

LOUISIANA RECOVERY AUTHORITY

Fisheries Industry Allocation Recommendation

March 14, 2007

OVERVIEW: A Resolution to request the Louisiana Recovery Authority Board to approve and recommend to the Governor and the Louisiana Legislature for approval Amendment 3 to Action Plan 2 to allocate \$20 million of Community Development Block Grant (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. Expenditures will include, but not be limited to, repairing, improving, acquiring, and/or constructing infrastructure, returning fishing boats to service, and providing funds for loans and grants to fishermen, if necessary.

Whereas, the fishing industry of the hurricane-affected areas has requested up to \$20 million in CDBG funds to spur the recovery of the industry;

Whereas, the fishing industry has expressed as priorities for this investment the following areas:

1. Infrastructure, including repairing, improving, acquiring, and/or constructing infrastructure, and returning fishing boats to service; and
2. Direct assistance to fishermen, in the form of loans and grants for business expenses.

Whereas, a separate program, the Small Firm Loan and Grant program within the LRA's Economic Development program, has made available to small businesses in the most severely affected areas of the state \$100 million in grants and \$38 million in loans starting in February 2007;

Whereas, three approved lenders within the Small Firm Loan and Grant program - Seedco Financial Services, Southern Mutual, and the South Central Planning District - specifically targeted fishermen and fishing communities; and

Whereas, fishermen were quite successful in securing grants through the Small Firm Loan and Grant program.

THEREFORE BE IT RESOLVED that the LRA Board does hereby approve Amendment 3 to Action Plan 2 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. it will be forwarded 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 the funding to be provided under this Action Plan Amendment be allocated in the following ways:

1. \$15 million - To improve and expand infrastructure critical to the commercial and recreational fisheries industries, including but not limited to docks, icehouses, boat launches, processing and shipping facilities, boats and other necessary infrastructure. A ranking team consisting of representatives of the Louisiana Department of Wildlife and Fisheries, the Louisiana Department of Economic Development, the Louisiana Recovery Authority, and the Office of Community Development will consider and recommend for funding specific fisheries infrastructure projects that address the most pressing needs of the fisheries industry, both currently and for future sustainability.
2. \$5 million - To provide direct aid to fishermen through the Small Firm Loan and Grant program. Funds will be available exclusively to fishermen and criteria for the distribution will be tailored to the needs of fishermen based on gaps identified in the current Small Firm Loan and Grant program.

BE IT FURTHER RESOLVED that the Louisiana Recovery Authority Board does hereby recommend Amendment 3 of Action Plan 2 for Disaster Recovery funds to the Governor and the Louisiana Legislature for approval.