

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

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

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*Department of Defense Appropriations Act, 2006 (Public Law 109-148)*

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

**STATE OF LOUISIANA PROPOSED ACTION PLAN AMENDMENT  
No. 67  
FOR THE UTILIZATION OF  
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS  
IN RESPONSE TO HURRICANES KATRINA AND RITA  
FIRST APPROPRIATION**

Public Comment Period: December 6 – December 19, 2017

Submitted to HUD: January 10, 2018

Partially Approved by HUD: February 15, 2018

Fully Approved by HUD: February 22, 2019

**John Bel Edwards**

Governor

**Billy Nungesser**

Lieutenant Governor

**Jay Dardenne**

Commissioner of Administration

*\*Through letter dated 2/15/18, HUD partially approved APA 67, specifically all proposed allocations except for the Nonprofit Rebuilding Pilot Program (NRPP) reallocation, until the Road Home Closeout Plan of Action is submitted and approved. On 2/22/2019, HUD fully approved APA 67.*

**I. Overview**

This Action Plan Amendment No. 67:

1. Amends allocations to the LIHTC/CDBG Piggyback, Soft Second, First Time Homebuyer Pilot, Nonprofit Rebuilding Pilot, Primary and Secondary Education Infrastructure, Local Government Infrastructure, and Fisheries Infrastructure and Assistance programs; and
2. Creates and allocates funds to the Louisiana’s Strategic Adaptations for Future Environments (LA SAFE) Program.

<b>Program</b>	<b>Previous Total</b>	<b>Reallocation</b>	<b>Approved Total as of 2/22/2019</b>	<b>% Change</b>	<b>Previously Approved Total as of 2/15/2018</b>
LIHTC/CDBG Piggyback	\$11,681,715.15	\$9,290,161.42	\$20,971,876.57	79.5%	\$16,171,880.34
Soft Second	\$72,599,848.15	(\$2,919,185.14)	\$69,680,663.01	(4.0%)	\$69,680,663.01
First Time Homebuyer Pilot	\$39,081,581.00	(\$1,159,254.00)	\$37,922,327.00	(3.0%)	\$37,922,327.00
Nonprofit Rebuilding Pilot	\$20,000,000.00	(\$7,825,558.08)	\$12,174,441.92	(39.1%)	<i>Not Approved</i>
Primary and Secondary Education Infrastructure	\$243,750,000.00	(\$45,021.20)	\$243,704,978.80	(<1%)	\$243,704,978.80
Local Government Infrastructure	\$139,721,488.00	(\$362,816.85)	\$139,358,671.15	(<1%)	\$139,358,671.15
Fisheries Infrastructure and Assistance	\$25,489,735.59	(\$1,270.00)	\$25,488,465.59	(<1%)	\$25,488,465.59
Louisiana’s Strategic Adaptations for Future Environments (LA SAFE)	\$0	\$3,025,561.85	\$3,025,561.85	N/A	<i>Not Approved</i>
Miscellaneous Unallocated	\$2,618.00	(\$2,618.00)	\$0	(100%)	\$0
<b>Total:</b>	<b>\$552,326,985.89</b>	<b>\$0</b>	<b>\$552,326,985.89</b>		<b>\$532,326,985.89</b>

**II. Reallocation of funds for existing programs**

**A. LIHTC/CDBG Piggyback Program**

The LIHTC/CDBG Piggyback budget is increased to \$20,971,876.57 in order to further address the ongoing unmet affordable housing needs in the disaster impacted areas. Additional funding for this program is critical for the long-term affordable housing needs that were exacerbated by Hurricanes Katrina and Rita and will provide long term (30-35 year) affordable housing solutions for low income families living in these areas. This program was created in Action Plan Amendment 1, and amended in Amendments 4, 9, 18, 21, 54, 56 and 64.

**B. Soft Second Program**

The Soft Second Program budget is reduced to \$69,680,663.01 because funds have been deobligated from activities that are completed and closed out. This program was created in Action Plan Amendment 24, and amended in Amendments 50, 54, 55 and 66.

C. First Time Homebuyer Pilot Program

The First Time Homebuyer Pilot Program budget is reduced to \$37,922,327.00 because funds have been deobligated from activities that are completed and closed out. This program was created in Action Plan Amendment 4, and amended in Amendments 54, 55 and 66.

D. Nonprofit Rebuilding Pilot Program

The Nonprofit Rebuilding Pilot Program budget is reduced to \$12,174,441.92 because all eligible applicants have been vetted and the remaining pipeline of the nonprofits will be served with the remaining funding. This program was created in Action Plan Amendment 33.

E. Primary and Secondary Education Infrastructure Program

The Primary and Secondary Education Infrastructure Program budget is reduced to \$243,704,978.80 because funds have been deobligated from activities that are completed and closed out. This program was created in Action Plan Amendment 2, and amended in Amendments 19, 53 and 61.

F. Local Government Infrastructure Program

The Local Government Infrastructure Program is reduced to \$139,358,671.15 because funds have been deobligated from activities that are completed and closed out. This program was created in the Initial Action Plan, and amended in Amendments 2, 15, 19, 25, 41, 48, 49, 53 and 54.

G. Fisheries Infrastructure and Assistance Program

The Fisheries Infrastructure and Assistance Program is reduced to \$25,488,465.59 because funds have been deobligated from activities that are completed and closed out. This program was created in Action Plan Amendment 17, and amended in Amendments 26, 54 and 62.

**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 Objectives:

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:

\$3,025,561.85

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 reallocates greater than 15% of funds in the LIHTC/CDBG Piggyback and Nonprofit Rebuild Pilot Programs, and 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/ocd-dru/Action\\_Plans.aspx](http://www.doa.la.gov/Pages/ocd-dru/Action_Plans.aspx);
- 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 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.