

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

Allocations, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2016  
*The Continuing Appropriations Act, 2017, The Further Continuing and Security Assistance Appropriations Act, 2017 and The Consolidated Appropriations Act, 2017 (Public Law 114-223, 114-254 and 115-31)*

Federal Register Docket No.

FR-5989-N-01, FR-6012-N-01 and FR-6039-N-01, FR-6136-N-01

LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT, DISASTER RECOVERY UNIT



**STATE OF LOUISIANA  
SUBSTANTIAL ACTION PLAN AMENDMENT NO. 14  
FOR THE UTILIZATION OF  
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS IN RESPONSE TO THE GREAT FLOODS OF  
2016**

Public Comment Period: Wednesday, June 10<sup>th</sup>, 2020 until  
5 p.m. Tuesday, June 30<sup>th</sup>, 2020

SUBMITTED TO HUD: July 2<sup>nd</sup>, 2020

APPROVED BY HUD: September 11, 2020

[John Bel Edwards](#)

Governor



Billy Nungesser

Lieutenant Governor

## 1. Summary of Changes

Action Plan Amendment No. 14 (APA 14) adjusts existing program budgets and beneficiaries in order to address the outstanding unmet recovery needs from the Great Floods of 2016. To meet the remaining needs, the State of Louisiana is proposing the following changes within the flood programs:

- A. Reduce the budget for Interim Housing Assistance Program (IHAP) by \$20M;
- B. Reduce the NLRP by \$5.5M and add to the NLRP Phase 2
- C. Reduce the budget for Multifamily Rental Gap Program (MRGP) by \$1.5M;
- D. Reduce the Rapid Rehousing Program by \$3M
- E. Modify the PRIME Program maximum award;
- F. Increase the budget for PRIME by \$75,189,291;
- G. Remove the budget for the pilot Neighborhood Stabilization Housing Initiative (NSHI) 10M;
- H. Reduce the budget for Homeowner Assistance Program by \$34,180,431 to increase budget under the PRIME Program. Sufficient funds remain budgeted for the Restore Program to server all active applicants currently participating.
- I. Reduce the budget for First Responders Public Services Program by \$6,308,860
- J. Remove the budget for Small Business TA by \$200,000

Modifications to existing flood recovery programs are critical to the ongoing recovery of impacted communities and will help to stabilize the housing stock of the impacted areas. As a result of the proposed changes, impacted renters, homebuyers, and the at risk homeless population will receive assistance that better meets their needs based on the status of their recovery. In addition, , the changes will put the state in a better position to serve those economic sectors with remaining unmet needs, all resulting in a more coordinated, data-driven and resilient recovery.

This APA is considered substantial, as it involves the movement of \$80,689,291 in program budget funds and changes program beneficiaries.

State of Louisiana Total CDBG-DR Allocations			
	Previous Allocation	Change	Revised Allocation
Total Allocation	\$1,708,407,000		\$1,708,407,000
<b>Restore Louisiana Homeowner Programs</b>			
· Homeowner Assistance Program	\$1,163,896,906	(\$34,180,431)	\$1,129,716,475
· RLHP Flood Insurance Assistance Program	\$1,000,000		\$1,000,000
· RLHP Interim Housing Assistance Program	\$30,000,000	(\$20,000,000)	\$10,000,000
<b>Rental Housing, Housing Assistance and Homelessness Prevention Programs</b>			
· Neighborhood Landlord Rental Program	\$46,947,884	(\$5,500,000)	\$41,447,884
· Neighborhood Landlord Program Phase II	\$11,000,000	\$5,500,000	\$16,500,000
· Multifamily Rental Gap Program	\$22,515,518	(\$1,500,000)	\$21,015,518
· Piggyback Program	\$79,756,303		\$79,756,303
· Permanent Supportive Housing Program	\$5,000,000		\$5,000,000
· Rapid Rehousing Program	\$21,000,000	(\$3,000,000)	\$18,000,000
· Resilient and Mixed Income Piggyback Program	\$34,810,709	\$75,189,291	\$110,000,000
· Neighborhood Stabilization Housing Initiative	\$10,000,000	(\$10,000,000)	\$0
· Soft Second Program	\$6,000,000		\$6,000,000
· Safe Haven Program	\$4,000,000		\$4,000,000
· Louisiana Military Department – Affordable Rental Housing Program (LMD-ARHP)	\$10,000,000		\$10,000,000
<b>Restore Louisiana Economic Recovery and Revitalization Programs</b>			
· Small Business Loan Program	\$41,200,000		\$41,200,000
· Small Business Technical Assistance Program	\$200,000	(\$200,000)	\$0
· Farm Recovery Program	\$20,000,000		\$20,000,000
Infrastructure Program (FEMA Match)	\$115,000,000		\$115,000,000
First Responders Public Services Program	\$8,000,000	(\$6,308,860)	\$1,691,140
Watershed Modeling and Planning	\$16,600,800		\$16,600,800
Regional Capacity Building Grant	\$3,200,000		\$3,200,000
Administration and Other Planning Expenses	\$58,278,880		\$58,278,880

**2. Proposed Use of Funds—**Reallocation of funds for existing programs:

Interim Housing Assistance Program

<b>Eligible Activity</b>	<b>Interim mortgage assistance, Rental assistance to displaced homeowners, HCDA Sections 105(a)(8), FR-5989-N-01, 81 FR 83254</b>
<b>National Objective</b>	<b>Benefit to low-to-moderate income persons and urgent need</b>
<b>Previous Program Budget</b>	<b>\$30,000,000</b>
<b>Budget Change</b>	<b>-\$20,000,000</b>
<b>Revised Program Budget</b>	<b>\$10,000,000</b>

**Budget change summary:** As created in Action Plan Amendment 11 the RLHP Interim Housing Assistance Program is decreased to \$20M because of undersubscription. The revised budget is projected to cover all current and future needs. The survey and application periods for applicants in all tiers of the program have been completed and the total homeowner applicant population has been identified. Moreover, the program closing deadline was January 17, 2020 so the entire population of participating homeowners is identified.

Neighborhood Landlord Rental Program

<b>Eligible Activity</b>	<b>Rehabilitation, new construction, loan financing (HCDA Sections 105 (a)(4)); 105(a) (8-9); 105(a) (15)).</b>
<b>National Objective</b>	<b>Benefit low-to-moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$46,947,884</b>
<b>Budget Change</b>	<b>\$-5,500,000</b>
<b>Revised Program Budget</b>	<b>\$41,447,884</b>

**Budget change summary:** This program provided approximately 70 awards for the development of approximately 300 affordable units. Funding is reduced by \$5.5M because this program was undersubscribed. This program was created in Action Plan 1 as the In-fill Rental Development Program and amended in APAs 3, 7, 8, 11, and 12.

Neighborhood Landlord Rental Program Phase II

<b>Eligible Activity</b>	<b>Rehabilitation, new construction, loan financing (HCDA Sections 105 (a)(4)); 105(a) (8-9); 105(a) (15)).</b>
<b>National Objective</b>	<b>Benefit to low-to-moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$11,000,000</b>
<b>Budget Change</b>	<b>\$5,500,000</b>
<b>Revised Program Budget</b>	<b>\$16,500,000</b>

**Budget change summary:** NLRP was undersubscribed. Therefore, these funds are added to NLRP II and will be utilized to increase awards to landlords for additional affordable units. This program

was created in Action Plan Amendment 11.

Multifamily Rental Gap Program

<b>Eligible Activity</b>	<b>Rehabilitation, new construction, loan financing (HCDA Sections 105 (a)(4)); 105(a) (8-9); 105(a) (15)).</b>
<b>National Objective</b>	<b>Benefit to low-to-moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$22,515,518</b>
<b>Budget Change</b>	<b>-\$1,500,000</b>
<b>Revised Program Budget</b>	<b>\$21,015,518</b>

**Budget change summary:** This program provided 13 awards for the rehabilitation of 573 affordable units. Funding is reduced by \$1.5M because the program had less than projected costs related to program delivery. This program was created in Action Plan 1 and amended in APAs 1, 3, and 7.

Rapid Rehousing Program

<b>Eligible Activity</b>	<b>HCDA Section 105(a)4, 105(a)8</b>
<b>National Objective</b>	<b>Benefit to low-to-moderate income persons and urgent need</b>
<b>Previous Program Budget</b>	<b>\$21,000,000</b>
<b>Budget Change</b>	<b>-\$3,000,000</b>
<b>Revised Program Budget</b>	<b>\$18,000,000</b>

**Budget change summary:** The state operates the Rapid Rehousing Program to address the needs of the homeless and persons at risk of becoming homeless by providing a combined solution of affordable housing and supportive services that assist displaced households in their endeavors to become self-sufficient. Rapid Rehousing is currently funded at \$21 million and has served 878 participants. The Rapid Rehousing Program is being reduced to \$18M because this program is now undersubscribed. This program was created in Action Plan Amendment 1 and amended in APAs 2, 10, and 11.

Resilient and Mixed Income Piggyback Program (PRIME)

<b>Eligible Activity</b>	<b>Acquisition, clearance, rehabilitation, reconstruction, and new construction, elevation, loan financing HCDA Sections 105 (a)(1), (4) and (14)</b>
<b>National Objective</b>	<b>Benefit to low-to-moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$34,810,709</b>
<b>Budget Change</b>	<b>\$75,189,291</b>
<b>Revised Program Budget</b>	<b>\$110,000,000</b>

**Budget change summary:** In an effort to better address the lack of affordable multi-family housing in the most impacted flood parishes, the PRIME program is increased to \$110M to fund additional eligible activities. The funding will provide developers with the opportunity to use workable

approaches to resilient housing (such as, but not limited to, siting requirements outside of the special flood hazard area, FORTIFIED Commercial Building Standards, elevated structures/mechanicals, building materials/technologies, power generation, topography and landscaping, retention/detention ponds, etc.) toward development of an additional 4-6 properties, which are substantially more likely to fare better in major storms than existing properties in similar locations. Additionally, the cap of \$100K per unit D-CDBG is replaced with a per unit maximum of \$150K D-CDBG funding. The increase is a result of increased development costs associated with program resilience requirements, i.e. no development within SFHA & if developing in Zone B or X (shaded), project must be elevated a minimum of three feet. Furthermore, the program requires IBHS FORTIFIED commercial, Enterprise Green Communities certification with emphasis on design for resilience and mixed income characteristics. This program was created in Action Plan Amendment 11.

Neighborhood Stabilization Housing Initiative Program

<b>Eligible Activity</b>	<b>Rehabilitation, new construction, loan financing (HCDA Sections 105 (a)(4)); 105(a) (8-9); 105(a) (15)).</b>
<b>National Objective</b>	<b>Slum and Blight remediation (100%), or Benefit to low-to-moderate income persons (100%)</b>
<b>Previous Program Budget</b>	<b>\$10,000,000</b>
<b>Budget Change</b>	<b>-\$10,000,000</b>
<b>Revised Program Budget</b>	<b>\$0</b>

**Budget change summary:** The Neighborhood Stabilization Housing Initiative Program is canceled and reduced to zero. This was a pilot program that is not feasible for implementation due to complexities of administration. This program was created in Action Plan Amendment 11.

Restore Louisiana Homeowner Program

<b>Eligible Activity</b>	<b>Rehabilitation, Reconstruction, Buyouts and Acquisitions (42 U.S.C. 5305(a)(4)); HCDA Sections 105 (a)(1), 105(a)(3-4), 105(a)(7-8)). Housing Incentive, as identified in Federal Register Docket No. FR-5989-N-01. Also eligible are elevation expenses related to rehabilitation and reconstruction activities and reimbursement of eligible rehabilitation and reconstruction activities.</b>
<b>National Objective</b>	<b>Urgent Need or benefit to low-to-moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$1,163,896,906</b>
<b>Budget Change</b>	<b>-\$34,180,431</b>
<b>Revised Program Budget</b>	<b>\$1,129,716,475</b>

**Budget change summary:** The Restore Louisiana Homeowner Program was undersubscribed. Therefore, these funds are added to PRIME and will be utilized to increase resilient affordable housing units. The Program continues to have sufficient budgeted funds to serve the remaining

homeowners who applied by the deadline and currently are in process of homeowner projects including those applicants impacted by the change with SBA duplication of benefits rules.

First Responders Public Services Program

<b>Eligible Activity</b>	<b>Public Services: HCDA Section 105(a)8</b>
<b>National Objective</b>	<b>Low-to-Moderate Income and Urgent Need</b>
<b>Previous Program Budget</b>	<b>\$8,000,000</b>
<b>Budget Change</b>	<b>-\$6,308,860</b>
<b>Revised Program Budget</b>	<b>\$1,691,140</b>

**Budget change summary:** The First Responders Public Services Program addresses the unmet needs caused by a reduction in revenue received from ad valorem taxes following the reassessment of properties in the aftermath of the 2016 floods. This program provides grants for operational assistance necessary for these types of service providers to provide the levels of service that were projected and provided before the Great Floods of 2016. The reduction in the budget is due to the program being undersubscribed. The program was created in Action Plan Amendment 8.

Small Business Technical Assistance

<b>Eligible Activity</b>	<b>HCDA Section 105(a)8, 105(a) 14-15, 105(a) 17 and 105(a)21-22</b>
<b>National Objective</b>	<b>LMI, Urgent Need</b>
<b>Previous Program Budget</b>	<b>\$200,000</b>
<b>Budget Change</b>	<b>-\$200,000</b>
<b>Revised Program Budget</b>	<b>\$0</b>

**Budget change summary:** The Small Business Technical Assistance Program provides support to those applying for loans to receive business technical assistance services as part of the loan underwriting and loan servicing processes. The state is reducing the program budget to zero. The program is canceled as the Small Business Loan and Grant Program was able to be implemented without this program. The program was approved under Action Plan Amendment 1 and amended in APA 11.

Safe Haven Program

<b>Eligible Activity</b>	<b>HCDA Sections 105(a) (1-2), (4) and (8)</b>
<b>National Objective</b>	<b>Benefit to low-to-moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$4,000,000</b>
<b>Budget Change</b>	<b>\$0</b>
<b>Revised Program Budget</b>	<b>\$4,000,000</b>

**Proposed Use of Funds:** This is a technical correction on Eligible Activity. In APA 11, HCDA Sections 105(a) (1-2), (4) and (8) were listed, but the verbiage “Services for homeless persons” was inadvertently omitted.

### 3. Public Comments

Per the state's initial Action Plan, this Amendment is considered substantial as it as it substantially amends program budgets and adds new programs and beneficiaries. The formal public comment period for the amendment begins Wednesday, June 10<sup>th</sup>, 2020 and runs until 5 p.m. Tuesday, June 30<sup>th</sup>, 2020. 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 is available in Vietnamese and Spanish 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.

### 4. Appendix

#### **PUBLIC COMMENT with OCD RESPONSE:**

**PUBLIC COMMENT** During the flood of 2016 my mobile home was damaged by high flood waters. The Tangipahoa Parish River basically ended in my yard as I live next to a drainage canal. I had an entire case opened with the Restore Louisiana program but at first did not have a case worker that wanted to help me. I later tried to reapply as I heard that funding was still available, but was told that I waited too long to appeal my case and would not qualify. I have zero insulation under my home. I still have rotten subfloors in my home. I have had to personally pay for all repairs and new floors for my home. I know it is my responsibility to maintain my own home, but how is it okay that others that did not sustain the amount of damage that I did have already received new homes. I was told that the program would pay up to a certain amount for me to have a new home and I could apply the difference if I chose to finance a larger amount. I am very confused by this program, I am a hard working individual. I do not live off of the system nor am I looking for a handout. I would just like for someone to realize that my home should have been replaced, in the same fashion that others were. If there is still funding available, how do I get qualified?

**OCD RESPONSE** *Thank you for your public comment in response to the Great Floods of 2016 Action Plan Amendment 14. We have contacted you directly related to the personal information in your file.*

**PUBLIC COMMENT** My concern is that there were no programs in place to assist those of us in middle income who leased homes that were flooded other than FEMA. I documented roughly \$40,000 in losses (not to mention having to live with friends because there was no rental available) and not having vehicles! We lost everything!!! Yet HOMEOWNERS/LANDLORDS we're getting assistance. As LESSORS, we fell through ALL the cracks...yet we had substantial losses too.

**OCD RESPONSE** *Thank you for your public comment in response to the Great Floods of 2016 Action Plan Amendment 14. Community Development Block Grant funding allocated by the Department of Housing and Urban Development provides assistance for damaged structures, but not for personal property or living*



expenses. Therefore, the Restore Louisiana Homeowner Assistance Program was designed to meet the objective of repairing and restoring flood-damaged structures for homeowners. Additional Restore programs were designed to create and repair affordable rental units at below-market rates for low-to-moderate individuals and families.

**PUBLIC COMMENT:** My home has flooded four times. I have filled out the paperwork to get assistance to help raise my house. My neighbors, family, friends and myself are all hoping to hear something soon. I'm sure extra funding would help.

**OCD RESPONSE** Thank you for your public comment in response to the Great Floods of 2016 Action Plan Amendment 14. The Restore Louisiana Homeowner Assistance Program only provides elevation assistance for new construction homes. All homeowners who received a substantial damage letter from their local jurisdictions and/or were required to elevate, were provided with the option to build new construction homes that had elevation funding already built into the grant based on their building code requirements. The Restore program does not fund elevation projects for existing slab-on-grade structures. However, local programs within the homeowner's parish may allow for these type of elevations.

**PUBLIC COMMENT** I think the departments in the State and Federal level need to know how and what help the people of these disasters are needing the most. What I have read: someone else might not understand the programs that are listed and how the funds are being allocated. I was also in the Flood of 1983 and nothing has been accomplished. My opinion: No matter what the public's opinion is ; nothing is going to be done now and settled in the future and when I'm no longer here my children ,grandchildren and great children will be going through the same heart ache I'm going through now.

**OCD RESPONSE** Thank you for your public comment in response to the Great Floods of 2016 Action Plan Amendment 14. The Louisiana Office of Community Development and the Department of Housing and Urban Development are committed to helping the community recover from the Great Floods of 2016 through the Restore Louisiana programs. Moreover, HUD has awarded mitigation funding to the state that addresses some of your specific comments. These funds will be administrated through the Louisiana Watershed Initiative, which is designed to reduce flood risk and the impact of flooding on communities. Please visit the LWI website at [watershed.la.gov](http://watershed.la.gov) for more information on this new mitigation initiative.

**PUBLIC COMMENT** We did not have flood insurance and the water was under our house which led to Warped floors right away. 1 room was temporarily fixed. Later damage appeared with the house settling from the erosions to the peers under the house. This was not repaired. There are some other soft spots in our flooring that have not been fixed.

**OCD RESPONSE** Thank you for your public comment in response to the Great Floods of 2016 Action Plan Amendment 14. For more information on funding available through the Restore Louisiana Homeowner Assistance Program, please call 866.735.2001, Monday through Friday, from 8 a.m. to 5 p.m.

**PUBLIC COMMENT** I don't know if this is anything to comment about but I am letting you know how I felt about FEMA and the way the money situation was handled I turned in all of my receipts where I fix my mobile home using all my retirement savings and they offered me another mobile home I did not need another mobile home because I had fix my mobile home up all I wanted was the 40,000 that I had you use to repair my mobile home I know the money was miss manage because I see people that has homes that didn't have homes before and I am now 63 years old my husband is 61 has been disabled for the last seven years and we did receive some money from Fema But it was not enough to repair the trailer I asked sam hat at the home recovery place why can't people that lived in mobile homes receive cash if they can prove

that they spent the cash on their mobile home I was told that is not how it works and I am just venting I don't think this is what y'all are asking for but it is somewhere that I am able to discuss how I felt about the whole situation we received a FEMA trailer and it was picked up right away I think that was a lot of wasted money because it took about three weeks once it was received here to get it set up For us to move in when I think Fema could've just give everybody \$100,000 and then they could've fix their places up or bought them a place to live

***OCD RESPONSE*** Thank you for your public comment in response to the Great Floods of 2016 Action Plan Amendment 14. The funding and programs represented in this Action Plan are related to Community Development Block Grant funds awarded to the state of Louisiana through the Department of Housing and Urban Development, not through FEMA.