



Executive Director's Report  
March 14, 2007

 **LRA's Roles in Recovery**

The LRA focuses on four aspects of Louisiana's recovery from hurricanes Katrina and Rita.

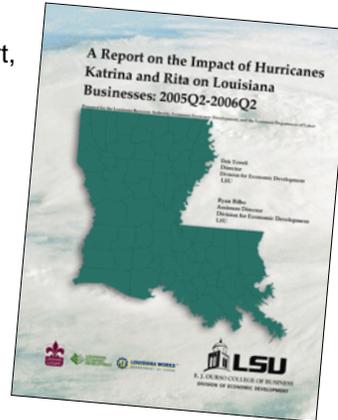
- Establish priorities and strategies for redevelopment**
- Secure funding and other resources**
- Lead long-term community and regional planning efforts**
- Ensure transparency and accountability**

1



## Louisiana Business Recovery Report

- The Louisiana Business Recovery Report, the first comprehensive report about business loss after Hurricanes Katrina and Rita was released last week.
- The report was conducted by LSU researchers on behalf of the LRA, Louisiana Economic Development and the Louisiana Department of Labor.
- Shows that the number of businesses open across the entire state declined immediately after the storms and continued to decline through the first quarter of 2006. There was a slight increase in the second quarter of 2006; however, at the end of the second quarter 2006, there were still 2,270 fewer firms open than before the storms.



2



## Louisiana Business Recovery Report

### The report shows that:

- Parishes most damaged by the hurricanes continue to struggle. In Orleans parish more than 35% of all businesses in the parish closed in the year after the storm. Despite a modest recovery in the second quarter of 2006, the number of businesses open in Orleans remains 27% below pre-hurricane levels.
- In percentage terms, the largest net loss of employers occurred in St. Bernard parish. By the first quarter of 2006, 59.2% of the businesses in St. Bernard had closed their doors. Despite a modest recovery in the second quarter of 2006, the number of businesses open in St. Bernard remains 54% below pre-hurricane levels.
- Business loss is not limited to the Southeast. Cameron parish experienced a 28% decline in the number of employers as of the first quarter 2006.

3



## Louisiana Business Recovery Report

### The report shows that:

- Overall, Southeast Louisiana (five parish region including: Jefferson, Orleans, Plaquemines, St. Bernard and St. Tammany) had 3,717 fewer employers nearly one year after the hurricanes, a 13.3% decline in the number of employers relative to the second quarter in 2005.
- With the exception of Cameron parish which continues to see a decline in the number of employers -- 20.8% as of the second quarter of 2006, Southwest Louisiana (three parish region including: Calcasieu, Cameron and Vermilion) had returned to within 1% of its pre-storm number of employers by the second quarter of 2006, nearly one year after the storms.
- Largest net loss of firms came in retail trade and service sectors, which typically rely on local population as a customer base.
- Construction emerged as the strongest sector for both the state and the region.

4



## CDBG Funding for MCLNO

The Joint Legislative Committee on the Budget met in early in March to bring back for consideration the issue of CDBG funding for the Medical Center of Louisiana New Orleans (MCLNO) since the committee's amended version of the LRA's recommended Action Plan did not pass the House of Representatives by mail ballot.

The committee re-amended the Action Plan to request of HUD the full \$300M that has been set aside for the project, but explicitly prohibited the expenditure by the Division of Administration of \$226M for construction until:

1. The business plan from the Office of Facility Planning has been completed;
2. The plan has been submitted to the LRA Board for review; and
3. JLCB and the full legislature have approved that business plan.

5



## CDBG Funding for MCLNO

### What happens next:

This newly amended action plan has now been sent to the Legislature for approval by mail ballot.

President Jenkins also sent the LRA a letter noting that he intends to honor the commitment he made at the LRA board meeting in December to appear before the LRA to present its final strategic plans for the LRA to review.

The business plan from the Office of Facility Planning and the LSU strategic plan are due back in late April or early May.

6



## The President visits New Orleans



Photo courtesy of the White House

President Bush visited New Orleans on March 1, meeting with elected officials and community leaders and visiting Samuel J. Green Charter School, which merged in with the highly successful New Orleans Charter Middle School, which was flooded and destroyed during Hurricane Katrina, and reopened to serve 350 kindergarten through eighth grade students.

Of his visit to the school, Bush said, "There's nothing better than being in the middle of a bright spot, a place that just shines with optimism, in a part of the world that has gone through some really difficult times. And so I'm here to herald success -- success for today, and equally important, success for the future of this important city."



Dr. Francis addresses a crowd at the Charter School in February.

7



## Changes at the Dept. of Education



Photo courtesy LDOE

Paul Pastorek speaks to the BESE board after his appointment. The basketball is inscribed, 'Paul, keep shooting for Louisiana's kids.'

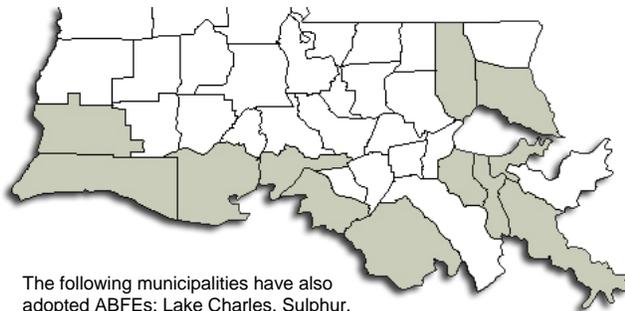
The Louisiana Board of Elementary and Secondary Education named Paul G. Pastorek to be the new State Superintendent of Education. Pastorek's appointment comes at a critical time in the state's recovery, as school districts throughout South Louisiana were dramatically impacted by the storms, in both finances and infrastructure.

The state-run Recovery School District in New Orleans also faces challenges in rebuilding the education system in the city, attracting enough highly qualified staff members and opening more schools.



## ABFE Adoption

**Twelve parishes have adopted ABFEs. The most recent parish to adopt was Plaquemines parish.**



The following municipalities have also adopted ABFEs: Lake Charles, Sulphur, Vinton, Westlake, Jeanerette, New Iberia, Grand Isle, Gretna, Harahan, Jean Lafitte, Kenner, Westwego, Golden Meadow, Lockport, Thibodaux, Baldwin, Franklin, Morgan City, Madisonville, Slidell, Ponchatoula, Abbeville, Delcambre.

**Parishes that have adopted:**

- Calcasieu
- Cameron
- Iberia
- Jefferson
- Orleans
- St. Charles
- St. Mary
- St. Tammany
- Tangipahoa
- Vermilion
- Plaquemines



## LRA's Roles in Recovery

The LRA focuses on four aspects of Louisiana's recovery from hurricanes Katrina and Rita.

Establish priorities and strategies for redevelopment

Secure funding and other resources

Lead long-term community and regional planning efforts

Ensure transparency and accountability

10



## Federal Funding

### \$110 billion for Hurricane Recovery

Split between Louisiana, Mississippi, Alabama, Florida and Texas for Hurricanes Katrina, Rita and ...

### \$59 billion for Hurricane Recovery in LA

\$18 billion used for disaster response – health care, individual assistance to victims, SBA

### \$41 billion for Hurricane Recovery in LA

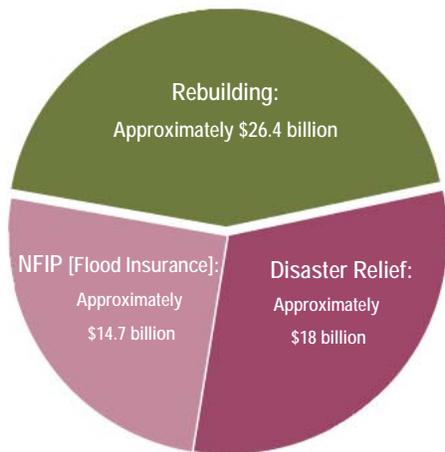
\$14.7 billion to homeowners in the form of flood insurance payouts (NFIP)

Leaves LA with \$26.4 billion for construction projects

11



# Federal Funding



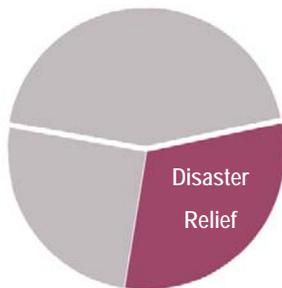
## A Snapshot of Federal Commitment to Louisiana's Recovery

|                 |                             |
|-----------------|-----------------------------|
| Rebuilding      | \$26.4 billion              |
| Disaster Relief | \$18 billion                |
| NFIP            | \$14.7 billion              |
| <b>TOTAL:</b>   | <b>Approx. \$59 billion</b> |

12



# DISASTER RELIEF

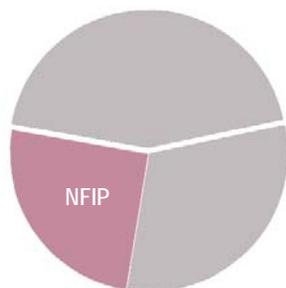


|  |                      |
|--|----------------------|
| Healthcare                                     | \$1 billion          |
| Education                                      | \$760 million        |
| Temporary Assistance for Needy Families (TANF) | \$34 million         |
| Small Business Administration (SBA)            | \$834 million        |
| Social Service Block Grant (SSBG)              | \$220 million        |
| Individual Assistance (IA)                     | \$12.1 billion       |
| <b>Other</b>                                   | <b>\$2.4 billion</b> |
| DOD  | \$586 million        |
| DHS/other                                      | \$516 million        |
| HUD/other                                      | \$71 million         |
| USACE  | \$989 million        |
| All other                                      | \$324 million        |

13



## NFIP (Flood Insurance)

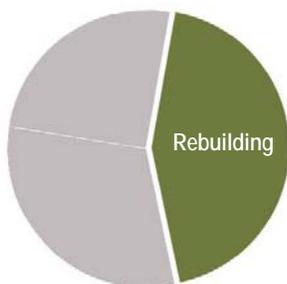


### National Flood Insurance Program:

As of August 2006, approximately \$13.2 billion had been paid out to policy holders in Louisiana.



## REBUILDING



|   |                       |
|---|-----------------------|
| <b>CDBG and HMGP</b>                          | <b>\$11.9 billion</b> |
| Homeowner Assistance                          | \$7.5 billion         |
| Workforce Rental Housing Programs             | \$1.75 billion        |
| Infrastructure                                | \$2.3 billion         |
| Economic Development                          | \$350 million         |
| <b>Levees</b>                                 | <b>\$5.7 billion</b>  |
| <b>Transportation</b>                         | <b>\$1 billion</b>    |
| <b>FEMA PA [CAT. C-G]</b>                     | <b>\$7 billion</b>    |
| <b>Other</b>                                  | <b>\$812 million</b>  |
| Jackson Barracks                              | \$142 million         |
| Veterans Hospital for New Orleans             | \$550 million         |
| Coast Guard Integrated Support Command Center | \$80.8 million        |
| Historic Preservation Grants                  | \$37 million          |
| Job Corps Facility in New Orleans             | \$2 million           |



## Fighting Federal Red Tape

**The State has encountered two Federal road blocks to recovery:**

1. Using HUD funds (CDBG) to pay 10 percent match for FEMA Public Assistance Projects
2. Using \$1.175 billion in FEMA funds (HMGP) for the Road Home program

16



## FEMA Public Assistance Projects

The State has set aside HUD dollars (CDBG) to pay matching costs for FEMA Public Assistance construction projects. Each project must conform to FEMA rules ***and*** HUD rules.

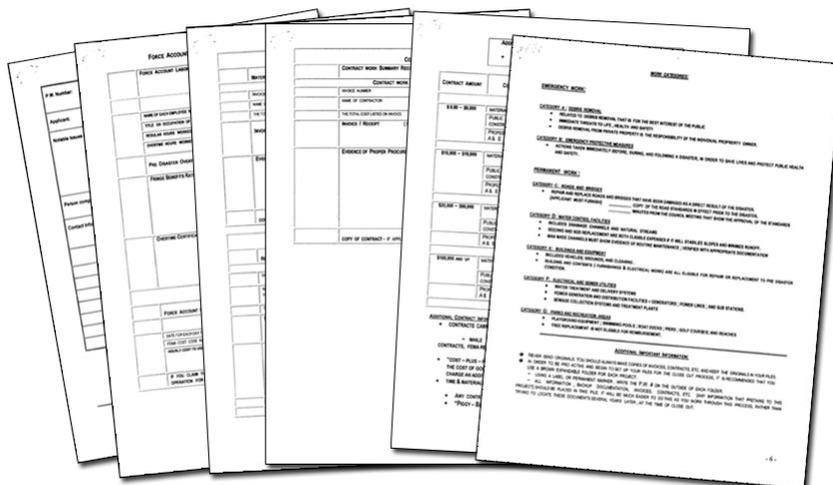
**The problem: Two sets of federal tape per project—for 20,000 projects.**

17



## Applying for FEMA PA dollars

For each project worksheet, the applicant must submit all the documentation listed on these six pages, in addition to other state-required documents:



18



## Requirements for one project

Binders of FEMA-required paperwork for repairs to the Superdome.



19



# Duplicate Efforts, More Paperwork

To cover the 10 percent with CDBG funds for each project, applicants must prepare, file and submit each of the documents on this list for each project (approximately 20,000 projects statewide):

The collage shows several overlapping checklist documents. A prominent text box with a torn edge contains the following text:

“The checklist below is a sample of the major file categories you should maintain and a listing of materials that should be kept in each file. This list is not all inclusive.”



# Piles of paperwork

Each project will require data collection/reviewing/monitoring by a separate state and a separate federal agency.





## Duplicate Efforts



### Our First Proposal: **GLOBAL MATCH**

Cover the biggest construction projects, which represent 10 percent of the total value of all projects, with HUD (CDBG) funds while also following all FEMA regulations.

Cover the remaining 20,000 smaller construction projects, which represent 90 percent of the total value of all projects, with FEMA funds.

22



## CDBG – Global match

FEMA has refused global match for Louisiana.

23



## CDBG – Waive the Match



### Our Second Proposal: **WAIVE THE MATCH**

The state requests that Congress waive the 10 percent state match for FEMA programs, as had been done in 32 other disasters.

24



## The Paperwork Equation

**Without Global Match or a waiver of FEMA matching costs, the paper will keep piling up.**

1 CDBG project = at least 134 required documents (not pages)

With Global Match (20 projects funded with CDBG):

**20 CDBG projects =  
at least 2,680 required documents (not pages)**

Without Global Match or a waiver (all project worksheets funded with CDBG):

**20,000 PWs =  
at least 2,680,000 documents (not pages)**

25



## CDBG – Waive the Match

| Disaster  | State (s)           | FEMA spend per capita | 100 % federal cost share?           |
|---|---------------------|-----------------------|-------------------------------------|
|  Sept. 11                        | New York            | \$390                 | <input checked="" type="checkbox"/> |
|  Hurricane Andrew ('92)          | Florida & Louisiana | \$139                 | <input checked="" type="checkbox"/> |
|  Hurricane Iniki ('92)           | Hawaii              | \$234                 | <input checked="" type="checkbox"/> |
|  Hurricanes Katrina & Rita ('05) | Louisiana           | \$6,700               |                                     |

26



## CDBG – Waive the Match

Local and national papers have editorialized in favor of waiving the match.

New Orleans  
**CITYBUSINESS**

**The New York Times**

**The Boston Globe**

**USA TODAY**

**The Washington Post**

### The Times-Picayune The Case for a Waiver

Editorial  
The Times-Picayune  
February 1, 2007

Governments generally spend more wisely if some of their own money is at stake. That's why the federal Stafford Act, which rules how the Federal Emergency Management Agency dispenses disaster aid, requires state and local governments to share rebuilding costs.

But the Stafford Act also allows the president to waive the local match if it's unduly burdensome due to the disaster's impact or the lack of local funds.

More than 17 months after Hurricane Katrina, efforts to rebuild public infrastructure in New Orleans-stopped communities their share.

Those communities have asked Congress to amend the law.

The federal government did so for South Florida in 1992, and for New York in 2001.

Congress has since 2001, for example, it amends the law to allow Louisiana to use federal grants when it granted them waivers. Katrina-affected communities should get similar consideration.

But a 10 percent waiver, according to the law, is not enough.

Considering that, for a waiver, Katrina's, Hurricane Andrew and 1992, for example, a federal agency -- the Army Corps of Engineers -- was responsible for most of the destruction in New Orleans when the corps shoddy levees failed.

So far, the Bush administration has said Louisiana should tap federal recovery grants to pay for the local match. But that would cut away money that could be used for other urgent recovery needs, from economic development to rebuilding expenses. Besides, the federal government did not ask New York and Florida to use federal grants when it granted them waivers. Katrina-affected communities should get similar consideration.

Katrina was unprecedented, but a full waiver of the local share is not. Louisiana is only asking to be treated as others have been after extraordinary disasters.

**"Katrina was unprecedented, but a full waiver of the local share is not. Louisiana is only asking to be treated as others have been after extraordinary disasters."**



## CDBG – Waive the Match

### Help from Congress:

- House Majority Whip James Clyburn (D-SC) introduced **HR 1144, the Hurricanes Katrina and Rita Federal Match Relief Act of 2007**. The House Transportation and Infrastructure Committee approved the bill on March 1, 2007. The bill raises the Federal cost share from 90% to 100% for FEMA's Public Assistance Program and raises from 75% to 100% the Federal share for FEMA's Other Needs Assistance Program.
- On the Senate side, Senator Landrieu has proposed an amendment to the **Improving America's Security Act of 2007** (S. 4) that would waive the state and local match for FEMA recovery activities. However, one or more Republican members of the Senate have expressed concerns and have placed a hold on the amendment.

28



## HMGP and The Road Home

In negotiations for additional Federal help to fully fund the Road Home program, Chairman Don Powell asked the state to use FEMA's Hazard Mitigation Grant Program dollars for elevations and buy outs through the program

**The problem: FEMA hasn't approved our plan because of Road Home program design provisions that provide additional benefits to the elderly.**

29



## HMGP and The Road Home



### Our Proposal:

Transfer the 1.175 billion of HMGP funds that were set-aside for the Road Home program from FEMA to HUD.

30



## HMGP and The Road Home

### Help from Congress:

- On March 7, the House Financial Services Committee approved **HR 1227, the Gulf Coast Hurricane Housing Recovery Act of 2007**, which was introduced by Congresswoman Maxine Waters (D-CA), which would transfer \$1.175 billion in Hazard Mitigation Grant Program (HMGP) funds to Community Development Block Grants (CDBG). The legislation requires that these funds still be used for hazard mitigation but frees the money from the overly restrictive FEMA regulations on the use of HMGP funds.

31



## Federal Tax Penalties & The Road Home

Homeowners who received a casualty loss deduction and get Road Home awards to rebuild their homes are penalized by having to pay money back to the IRS. Homeowners who take their Road Home award and move away do not have to repay the IRS.

**This penalizes homeowners for rebuilding.**

### Help from Congress:

- Sen. Mary Landrieu has introduced S 29, which clarifies the treatment of Road Home grants regarding the casualty loss deduction. The bill has been referred to the Senate Finance Committee.
- Rep. Bobby Jindal introduced the house companion to this bill. HR 641 has been referred to the House Ways and Means Committee.

32



## The SBA and The Road Home

The Federal government requires that Road Home awards be used to repay SBA loans. Forcing homeowners to use their Road Home awards to repay the SBA takes away the capital they need to rebuild their homes.

**Homeowners need money to rebuild.**

### Help from Congress:

- Senator Landrieu introduced the **Catastrophic Disaster Recovery Improvements Act of 2007 (S 690)**, which would amend the Small Business Act to authorize the Administrator of the Small Business Administration to waive the prohibition on duplication of certain disaster relief assistance. The bill has been referred to the Senate Small Business and Entrepreneurship Committee.
- Congressman Melancon introduced the House companion legislation, **HR 1212**.

33



## Community Disaster Loans

The Community Disaster Loan Act of 2005 requires local government receiving aid for Katrina and Rita to reimburse the federal government, without the possibility of forgiveness. Historically, more than 90 percent of CDLs have been forgiven

**Katrina and Rita-ravaged communities deserve fair treatment.**

### Help from Congress:

- **The Hurricanes Katrina and Rita Federal Match Relief Act (HR 1144)** by Majority Whip Clyburn (D-SC) would permit the cancellation of Community Disaster Loans related to Hurricanes Katrina, Rita, and Wilma. On March 13, Congressman Melancon announced that the US House of Representatives would include forgiveness of the CDL's in its supplemental appropriations bill.
- Senator Vitter has introduced **S 87** and **Senator Landrieu has introduced S 253, both of**, which would permit the cancellation of Community Disaster Loans and have been referred to the Senate Homeland Security and Government Affairs Committee.
- Congressman Jefferson has introduced **HR 680**, which would permit the cancellation of Community Disaster Loans. The bill was referred to the House Transportation & Infrastructure Committee.

34



## Allocate Recovery Funds Based on Damage

Disaster Recovery Funds are not allocated based on how much damage a state suffered. Louisiana had the most damage, but does not always get a proportionate amount of recovery funds. For example, FEMA gave Mississippi 75 % of alternative housing funds when Louisiana suffered 80 % of the housing damage.

**All states should get their fair share of recovery funds.**

### Help from Congress:

- The House Democratic Leadership has included additional funds for Gulf Coast recovery in the emergency supplemental appropriations bill for the war in Iraq. The bill has not yet been introduced, but it is expected that the House Appropriations Committee will mark up the emergency supplemental appropriations bill on Thursday, March 15, 2007, and that the legislation will appropriate \$2.9 billion for Gulf Coast recovery.

35



## Assist with crime prevention in New Orleans

The State has committed an additional 300 La. National Guard Troops and 60 State Troopers to assist the N.O. Police Department since last June.

**The State continues to assist the city's criminal justice system.**

### Help from Congress:

Congressman Jindal has introduced the **Violent Crime Reduction Act (HR 638)**, which would amend the Violent Crime Control and Law Enforcement Act of 1994 to improve efforts to reduce gang activity and violent crime. The bill has been referred to the House Judiciary Committee.

36



## SSBG Supplemental Funds

SSBG funds provide critical services, including mental health, child welfare, addictive disorders treatment and other services. Because of slower than anticipated repopulation of the affected areas and the tight labor market for social service professionals, the state needs an extension of these funds.

**Funds are only available until Sept. 30, 2007.**

### Help from Congress:

- Senator Landrieu has introduced **S 293**, which would extend the period through Sept. 30, 2008 during which states may spend funds from the additional allotments of Social Security Block Grants. The bill has been referred to the Senate Committee on Finance.
- Congressman Charlie Melancon is the author, Louisiana's other 6 Members of the House of Representatives are original co-sponsors, of **HR 148**, which would extend by one year the date by which emergency SSBG funds must be spent. The bill has been referred to the House Ways & Means Committee.

37



## Recovery Aid to Businesses

Congress allocated nearly a half a billion dollars in small business grants post 9/11. After Katrina and Rita, comparable relief was not given to Gulf Coast businesses.

**Small businesses, the lifeblood of the state, were the hardest hit.**

### Help from Congress:

- Various Lawmakers, including Sen. Landrieu and Congressmen Baker and Jefferson from Louisiana have offered support via business bills. Congresswoman Nydia Velazquez of New York, Senator John Kerry of Massachusetts and Senator Olympia Snowe of Maine have also introduced legislation to aid businesses.

38



## Hurricane Protection and Coastal Restoration

Louisiana has a master plan for protecting our coast, which includes partnering with the federal government.

The state appreciates Congress passing the historic OCS revenue sharing bill, but recognizes that true OCS funding will not start until 2017.

**State needs a strong commitment from the Federal level.**

### Help from Congress:

Senator Landrieu and Congressman Melancon have introduced legislation to address these issues. In addition, Congressman Melancon announced on March 13 the intention of the US House of Representatives to add \$1.3 billion for the Corps of Engineers to fully fund levee projects to protect Louisiana that had already been approved.

39



## The RENEWAAL Act of 2007

- Introduced in the U.S. Senate this week by Senator Mary Landrieu and in the U.S. House of Representatives by Representatives Charlie Melancon and George Miller.
- Provides approximately \$250 million in incentives over five years to attract teachers and school leaders to New Orleans and other communities impacted by Hurricanes Katrina and Rita.
- Provides \$500 million to regional colleges and universities to cover revenue shortfalls and other needs.

40



## RENEWAAL: Incentives for teachers

### Incentives included within RENEWAAL:

- Salary bonuses of up to \$15,000 per year for teachers and school leaders who commit to working within hurricane-impacted parishes for at least three years.
- Monthly housing subsidies, reimbursement for relocation costs, and tuition loan forgiveness of up to \$7,000 per year.
- Teachers and school leaders who worked in hurricane-impacted school districts pre-Katrina will receive an additional \$1,500 in salary bonuses and an additional \$200 per month in housing subsidies if they agree to return to a hurricane-impacted district to work.

41



## RENEWAAL: Incentives for teachers

### How will this help Louisiana?

Provides desperately needed incentives to school districts that need additional faculty, particularly for the New Orleans Recovery School District, which must hire an additional 750 teachers by fall 2007 in order to accommodate the district's surging enrollment.

### Where does this piece of legislation stand?

Currently under consideration within the Senate Committee on Health, Education, Labor, and Pensions, chaired by Senator Ted Kennedy, one of RENEWAAL's cosponsors. The bill is also under consideration within the House Committee on Education and Labor, chaired by Representative George Miller, another RENEWAAL co-sponsor.

42



## LRA's Roles in Recovery

The LRA focuses on four aspects of Louisiana's recovery from hurricanes Katrina and Rita.

Establish priorities and strategies for redevelopment

Secure funding and other resources

Lead long-term community and regional planning efforts

Ensure transparency and accountability

43



## Long-Term Planning

# LOUISIANA SPEAKS

Our Voice. Our Plan. Our Future.

A LONG-TERM COMMUNITY PLANNING INITIATIVE OF THE LRA

- Comprehensive results from the Louisiana Speaks public outreach campaign are being tabulated to form the foundation of the Louisiana Speaks Regional Vision. Results will be released in the coming weeks.
- Louisiana Speaks continues to gain national attention for its work in planning for the future of South Louisiana. The editors of the online planning network, Planetizen.com recently named [www.louisianaspeaks.org](http://www.louisianaspeaks.org) one of the Top 10 planning, design and development Web sites in the country.



44



## LRA's Roles in Recovery

The LRA focuses on four aspects of Louisiana's recovery from hurricanes Katrina and Rita.

Establish priorities and strategies for redevelopment

Secure funding and other resources

Lead long-term community and regional planning efforts

Ensure transparency and accountability

45



## Currently Approved Program Budgets

### Sources and uses of funds

|   | CDBG<br>(\$MM)   | HMGP<br>(\$MM)  | Total<br>(\$MM)  |
|---|------------------|-----------------|------------------|
| <b>I. Subtotal – Road Home Program</b>                        | <b>\$ 8,080</b>  | <b>\$ 1,170</b> | <b>\$ 9,250</b>  |
| <b>II. Subtotal – Economic Development Program</b>            | <b>350</b>       |                 | <b>\$ 350</b>    |
| <b>III. Subtotal – Infrastructure &amp; Hazard Mitigation</b> | <b>1,970</b>     | <b>330</b>      | <b>\$ 2,300</b>  |
| <b>Total Budgeted Allocations of CDBG &amp; HMGP*</b>         | <b>\$ 10,400</b> | <b>\$ 1,500</b> | <b>\$ 11,900</b> |

\* Current HMGP estimate is \$1.5B, down from original estimate of \$1.7B. If HMGP increases, Infrastructure budget increases.

46



## The Road Home Program Budget

|  | CDBG<br>(\$MM)  | HMGP<br>(\$MM)  | Total<br>(\$MM) |
|--|-----------------|-----------------|-----------------|
| <b>I. Road Home Housing Programs</b>   |                 |                 |                 |
| Homeowner Assistance Program   | 6,350           | 1,170           |                 |
| Workforce and Affordable Rental Housing<br>(Piggyback, Mixed Income, Small Rental,<br>Supportive Services) | 1,536           |                 |                 |
| Developer Incentives and Code Enforcement  | 32              |                 |                 |
| Homeless Shelter Infrastructure and Services   | 26              |                 |                 |
| Start up Housing Costs   | 18              |                 |                 |
| State Administrative Costs   | 121             |                 |                 |
| <b>I. Subtotal – Road Home Program</b>   | <b>\$ 8,080</b> | <b>\$ 1,170</b> | <b>\$ 9,250</b> |

***The Road Home program and this budget have been approved by the Governor, the Legislature and the federal Department of Housing and Urban Development.***

\* Current HMGP estimate is \$1.5B, down from original estimate of \$1.7B. If HMGP increases, Infrastructure budget increases.

47



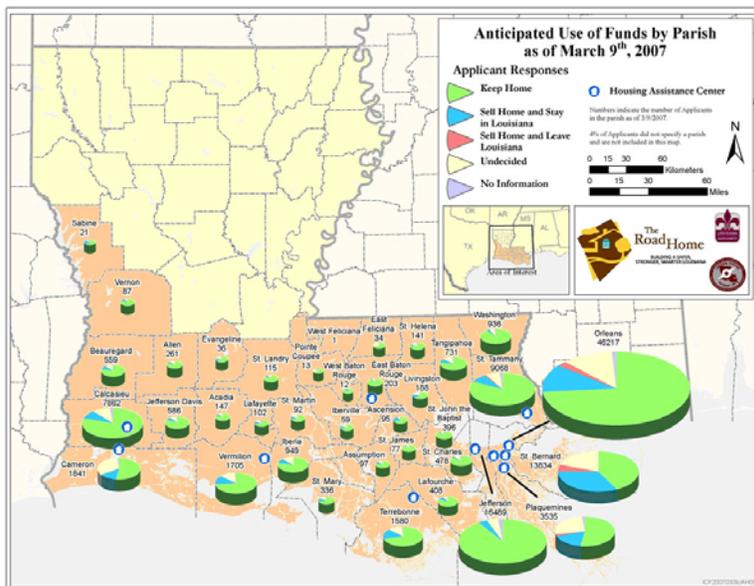
# Road Home Housing Update

As of March 12, The Road Home program, operated by ICF International under a contract with the Division of Administration's Office of Community Development, reported the following:

- 115,185 applications received
- 105,614 appointment letters mailed
- 79,792 appointments scheduled
- 86,878 appointments held
- 48,399 awards calculated
- \$3.87 billion benefits calculated
- \$80,898 average award (based on calculated benefits)
- 2,921 closings held
- \$139.7 million disbursed
- \$ 72,087 average award (based on closings)



# Majority want to keep their homes





## Small Rental Property Program

- Provides gap financing in the amount of \$869 million for the repair of an estimated 18,000 small rental units.
- Funding will be split among the 13 most impacted parishes according to each parish's documented damage to rental units.

### Timeline:

**January 29** – Program launched

**March 15** – Deadline for first round of applications

**April** – First round award letters released; second round applications are accepted

50



## Small Rental Property Program

**As of March 12:**

- **General Pool Applications received: 3,718**
- **Nonprofit Pool Applications received: 10**
- **Average received daily: 150**



**34 workshops have been held across the state and in Atlanta to inform rental property owners about the program.**

51



## First Time Homebuyer Pilot Program

- \$40 million has been carved out of Small Rental Funds to create this program.
- Operated by the Louisiana Housing Finance Agency and local housing finance authorities
- Funds spent in 13 most devastated parishes in proportion to rental unit damage
- Targeted to Rehabilitate damaged properties and neighborhoods
- Homebuyers will be counseled by local nonprofit agencies

52



## Economic & Workforce Development Budget

| Program Allocations                            | CDBG Allocation (\$MM) |
|--|------------------------|
| Tourism & Marketing Program                    | \$28.5                 |
| Recovery Workforce Training Program            | \$38.0                 |
| Research Commercialization & Education Program | \$28.5                 |
| Business Recovery Assistance                   |                        |
| Bridge Loan Program                            | \$43.0                 |
| Technical Assistance Program                   | \$9.5                  |
| Long Term Loan Program                         | \$68.0                 |
| Small Business Retention Program               | \$143.0                |
| <i>Administrative costs</i>                    | \$17.5                 |
| <b>TOTAL:</b>                                  | <b>\$350 million</b>   |

53



## Tourism Marketing Program

**Purpose:** To jump start the damaged tourism and convention industry sectors with a large marketing and advertising campaign

- ✦ Program Size: \$28.5 million
- ✦ Prior to storms, tourism was 2<sup>nd</sup> largest industry; cultural economy was fastest growing
- ✦ Program managed by Department of Culture, Recreation and Tourism
- ✦ Funds to be used for:
  - ✦ Tourism travel advertising & marketing (including Southwest Louisiana)
  - ✦ New Orleans leisure travel marketing
  - ✦ New Orleans convention & meeting travel marketing

**Status: Programs underway.**

54



## Tourism Marketing Program

| Organization  | Program   | Program details  | Allocation  |
|---|---|--|-------------|
| New Orleans Metropolitan Convention & Visitors Bureau                   | Louisiana Tourism Recovery Program  | The New Orleans CVB will expand its direct sales and marketing efforts in order to drive increased growth and economic impact generated by the city's tourism industry.  | \$8,500,000 |
| Jefferson Convention & Visitors Bureau                                  | Family Attractions Marketing  | Increase existing multi-media consumer marketing programs nationwide of family events and attractions and to increase the visitors to the New Orleans metropolitan region, affecting tourist-related tax revenue, jobs, and overall economic development of both Jefferson and Orleans parishes. | \$750,000   |
| Lafourche Parish Tourist Commission                                     | The Heart & Soul of America's WETLAND Tourism Recovery Partnership  | Actively solicit positive editorial stories in major outdoor and travel print venues via FAM tours and supplemental family and outdoor "experiences" print advertising for the Heart & Soul of America's WETLAND Tourism Recovery Partnership including Lafourche and Terrebonne parishes.       | \$60,000    |
| Louisiana Office of Tourism   | Post Katrina Domestic Consumer Advertising Campaign; Post Katrina Public Relations Image Rebuilding Campaign; | Provide a comprehensive marketing program designed to improve perceptions, attitudes and overall intent to visit within our key visitor markets, achieving economic recovery through increased visitation and visitor spending statewide.  | \$5,500,000 |
| Louisiana Stadium & Exposition District                                 | Annual Special Events   | Provide direct marketing, promotional, and production support to special events in an effort to attract visitors and maximize attendance at each event.  | \$1,000,000 |
| New Orleans Public Facility Management, Inc. (Morial Convention Center) | New Orleans Morial Convention Center Marketing  | Market the Ernest N. Morial Convention Center aggressively as a premier venue for conventions, tradeshows, and meetings to association/corporate meeting planners, exhibitors and trade media.   | \$2,000,000 |

55



## Tourism Marketing Program

| Organization                                     | Program   | Program details   | Allocation  |
|--|---|---|-------------|
| New Orleans Tourism Marketing Corporation        | New Orleans Post Katrina Domestic Consumer Marketing  | A comprehensive marketing program designed to influence domestic leisure travelers to visit New Orleans and drive visitor spending to increase City's tourism-related tax base, employment and revenue.   | \$8,500,000 |
|  |   | Implement a multi-pronged marketing initiative that will identify visitor and potential visitor perceptions of the region to develop a cost-effective marketing campaign that targets and delivers a strong consumer and trade marketing and advertising message.   | \$150,000   |
| River Parishes Tourist Commission                | New Orleans River Region  | Implement two aggressive, multi-faceted marketing and public relations programs. The first targeting meeting planners, conventions, group tours and athletic events in order to positively increase visitor economic impact and the second with a special emphasis on family-oriented cultural activities.  | \$950,000   |
| Southwest Louisiana Convention & Visitors Bureau | Recovery Trade Marketing and Public Relations for SWLA; Southwest LA Leisure Marketing for Recovery | Implement an aggressive, multi-faceted marketing and public relations program including but not limited to group tours, sporting events, trade shows, website development, print ads in order to increase the economic impact of tourism in St. Bernard Parish.   | \$200,000   |
| St. Bernard Parish Office of Tourism             | St. Bernard Parish Domestic Consumer Marketing  | Implement a multi-phased marketing strategy to increase tourism expenditures and drive attendance to attractions in St. Tammany Parish and speed the economic recovery from Hurricane Katrina. An aggressive marketing campaign will be utilized to battle negative perceptions of St. Tammany and position The Northshore Harbor Center (NHC), which was damaged by Hurricane Katrina just 3 months after opening, as a regional meeting site. | \$600,000   |
| St. Tammany Parish Tourist Commission            | Enable St. Tammany Tourism and Attraction Recovery  |   |             |

56



## Tourism Marketing Program

| Organization                                     | Program  | Program details   | Allocation |
|--|--|---|------------|
| Tangipahoa Parish Convention and Visitors Bureau | Amtrack Louisiana Roadshow Partnership         | Implement an aggressive, multi-faceted marketing program targeting travel writers, meeting planners, group tours, student travel, and athletic events in order to positively increase the economic impact of tourism on Tangipahoa Parish, Louisiana. | \$75,000   |
| Vermilion Parish Tourist Commission              | Vermilion Parish Regional Tourism Enhancement  | To market Vermilion Parish to state, national and international visitors by increased awareness in what our parish has to offer visitors.   | \$50,000   |
| Washington Parish Tourism Commission             | Strategic Marketing Plan for Washington Parish | Market and promote Washington Parish in the regional drive market through identifying specific and realistic visitor markets and implementing an effective and compelling advertising message.  | \$50,000   |

57



## Recovery Workforce Training Program

**Purpose:** To create workforce training & placement programs that meet the needs of businesses in sectors critical to the recovery and rebuilding of the affected areas.

- ✦ Program Size: \$38M
- ✦ Managed by the Louisiana Workforce Commission
- ✦ Proposals evaluated and selected in December 2006
  - ✦ Total funding request: \$165.9 million;
  - ✦ 47 proposals submitted; 18 proposals selected for funding

**Status: Contract negotiations completed. Contracts to be signed by last week of March 2007.**

58



## Recovery Workforce Training Program

### Total Allocation Per Region

|                            |               |     |
|----------------------------|---------------|-----|
| Total for Katrina          | \$ 20,250,000 | 53% |
| Total for Rita             | \$ 6,200,000  | 16% |
| Total for Katrina and Rita | \$ 11,550,000 | 30% |
| Total                      | \$ 38,000,000 |     |

59



## Recovery Workforce Training Program

| Workforce Intermediary                     | Fiscal Agent  | Occupation  | Projected Completions | Projected Placements | Amount Recommended | % of \$38 M | Area    |
|--|---|---|-----------------------|----------------------|--------------------|-------------|---------|
| <b>ADVANCED MANUFACTURING</b>              |   |   |                       |                      |                    |             |         |
| Greater New Orleans, Inc.                  | Delgado Community College                             | Entry level (work ready, employer will train), welder, pipefitter, shipfitter, machinist, electrical technician, industrial maintenance, instrumentation technician, process operator/technician, production operator, mechanic, and designer (CAD/CAM)   | 2,000                 | 2,000                | \$2,000,000        |             | KATRINA |
| Louisiana Technical College Region IV/LEDA | Louisiana Technical College-Acadiana Region           | Welders, Machinists, production helpers, electricians; accelerated welding  | 270                   | 228                  | \$1,500,000        |             | RITA    |
|  |   |   | 2,270                 | 2,228                | \$3,500,000        | 9%          |         |
| <b>CONSTRUCTION</b>                        |   |   |                       |                      |                    |             |         |
| New Orleans Worker Resource Center         | South Central Laborers Training & Apprenticeship Fund | Construction labor, residential construction helpers (plumber/pipefitter, painter, electrician, roofer, drywall, brickmason, carpenter), environmental cleanup  | 945                   | 900                  | \$2,500,000        |             | KATRINA |
| Gulf Coast Construction Career Center      | Center to Protect Workers' Rights                     | Electricians, plumbers, pipefitters, plasterers, cement masons, painters, tapers, glaziers, floorcoverers, boilermakers, elevator constructors, roofers, waterproofer, insulators, sheetmetal workers, truck drivers, laborers, carpenters, millwrights, piledrivers, operating engineers, ironworkers, bricklayers | 720                   | 540                  | \$3,000,000        |             | KATRINA |
|  |   |   |                       |                      |                    |             | 60      |



## Recovery Workforce Training Program

|  |  |   |       |      |              |     |                |
|--|--|---|-------|------|--------------|-----|----------------|
| Pelican Chapter, Associated Builders & Contractors | Pelican Chapter, Associated Builders & Contractors | Welding, Pipefitting, Electrical, Carpentry   | 615   | 615  | \$1,250,000  |     | KATRINA & RITA |
| LA Dept. of Public Safety and Corrections          | LA Dept. of Public Safety                          | Carpenters, masons and cement finishers, HVAC installers, welders, plumbers and plumbers helpers, upholsteries and upholstery repairers, pile drivers, electricians                   |       |      | \$800,000    |     | KATRINA & RITA |
| Louisiana Technical College Region 9               | Louisiana Technical College-Hammond                | Electricians, carpenters, plumbers, HVAC technicians, general maintenance   | 330   | 330  | \$1,500,000  |     | KATRINA        |
| Louisiana Technical College Region IV              | Louisiana Technical College-Acadiana Region        | Carpenters, welders, industrial mechanics, electricians, construction laborers, truck drivers, clerical, AC repairers   | 405   | 324  | \$2,200,000  |     | RITA           |
| <b>TOTAL</b>                                       |  |   | 3015  | 2709 | \$11,250,000 | 30% |                |
| <b>CULTRAL ECONOMY</b>                             |  |   |       |      |              |     |                |
| New Orleans Video Access Center, Inc.              | New Orleans Video Access Center, Inc.              | Production, planning and expediting clerks; General Office clerks; Electrician's helpers; Riggers; Installation, maintenance, and repair workers; Freight, stock, and material movers | 322   | 242  | \$750,000    |     | KATRINA        |
| Jefferson Parish Chamber of Commerce               | Delgado Community College                          | Restaurant cooks, bartenders, chef/head cook, food batchmakers, bakers, and food service entrepreneurs  | 1,235 | 309  | \$1,500,000  |     | KATRINA        |
|  |  |   |       |      |              |     | 6%             |
|  |  |   |       |      |              |     | 61             |



## Recovery Workforce Training Program

### HEALTHCARE

|  |  |   |       |       |              |     |                |
|--|--|---|-------|-------|--------------|-----|----------------|
| Southwest Louisiana Area Health Education Center                           | SWLAHEC  | All Occupations: Healthcare, Nurses, CNAs, Med Techs, Therapists, EMTs;   | 1,744 | 1,744 | \$6,000,000  |     | KATRINA & RITA |
| Greater New Orleans, Inc.  | Delgado Community College  | Nurses (RN, C.N.A. License Nurse practitioners), Surgical & Pharmacy Techs, EMTs, Paramedics, Respiratory Therapists, Medical Coders & Billing and Collection Staff   | 1,824 | 1,459 | \$6,000,000  |     | KATRINA        |
| Louisiana Health Institute   | Louisiana Health Institute   | Emergency medical technicians, geriatric nurses, certified nursing assistants, registered nurses, nurse practitioners, licensed social workers, licensed practical nurses, substance abuse counselors and technicians (lab, psychiatric, radiology); front line workers in housekeeping and food services | 200   | 500   | \$2,000,000  |     | KATRINA & RITA |
|  |  |   | 3,768 | 3,703 | \$14,000,000 | 37% |                |
| <b>OIL AND GAS</b>   |  |   |       |       |              |     |                |
| Evangeline Economic & Planning District /dba Acadiana Regional Development | Evangeline Economic & Planning District /dba Acadiana Regional Development | Safety, technologists and engineers, welders, technicians, machinists, land exploration and research  | 800   | 800   | \$1,500,000  |     | RITA           |
| Career Builders of LA  | LA Foundation of Excellence In Science                                     | Welding, machinists, diesel technician, HVAC/Plumbing, instrumentation technician, clerical, accounting, catering   | 850   | 637   | \$1,500,000  |     | KATRINA        |
|  |  |   | 1,650 | 1,437 | \$3,000,000  | 8%  |                |

62



## Recovery Workforce Training Program

### TRANSPORTATION

|                                       |   |  |      |      |             |     |                |
|---------------------------------------|---|--|------|------|-------------|-----|----------------|
| South Louisiana Economic Council      | (Region 3) L. E. Fletcher Technical Community College | Sailors and marine oilers, ship/boat captains and operators, captains, mates and pilots, ship engineers, all other vessel transportation workers, heavy and tractor trailer truck driver, diesel motorboat mechanics | 2973 | 2922 | \$1,500,000 |     | KATRINA & RITA |
| Louisiana Technical College Region IV | Louisiana Technical College- Acadiana Region          | Truck Drivers, Heavy & Tractor Trailer; Mechanics, Aircraft Repair & Pilots & etc  | 210  | 189  | \$1,000,000 |     | RITA           |
| Delgado Community College             | Delgado Community College                             | Maritime, Deckhand & Roustabout, Tankermen, Steersmen  | 500  | 400  | \$1,500,000 |     | KATRINA        |
|                                       |   |  | 3683 | 3511 | \$4,000,000 | 11% |                |

63



## Research Recovery & Educational Enhancement

**Purpose:** To invest in the research capacity of universities impacted by the hurricanes. To help attract research talent and transfer the resulting technology to Louisiana businesses in the affected areas.

- ✦ Program Size: \$28.5 million
- ✦ Overseen by the Board of Regents
- ✦ **RFP to eligible campuses in 8 most impacted parishes released end of February 2007. Due to Board of Regents on April 16, 2007. Funds available to campus in May 2007.**
- ✦ Phase I strategic planning completed.
- ✦ Phase II underway to develop a statewide assessment of university research commercialization and related educational programs and recommend systems for commercialization in Louisiana.

64



## Bridge Loan Program

**Purpose:** To provide short-term financing to companies still waiting on insurance payments or SBA loans.

- ✦ Approximately \$43M in loans to more than 700 small businesses
  - ✦ 38 percent of loans to woman- or minority-owned businesses
  - ✦ First round repayment of over 90%

**Status: Program closed December 2006. Repaid and unspent funds reallocated to Business Recovery Grant & Loan program.**

65



## Business Recovery Grant and Loan Program

- ♣ Program Size: \$138M
- ♣ \$100M available for grants (up to \$20K max)
- ♣ \$38M for loans (up to \$250K at 0% interest)

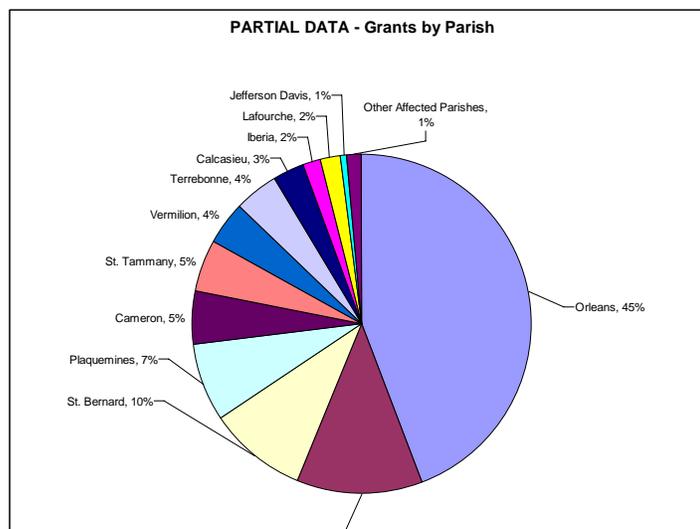
| Intake Volume as of February 23rd  |              |
|------------------------------------|--------------|
| Phone Calls                        | 8,500        |
| Website Visits                     | 32,000       |
| Businesses Seen 1 on 1 & Workshops | 5,000        |
| <b>Grant Applications Received</b> | <b>5,750</b> |
| <b>Loan Applications Received</b>  | <b>1,000</b> |

**Status: Pilot Grant Program closed February 16. Grant Awards to be announced week of March 26<sup>th</sup>. Loans accepted until available funds are expended.**

66



## Business Recovery Grant and Loan Program



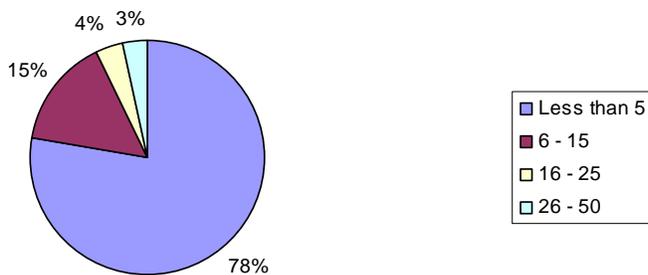
Note: All figures are estimates based on preliminary data assessment.

67



## Business Recovery Grant and Loan Program

Grants by # of Employees (pre-storm)



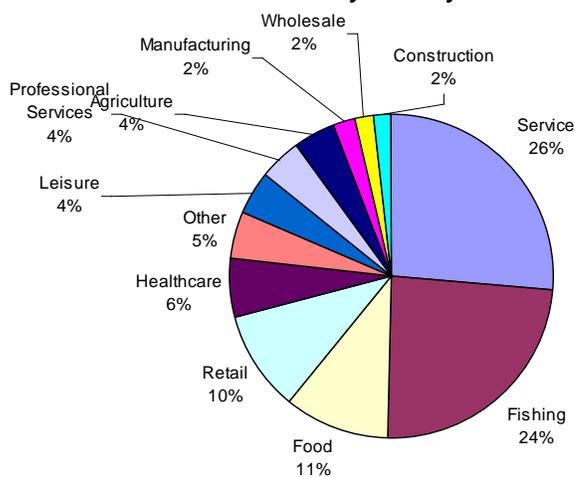
Note: All figures are estimates based on preliminary data assessment.

68



## Business Recovery Grant and Loan Program

Grants by Industry



Note: All figures are estimates based on preliminary data assessment.

69



## Technical Assistance Program

**Purpose:** To provide much-needed technical assistance to entrepreneurs and small business owners

- ✦ \$9.5 million
- ✦ Program managed by Louisiana Economic Development
  - ✦ 26 proposals received; 19 providers selected
  - ✦ Preliminary award amounts of \$100K to \$625K a year
  - ✦ Many active in supporting Business Recovery Grant and Loan program outreach and intake

**Status: Programs under contract negotiation; will begin April 2007.**

70



## Current Infrastructure Commitments

| Budget Items                               | Proposed/ Approved (\$MM) | Additional Committed (\$MM) | Current Budget (\$MM) |
|--|---------------------------|-----------------------------|-----------------------|
| Total Infrastructure Budget                |                           |                             | \$ 2,300              |
| FEMA Match for Local/State Govt.           | 550                       | 225                         | 775                   |
| FEMA-ineligible Repairs – K-12             | 200                       | 50                          | 250                   |
| Rate Reduction – Entergy NO                | 200                       |                             | 200                   |
| <b>Medical Center of LA - New Orleans*</b> | 300                       |                             | 300                   |
| Private K-12/Universities FEMA Match       | 40                        |                             | 40                    |
| State Buildings FEMA Ineligible Costs      | 135                       |                             | 135                   |
| <b>Fisheries Assistance**</b>              |                           | 20                          | 20                    |
| Parish Recovery Plans Allocations          | 200                       |                             | 200                   |
| Hazard Mitigation                          | 330                       |                             | 330                   |
| <b>Total</b>                               | <b>1,955</b>              | <b>295</b>                  | <b>2,250</b>          |

Total Uncommitted \$ 50

\*Pending approval from the Legislature via mail ballot

\*\*Pending LRA, Governor, and Legislative approval

71



## FEMA PA Highlights

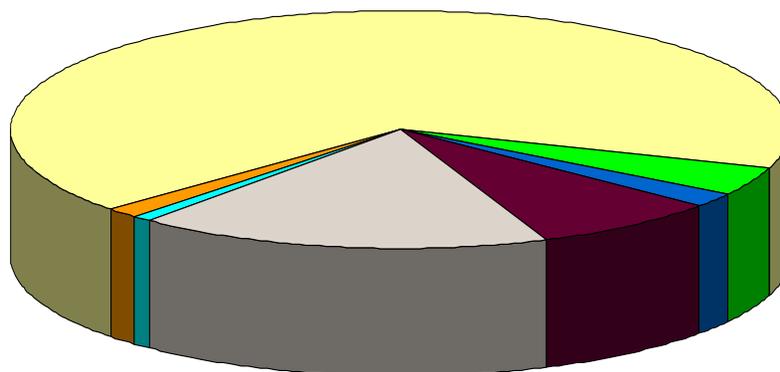
- In the last 6 Months an additional \$1.3b dollars have become eligible for PA
- Orleans Parish has over \$1.1b eligible for Public Infrastructure for storm related costs (A-G). \$700m of that total is for rebuilding infrastructure in the Parish.
- Cameron Parish has over \$100m eligible for PA projects with 90% of those funds for rebuilding infrastructure in the Parish. Cameron is the 4<sup>th</sup> most impacted parish in terms of eligible PA dollars.
- Hurricane Rita PA projects exceed \$470m. Rebuilding projects accounts for 46% of the total, \$214m.
- Private Not for Profits (PNP) have approximately \$445m eligible for storm related costs with \$182m for rebuilding infrastructure.

72



## Changes Since Katrina Anniversary

Since the Hurricane Katrina Anniversary and the Governor, LRA and Parish Presidents meeting with President Bush, \$1.2b has become eligible for Public Infrastructure projects. 75% of those eligible dollars are designated for rebuilding Infrastructure in the state (C-G).



■ Debris Removal (A)   ■ Protective Measures (B)   ■ Road Systems (C)  
■ Water Control (D)   ■ Building/Equipment (E)   ■ Public Utilities (F)  
■ Parks/Other (G)

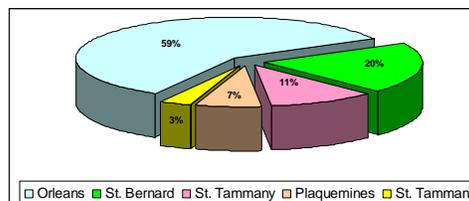
73



## PA Eligible Amount Overview

### Overview of Public Assistance Eligible Amounts in 5 SE Louisiana Parishes\*\*

| Parish                 | PARISH PA TOTAL        |                          | Share of Parish PA - Rebuilding |
|------------------------|------------------------|--------------------------|---------------------------------|
|                        | A-G                    | Rebuilding (C-G)         |                                 |
| Orleans                | \$1,150,139,052        | \$709,527,366            | 61.7%                           |
| St. Bernard*           | \$ 706,941,494         | \$241,200,761            | 34.1%                           |
| Plaquemines            | \$ 228,045,979         | \$134,359,910            | 58.9%                           |
| Jefferson              | \$ 243,213,184         | \$ 80,929,192            | 33.3%                           |
| St. Tammany            | \$ 277,761,867         | \$ 39,211,002            | 14.1%                           |
| <b>Metro Total</b>     | <b>\$2,606,101,756</b> | <b>\$ 1,205,228,231</b>  | <b>46.2%</b>                    |
| <b>Louisiana Total</b> | <b>\$4,652,860,644</b> | <b>\$ 1,771,834, 072</b> | <b>38.1%</b>                    |
| % in Metro Area        | 56%                    | 68%                      |                                 |



\* St Bernard did not utilize mission USACE work to the extent of most parishes. These mission costs are NOT included in the A & B totals but have been requested.

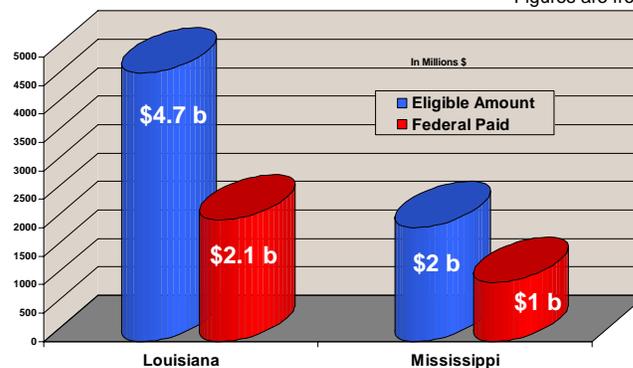
\*\* Figures do not include statewide applicant projects. These projects largely for state buildings in parish communities include the superdome and LSUHC. There are also large universities and electrical utilities.

74



## Comparison of Louisiana & Mississippi's PA programs

Figures are from March 10, 2007



- The impact of Katrina in Louisiana and Mississippi now exceeds \$6.2 billion in PA dollars.
- For both Katrina and Rita, Louisiana has more than \$4.7 billion eligible PA dollars.
- Louisiana has paid more than \$2.1 billion out to date – more than Mississippi's eligible amount.

75



## Statewide Building Codes

- FEMA offered final approval last week on the LRA's and GOHSEP's \$14 million program to help local governments implementing the new statewide building codes.
- Program is funded by Hazard Mitigation Grant Program (HMGP) monies available to the State and was developed by the LRA and will be administered by GOHSEP. The program will offer training to local building code enforcement officials so they can accurately implement the provisions of the revised code.

76



## Hazard Mitigation Grant Program

| Number of Projects | \$ Amount Submitted | \$ Allocated      |
|--------------------|---------------------|-------------------|
| 234                | \$480,791,722.23    | \$217, 737,531.82 |

### Projects approved:

- \$10.5 million for Code Enforcement
- \$565,455 for St. James Parish

### HMGP Submissions Pending FEMA Approval:

- St. Mary's Parish – Pilot Planning Grant - \$150,000
- St. Helena Parish – Retrofit of Critical Facility - \$2,000,000
- Calcasieu Parish – Reconstruction Pilot Project – \$1,116,373
- St. Charles Parish – Retrofit of Critical Facilities - \$750,000
- Port of New Orleans – Planning Grant -\$ 65,540
- Jefferson Parish – Retrofit of Critical Facility - \$500,000
- Vermilion Parish – Retrofit of Critical Facility - \$1,517,033

77