

# **Executive Summary**

## **LHC Transition Recommendations**

### **August 9, 2011**

#### **City of New Orleans Homeowner Rehab Program**

Katrina-Rita

Allocation: \$27,000,000

The funding for this program is part of the City's Long Term Community Recovery (LTCR) allocation from Hurricane Katrina, an allocation through HUD and administered by the Office of Community Development / Disaster Recovery Unit Infrastructure Division. LTCR funds are administered at the City level by its Office of Community Development Disaster-CDBG division, which works in partnership with OCD-DRU Infrastructure Division on the City's entire \$410M LTCR allocation. OCD-DRU Infrastructure is responsible for the compliance and monitoring of the LTCR program.

#### **Construction Lending Program**

Katrina-Rita

Allocation: \$3,000,000

The funding for this program is part of the New Orleans Redevelopment Authority's (NORA) \$610M Local Government Emergency Infrastructure (ILOC) allocation from Hurricane Katrina, an allocation through HUD and administered by the OCD-DRU Infrastructure Division. The OCD- DRU Infrastructure Division maintains responsibility for the compliance and monitoring of activities approved for ILOC funding.

#### **Alternative Housing Pilot Program – AHPP**

Katrina-Rita

Allocation: \$74,542,370 (FEMA-funded)

Expended: ~ \$69,000,000

The goal of this pilot program is to address short term and long term transitional housing needs created by the 2005 hurricane season, and construct a model to improve upon current post-disaster housing. It is a one-time pilot program to build 457 units.

AHPP is recommended to remain under the oversight of OCD/DRU given that the current Performance Period end date is set for September 16, 2011. The State has requested an extension until March 2012 and awaiting a FEMA response. Construction is largely due to be complete on the nearly 70 remaining units by December 2011. The rest of the requested extension time is to allow for occupancy by the priority impacted population. The OCD staff will be responsible for program close-out and Monitoring for a one-year period. Since this is primarily a monitoring function, the recommendation is that the responsibility remains with OCD-DRU.

## **Gustav-Ike Homeowner Incentive and Foundation Reconstruction Programs**

Gustav-Ike

Homeowner Incentive Allocation: \$16,000,000

Foundation Reconstruction Allocation: \$9,500,000

Unique among the myriad of the Gustav-Ike recovery programs, the Homeowner Incentive and Foundation Reconstruction programs are being implemented by just four parishes: Calcasieu, Cameron, Iberia, and Vermilion. These parishes in the southwest portion of the state have the dubious distinction of suffering widespread damages during both the 2005 and 2008 storm events. It is common to find homeowners in these parishes that have received funding from Katrina-Rita recovery programs that also qualify for funding from Gustav-Ike programs.

As OCD-DRU currently manages Katrina-Rita recovery programs (notably the Road Home – Homeowner Assistance Program and State Hazard Mitigation Grant Program), the agency has the needed infrastructure and knowledge base to successfully continue its oversight of the Gustav-Ike programs that have a natural connectivity to the programs spawned by the 2005 storms. With both sets of programs offering funds to complete general repairs, total rebuilding, mitigation measures, and home elevation, there is an inevitable overlap that must be taken into consideration.

Therefore, it is OCD-DRU's recommendation that the Gustav-Ike Homeowner Incentive and Foundation Reconstruction programs are best served by remaining within the purview of the OCD-DRU. Rather than separating the program oversight between two different organizations, the homeowners in these four parishes are best served by acknowledging the interconnectedness of the disasters and the housing programs designed to help these individuals rebuild their homes and lives.