

# Solution 4

Buyout & Resilient Housing Incentive

Restore Louisiana Homeowner Assistance Program



March 2019

# Program Overview

- A fourth “solution” under the Restore Louisiana Homeowner Assistance Program
- Voluntary buyout & housing incentive program for homeowners who are at high risk of future flooding
- Two populations served
  - 494 homeowners in high risk areas (floodways)
  - 2 communities engaged in organized retreat with a coordinating agency such as USDA NRCS
    - Pecan Acres, Pointe Coupee Parish
    - Silverleaf, City of Gonzales
- Program cap of \$200,000 CDBG assistance



# Eligibility Requirements

- “High Risk Area” Floodway Properties
  - Mirrors Restore LA guidelines
  - Located in floodway
  - Owner-occupied at time of 2016 flooding
  - FEMA major/severe damages
    - \$8,000 damage or 1 ft. flooding
- “High Risk Community” Properties
  - Broader guidelines to provide a “whole community” solution for buyout and incentive
  - Targets all current owners of property



# Solution 4: High Risk Areas Floodways



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# CDBG & Floodway Regulations

Title 24 of the Code of Federal Regulations (24 CFR)

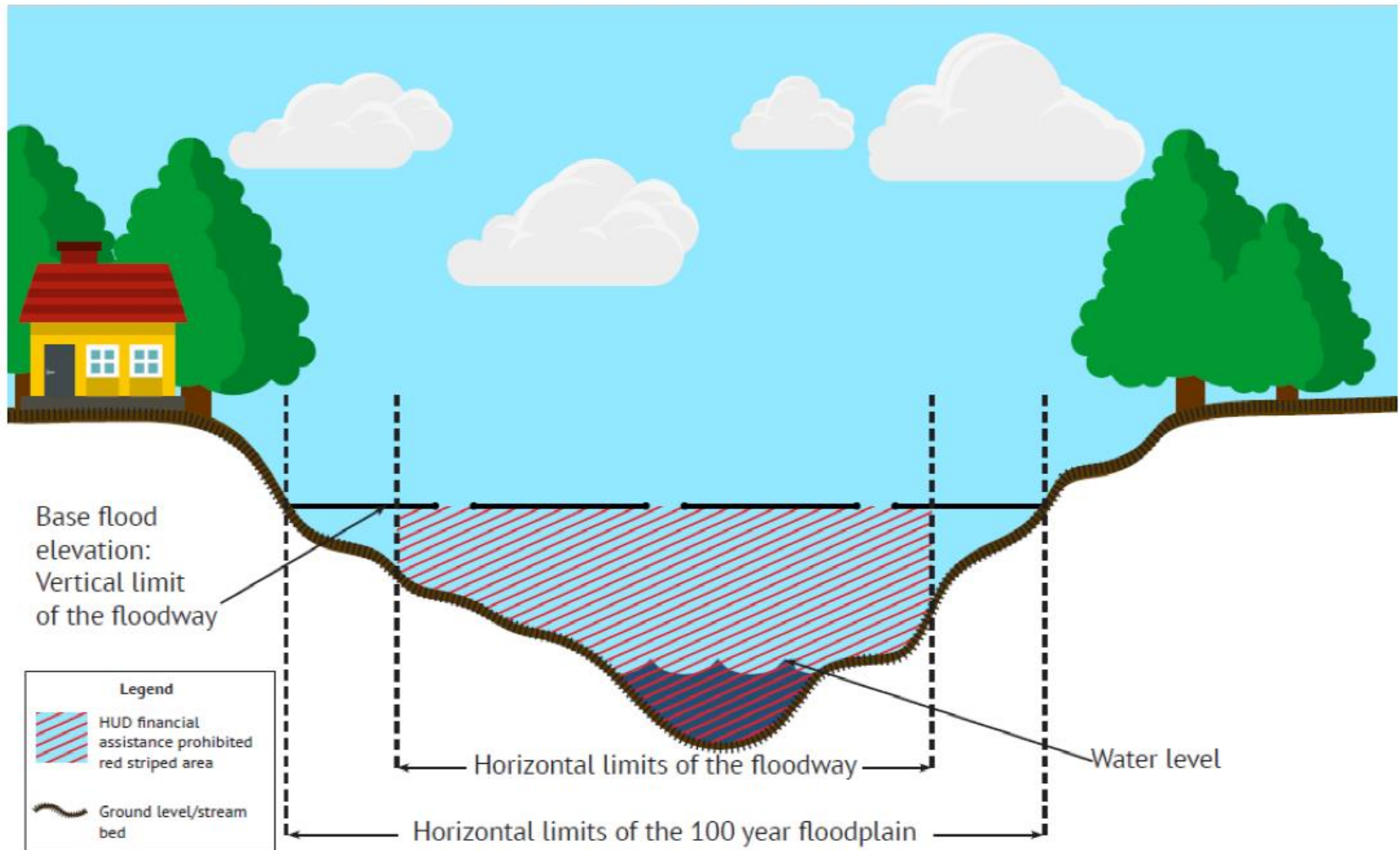
Part 55: HUD's Floodplain Management Regulations

*“Except with respect to actions listed in §55.12(c), **no HUD financial assistance** (including mortgage insurance) **may be approved after May 23, 1994 with respect to... any action** other than a functionally dependent use or floodplain function restoration activity, **located in a floodway.**”*

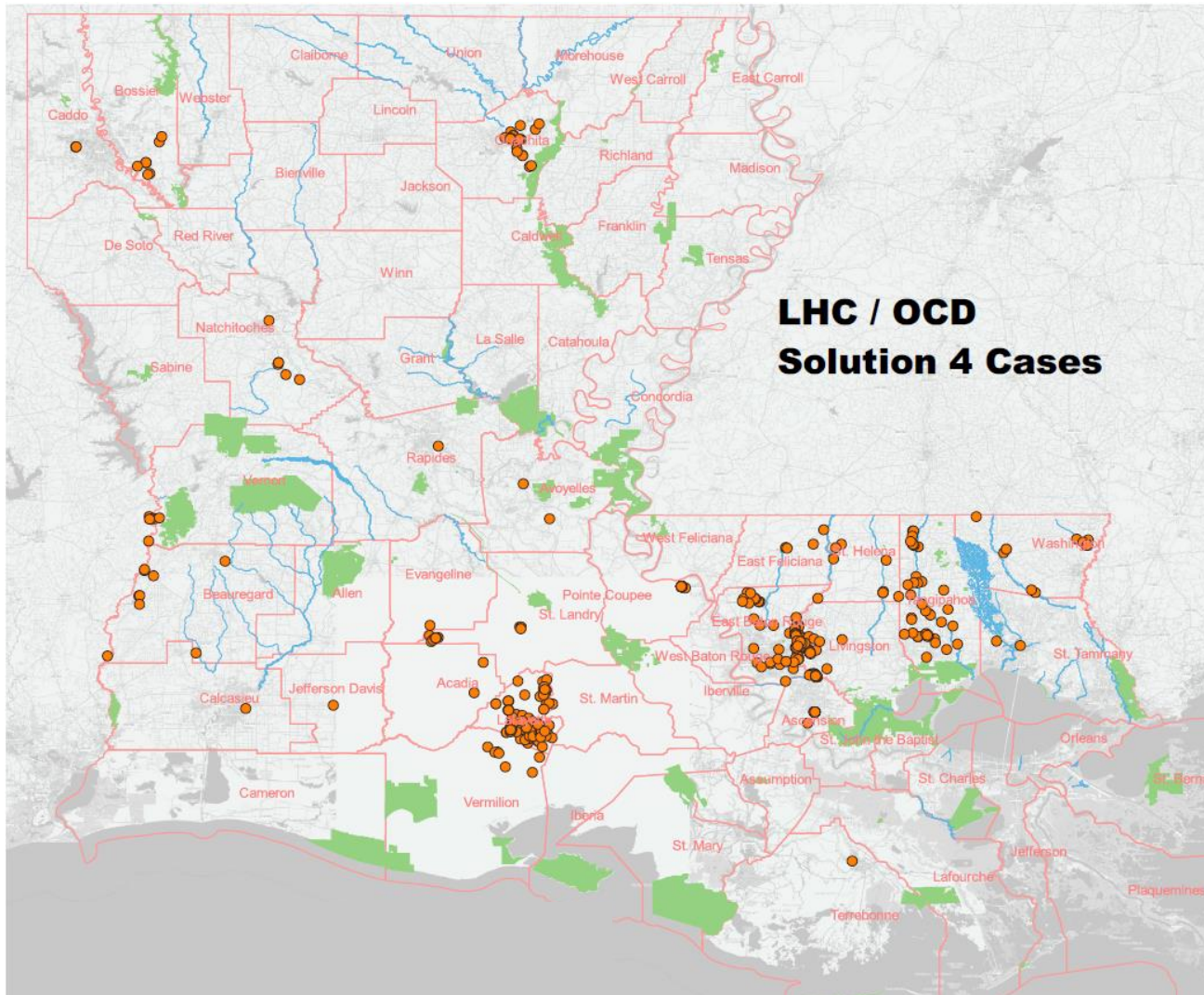


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**Floodway:** The portion of the floodplain which is effective in carrying flow, where the flood hazard is generally the greatest, and where water depths and velocities are the highest.



# Solution 4 Floodway by the numbers



Parish	#
Lafayette	105
East Baton Rouge	93
Livingston	81
Tangipahoa	79
Ouachita	23
Washington	22
St. Landry	15
Beauregard	13
Vermilion	12
St. Helena	11
Vernon	9
Bossier	8
East Feliciana	6
Natchitoches	6
Caddo	3
Pointe Coupee	2
Acadia	1
Ascension	1
Calcasieu	1
Jefferson Davis	1
Rapides	1
St. Tammany	1
<b>Grand Total</b>	<b>494</b>

# Buyout

## High Risk Area / Floodway

- Buyouts are calculated based on current, appraised value for the house & land it is located on.
- In order for the buyout to occur, the property must be free of liens, or the liens must be paid out of the buyout proceeds.





# Housing Incentive

## High Risk Area / Floodway

- Eligible owners may qualify to receive a “housing incentive” on top of their NRCS payment in exchange for relocating to a location with lower flood risk.
- Housing Incentive is a grant that will be paid only when the homeowner demonstrates they’ve relocated to (or are prepared to relocate to) a qualified location:
  - Purchased home in Louisiana outside the Special Flood Hazard Area, or
  - Purchased home in Louisiana inside the Special Flood Hazard Area elevated 2’ above Base Flood Elevation (BFE)\*, or
  - Rented home in Louisiana outside the Special Flood Hazard Area

\* this option not available to owners who are non-compliant with federal flood insurance requirements following receipt of disaster assistance



# Disposition

## High Risk Area / Floodway

- LLT takes possession of properties once acquired, but will dispose of them as soon as is practicable.
- Land will carry green space restrictions forever.
- Property may be transferred to the parish or local government for their (compatible) use.
- Property may also be sold at fair market value to the public or a neighboring land owner.

## Compatible Uses

- Floodways, detention or retention ponds, and other drainage or flood protection features or structures
- Wetland and watershed management
- Agricultural and forestry activities, including
- Parks for outdoor recreational activities
- Nature reserves
- Cultivation
- Grazing
- Outdoor recreation
- Public restrooms
- Structures or public facilities open on all sides and functionally related to another Permitted Use;
- Camping
- Unimproved pervious parking lots
- Subsurface infrastructure necessary to support other Permitted Uses.
- Lighting and security features necessary to support other Permitted Uses.
- Buffer zones including those buffer zones needed for drainage or levee protection ...and more!

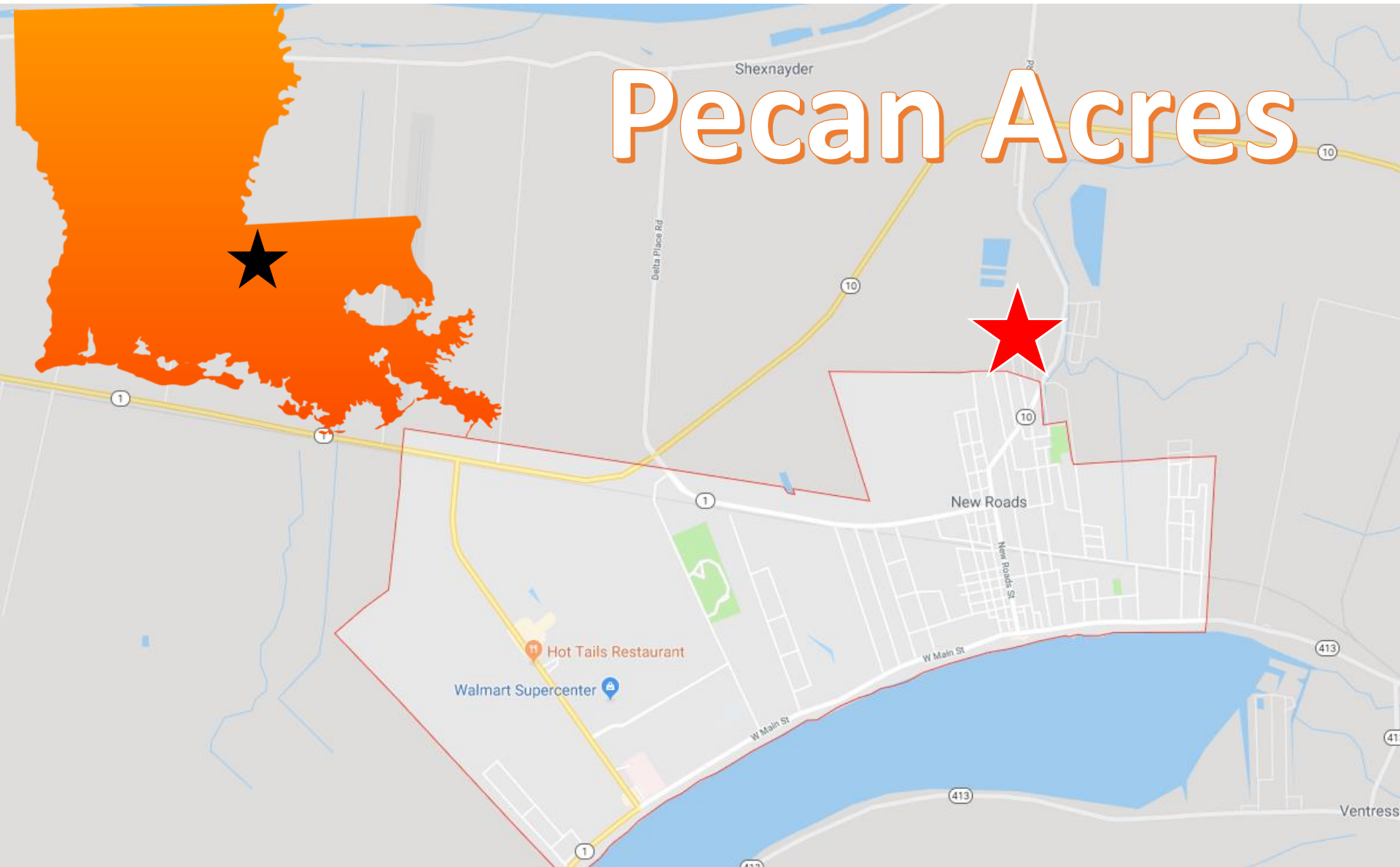


Solution 4:  
High Risk Communities  
Pecan Acres & Silverleaf



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# Pecan Acres





## Pecan Acres, At a Glance

- Located in Pointe Coupee Parish
- Constructed in the late 1960s
- 40 parcel subdivision
  - 36 owner-occupied
  - 3 rentals
  - 1 vacant lot
- *Flooded 18+ times since construction, as recently as December 2017.*



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# Partnership with NRCS

- Natural Resource Conservation Service, a unit of USDA.
- Emergency Watershed Protection Floodplain Easement Program
- NRCS purchases “flood easements” from homeowners which allows for demolition and use restrictions.
- Homeowner sells residual value to local government who uses NRCS funds to turn property back into its natural state (wetlands).
- Requires 100% voluntary participation from all homeowners in the project area.



*Pecan Acres & Silverleaf are the two communities in Solution 4 that are participating in NRCS.*



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# Pecan Acres Resettlement

- Residents within Pecan Acres have expressed their desire to resettle as a neighborhood.
- Within 10 miles of Pecan Acres, there were only 9 homes for sale under \$200,000.
- The informal networks created within neighborhoods help low & moderate income residents survive through shared transportation, child care, & elder care.

- Community meetings allowed

residents to rank their site

preferences.




- #1 Emerald
- #2 Ruby
- #3 Sapphire

## Site Selection Preference Survey

Resettlement of Pecan Acres Subdivision

Rank sites from 1 to 3. 1 being your favorite, 3 being your least favorite.

See attached sheet for an overview of the potential sites.

	Emerald Site	Sapphire Site	Ruby Site
			
<b>Acres:</b>	+/-29 acres of 192 acre tract Located behind Family Dollar @ Hospital Road	+/-25 acres of +/- 39 acre tract Located behind Bank's Seafood @ Parent Road	+/-25 acres of +/- 57 acre tract Located North of Nelson Lane
<b>Rank sites here:</b>	○ <sub>1</sub> ○ <sub>2</sub> ○ <sub>3</sub>	○ <sub>1</sub> ○ <sub>2</sub> ○ <sub>3</sub>	○ <sub>1</sub> ○ <sub>2</sub> ○ <sub>3</sub>

NOTE: This survey will be used by OCD-DRU to gauge resident preferences for Pecan Acres resettlement. While OCD-DRU plans to pursue acquisition of the site preferred by residents, it is important to understand that final site selection is subject to successful negotiations with land owners, environmental clearance, and other factors that may require OCD-DRU to pursue acquisition of a second or third ranked site.



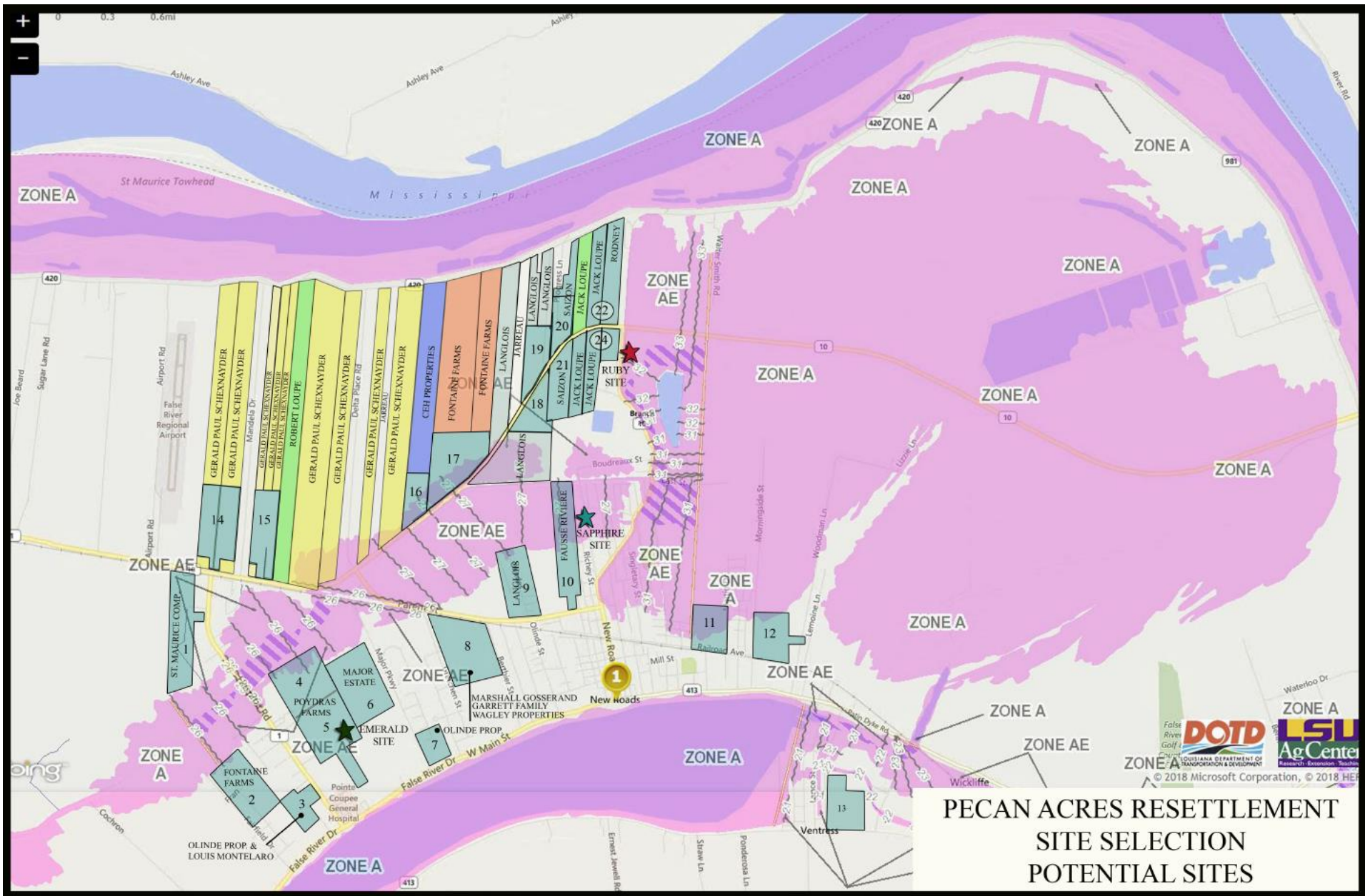
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# Pecan Acres Program

- OCD will construct a 35 lot neighborhood near the Pecan Acres community for residents who wish to relocate as a group.
- Some may wish to relocate elsewhere and will receive a housing incentive similar to the structure of Solution 4 “High Risk Areas” participants.
- Owners will contribute their gross NRCS buyout proceeds
- OCD will issue a 5 year forgivable loan for appraised value of the new home, less the gross NRCS proceeds.
- For owners whose NRCS buyout proceeds were used to pay off a lien or mortgage, OCD may issue a repayable loan to the owner for this amount.
- Landlords in Pecan Acres may receive a replacement rental property in the new community, but are required to charge affordable rents for 10 years.



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# PECAN ACRES RESETTLEMENT SITE SELECTION POTENTIAL SITES

# Emerald Site

Located Behind Wal-Mart at Hospital Rd.

Emerald Site	
Site Information	
Parcel #	00783426
Owner	
Site Size (acres)	+/- 29 acres of 192 acres
Appraised Value	TBD
Appraised Value per Acre	TBD
Asking Price	TBD
Asking Price per Acre	TBD
Zoning	Residential Agriculture (RA)
Water	@ Memorial Dr.
Gas	@ Memorial Dr.
Sewer	@ Memorial Dr.
Natural Ground Elevation	29.2
Wetlands and Floodplain:	No
ESTIMATED BFE	26
Current Use	Agricultural
Forced Drainage District	TBD

This site is currently zoned "RA" -Residential Agriculture.  
This site will need to be re-zoned for "R" -Single Family Residential. The purpose of the R zoning is to provide for single-family development in traditional residential platted neighbors.



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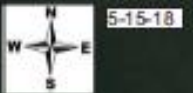
1000 ft

# Ruby Site

Located North of Nelson Lane

Ruby Site	
Site Information	
Parcel #	00294460 / 00295000
Owner	
Site Size (acres)	+/- 50 acres / +/- 57.45 acres
Appraised Value	TBD
Appraised Value per Acre	TBD
Asking Price	TBD
Asking Price per Acre	TBD
Zoning	N/A - Unincorporated
Water	8" @ Saison Rd & Ferry Rd
Gas	2" @ Ferry Rd / Hwy 10
Sewer	Sewer District 1 Sewer Pond
Natural Ground Elevation	30.7
Wetlands and Floodplain:	No
ESTIMATED BFE	27
Current Use	Agricultural
Forced Drainage District	TBD

This site is located in an unincorporated area of Pointe Coupee Parish, outside the city limits.  
This site does not meet requirements for rezoning.



5-15-18

1000 ft

# Relocation site challenges

- Evaluated over 24 sites including all property available for sale within 5 miles of New Roads, LA.
- Scarcity of property for sale.
- NIMBYism discourages sale, causes sales to fall through.
- Real estate speculation due to Audubon Bridge has increased property asking prices.
- Best available site is selling for over 300% appraised value.
- OCD going through Administrative Settlement process to justify paying over appraised value.



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**PUBLIC NOTICE FOR EXPRESSIONS OF INTEREST FOR THE ACQUISITION OF REAL PROPERTY IN THE NEW ROADS, POINTE COUPEE PARISH AREA**

Under provisions of the CDBG program, the State of Louisiana Office of Community Development Disaster Recovery Unit (OCD-DRU) publicly invites Statements of Interests from owners with real property located in the CDBG project area in or surrounding the City of New Roads, Pointe Coupee Parish, Louisiana (see map below) who desire to sell their property for the purpose of development of a single family 45 to 55 lot subdivision development to provide housing opportunities for current property owners of Pean Acres Subdivision, a local subdivision that has experienced routine property flooding. OCD-DRU is interested in acquiring an option to purchase property which may be transferred to another entity for the purpose of developing the subdivision.

In addition,

- the property must be a minimum of 20 acres, not located within a Special Flood Hazard Area; within the City of New Roads or within 4 road miles of the Pointe Coupee Parish Courthouse;
- any offer to sell that results from this invitation for expression of interest must be on a voluntary basis;
- if a mutually satisfactory agreement cannot be reached between the State of Louisiana and seller, the State of Louisiana will not acquire the offered property;
- the State of Louisiana will not invoke its powers of condemnation or eminent domain to secure any property offered if a mutually satisfactory sale is not concluded, in order to acquire the property for the same purpose; and,
- owner-occupants of any tract offered are not eligible for relocation benefits.

Interested property owners should contact the State of Louisiana Office of Community Development Disaster Recovery Unit Consultant, Thomas C. David, III, 1717 Jackson Street, Alexandria, LA 71301, (318) 473-2100 before April 13, 2018 to identify any tracts for consideration.

The map shows an aerial view of the New Roads area in Louisiana. A red outline delineates the "AREA OF INTEREST" which includes the city of New Roads and extends to the Mississippi River. Labels on the map include "MISSISSIPPI RIVER", "NEW ROADS, LA Area of Property Interest within 4 Roadway Miles of Pointe Coupee Parish Courthouse", "POINTE COUPEE PARISH COURTHOUSE", and "NEW ROADS".

# Black community in flood-prone New Roads area feels pushback from white neighborhood over relocation site

BY TERRY L. JONES | TJONES@THEADVOCATE.COM AUG 5, 2018 - 3:54 PM



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Curnell Jackson, in the kitchen of her home on Pecan Drive East in New Roads on Thursday, Aug. 2, 2018. Walls are still unfinished, with studs and insulation showing after a house-wide, four-foot-high tearout from the 2016 flood, and because of the possibility of relocation homes in the small flood-prone subdivision, she hasn't even replaced the oven/stove, instead cooking with a roaster, crock pot and two-burner hotplate. 'We were disappointed,' she said, describing the feelings of the majority of homeowners, when the first choice 'Emerald' site location was taken off the table.

Buy Now

ADVOCATE STAFF PHOTO BY TRAVIS SPRADLING



# Updates...



March 2019