stated that those parishes would also be covered.

Mr. Leger commented in support of the reallocation of funds. He stated that FEMA has paid 90% of the cost of repairing public entities and that in other disasters payment was made at

100%. He stated that the parishes need immediate assistance and that requests need to continue to Washington to request help.

Mr. LeBlanc commented that the governor felt the parishes were treated unfairly to have to pay the amount.

Ms. Fraiche stated that there were a number of officials who complained about the delay in receiving funds and attributed the delay to the state. She asked how the issue would be addressed in regard to project worksheets.

Mr. LeBlanc responded that there were two separate issues. He stated that the resolution applied to local match money. The process regarding project worksheets was frustrating. Accountability was needed at the same time as expedited payments. He stated that the division was working with GOHSEP and had met with Mayor Nagin about top priorities and the relation to the overall planning process that the LRA reviews. He reiterated that the problem was being addressed aggressively and hoped for a resolution soon.

Mr. Bollinger asked if the request was for the match funding or for 100% funding.

Mr. LeBlanc responded that the request was for match funding. He stated that there would be a strong attempt for reimbursement during the upcoming legislative session.

Mr. Morrison asked about the total aggregate amount.

Mr. LeBlanc responded that the issue can be addressed with GOHSEP later in the meeting. He stated that the state would continue to cover Categories A and B and an appeal would be made to the legislature.

## **VII. COMMITTEE AND TASK FORCE REPORTS AND DISCUSSIONS**

### **c. Long Term Community Planning Task Force**

- i. Report on South Louisiana Regional Planning**
- ii. Update on Unified New Orleans Planning Process**
- iii. Public comments**

Dr. Francis recognized Ms. Fraiche for the report from the Long Term Community Planning Task Force.

Ms. Fraiche introduced Mr. John Fregonese, Principal, Fregonese Calthorpe Associates, Portland, Oregon.

Mr. Fregonese made a presentation on the regional vision plan. His presentation is attached to these minutes as "Exhibit A". He stated that the concept was to come forth with a plan for Louisiana that allows the state to speak with a unified voice, presents a well-considered course of action, measures progress, and celebrates success.

Ms. Fraiche thanked Mr. Fregonese for his work. She asked the relevance of a long-term regional vision when New Orleans has not recovered from the storms. She also asked how those problems would be addressed and about the criticism for not responding quickly.

Mr. Fregonese responded that the failure to respond quickly was due to the lack of a plan. He stated that there has to be an agreement on a large-scale vision.

Ms. Fraiche commented that Louisiana lacks a planning agency that would take the strategies and goals and identify sources of funding to make the difference.

Mr. Fregonese commented that there has been an effort to get the people of Louisiana engaged in these issues.

Dr. Francis recognized Mr. Voelker for a report on the Unified New Orleans Planning Process. He introduced Ms. Bobbie Hill, Director of Planning for Concordia, LLC, New Orleans, Louisiana. He commented that the report would work well with the regional plan developed by Mr. Fregonese.

Ms. Hill stated that work has been done with the people at Louisiana Speaks to ensure that the plans work together. She further stated that the New Orleans unified plan will address public safety and education, among other issues. She provided an overview of the process of creating the plan and stated that the goal was to complete the final draft and submit for review by January 30.

Mr. Voelker commented that investors have delayed decisions about investing until the plan is complete.

Ms. Hill stated that community members are committed to stay involved. She further stated that the final community support organization was January 25, the plan would be delivered to the city planning commission on January 30, and adoption was anticipated for March 3. There will be two public hearings prior to adoption. The plan would require approval from the city council and mayor.

Ms. Fraiche stated that once the Unified New Orleans Plan has been approved by the city council and the mayor, the plan would come back to the LRA for endorsement and would be incorporated with the regional plan as a master plan for the state and an implementation strategy would begin. She further stated that some people may not want to use the money received from the Road Home Program to go back to their previous neighborhood and that issue would need to be addressed.

Mr. Voelker commented that each citizen had to make a personal economic decision about rebuilding.

Ms. Hill commented that the New Orleans unified plan was being created to provide information to people to become whole and make good decisions about rebuilding.

Mr. Leger asked if other parish plans would be reviewed by the LRA.

Ms. Fraiche responded that any plans that can be implemented are in the process and those parishes are not waiting for other plans to be completed.

Mr. Leger commented that St. Bernard Parish still does not have a public building and have been operating from tents.

Mr. Voelker stated that the best option would be to continue to request funding from Washington. He further stated that one solid damaged area plan would be more impressive in Washington and would be more difficult to ignore.

Dr. Francis commented that hopefully some of the resolutions to be voted on during the meeting would assist these parishes.

Mr. Kopplin welcomed Senator Tom Schedler and Representative Tim Burns to the meeting.

- b. Economic and Workforce Development Task Force**
- i. Update on workforce development program**
- ii. Public comments**

Mr. Kopplin presented the report on behalf of Mr. Stuller. The state's workforce commission was allocated \$38 million as part of an Action Plan and the process has been completed. He introduced Ms. Carla Landry, Acting Director, Louisiana Workforce Commission, Baton Rouge, Louisiana.

Ms. Landry stated that 48 proposals were received and two were disqualified due to lack of components. The proposals were evaluated by a team of 16 evaluators divided into six sectors focused on in the program and were scored on rated criteria in the RFP. A proposal with an average score of 80% would be considered for funding. Recommendations made by the evaluation team were also considered. Recommendations were made to the commission and the commission deferred the vote for one week and instructed staff to check that proposals were reasonable and viable.

Mr. Kopplin commented that art centers proposal was submitted for south Louisiana and asked what type of proposal would be recommended to the workforce commission.

Ms. Landry responded that those proposals were initially recommended by the evaluation team and that additional funding of \$2-3 million would be needed to resolve the issue.

Mr. Kopplin commented that these programs qualified but in an attempt to reduce the qualified applicants to fit the budget, those programs did not get funded.

Ms. Landry commented that the proposals had to be scaled back tremendously and proposed to the commission would be to find alternative funding sources.

Ms. Robin Keegan, LRA staff, commented that the staff was asked to scale back the proposals in order to reduce the amount of those proposals that meet the criteria but were not chosen and to seek additional funding.

Mr. Kopplin suggested that the LRA would not want to get involved in the determination of awards and scoring proposals and that the workforce commission should be asked to make a recommendation to the LRA on how additional monies would be spent. He stated that there has been much discussion about the issue in the past few weeks.

Mr. Reilly commented that recipients should not be reduced and placed on a pro-rata scale and that additional funding should be found.

Mr. Morrison commented in agreement with Mr. Reilly. He stated that additional funds should be requested to fund the programs that met the minimum standards and were awarded then pulled back.

Mr. Bollinger commented that a large part of recovery is workforce. He stated that focus should be made on workforce development.

Dr. Francis commented that funding should be made to all those eligible.

Mr. Kopplin stated that the workforce commission would be asked about the process of proposals to be funded and that the LRA would then be able to make a decision regarding approval.

Mr. Bollinger asked when the funding would be available.

Ms. Landry responded that the negotiation process has begun with the 18 contractors and that by mid-February the first contract should be signed and the rest should be completed by March.

## **XI. COMMITTEE AND TASK FORCE REPORTS AND DISCUSSIONS**

### **a. State Legislative Update**

- i. Discussion of recovery-related legislative agenda issues**
- ii. Public comments**

Dr. Francis recognized Mr. Reilly for the state legislative update.

Mr. Reilly provided an overview of issues in the legislative process in 2007. One issue is the affordability of insurance. He stated that he was approached regarding funding a study of a hurricane catastrophic fund. He explained that Florida adopted a hurricane catastrophic fund which is a subsidized re-insurance pool that has proven to be successful in bringing more insurers into the state and in helping to reduce rates. He further stated that the concept has not been determined whether Louisiana had a large enough economy to benefit from such a fund. He stated that a study would be done to determine what amount the state would have to contribute and that results should be available in about 60 days. Mr. Reilly stated that another issue to approach with the legislature was to assist local parish presidents and mayors to obtain state funding. He suggested that the LRA should present critical recovery items on behalf of parishes to the legislature.

**b. Federal Legislative Update**

- i. Update on federal issues for the new Congress**
- ii. Public comments**

Mr. Isaacson provided an update on federal issues. He stated that there were not any new opportunities for block grants. Intercontinental shelf revenue would be a good source of revenue for coastal restoration. The Katrina cottages program will be judged on how good the project is and there will be politics involved. More funding should be obtained for human services programs and economic development. He explained that there has been a problem in obtaining help from Washington to secure the crime issues in New Orleans. He commented that the federal government should provide help to stop the crime problem in the city.

Ms. Fraiche commented that she attended a meeting held by the Women of the Storm and the group asked how to assist in implementing a legislative agenda on behalf of the LRA.

Mr. Isaacson responded that a meeting could be held with the group to provide areas of assistance.

**VII. COMMITTEE AND TASK FORCE REPORTS AND DISCUSSIONS**

**a. Infrastructure Task Force**

- i. Discussion and consideration for final approval of a resolution on funding FEMA-ineligible costs for state buildings repairs**

Mr. Landry asked Mr. Pat Forbes, LRA staff, to provide information on the resolution.

Mr. Kopplin stated that the allocation would cover the cost of FEMA-ineligible repairs to state buildings. He stated that there were no public comments.

Mr. Landry commented that discussions had been held at previous meetings.

Dr. Francis commented that additional funding of \$135 million was requested which would bring the total to \$277.5 million.

Mr. Bollinger asked if the funding was for ineligible repairs or for the state match.

Mr. Kopplin responded that the funding was for ineligible repairs.

Mr. Smith asked about the amount of funding.

Mr. Forbes responded that the program currently exists and was funded in the first Action Plan for \$95 million and was intended to pay the 10% match on all FEMA eligible work.

Mr. Voelker asked if the funding should come from the state budget.

Mr. Forbes responded that most of the state buildings were functioning prior to the storm and that the requested funds would pay for damages that pre-existed but would not have needed improvements had the storm not damaged the buildings.

Mr. Kopplin stated that there are \$200 million of general capital investments done by the state per year and the cost of these repairs would exceed that amount in one year.

**ii. Discussion and consideration for final approval of a resolution on funding FEMA match costs for private K-12 schools and private universities**

Mr. Landry stated that the resolution would provide funding for FEMA match costs for private K-12 schools and universities.

Mr. Kopplin stated that up to \$40 million would be allocated for the estimated 10% match for FEMA-eligible costs for private, parochial schools and universities. Several public comments were submitted which stated that public funds should not be used to support private schools. Mr. Kopplin pointed out that the 90% was paid with FEMA public funds and the allocation would cover the remaining 10%.

Mr. Leger commented that an article was printed in the Times Picayune which stated that the LRA's approval of payment of the FEMA match to private schools would be a reversal of LRA prudence policy. He stated that the article was incorrect. He further stated that FEMA agreed to pay for damages to private schools as long as the funds are dedicated toward the educational mission and not allocated for any spiritual or religious mission.

Mr. Forbes stated that the Times Picayune printed a retraction of that statement.

Mr. Landry reiterated that there was not a reversal of LRA policy.

**iii. Discussion and consideration for final approval of a resolution on funding for the Medical Center of Louisiana – New Orleans**

Dr. Francis asked that discussion on the resolution for the Medical Center of Louisiana – New Orleans be deferred until later in the meeting.

**iv. Discussion and consideration for final approval of a resolution on funding for Parish Recovery Planning Projects and an Allocation Formula by Parish**

Mr. Landry stated that the resolution would provide funding for parish recovery planning projects and an allocation formula by parish.

Mr. Forbes stated that Mr. Dave Bowman, LRA staff, could provide information on the formula.

Mr. Kopplin stated that the program would provide \$200 million divided on a formula based on damages of housing and infrastructure for the most affected parishes. There has been discussion about the formula due to changes in the data and how the formula works.

Ms. Johnson asked if the \$32 million was considered.

Mr. Kopplin responded that the \$32 million was borrowed against a \$200 million infrastructure appropriation for the repair of public schools which has already been approved and has been operational.

Ms. Johnson stated that the funds needed to get to the proper people.

Mr. Kopplin responded that the funds have been approved and are available.

Mr. Forbes commented that a meeting was held to discuss getting the funding to the schools.

Ms. Fraiche asked about the appeal process that a parish would have regarding the amounts and percentages awarded.

Mr. Forbes responded that the opportunity to appeal the process would be before final approval is given. He stated that the resolution does not define the formula and that there was the option to approve the amendment and resolution and hold in abeyance the final allocation formula.

Mr. Landry asked that a definition be given for local governments.

Mr. Forbes responded that details can be finalized at the LRA's direction. He commented that there were options available to allocate to parishes or by population. The criteria require that projects must be broadly supported by the local community.

Mr. Landry commented that the distribution was important to review.

Mr. Leger stated that there was an Action Plan to be approved. He stated that he thought the formula had been approved and directed that an Action Plan be developed. He asked if the formula had been approved.

Mr. Forbes responded that the resolution had asked for an Action Plan to be developed and to have public comment. There was a formula distributed which was not part of the resolution.

Mr. Leger asked if the formula would be approved today.

Mr. Forbes responded that the vote would be at the board's discretion.

Mr. Leger asked what was included in the vote on this issue.

Mr. Kopplin responded that both the Action Plan and the formula would be voted on for approval. Various parish presidents have asked that additional data be calculated for the formula and that the formula be voted on at a later meeting. He stated that the formula is based on numbers that change over time. He further stated that a vote can be taken on the Action Plan and later approval can be given to the formula.

Mr. Henning commented about the appeal process. He stated that once money has been allocated, money would have to be taken from someone else to resolve an appeal. He further stated that the money could not be redistributed once allocated to an area.

Mr. Morrison agreed with the concerns about the allocation and the formula. He asked if there had been public comment on the formula.

Mr. Leger commented that there have been issues with the formula and that the parishes complain about the allocation amount when the numbers change. He stated that once a commitment has been made that changes would not be made.

Dr. Francis asked for an explanation of how the formula was constructed.

Mr. Bowman responded that the purpose of the formula was to obtain an objective assessment of relative damage in each of the 37 parishes. He stated that one-third of the formula is based on housing and the other two-thirds are based on public assistance funding. He further stated that the formula currently considers all 37 parishes and that another consideration would be to consider the eight most damaged parishes or just the 21 parishes that have a plan in place. He pointed out that some parishes, such as St. Tammany Parish, have a private sewer system which does not show up in public assistance funding. He commented that there should be a meeting of those affected by the formula to reach an agreement on the basis of the formula.

Dr. Francis asked whether there was public opinion about the formula.

Mr. Forbes responded that Mr. Rainwater had discussed the basis of the formula with several people around the state. He stated that the allocation was based on damages and felt confident that the formula was an objectively developed process for allocating funds.

Mr. Henning agreed with the comments that the formula would continue to change. He stated that the parishes affected by Hurricane Rita would receive 8% of the allocation. He further stated that Orleans Parish received more damage and that the formula seemed fair overall. He commented that further review of the formula would delay notification to the parishes of the amount of money that would be distributed.

Mr. Coulon expressed his concern about the requirements to access the money. He stated that the parishes are waiting for the funding. He further stated that a vote not be taken on the formula until information is provided as to when the money would be available to the parishes.

Dr. Francis stated that the discussion of the formula would be deferred and reviewed as quickly as possible. He further stated that the numbers do not seem to be equal based on the damages.

Mr. Landry stated that the main concern of the formula was with one-third based on housing and two-thirds on public assistance. He asked if anyone had concerns about the basis of the formula.

Dr. Francis commented that there has not been enough time to review that aspect of the formula.

- vi. Discussion and consideration for preliminary approval of a resolution on funding for assistance to the fisheries sector**
- vii. Public comments**

Mr. Landry asked Mr. Cross to provide an overview of the resolution on the fisheries sector.

Mr. Cross stated that the fishing industry has been overlooked until this point. He stated that the resolution requests \$20 million in CDBG funds for the recovery of the industry. A meeting was held with fisherman, the coalition, and representatives from organizations in the seafood and fisheries industry. Many issues that the fisheries industries are having can be met by the Small Firm Loan Program. The resolution requests an Action Plan to be developed and action would be taken at a later date for completion by March 31, 2007. He stated that the issue was imperative to get the fishing boats back into the water.

Dr. Francis clarified that the resolution recommended the creation of an Action Plan Amendment to allocate the \$20 million in CDBG funds to the fishing industry.

Mr. Cross confirmed that statement and stated that the Action Plan Amendment would be voted on at a later date and would outline the disbursement of funds.

Mr. Forbes clarified that the resolution does refine the uses of the money to infrastructure and or direct aid to fisherman depending on how well the fishermen access the Small Firm Loan and Grant Program.

Mr. Landry stated that a streamlined process flyer, which is easily understood, should be implemented for distribution to the fisherman. He further stated that there was an issue about impoundment of commercial boats and inquired about the progress of that situation.

Mr. Forbes responded that extensive discussions had been held with the Department of Environmental Quality regarding the issue.

Mr. Cross stated that there has not been clear information about the impounded boats. He further stated that there would have to be further discussion beyond the department and the LRA to clear the issue.

Dr. Francis opened the floor for public comments.

Ms. Tuyet Duong, representing the Asian American Justice Center, New Orleans, Louisiana, thanked Mr. Forbes for his assistance.

Ms. Lang Le, representing the American Red Cross, Hurricane Recovery Program, New Orleans, Louisiana, translated comments on the fisheries allocation.

Mr. Harvey Reed, representing the Federation of Southern Cooperatives, New Orleans, Louisiana, expressed his concerns about the distribution of funds to the fishing industry. He

suggested that the \$20 million be used as a direct grant for the fisherman to secure grants and loans.

Mr. Forbes commented that the resolution was written was for the entire \$20 million to go to further grants for fisherman after the Small Firm Loan and Grant Program begins and applications are received to determine the needs of the fisherman. The option would be there for the entire \$20 million after discovering if there is adequate access in the program for the fishermen.

Mr. Reed stated that consideration of the \$20 million as a direct grant was very imperative to the industry.

Mr. Landry expressed his concern that every fisherman be reached.

Mr. Morrison suggested that the \$20 million be provided as a direct grant.

Dr. Francis stated that there would not be a vote on the money at this time.

A discussion ensued regarding the use of the funding.

Mr. Tracy Kuhns, representing the Louisiana Bayoukeeper, New Orleans, Louisiana, was present in support of the fisheries allocation.

#### **IV. ROLL CALL**

Ms. Angel Ellis called the roll.

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

Dr. Francis called for a motion to approve the minutes of the December 14, 2006, meeting.

Mr. Voelker made a motion to adopt the minutes, seconded by Mr. Robinson. Without objection, the minutes were adopted by a vote of 17 yeas and 0 nays. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods.

#### **VII. COMMITTEE AND TASK FORCE REPORTS AND DISCUSSIONS**

##### **a. Infrastructure Task Force**

##### **i. Discussion and consideration for final approval of a resolution on funding FEMA-ineligible costs for state buildings repairs**

Mr. Landry made a motion, seconded by Ms. Fraiche, to adopt the resolution as follows:

The LRA Board directed the LRA and OCD staff to develop and publish for public comment Action Plan No. 2 Amendment No. 1 for the allocation of up to an additional \$135 million of Community Development Block Grant (CDBG) funds to the State Building Infrastructure Program, increasing the available funding from \$142.5 million to \$277.5 million, to cover the estimated cost of performing FEMA-ineligible repairs to state buildings due to storm-related damage, and to make expenditures of CDBG funds for FEMA-ineligible repairs allowed as an eligible activity under the State Building Infrastructure Program.

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**THEREFORE BE IT RESOLVED**, that the LRA Board does hereby approve Action Plan No. 2 Amendment No. 1, which allocates up to an additional \$135 million of Community Development Block Grant (CDBG) funds to the State Building Infrastructure Program, increasing the available funding from \$142.5 million to \$277.5 million, to cover the estimated cost of performing FEMA-ineligible repairs to state buildings due to storm-related damage and to make expenditures of CDBG funds for FEMA-ineligible repairs allowed as an eligible activity under the State Building Infrastructure Program.

**BE IT FURTHER RESOLVED**, that the Louisiana Recovery Authority Board does hereby recommend the State Building Allocation Action Plan No. 2 Amendment No. 1 for Disaster Recovery funds to the Governor and the Louisiana Legislature for approval.

Without objection, the motion was adopted by a vote of 17 yeas and 0 nays. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods.

**ii. Discussion and consideration for final approval of a resolution on funding FEMA match costs for private K-12 schools and private universities**

Mr. Cross made a motion, seconded by Ms. Johnson, to adopt the resolution as follows:

The LRA Board directed the LRA and OCD staff to develop and publish for public comment Action Plan Amendment No. 10 for the allocation of up to \$40 million of Community Development Block Grant (CDBG) funds to FEMA-eligible, private, non-profit schools (K-12), colleges, and universities to cover the 10% non-federal match of FEMA PA grants for the aforementioned schools in the state of Louisiana which were damaged by Hurricanes Katrina and Rita.

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**THEREFORE BE IT RESOLVED**, that the Louisiana Recovery Authority Board does hereby approve Action Plan Amendment No. 10 for the allocation of up to \$40 million of Community Development Block Grant (CDBG) funds to FEMA-eligible, private, non-profit schools (K-12), colleges, and universities to cover the 10% non-federal match of FEMA PA grants for the aforementioned schools in the state of Louisiana which were damaged by Hurricanes Katrina and Rita.

**BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority Board does hereby recommend expenditures from the Private Non-Profit Infrastructure Program meet the following guidelines:**

- 1. Funding is provided as a match for FEMA Public Assistance grants only;**
- 2. That the funding to be provided is for cases of critical needs. (To be determined by the state);**
- 3. That the funding be provided to schools and universities in parishes that have adopted the latest available base flood elevations of the FEMA Flood Recovery Guidance unless exceptions are granted by the LRA based on reasonable alternatives where safety is not minimized;**
- 4. That the funding be provided to schools and universities in parishes or communities which have adopted, implemented, or are in the process of implementing the new statewide building code standards adopted in the 2005 First Extraordinary Session of the Louisiana Legislature;**
- 5. That the projects receiving funding follow the best design for delivery of services in light of the population shifts and changed circumstances of many Louisiana communities;**
- 6. That a project demonstrate that it is the most efficient and cost effective way to rebuild the infrastructure, or that the applicant has considered alternate methods of rebuilding to achieve the greatest efficiency of the infrastructure to serve the local as well as regional needs of the community as a result of the Public Assistance repairs or reconstruction; and**
- 7. That each infrastructure project considers and/or proposes a mitigation plan to minimize damage in the event of future floods or hurricanes.**

**BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority Board does hereby recommend the Private Schools Allocation Action Plan Amendment No. 10 for Disaster Recovery funds to the Governor and the Louisiana Legislature for approval.**

Without objection, the motion was adopted by a vote of 16 yeas, 0 nays, and 1 abstention. Voting yea were Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods. Dr. Francis abstained from voting.

**iv. Discussion and consideration for final approval of a resolution on funding for Parish Recovery Planning Projects and an Allocation Formula by Parish**

Mr. Landry offered a motion to defer action on the resolution to provide funding for Parish Recovery Planning Projects and an Allocation Formula by Parish. Ms. Fraiche seconded the motion, to which there was no objection. The motion to defer action on the resolution was adopted by a vote of 17 yeas and 0 nays. Voting yea were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods.

**v. Discussion and consideration for final approval of a resolution on funding for match costs for FEMA public assistance costs to local governments for Categories A and B**

Mr. Landry offered a motion, seconded by Ms. Fraiche, to adopt the resolution as follows:

**To request the Louisiana Recovery Authority Board to approve and recommend to the Governor and the Louisiana Legislature for approval the Action Plan Amendment to allocate \$100 million of Community Development Block Grant (CDBG) funds to pay the required non-federal match for all FEMA Public Assistance (PA) grants for work performed in Categories A and B associated with Hurricanes Katrina and Rita, as well as the non-federal match for all Natural Resources Conservation Service work performed to clean debris from drainage paths.**

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**THEREFORE BE IT RESOLVED: that the LRA Board hereby approves the Action Plan Amendment allocating \$100 million of CDBG funds to pay the non-federal match on FEMA PA grants in Categories A and B, and on NRCS contracts for post-hurricane drain clearing, and forwards it to the Governor, Louisiana Legislature, and federal Department of Housing and Urban Development for their approval.**

**BE IT FURTHER RESOLVED: that the Louisiana Recovery Authority Board does hereby recommend that funds be used under the following conditions:**

- 1. That the funding be provided for cases of emergency need;**
- 2. That the funding be provided as match for projects eligible for FEMA Public Assistance or for NRCS drain-clearing contracts;**
- 3. That the funding be provided to parishes which have adopted the latest available base flood elevations of the FEMA Flood Recovery Guidance;**
- 4. That the funding be provided to parishes or communities which have adopted, implemented, or are in the process of implementing, the new statewide building code standards adopted in the 2005 First Extraordinary Session of the Louisiana Legislature;**
- 5. That each infrastructure project considers and/or proposes a mitigation plan to minimize damage in the event of future floods or hurricanes.**

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Without objection, the motion was adopted by a vote of 17 yeas and 0 nays. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods.

**vi. Discussion and consideration for preliminary approval of a resolution on funding for assistance to the fisheries sector**

Mr. Landry offered a motion, seconded by Mr. Cross, to adopt the resolution as follows:

**The LRA Board hereby directs LRA and OCD staff to develop and publish for public comment an Action Plan Amendment for the allocation of \$20 million of CDBG funds to help restore the commercial and recreational fishing industry to long-term viability in**

areas of the state that were affected by Hurricanes Katrina and Rita. Upon final approval of this Action Plan Amendment at a subsequent meeting of the LRA, it will be forwarded to the Governor, Louisiana Legislature, and federal Department of Housing and Urban Development for their approval.

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**BE IT FURTHER RESOLVED:** that the Louisiana Recovery Authority Board does hereby recommend that the funding to be provided under this Action Plan Amendment be focused on the following areas:

1. Repairing, improving, acquiring, and/or constructing public infrastructure, and returning fishing boats to service; and
2. To the extent necessary after determining utilization of the Small Firm Loan and Grant program by fishermen, providing direct assistance to fishermen in the form of grants and loans to help them return to/remain in the commercial and/or recreational fishing business. Any funds allocated to this activity will be distributed through the Small Firm Loan and Grant program created by the LRA within its Economic Development Program, via transfer of funds from the Infrastructure program to the Economic Development program. Money transferred for such purpose will be earmarked for distribution exclusively to fishermen. This transfer and portion of the proposed program will only be executed as necessary if the members of the fishing industry are not adequately served by the Small Firm Loan and Grant program for direct assistance.

**BE IT FURTHER RESOLVED:** that the Louisiana Recovery Authority Board does hereby recommend that the full \$20 million be allocated to these activities, and that the distribution of funds between the two focus areas be determined in consultation with stakeholders of the fishing industry based on estimates of utilization of the existing Small Firm Loan and Grant Program by fishermen no later than March 31, 2007.

Without objection, the motion was adopted by a vote of 17 yeas and 0 nays. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods.

**iii. Discussion and consideration for final approval of a resolution on funding for the Medical Center of Louisiana – New Orleans**

Dr. Francis called for a motion to amend the agenda.

Mr. Leger made a motion to amend the agenda, seconded by Mr. Voelker.

Ms. Ellis called the roll.

Without objection, the motion was adopted by a vote of 17 yeas and 0 nays. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods.

Mr. Kopplin provided an overview of the resolution for approval of a resolution for the Medical Center of Louisiana in New Orleans. Preliminary approval was granted by the board. There have been several discussions between Louisiana State University, Veteran's Affairs, and the legislature regarding the language in the resolution.

Mr. Landry stated that the LRA has shown support for the allocation. He further stated that there were concerns that the language in the resolution was not clear and did not have the intent of the LRA.

Senator Bajoie expressed her concern regarding the language which provides that the LRA approve the plan. She stated that approval of the plan by the LRA infringed on the power of the legislature. She offered an amendment, which would require that the strategic plan be reviewed, not approved, by the LRA Board.

A discussion ensued regarding clarification of the amendment.

Mr. Henning stated that there was a responsibility to taxpayers to make sure there is a business plan approved by the board.

Dr. Francis stated there was the assumption that the board would receive and review the financial analysis and that the State Bond Commission would decide whether the analysis was feasible.

Mr. Henning expressed his concern regarding approval of the financial analysis.

Dr. Francis expressed his concern about fiduciary responsibility. He stated that board should be able to comment about the analysis when recommendations are made for funding the hospital.

Mr. Bollinger stated that an agreement was made to provide funding of \$300 million in order for the state to negotiate with the federal government and show that there was a commitment from the state. He further stated that \$74 million was short-term money to be used for land acquisition. He explained that LSU had promised to not continue negotiations until there was a business plan. He commented that the project was far from ready for recommendations to move forward.

Dr. Francis clarified that approval could not be granted by the board until a business plan was reviewed.

Mr. Bollinger stated that LSU would develop a plan and that the plan would be brought to the LRA prior to expecting the full commitment of the state.

Mr. Kopplin stated that an amendment at the last meeting clarified the commitment in the resolution. The commitment would require action when an Action Plan is brought forward by the LRA. The resolution authorizes an Action Plan of \$74 million and commits \$226 million in a subsequent Action Plan.

Mr. Smith expressed his concern for committing \$74 million to purchase land when a plan has

not been developed. He stated that the commitment was made as a good faith effort. He further stated that an outside consultant should assist the board with confirming the viability of the business plan.

Mr. Voelker stated that the obligation of the LRA is to have fiduciary responsibility for the federal funds from Washington. He further stated that the business plan should be reviewed prior to funding allocations.

Mr. Leger stated that at the last meeting the resolution read that the approval was conditioned upon the presentation of a plan and other documents. Approval had to be given prior to granting the additional \$226 million. He further stated that an amendment was offered removing the conditional language. He commented that a message had to be sent to the V.A. that the state would partner to build the hospital. He further commented that the V.A. needed a commitment on the \$74 million prior to December 31 for them to commit to build the hospital in New Orleans. He expressed his concern about modifying the action taken at the last board meeting.

Mr. Kopplin stated that document provided in the handouts was the current resolution, excluding the proposed amendment by Senator Bajoie.

Mr. Coulon stated that, in the spirit of cooperation, the amendment was negotiated with the LSU president and a compromise had been agreed upon by all. He further stated that the resolution as stated would not negate action by the legislature but would attempt to provide a clear understanding of the commitment.

Mr. Kopplin stated that the amendment adopted at the last meeting did not address language in the resolution relative to LRA approval. He further stated that LSU has recommended that the approval language be removed and have proposed language to clarify the intent.

Ms. Fraiche stated that LSU has expressed full commitment to work with and prepare a strategic plan to accommodate the LRA's policy role and responsibility with regard to fiduciary responsibility. She further stated that action had to be taken quickly to ensure that New Orleans would be the location for the hospital.

Mr. Kopplin clarified that the changes suggested by LSU to the resolution would remove the approval language in both paragraphs of the resolution.

Mr. Voelker commented in support of the project and stated that the responsibility of the LRA is to oversee funding from the federal government. He stated that the process should be adhered to and that the LRA could not set policy for state-owned healthcare.

Senator Bajoie commented that her main concern was to ensure that precautions have been taken. She stated that the approval required by the LRA Board should be removed from the resolution with regard to the strategic plan.

Senator Bajoie made a motion to adopt the amendment, seconded by Mr. Henning.

Dr. Francis clarified that the resolution provided a commitment to recommend \$300 million

and further recommended that an Action Plan be developed for \$74 million.

Mr. Kopplin stated that the amendment proposed by Senator Bajoie would remove the LRA's ability to approve the strategic plan.

Mr. Woods stated that the LRA approved the Health Care Task Force recommendation at a prior meeting without objection from LRA members who are also legislators. He further stated that those members should be present to express objection to the resolution.

Mr. Kopplin commented that there were several legislators who had concerns and that he would provide that information to those members.

Mr. Smith stated that the LRA Board should understand the strategic plan. He further stated that prior approval was given to proceed with the project with the understanding that additional approvals would have to be granted.

Dr. Francis stated that the amendment would allow for a review of the plan.

Mr. Leger commented that the resolution as written removed conditional language regarding approval by the LRA Board. He stated that the resolution states that the LRA Board would review the study and that Adams Management Services Corporation would prepare a complete financial analysis.

Dr. Francis stated that the LRA Board committed \$74 million to start the project. He further stated that the governor and legislature would have to approve the plan.

Mr. Voelker commented that healthcare reform in Louisiana was a revolving issue. He further commented that a thorough review would be required through the various steps of the process and each entity would do their best to accomplish their task.

Mr. Henning asked if the funding would be allocated if the board does not approve the financial analysis submitted by Adams Management Services Corporation.

Ms. Alesia Wilkins-Braxton, LRA General Counsel, responded that funding was contingent on such approval.

Mr. Kopplin clarified that the resolution provides the commitment of \$226 million and that an Action Plan would have to be developed.

Motion was made to call the question on the amendment, to which there was no objection. The motion was adopted by a vote of 17 yeas and 0 nays. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Smith, Mr. Voelker, and Mr. Woods.

Voting proceeded to the motion by Senator Bajoie to adopt the amendment, seconded by Mr. Henning. The amendment was adopted by a vote of 15 yeas and 2 nays. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche,

Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, and Mr. Voelker. Voting nay were Mr. Smith and Mr. Woods.

Senator Bajoie offered a motion, seconded by Mr. Henning, to adopt the resolution, as amended, as follows:

**To request the LRA Board to approve and recommend to the Governor and the Louisiana Legislature for approval Action Plan No. 2 Amendment No. 1 to allocate \$74 million in Community Development Block Grants (CDBG) to the Division of Administration for the purpose of land acquisition and architecture and engineering design work for the new academic Medical Center of Louisiana – New Orleans (MCLNO), and stating the LRA's commitment to recommend to the Governor and the Louisiana Legislature at a future date an Action Plan Amendment that would allocate an additional \$226 million to the Division of Administration for the construction of the new MCLNO.**

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**THEREFORE BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority Board does hereby approve Action Plan No. 2 Amendment No. 1 to allocate \$74 million in Community Development Block Grants (CDBG) to the Division of Administration for the purpose of land acquisition and architecture and engineering design work for the new Medical Center of Louisiana.**

**THEREFORE BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority Board does hereby recommend the MCLNO Allocation Action Plan No. 2 Amendment No. 1 for Disaster Recovery funds to the Governor and the Louisiana Legislature for approval.**

**THEREFORE BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority Board does hereby commit to recommending the allocation of an additional \$226 million in Community Development Block Grants to the Division of Administration for the construction of the new academic MCLNO.**

**Louisiana State University and the Office of Facility Planning and Control, within the Division of Administration, have also committed to the following:**

- (1) LSU Health Care Services Division produces a strategic plan, to be reviewed by the LRA Board, which considers, but is not limited to, the possibility of operating the new academic medical center in accord with a redesigned health care delivery and financing system including but not necessarily limited to the concepts proposed by and described in the final report of the Louisiana Health Care Redesign Collaborative, the criteria for which are included in the attached document from the Louisiana Department of Health and Hospitals.**
- (2) Adams Management Services Corporation and Phase 2 Consulting, or appropriate experts and consultants, provide the LRA Board with a completed financial analysis, to be reviewed and approved by the LRA, which includes but is not necessarily limited to the feasibility of MCLNO as an academic medical center in accord with the above described concepts, and which further calculates**

**the financial benefit of shared services between MCLNO and the VA medical center.**

**THEREFORE BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority Board recognizes that costs affiliated with construction and operation of the new MCLNO, inclusive of land acquisition, site development, financing and ancillary service buildings, will exceed available CDBG funds, and thus expects CDBG funds for construction will only be invested as part of an overall package of financing from multiple sources that have been identified and committed to this project, consistent with the requirements of state law.**

Mr. Smith objected to the motion.

The motion was adopted by a vote of 16 yeas and 1 nay. Voting yeas were Dr. Francis, Mr. Isaacson, Senator Bajoie, Mr. Bollinger, Mr. Coulon, Mr. Cross, Ms. Fraiche, Mr. Henning, Ms. Johnson, Mr. Landry, Mr. Leger, Mr. Morrison, Mr. Reilly, Mr. Robinson, Mr. Voelker, and Mr. Woods; voting nay was Mr. Smith.

#### **IX. GUEST PRESENTATION – TOURISM AND CULTURAL ECONOMY RECOVERY**

Dr. Francis recognized Lieutenant Governor Mitch Landrieu for a presentation on the tourism and cultural economy recovery.

Mr. Landrieu introduced leaders from the tourism and hospitality industry: Mr. Sean Hunter, New Orleans Aviation Board; Ms. Angele Davis, Secretary, Department of Culture, Recreation and Tourism; Mr. Jim Funk, Louisiana Restaurant Association; and Mr. Bill Langkopp, Hotel/Motel Association. He stated that the Louisiana Travel Promotion Association of the Convention and Visitors Bureau endorsed the program to be presented. A marketing plan, "Louisiana Rebirth", was prepared for Louisiana and submitted to Washington and a scorecard was developed to grade the plan. He further stated that the LRA Board was instrumental in allocating \$28.5 million for tourism recovery. He stated that tragic news of crime in New Orleans has spread to Canada. He explained that \$150 million was needed to market Louisiana and more money was needed for small business grants and loans or those businesses will close. He commented that there are not enough resources to provide for the needs of recovery. He further commented that the philosophy of Congress is that the responsibility belongs to local government. He stated that there was not a state surplus when recovery needs are considered. He further stated that a clear, thoughtful plan should be developed for healthcare and education.

Dr. Francis asked how much funding was needed.

Mr. Landrieu responded that \$150 million was needed for tourism and \$100 million for small business grants and loans. He commended the LRA on their work.

Dr. Francis stated that Senate Resolution No. 25 of the 2006 Second Extraordinary Session of the Legislature was being distributed to the members and is attached to these minutes as "Exhibit B".

Senator Bajolie explained that the resolution requested the Housing Task Force of the LRA to study and make recommendations establishing a rental assistance program for displaced Louisiana citizens. She stated that a voucher plan should be established to provide much needed rental assistance to Louisiana citizens who want to return home.

Dr. Francis requested that the task force provide immediate attention to the request.

## **XI. COMMITTEE AND TASK FORCE REPORTS AND DISCUSSIONS**

### **c. Audit Committee**

- i. Presentation of Deloitte Touche Audit findings**
- ii. Update on FEMA Public Assistance issues, GOHSEP, and local governments**
- iii. Public comments**

Mr. Virgil Robinson presented the Audit Committee report. He stated that the Division of Administration was creating a recovery website to include accountability and reporting of the disbursements of recovery money to the state. The website should be available by the end of the month. The Office of Community Development reported that \$80 million of the \$6.2 billion allocated for housing funds has been spent, with \$10 million to the public sector, and the larger portion to ICF. He stated that the audit report by Deloitte and Touche was available. The Attorney General's Office reported on fraud prevention which continues to be an issue. He invited Colonel Jeff Smith, Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) to make a presentation.

Col. Smith distributed a pamphlet of information, which is attached to these minutes as "Exhibit C". He provided an overview of the mission of the office. He stated that the office operates from an emergency operations plan and described the emergency management process. Col. Smith explained the current ongoing operations and accomplishments of the office. He stated that as the Governor's Authorized Representative (GAR), he administers the Public Assistance (PA) Program. He explained the PA process and the state advance policy. He concluded his presentation by stating that additional resources would be requested from the state and outlined areas where the LRA could assist the office.

Mr. Robinson commended Col. Smith on the work that has been done through the office.

A discussion ensued relative to project worksheets.

Mr. Reilly commented that some responsibility has to be in the area of problem solving with execution and implementation.

Col. Smith stated that the office was receptive to ideas and thanked the board for their work.

Dr. Francis opened the floor for public comments.

Mr. Windell Curole and Mr. Dick Guidry, representing the South Lafourche Levee District, Galliano, Louisiana, requested funding to complete a floodgate and locks.

Ms. Fraiche commented that long-term issues should be presented to the Louisiana Coastal Protection and Restoration Authority (CPRA).

Mr. Morrison suggested that the issue be presented to the task force for federal legislative issues.

**e. Housing and Community Development Task Force**

- i. Update on Road Home Programs for Rental Development**
- ii. Update on the Road Home Program for Homeowners**
- iii. Public comments**

Mr. Leger recognized the work conducted by the LRA and Office of Community Development (OCD) staff to identify and solve problems with the rental program. He stated that a program was in the process of development to provide vouchers for rental property. He asked Mr. Calvin Parker, representing OCD, to provide information on the program.

Mr. Parker stated that the small rental property repair program was targeted to the needs of southern Louisiana and areas damaged by the storm. The program is for one to four unit properties with the first round limited to small property owners with fewer than 20 properties. He stated that the program description would soon be available and events would be offered for information to be distributed about the program. ICF will visit parishes that have the availability of the program. He further stated that there would be widespread advertising of the program.

Mr. Leger asked when program descriptions would be available in written form.

Mr. Parker responded that program descriptions would be available by January 22, 2007.

Mr. Leger commented that information on the website is critical and should be kept up-to-date.

Mr. Leger stated that Ms. Susie Elkins, Executive Director, Office of Community Development (OCD), Division of Administration, and Mr. Mike Byrne, ICF International, would provide an update on the Road Home Program.

Ms. Elkins stated that auditors reviewed the programs and did not have any concerns. There were recommendations made by the auditors. Ms. Elkins recognized the work of Mr. Parker on the rental program. She stated that there were 97,000 applications for the Road Home Program. There have been 58,000 appointments completed and 23,000 benefit option letters have been mailed. She provided statistical information on the receipt of applications. A pamphlet of information was distributed, which is attached to these minutes as "Exhibit D". Ms. Elkins stated that Mr. Mike Spletto, OCD staff, would review the details of the 40-step closing process.

Mr. Leger asked that he be informed of problems with clerks of courts.

A discussion ensued regarding various issues with the banks and closings.

Mr. Spletto provided an overview of the closing process. He outlined the policy changes which were made to expedite the process.

Mr. Leger stated that accurate information should be made to the public regarding timelines.

Mr. Reilly asked if there was a way to expedite the process for calculation of benefits.

Mr. Spletto responded that the management information system was being upgraded which should expedite the process.

Mr. Robinson asked about the relevance of the pre-storm value when calculating increased costs of reconstructing a home.

Mr. Spletto responded that the pre-storm value would be used if the home was damaged more than 51%.

Mr. Robinson asked about the use of satellite appraisals and the need for appraisers.

Ms. Elkins responded that one of the policy changes was to use appraisers from the New Orleans area.

Mr. Leger commented that every property that was not evaluated would have an appraisal and the broker price opinion.

Ms. Elkins stated that there were several types of appraisals were accepted by the program. Those are: 1) an appraisal from 2000-2005 if the homeowner has one, 2) a post-storm appraisal on pre-storm value, 3) if can be matched with Fannie Mae or other company, or 4) an appraiser from the area would provide an actual appraisal.

A discussion ensued relative to appraisals.

Ms. Elkins requested help with obtaining a global match for infrastructure projects.

Mr. Kopplin stated that when negotiations were made for additional money from Congress, the point was made that FEMA has a program that allows housing buyouts and that money must be used as part of the program rather than requesting more money. There has been an arduous attempt to implement that policy for many months. He stated that FEMA found the benefit for seniors problematic. He further stated that with the buyout program and providing mitigation money to the parishes, there could be two buyout programs in one disaster, which was also problematic. He stated that work was being done to rectify the issues. He explained the issue involved with a global match.

Ms. Elkins introduced Mr. Mike Taylor, OCD staff, to discuss compensation awards.

Mr. Taylor stated that compensation awards would begin distribution. He further stated that work continues to identify impediments.

Mr. Leger commented that a presentation to board members by OCD staff on the rental program and other programs would be beneficial.

Mr. Carl Bockley, representing First American Title Insurance Company, provided information on the closing process.

Mr. Leger asked if there was any assistance that the LRA could provide to expedite the process.

Mr. Bockley explained an issue regarding cooperation of lenders.

Dr. Francis opened the floor for public comments.

Ms. Melanie Ehrlich, representing the Citizens' Road Home Action Team, New Orleans, Louisiana, addressed the members relative to grant funding. An outline of her comments is attached to these minutes at "Exhibit E".

Mr. Joseph Bistes II, representing himself, Metairie, Louisiana, presented an issue regarding the preliminary determination of eligibility. Mr. Bistes distributed a letter to the members, which is attached to these minutes as "Exhibit F".

Mr. Leger responded that the procedures have improved and the problem should be solved. He asked Mr. Bistes to keep him updated regarding his situation. Mr. Leger suggested that advertisements should be made outlining the changes that were made to the program.

Ms. Susan Medier, Executive Director of Rebuilding Together and member of the Long-Term Recovery Group of Southwest Louisiana, presented an issue relative to the Road Home Program. She distributed a handout, which is attached to these minutes as "Exhibit G". Ms. Medier explained an issue relative to repairs made by a non-profit organization.

Mr. Leger suggested that the problem be discussed with the Road Home staff.

Mr. Robinson suggested that an attorney be consulted to assist with the efforts of the organization.

Dr. Francis stated there were no further comments.

#### **X. UNFINISHED BUSINESS**

There was no unfinished business.

#### **XI. PUBLIC COMMENTS**

There were no other public comments.

#### **XII. NEW BUSINESS**

There was no new business.

**XIII. ANNOUNCEMENTS**

There were no announcements.

**XIV. ADJOURNMENT**

The meeting was adjourned at 5:08 p.m.

Respectfully submitted,

Andy Kopplin  
Executive Director

/ae

Date approved: \_\_\_\_\_