

Disaster Recovery Initiative
U.S. Department of Housing and Urban Development (HUD)

[Docket No. FR-5051-N-01]

Federal Register / Volume 71, Number 29

Department of Defense Appropriations Act, 2006

**Louisiana Office of Community Development,
Division of Administration**

***Proposed Action Plan Amendment 45 – Providing Funding to
Applicants with Unresolved Succession/Heirship Issues***

**Posted for Public Comment:
September 21, 2010**



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1. Introduction

This Action Plan Amendment describes *The Road Home* Homeowner Assistance Program. The purpose of this Action Plan Amendment is to implement the most recent policy guidance by the State in regards to applicants that have unresolved succession/heirship issues and have, thus far, been unable to receive funding from the program due to the outstanding issues. This Amendment replaces Section 2.6 of program descriptions as published in Action Plan Amendment 1 and Action Plan Amendment 7. This Amendment is to be considered current policy upon its publication.

2.6 Treatment of Homeowners with Special Circumstances

Assignability: The State has prepared policies that allow a homeowner to sell his or her home on the open market and to assign rights to Program assistance to the new buyer. Assigned grants will require the new buyer to meet the same requirements the original homeowner would have been required to meet to qualify and receive assistance under the Program.

Death or Infirmity of Eligible Owner: Some homeowners have died since the time of the storms. In such event, an heir who has been placed into legal possession of the property under applicable law will be eligible for homeowner assistance in place of the deceased owner. If a homeowner is incapacitated due to illness or other infirmity, any person legally authorized to act on behalf of such a person, such as is provided by a power of attorney, is eligible to apply for assistance on behalf of the homeowner.

If a homeowner who has received assistance from *The Road Home* dies after receiving assistance and signing the required legally binding agreements to ensure compliance with the Program requirements, the agreements will continue to apply to the property.

Unresolved Succession/Heirship Issues: Certain *Road Home* program applicants who are otherwise eligible to receive a Road Home homeowners Option 1 grant have been unable to close on the grant due to unresolved inheritance or heirship issues necessary to place the applicant in possession as owner of the property in which they have a right of inheritance. In cases where such eligible applicant has demonstrated that he/she has despite due diligence been unable to resolve the inheritance or heirship issues, the applicant will be awarded a *Road Home* grant subject to special grant provisions and a special covenant restriction.¹

¹ A rider to the Declaration of Covenants Running with the Land will be executed at the applicant's closing and recorded in the conveyance records against the property. The rider will reserve the rights of the State of Louisiana for any claims arising in favor of the state against the applicant subsequent to the awarding of the grant. The rider shall be satisfied in the event that a Judgment of Possession is completed in favor of the grant recipient or the grant recipient sells or otherwise transfers ownership of the property and the purchaser, heir, or beneficiary receiving the property executes a mortgage in favor of the state or secures a mortgage from a third party and repays the state the amount of the Road Home grant received for the property.

Owner-Occupants Who Have Sold Their Principal Residence Without Assistance from *The Road Home*: Some homeowners may have chosen to sell their homes without assistance from the *Road Home* Homeowner Assistance Program. It is the goal of *The Road Home* to ensure that damaged properties qualifying under the Homeowner Assistance Program do not remain blighted and undeveloped. Homeowners who have sold their homes prior to August 29, 2008, may be eligible if the goals of the Program are met, and a homeowner can demonstrate that he or she remains in a loss situation after selling the damaged property to another party, such homeowners may receive assistance under the Program to compensate for remaining losses in accordance with the Program requirements. Assistance for these homeowners is subject to the availability of funds.

Owners Who Have Received Other Assistance: Policies will be set for discounting compensation amounts for any grants or below-market interest rate loans from government agencies that may have been received by an owner for these purposes. Pursuant to federal statute, assistance from *The Road Home* must be used to repay any loans from the Small Business Administration (SBA) that a homeowner has received in compensation for the same losses.

Owners of Homes Located on Leased Land: Owners of a site built home, manufactured home or mobile homes may also be eligible for assistance regardless of whether they own the land on which the damaged home was located, to be determined by criteria developed in order to ensure ownership and immobilization of the structure.

Appeals: Any homeowner has the right to appeal decisions made by the *Road Home* program including eligibility decisions and calculation amounts used to determine funding assistance awards. To appeal a *Road Home* award, call 1-888-Road2LA (1-888-762-3252) for instructions or check the web site at Road2la.org. TTY callers use 711 relay or 1-800-846-5277.