

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

[Docket No. FR-5089-N-01]

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*The Emergency Supplemental Appropriations Act for Defense, the Global War on Terror
and Hurricane Recovery (Public Law 109-234)*

LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT-DISASTER RECOVERY UNIT,
DIVISION OF ADMINISTRATION

**STATE OF LOUISIANA PROPOSED ACTION PLAN AMENDMENT
No. 25
FOR THE UTILIZATION OF
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
IN RESPONSE TO HURRICANES KATRINA AND RITA
SECOND APPROPRIATION**

Public Comment Period: December 6 – December 19, 2017

Submitted to HUD: January 10, 2018

Approved by HUD: February 15, 2018

John Bel Edwards
Governor

Billy Nungesser
Lieutenant Governor

Jay Dardenne
Commissioner of Administration

I. Overview

This Action Plan Amendment No. 25:

1. Amends allocations to the Small Rental Properties and Local Government Infrastructure programs; and
2. Creates and allocates funds to the Louisiana’s Strategic Adaptations for Future Environments (LA SAFE) Program.

Program	Previous Total	Reallocation	Proposed Total	% Change
Small Rental Properties	\$416,880,569.00	\$3,139,743.12	\$420,020,312.12	(<1%)
Local Government Infrastructure	\$37,908,607.00	(\$4,070,847.27)	\$33,837,759.73	(10.7%)
Louisiana’s Strategic Adaptations for Future Environments (LA SAFE)	\$0	\$974,438.15	\$974,438.15	N/A
Miscellaneous Unallocated	\$43,334.00	(\$43,334.00)	\$0	(100.0%)
Total:	\$454,832,510.00	\$0	\$454,832,510.00	

II. Reallocation of Funds for Existing Programs

A. Small Rental Properties Program

The Small Rental Properties Program budget is increased to \$420,020,312.12 due to additional final payments to compliant landlords, and staff time for continued compliance and monitoring of active files, as well as recapture efforts. This program was created in the Initial Action Plan, and amended in Amendments 4, 5, 8, 14, 15, 16, 19, 23 and 24.

B. Local Government Infrastructure Program

The Local Government Infrastructure Program is reduced to \$33,837,759.73 because funds have been deobligated from activities that are completed and closed out. This program was created in Action Plan Amendment 15, and amended in Amendments 18, 20 and 22.

III. Creation of New Program

A. Louisiana’s Strategic Adaptations for Future Environments (LA SAFE)

1. Program Summary:

LA SAFE focuses on helping communities plan for – and implement – safer, stronger, and smarter recovery and development strategies. To support this process, in addition to analyzing the specific recovery needs of communities, OCD-DRU is utilizing the Coastal Protection and Restoration Authority of Louisiana’s (CPRA) analytical model, the Coastal Louisiana Risk Assessment (CLARA), to estimate flood depths and damages that may potentially occur as a result of major storms projected over the next 50 years. Parishes heavily impacted by hurricanes Katrina and Rita have been demonstrated to be vulnerable to severe, repetitive surge flood risk -- through these two events themselves, tropical and significant rain events in subsequent years (hurricanes Gustav and Ike, cloudburst rain events in March and August 2016), and through advanced future modeling the state has developed monitoring its coastal land loss, subsidence, and flood risk vulnerability. Through this reallocation, LA SAFE

will invest in resilience-building activities in Katrina and Rita impacted parishes that incentivize community development patterns and buildouts promoting highest and best land uses in naturally higher-ground areas better protected from the types of surge flood events these parishes experienced during hurricanes Katrina and Rita.

The program's goals include the provision of gap funding for critical projects that will help Louisiana's at-risk communities recover in a more resilient manner.

2. Eligible Activities:

- Acquisition of Real Property – 105(a)(1)
- Public Facilities and Improvements and Privately-Owned Utilities – 105(a)(2)
- Code Enforcement – 105(a)(3)
- Clearance, Rehabilitation, Reconstruction, and Construction of Buildings – 105(a)(4)
- Public Services – 105(a)(8)
- Payment of the Non-Federal Share – 105(a)(9)
- Relocation – 105(a)(11)
- Planning and Capacity Building – 105(a)(12)
- Activities Carried Out through Nonprofit Development Organizations – 105(a)(14)
- Assistance to Neighborhood Based Non-Profit Organizations- 105(a)(15)
- Economic Development Assistance to For-Profit Business – 105(a)(17)
- Technical Assistance – 105(a)(19)
- Housing Services – 105(a)(20)
- Assistance to Institutions of Higher Education – 105(a)(21)
- Microenterprise Assistance – 105(a)(22)
- Homeownership Assistance – 105(a)(24)

3. National Objective:

Low to Moderate Income Benefit; Urgent Need; Prevention/Elimination of Slums or Blight.

The program encourages projects that meet the objective of benefit to LMI, as noted in the Criteria for Selection section. The use of urgent need may be used in instances where the project is an unmet need originating from the 2005 storms that is outstanding and has long-term substantial beneficial impact to beneficiaries.

4. Allocation Amount:

\$974,438.15

5. Proposed Use of Funds:

Allows for the planning and project or program gap assistance for public, privately-owned and/or non-profit projects that help storm-impacted communities recover in the areas of housing, transportation, energy, other public infrastructure, economic development, public services, flood-risk reduction and planning. The projects and programs funded under LA SAFE may be identified in parish-wide plans or through another planning process.

6. Method of Distribution:

The state may implement programs and projects directly and/or may engage local governments, non-profit organizations, universities/colleges, other institutions of education,

businesses, other subrecipients or direct beneficiaries to implement programs or projects resulting from the LA SAFE planning process. The state will select programs or projects that are included in the local Strategic Adaptation Plans, or other similar local community plans.

7. Criteria for Selection:

In order to be selected for LA SAFE capital investment, a project must be able to meet the following baseline requirements:

- Project must be a CDBG-DR eligible activity
- Project must be able to meet a national objective within CDBG-NDR timelines
- Project must have a clear tie to recovery from Hurricanes Katrina/Rita
- Project must have an eligible unmet need after accounting for all duplication of benefits
- Project must meet specific project area requirements (e.g. economic development underwriting, infrastructure limitations, housing composition)
- Project must be feasible and sustainable; all funding sources must be firmly committed and the local, responsible entity must have the resources committed to ensure on-going maintenance and operations
- Project must be compatible with the CPRA's Coastal Master Plan and/or CLARA

In addition to meeting the baseline requirements listed above, the state will review projects included in the strategic adaptation or similar plans and will rank and score projects that may include the following criteria:

- Other sources of funding committed to the project (Local, state or other federal leverage)
- Projects that meet the national objective of primarily benefiting low to moderate income populations
- Citizen preference
- Quantifiable public benefit for the target area and/or on levels of risk

IV. Public Comment

A. Per the state's initial Action Plan, this Amendment is considered substantial as it creates the new LA SAFE program. The formal public comment period for the plan begins Wed., December 6th and runs through Tues., December 19th at 5 p.m. CST. Citizens and organizations can comment on this amendment via:

- The OCD-DRU website, http://www.doa.la.gov/Pages/oed-dru/Action_Plans.aspx;
- Emailing them to 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 Khmer, Spanish and Vietnamese 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:

The proposed Action Plan Amendment was published for Public Comment on December 6, 2017 through December 19, 2017. The state did not receive any comments.