

# Katrina-Rita Housing Programs

## The Road Home\*



The Homeowners Assistance program (Road Home) represents the largest single housing recovery program in U.S. history. Eligible homeowners received up to \$150,000 in compensation for losses and had three compensation options: 1) Restore and reoccupy their damaged home; 2) Sell the home to the state and purchase another one in Louisiana; or 3) Sell the home to the state and choose not to remain a homeowner.

The program had three main components:

- Compensation grants;
- Elevation incentives; and
- Additional compensation grants for low- to moderate-income households.

Properties returned to the state are managed by the Louisiana Land Trust, either maintained until they can be returned directly into commerce or turned over to parish governments in accordance with the property disposition plans.

The program has been closed to new recipients since 2007.

\*With the exception of The Road Home, all housing programs are now being managed by the Louisiana Housing Corporation.

## **First Time Homebuyer and Soft Second**

Assists first-time homebuyers with the purchase of a single family home or owner-occupied duplex. For this program, a first-time homebuyer is defined as any person who has not had a title to a property in the last three years. The First Time Homebuyer program is administered by multiple sub-recipients in impacted parishes.

Like the First Time Homebuyer program, Soft Second helps low- to moderate-income individuals who are purchasing their first home. With Soft Second, the properties must come from the stock of Louisiana Land Trust properties. The program is administered by the City of New Orleans and the governments of Cameron, Jefferson, Plaquemines, St. Bernard and St. Tammany parishes.

## **Small Rental Property**

This program provides landlords with funds to repair one- to four-unit rental properties. The goal is to provide affordable and workforce housing units to low- to moderate-income citizens and help the housing market, providing neighborhoods with new or renovated best practice, mixed-income units. Small Rental provides financial incentives in the form of forgivable loans to property owners to help restore their damaged units and offer them at affordable rents.

## **Multi-Family Rental: Low-Income Housing Tax Credit "Piggyback"**



Finances multi-family workforce rental housing. The allocated CDBG funds are "piggybacked" onto GO Zone Low Income Housing Tax Credits and projects utilizing tax-exempt private activity bonds and four

(4) percent LIHTCs. The Piggyback program follows best practices models for workforce housing development.

## **Nonprofit Rebuilding Pilot and Plaquemines Parish Homeowner Rehabilitation**

The NPPP provides grants to rebuilding organizations that assist homeowners in meeting the gap needed to rebuild their storm- or flood-damaged homes. The Plaquemines Parish program assists eligible homeowners in that parish to complete their home repairs or rebuild. The programs are open to both Road Home and non-Road Home participants.

## **Housing Development Loan Fund/Land Assembly Operations**

Provides seed funding for a contractor or state agency to establish one or more loan funds that offer flexible-term acquisition and predevelopment financing to developers of the most critically needed housing. Suitable sites for housing development include: surplus properties held by government agencies; nonprofit organizations; churches; and businesses.

## **Homelessness Supports and Housing**

Funds the restoration and expansion of homelessness housing capacity in hurricane-impacted areas by providing:

- Capital funds for repairing damaged facilities;
- Capital grants and shallow rental subsidies to increase the supply of Permanent Supportive Housing for the homeless and at-risk;
- Interim rental assistance and deposits for PSH households; and
- Rental assistance to persons who are at-risk of becoming homeless or to households that have fallen into homelessness.

## **Supporting Housing Services**

Assists individuals in transitioning to Permanent Supportive Housing and maintaining successful, long-term tenancies. Eligible participants must have incomes at or below 50 percent Area Median Income, have a long-term disability and require services to maintain their housing situation.

## **Short-Term Assistance and Rental Services**

Serves residents affected by hurricanes Katrina and Rita, as well as those transitioning out of FEMA Temporary Housing Units. Also has assisted households previously impacted by Katrina/Rita who suffered impacts from Hurricane Isaac.

## **Contaminated Drywall**

In response to the contaminated drywall crisis that developed during reconstruction after hurricanes Katrina and Rita, the Louisiana Legislature created legislation to set aside \$5 million of the housing budget to provide testing and rental assistance to homeowners in need.

## **Support to Community Based Programs\*\***

As part of the Road Home program, money was set aside to provide support to communities in the following two areas: 1) Housing Outreach Service, which provides outreach, technical assistance and transportation to low- and moderate-income individuals in the Homeowner Housing Assistance Program; and 2) Housing Legal Service, which provides legal assistance to low- and moderate-income individuals during the Road Home application process.

*\*\*Program has now completed activities.*

## **Building Code Enforcement\*\***

Designed to assure that all homes repaired or rebuilt with Road Home funds complied with the Louisiana State Building Code. This program provided code inspectors and permit technicians in 11 parishes to assist with building code inspections and to train local building code inspectors to become certified inspectors.

*\*\*Program has now completed activities.*

## **Emergency Rental Assistance/Rapid Re-Housing\*\***

Due to capacity challenges that faced Rapid Re-Housing subcontractors, DRU subcontracted with the Housing Authority of New Orleans and Disaster Housing Assistance Program case managers to facilitate emergency rental assistance with resources that, like the exiting RRH, provided rent payments, security deposits, utility assistance and other approved activities. The program began in August 2009 and ran through February 2010.

*\*\*Program is now closed out.*

# Katrina-Rita Infrastructure Programs

## Long Term Community Recovery



Supports implementation of local governments' long-term recovery plans in the most heavily impacted communities. Funds have been allocated to parishes according to a formula based on estimated housing and infrastructure damage.

Priority projects are determined by parishes based on their recovery plans. OCD-DRU and consultants assist parishes and municipalities develop project applications and guide them in CDBG compliance as the projects are completed.

Types of LTCR projects include: drainage, first responder; health and hospitals; libraries; neighborhood redevelopment; parks recreation landscaping and others; streetscapes; transportation; water and sewage and other public buildings.

## Local Government

Funds projects that meet critical local infrastructure needs that are unmet through other recovery programs.

## Primary and Secondary Education

Supports the rebuilding, repair and enhancement of storm-damaged school district facilities not eligible for FEMA Public Assistance funding. Funds were allocated to school districts based on damage.

## Fisheries Infrastructure Assistance



Funds projects that improve the viability and long-term sustainability of the commercial and recreational fisheries of coastal Louisiana.

## Ratepayer Mitigation/Entergy New Orleans\*\*

Helped defray gas and electric utility systems repair costs in an effort to mitigate rate increases that would otherwise be passed on to the New Orleans gas and electric utility ratepayers. All of the \$200 million was expended.

*\*\*Program is now closed out.*

# Katrina-Rita Economic Development Programs



## Project-Based Recovery Opportunity

The deadline for submitting applications to the Project-Based Recovery Opportunity Program is **March 31, 2021**. No applications will be accepted after this date.

This program funds unmet, large-scale recovery projects. PROP provides direct, low-interest loans intended to:

- Assist neighborhood and local economic development priorities;
- Invest in commercial corridor revitalization;
- Support key local and state industry sectors;
- Spur long-term job creation, economic revitalization and long-term sustainability; and
- Employ disaster recovery resources to leverage private resources.

## Innovation Loan and Technical Assistance

Funds sub-recipients who provide to small or start-up businesses technical assistance, small loans or a combination of both. The technical assistance includes: financial management; one-on-one counseling; business plan development; and development of a Web site. Loans range in size from \$50,000 to \$500,000 and can be used for equipment, inventory and either real estate acquisition or construction. The current Innovation program combines both Katrina/Rita and Gustav/Ike CDBG funds and began in 2010.

## Recovery Workforce Facilities

\$20 million will be used to develop a facility to house workforce training programs implemented by Southwest Louisiana Technical Community College (SOWELA). Post-storms, Louisiana has seen a dramatic increase in the extraction of natural gas, and multiple secondary industries have located or expanded in storm-affected areas. As these secondary industries increase their presence, and as pre-storm industries are adversely affected by the economy, it is critical for residents to have access to training that will make them employable in this altered economic environment.



## **Bridge Loan\*\***

Immediately following the 2005 storms, the state instituted a Disaster Bridge Loan program for small businesses to bridge the gap that exists from when the need arises until the time insurance pays a claim or a SBA Disaster Loan is funded.

*\*\*Program activities have been completed.*

## **Business Recovery Grant/Loan\*\***

Through a partnership with the state Department of Economic Development, this program provided immediate financial relief to restart and sustain small businesses in the most impacted areas of Louisiana, particularly those that experienced a decrease in revenue after the storms. Funds were awarded to nine community based nonprofit organizations to administer the program.

*\*\*Program activities have been completed.*

## **Technical Assistance to Small Firms\*\***

Provided technical assistance to small businesses in the most impacted areas of Louisiana to help businesses adapt to a changed environment. Services included accounting, business planning, marketing, disaster planning and advertising. Was a companion program to Business Recovery Grant/Loan.

*\*\*Program activities have been completed.*

## **Recovery Workforce Training\*\***

Provided for training and placement of workers in critical recovery sectors including construction, healthcare, transportation, cultural economy, advanced manufacturing and oil and gas. Eighteen workforce training programs were provided funding through this program, which ended in 2010.

*\*\*Program activities have been completed.*

## **Louisiana Tourism Marketing Initiative\*\***

In cooperation with the state Department of Culture, Recreation and Tourism, this program promoted tourism in the storm-impacted parishes by increasing the number of visitors, thereby boosting Louisiana's tax revenues and fostering national consciousness of our unique culture. Grants were made to 11 parishes



for programs ranging from family tours to marketing campaigns to tell the story that Louisiana and its communities were open for business.

*\*\*Program activities have been completed.*

## **Research Commercialization and Education Enhancement\*\***

Program was administered by the Board of Regents and was developed to restore the economic impact of scientific and technology research facilities within higher education institutions in the most severely affected areas. The five-year program provided grants to 11 consortiums of universities in pharmacology, cancer biology, coastal protection and other sciences. The program resulted in 1,387 publications and the application and receipt of approximately 455 technology transfers, patents or licenses.

*\*\*Program activities have been completed.*

## **Public Service - Cecil J. Picard/LA 4 Early Childhood Education**

Provides funding to the Louisiana Department of Education for the Cecil J. Picard LA4 program to provide high-quality early childhood education to children who are from low- to moderate-income families and are eligible to attend kindergarten the following year.

Funding for this program combined both \$15.7 million in Katrina/Rita funds and \$20 million in Gustav/Ike, which was made available to the state Department of Education for the 2012-13 school year. The Katrina/Rita funds used were program income.

*\*\*Program is now closed out.*

# Katrina-Rita State Planning Initiatives

This allocation funded the following projects that included individual planning studies or those that will increase the planning capacity of various entities across the state, including parish governments:

- Louisiana Recovery Authority Planning;
- Housing Program Development;
- LSU Medical Center; and
- Local Parish Planning.

## State Planning and Technical Assistance

Funds projects that will increase the planning capacity of various entities across the state, including the Louisiana Municipal Association, the City of New Orleans, the Zachary Taylor Parkway Commission and the state Department of Education, among others.