

DISASTER RECOVERY INITIATIVE  
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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Allocations, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2011, 2012 and 2013  
*The Disaster Relief Appropriations Act, 2013 (Public Law 113-2)*  
Federal Register Docket No. FR-5696-N-03

LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT/DISASTER RECOVERY UNIT

**STATE OF LOUISIANA PROPOSED PARTIAL ACTION PLAN No. 3**  
**FOR THE UTILIZATION OF**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**  
**IN RESPONSE TO HURRICANE ISAAC**

Public Comment Period: Aug. 20 – Sept. 2, 2014

Submitted to HUD: Sept. 8, 2014

Approved by HUD: Sept. 23, 2014

**Bobby Jindal**  
Governor

**Jay Dardenne**  
Lieutenant Governor

**Kristy Nichols**  
Commissioner of Administration

**I. Overview**

This Partial Action Plan No. 3 allocates \$12,828,400, as a subset of Plaquemines Parish’s previously allocated \$16,953,000, to the newly created *Plaquemines Homeowner Assistance Program (PHAP)*. Of this subset, this Partial Action Plan No. 3 obligates \$800,000 within the PHAP. This funding allocation and obligation, in accordance with the parish’s unmet needs assessment as outlined in the state’s Initial Action Plan approved November 4, 2013, is necessary to address unmet needs in Plaquemines Parish in response to Hurricane Isaac.

Program	Total Allocation	% of Allocation	Previous Action Plan Obligations	Obligation for Partial Action Plan No. 3	Future Partial Action Plans
St. John the Baptist Parish	\$32,674,000.00	50.8%	\$55,000.00	\$0.00	\$32,619,000.00
Plaquemines Parish	\$16,953,000.00	26.3%	\$29,000.00	\$800,000.00	\$16,124,000.00
FEMA Cost-Share	\$5,886,000.00	9.1%	\$5,886,000.00	\$0.00	\$0.00
Hazard Mitigation Cost-Share Assistance Program	\$3,446,084.00	5.4%	\$1,090,000.00	\$0.00	\$2,356,084.00
State Administration, Planning and Program Delivery	\$3,320,000.00	5.2%	\$700,000.00	\$0.00	\$2,620,000.00
Parish Recovery Priority Projects	\$1,100,000.00	1.7%	\$1,100,000.00	\$0.00	\$0.00
Homeowner Rehabilitation Program	\$1,000,000.00	1.6%	\$650,000.00	\$0.00	\$350,000.00
<b>Total</b>	<b>\$64,379,084.00</b>	<b>100.0%</b>	<b>\$9,510,000.00</b>	<b>\$800,000.00</b>	<b>\$54,069,084.00</b>

**II. Program Description**

As documented in the state’s Initial Action Plan, a large number of homeowners in Plaquemines Parish reported damages as a result of Hurricane Isaac. These damages represented a high concentration of homeowners spread across a wide geographic area within the parish.

**Plaquemines Parish Demographics and Damage Summary**

Location	Census Owner Occ.	Owners w/ Dmg.	% Owner Dmg.
Belle Chasse	2,835	361	13%
Boothville	267	188	70%
Buras-Triumph	356	345	97%
Empire	346	271	78%
Port Sulphur	522	450	86%
Venice	60	32	53%
Rest of Parish	1,652	1,133	69%
<b>Total</b>	<b>6,038</b>	<b>2,780</b>	<b>46%</b>

Source: FEMA Individual Assistance April 2013

Moreover, this damage was extensive, and it disproportionately affected a low-and moderate-income (LMI) population.

**Damage Breakdown of Owner-Occupied Households by Location**

Location	# Damaged	Ave. RP FVL	Total RP FVL
Belle Chasse	361	\$ 1,362.28	\$ 491,783.96
Boothville	188	\$ 2,583.07	\$ 485,618.02
Buras-Triumph	345	\$ 2,544.33	\$ 877,795.04
Empire	271	\$ 2,400.87	\$ 650,636.75
Port Sulphur	450	\$ 2,614.42	\$ 1,176,489.73
Venice	32	\$ 1,414.37	\$ 45,259.99
Rest of Parish	1,133	\$ 23,580.00	\$ 26,716,135.51
<b>Total</b>	<b>2,780</b>	<b>\$ 10,950.98</b>	<b>\$ 30,443,719.00</b>

Source: FEMA Individual Assistance April 2013

**Damage Breakdown of Owner-Occupied Households by Income**

Type	# Damaged	Ave. RP FVL	Total RP FVL	% Households
LMI	1,699	\$ 8,611.33	\$ 14,630,652.66	61.12%
Not LMI	1,081	\$ 14,628.18	\$ 15,813,066.34	38.88%
<b>Total</b>	<b>2,780</b>	<b>\$ 10,950.98</b>	<b>\$ 30,443,719.00</b>	<b>100.00%</b>

Source: FEMA Individual Assistance April 2013

Finally, and as documented in the state’s Initial Action Plan, these damages equated to a substantial unmet housing need in Plaquemines Parish.

**Unmet Housing Need Estimate in Plaquemines Parish as of April 2013**

Est. Damage	Haz. Payout in IA	Adj. NFIP Payout	FEMA IA Assistance	SBA Home Loans	Unmet Need
\$ 126,517,152.01	\$ (10,029,951.86)	\$(15,468,068.38)	\$(10,977,921.24)	\$ (23,736,100.00)	\$ 66,305,110.53

Therefore, it is critical the state utilize its CDBG-DR allocation within Plaquemines Parish to address unmet rehabilitation needs, specifically for LMI households. With this proposed allocation of \$12,828,400 and initial obligation of \$800,000 to the PHAP, the state and parish believe this need will be addressed.

**Eligible Activity:** 105(a)(4)

**National Objective:** Low- and Moderate-Income Benefit, Urgent Need

**Activity Allocation:** \$12,828,400

**Activity Obligation:** \$800,000

**III. Overview and Delivery**

The proposed PHAP will be administered through the parish, with overview, technical assistance and guidance provided by the state through the Office of Community Development-Disaster Recovery Unit (OCD-DRU) – the responsible CDBG-DR grantee – and the Louisiana Housing Corporation (LHC). The program will provide funding to assist LMI, owner-occupant households that have a gap in financial means due to resource limitations, who are living in homes that are in a substandard condition and/or in violation of code requirements. The PHAP is designed to identify homes in need of repair and/or rehabilitation and provide funding for use in addressing each homeowner’s needs. Through an extensive

outreach initiative, the parish will identify LMI, owner-occupied households with rehabilitation needs and will coordinate all aspects of administering the program, including applicant intake, case management and construction work.

The goals of the program are to:

- Provide decent, safe and sanitary housing in Plaquemines Parish through the provision of minor repair and rehabilitation activities designed to mitigate damage that occurred as a result of this disaster;
- Maintain affordability of homeownership for LMI households; and
- Preserve existing parish property values by eliminating the blight of properties that remain in disrepair.

#### **IV. Program Size**

The state will initially allocate \$12,828,400 and obligate \$800,000 to develop the housing assistance program, but reserves the right to revise this allocation at a later date should it be warranted. Additionally, further obligations will be made within the program as warranted via future partial action plans.

#### **V. Eligible Applicants**

Eligible homeowners would be limited to Plaquemines Parish homeowners impacted by Hurricane Isaac who have demonstrable remaining unmet housing needs attributable to this disaster. While the program has been designed to target the needs of LMI households as a priority, the state reserves the right to address the Urgent Need of non-LMI households should resources remain available, if and only after all program-eligible LMI household needs are met.

#### **VI. Use of Funds**

CDBG-DR assistance under the PHAP will be provided to applicants in the form of a direct grant to the homeowner via a grant agreement recorded with the local parish clerk of court. The grant agreement will include, but is not limited to: covenants requiring authorization of payments directly to the contractor responsible for executing repair work orders; for the homeowner to own and occupy their home for not less than one (1) year after the completion of repairs and issuance of a "Certificate of Occupancy"; and, if the property is located within a Special Flood Hazard Area (SFHA), maintenance of flood insurance in perpetuity on the property.

#### **VII. Monitoring**

Monitoring will be performed by the LHC and OCD-DRU staff in accordance with the contracts and the OCD-DRU Monitoring Plan.

#### **VIII. Overall Grant Impact**

This Partial Action Plan No. 3 allocates \$12,828,400 as a programmatic subset of the previous \$16,953,000 allocation the state made to address unmet needs in Plaquemines Parish. Additionally, this Partial Action Plan obligates \$800,000 to this newly-created program.

**Obligation/Allocation Changes to Plaquemines Parish Allocation**

Program	Allocation	Obligated in Previous Action Plans	Obligated in Partial Action Plan No. 3	To Be Obligated in Future Partial Action Plans
Plaquemines Housing Assistance Program	\$12,828,400.00	\$0.00	\$800,000.00	\$12,028,400.00
Admin/TBD	\$4,124,600.00	\$29,000.00	\$0.00	\$4,095,600.00
<b>Total</b>	<b>\$16,953,000.00</b>	<b>\$29,000.00</b>	<b>\$800,000.00</b>	<b>\$16,124,000.00</b>

**IX. Public Comment**

- A. This Partial Action Plan is considered substantial as it creates a new program, per the allowable activities described in the Initial Action Plan. The formal public comment period for the plan was August 20, 2014 through September 2, 2014 at 5 p.m.

Citizens and organizations can comment on this amendment via:

- The OCD/DRU website, [http://www.doa.louisiana.gov/cdbg/dr/IC\\_ActionPlans.htm](http://www.doa.louisiana.gov/cdbg/dr/IC_ActionPlans.htm);
- Emailing them to [ocd@la.gov](mailto:ocd@la.gov);
- Mailing them to Disaster Recovery Unit, P.O. Box 94095, 70804-9095, Attn: Janice Lovett; or
- Faxing them to the attention of Janice Lovett at (225) 219-9605.

The plan will be translated into Vietnamese and Spanish to reach the limited English proficiency citizens in the impacted areas. Citizens with disabilities or those who need other technical assistance can contact the OCD/DRU office for assistance via the methods listed above.

**B. Summary of Public Comments and State’s Response**

Two public comments were received: one from the Home Builders Association of Greater New Orleans and one from State Representative Stephen Pugh (LA-73).

**Comment 1: Home Builders Association of Greater New Orleans recommends the following be considered for use of Plaquemines Parish Partial Action Plan Funds:**

- A. Use as supplemental funds for increased construction costs and/or mitigation required for FEMA elevations in the lower parts of Plaquemines including, but not limited to, areas beyond the Closure Complex.

**Response:**

Through the Plaquemines Homeowner Assistance Program (PHAP), the state has committed substantial resources to the rehabilitation of homes in the affected region. As a regulatory matter, homes substantially damaged, or those with damage equating to more than 50 percent of the pre-storm market value of the home, must elevate to the FEMA-established base flood elevation height. In these cases, the program has allowed for additional compensation to be provided to the award recipient for such mitigation activities.

Additionally, the state has worked closely with the parish to encourage the use of other sources of funds, such as those through the Hazard Mitigation Grant Program (HMGP), to address mitigation efforts throughout the affected region. The state is cognizant of the

unique building environment in Plaquemines Parish, both within and beyond the Closure Complex. Should it become clear that the provisions allowed for within the PHAP are insufficient in the context of the parish's long-term recovery efforts, the state reserves the right to adjust the program as needed or requested by the parish.

- B. Increased flexibility in use of and qualification for use of funds.

**Response:**

The state has worked closely with the parish to design the PHAP to address the needs of a wide population of affected homeowners and will employ maximum flexibility to ensure the parish's recovery needs are met. However, should specific instances become apparent in which the program's design has inadvertently excluded a particular population the program is intended to assist, the parish and the state can work together to modify the program as needed, within the confines of all applicable laws and regulations governing the use of CDBG-DR funds.

- C. Ease requirements for low- to moderate-income housing and, if not used, increase ability for medium-income requests to be considered.

**Response:**

The state acknowledges this suggestion. Should the needs of the parish's LMI population be met and funds remain in the program, the parish and the state may choose to serve populations at higher income levels.

- D. Allow increased flexibility for Plaquemines Parish grant writers to change conforming data as necessary to distribute funds.

**Response:**

The PHAP has been designed to specifically address Plaquemines Parish's unmet needs resulting from Hurricane Isaac. Should the parish's needs evolve over time, the state reserves the right to adapt its recovery efforts as necessary to facilitate a successful recovery effort.

**Comment 2: Will this program serve a specific set of constituents that have never received funding from FEMA from damages from Hurricane Isaac?**

These people are primary residents that were assigned a caseworker from Catholic Charities, but the organization ran out of money. Their environments are still in disrepair. The electrical was underwater, and it has affected the window units and all of the appliances.

**Response:**

This action plan dedicates funds for a housing program specifically in Plaquemines Parish, and the funds are part of the \$16.9 million the state has already allocated to Plaquemines for their Isaac-related recovery activities.

The state-run program that currently serves residents of Tangipahoa Parish is the Hazard Mitigation Cost-Share for Low- to Moderate-Income households. This program funds the cost-share for LMI households that are elevating their homes in the parish-run Hazard Mitigation Assistance program. OCD-DRU, the Louisiana Housing Corporation and GOHSEP are working with the parish to identify additional applicants to participate.

Additionally, the state will launch a Homeowner Rehabilitation Program for other affected parishes, including Tangipahoa. This program will provide funding to assist LMI, owner-occupant households that have a gap in financial means due to resource limitations, who are living in homes that are in a substandard condition and/or in violation of code requirements. On August 22, 2014, the state submitted Partial Action Plan 2, which describes the details of this program, to HUD for approval. You can read Partial Action Plan 2 here:

[http://www.doa.louisiana.gov/cdbg/DR/plans/Isaac/IC\\_Partial2\\_PubComm.pdf](http://www.doa.louisiana.gov/cdbg/DR/plans/Isaac/IC_Partial2_PubComm.pdf).