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

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Louisiana Office of Community Development/Disaster Recovery Unit,
(OCD-DRU)
Division of Administration

Non-Substantial - Action Plan Amendment No. 54 – Reallocation of Funds to:
- Local Government Emergency Infrastructure Program from the Fisheries Assistance Program, Soft Seconds Program and First Time Homebuyer Pilot Program
- Local Government Emergency Infrastructure Program from the Small Firm Recovery Loan and Grant Program and Recovery Workforce Training Program
- LIHTC “Piggyback” Program from the Soft Seconds Program

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HUD Approved: April 5, 2012

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Non-Substantial Action Plan Number 54 to Katrina/Rita First Appropriation: 
Reallocation of Fisheries Assistance, Soft Seconds Program, First Time 
Homebuyer Pilot Program, Small Firm Loan and Grant Program and 
Recovery Workforce Training Program Funds to the Local Government 
Emergency Infrastructure Program. Reallocation of Soft Seconds Program to 
the Housing Low Income Housing Tax Credit (LIHTC) “Piggyback” Program

Eligible Activity:  Section 105 (a)(2),(8),(9)&(14): Local Government Emergency Infrastructure Program  
Section 105(a)4: LIHTC “Piggyback” Program

Activity Amount:  $133,040,731 (funding in Local Government Emergency Infrastructure prior to this Amendment).  New total = $139,721,488 (1%)  
- $2,234,392 from the $28,750,000 Fisheries Assistance Program (7%)  
- $600,000 from $75,000,000 Soft Seconds Program under the Small Rental Property Program (1.6%)  
- $900,000 from the $49,198,000 First Time Homebuyer Pilot Program (1.8%)  
- $2,000,000 from $209,371,157 Small Firm Recovery Loan and Grant Program (1%) and $946,365 from $38,000,000 Recovery Workforce Training Program (2%)  
$581,046,000 (funding in the LIHTC “Piggyback” Program prior to this Amendment).  New total – $582,846,000 (1%)  
- $1,800,000 from $74,400,000* Soft Seconds Program under the Small Rental Property Program (2%)  
*New total from Amendment above.

This amendment transfers $2,234,392 from the Fisheries Assistance Program, $600,000 from the Soft Seconds Program as part of the Small Rental allocation, $900,000 from the First Time Homebuyer Pilot Project under the Small Rental allocation, $2,000,000 from the Small Firm Loan and Grant Program and $946,365 from the Recovery Workforce Training Program allocations to the Local Government Emergency Infrastructure Program; all approved programs in the Katrina/Rita Action Plan and ensuing Amendments. The latter was created to address urgent needs critical to Louisiana local governments in their recovery from Hurricanes Katrina and Rita. The program was referenced in Action Plan Amendments (APAs) 2, 10, 15, 19, 25, 41, 48, 49 and 53.

This funding transfer is necessary as a result of consultation regarding the increase in the number of critical infrastructure projects initially budgeted. The Fisheries Assistance Program is fully funded for the obligated projects. The Soft Seconds program has fully obligated funds to interested parishes according to program design and need. The First Time Homebuyer Pilot Program contract with the Finance Authority of New Orleans (FANO) has concluded with remaining funds. Similarly, the Small Firm Recovery Loan and Grant program has estimated and met its funding need for the existing pipeline of projects with one withdrawal. The Recovery Workforce program has closed with funds remaining.
This amendment serves to clean up amounts of funds that are remaining in program areas due to changes in budgets, withdrawal of projects or shifts in demands, and/or closed programs and to move those funds to support the areas of outstanding priorities or unmet needs.

This amendment is considered non-substantial since the transfer is less than 15% of each of the programs’ budgets, does not create a new program, nor change any beneficiaries.

The *Low-Income Housing Tax Credit (LIHTC)* “Piggyback” Program was created in APA 1, and modified in APA 4. According to APA 1, “the combination of LIHTC incentives and CDBG funds that piggyback with tax credits will promote the twin goals of dramatically increasing the supply of rental units affordable to a wide range of low-to-moderate income families and expanding rental housing supply as a part of stable mixed-income developments and neighborhoods.” This amendment transfers $1,800,000 of the remaining funds from the Soft Seconds program under the Small Rental allocation to the “Piggyback” program to further the program objectives and meet the outstanding unmet needs. As noted in APA 1, projects will be selected by the State, and in accordance with program guidelines.

This amendment is considered non-substantial, as well, since the transfer is less than 15% of each of the programs’ budgets, does not create a new program, nor change any beneficiaries.

There are still many public infrastructure and housing recovery and rebuilding needs that are not covered by funds available in established recovery programs. The OCD-DRU continues to track, monitor and identify these disaster-related gaps in community recovery along with ways to address these gaps in order to revitalize and restore communities and neighborhoods, while making them more resilient to future storm events.

**Monitoring**

This activity is considered to be a low risk activity. Monitoring will be performed by the OCD-DRU staff in accordance with the contracts and the OCD-DRU Monitoring Plan.