

Disaster Recovery Initiative
U.S. Department of Housing and Urban Development (HUD)
[Docket No. FR-5051-N-01]
Federal Register / Volume 71, Number 29
Department of Defense Appropriations Act, 2006

**Louisiana Office of Community Development,
Division of Administration**

Louisiana Recovery Authority

**Action Plan Amendment Number 10
for Disaster Recovery Funds**

Public Comment: January 8th, 2007
Original Submission: March 23rd, 2007
Revised: April 19th, 2007
July 13th, 2007



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1. Private Non-Profit Infrastructure Program

Eligible Activity: Section 105 (a) (2) and §570.200 (j) Faith Based Activities

National Objective: Benefit to Low and Moderate Income Persons, or elimination of slums and blight, or urgent need.

Activity Amount: \$40,000,000

Certain private non-profit (PNP) organizations are eligible for FEMA Public Assistance, including many private non-profit (PNP) schools and universities. Louisiana's PNP schools and universities suffered over \$500 million of damage due to the hurricanes, and recovery of schools is of vital importance to the recovery of the state.

The State wishes to create the Private Non-Profit Infrastructure Program within the Infrastructure Program, the purpose of which is to provide the non-federal match for FEMA PA funds paid to eligible private non-profit K-12 schools and universities for damage to buildings, infrastructure, and contents to the extent eligible. The state wishes to fund this program with \$40 million from the Infrastructure allocation. All applications for expenditures from this program must be received prior to June 30, 2007. If, upon this date, the program is oversubscribed, all grants will be pro-rated by a percentage of the request that equals Program Budget (\$40M) divided by total eligible Program Applications.

Expenditures from the Private Non-Profit Infrastructure Program must meet the following guidelines:

1. Funding is provided as a match for FEMA Public Assistance grants only;
2. That the funding to be provided is for cases of critical needs. (To be determined by the State);
3. That the funding be provided to parishes which have adopted the latest available base flood elevations of the FEMA Flood Recovery Guidance unless exceptions are granted by the LRA based on reasonable alternatives where safety is not minimized;
4. That the funding be provided to parishes or communities which have adopted, implemented or are in the process of implementing the new statewide building code standards adopted in the 2005 1st Extraordinary Session of the Louisiana Legislature;
5. That the projects receiving funding follow the best design for delivery of services in light of the population shifts and changed circumstances of many Louisiana communities;
6. That a project demonstrate that it is the most efficient and cost effective way to rebuild the infrastructure, or that the applicant has considered alternate methods of rebuilding to achieve the greatest efficiency of the infrastructure to serve the local as well as regional needs of the community as a result of the Public Assistance repairs or reconstruction; and
7. That each infrastructure project considers and/or proposes a mitigation plan to minimize damage in the event of future floods or hurricanes.

It is important to note that many PNP schools and universities are affiliated with religion-based organizations, many activities of which are not eligible for CDBG funding. This funding is to be provided only for those activities that are allowable under HUD and CDBG laws and rules. Each project funded will meet one of the three national objectives. Until applications are received and service areas and beneficiaries are known, the specific national objective cannot

be determined. This activity will be carried out by carefully following the CDBG Regulations at § 570.200 (j) Faith Based Activities.

This activity is considered to be a low risk activity. Monitoring will be performed by the Office of Community Development staff in accordance with the original Local Government Emergency Infrastructure Program monitoring plan.

2. Local Government Emergency Infrastructure Program

Eligible Activity:	Section 105 (a) (2) and (9)
National Objective:	Low and moderate income benefit
Activity Amount:	\$100,000,000

The State wishes to amend the Local Government Emergency Infrastructure Activity, which was previously described in the State's first action plan, and was amended in the second action plan amendment. \$95 million was initially set aside for the Local Government Emergency Infrastructure activity, and \$500 million was added to the program as a result of the second amendment to the action plan to cover additional local match for FEMA Public Assistance (PA) grants in categories C-G. Since June 30, 2006 many local governments have been responsible for the local match on FEMA Category A PA, and all local governments have been responsible for the local match on FEMA Category B PA.

As a result of the hurricanes, the USDA, through its Natural Resources Conservation Service, was tasked with removing hurricane debris from drainage features in rural areas of the state. Between August 29, 2005 and February, 2006, the program required a 25% non-federal match for all work.

Because of the economic impacts of Hurricanes Katrina and Rita, most local government entities do not have the financial capacity to pay these match costs. The State requests that an additional \$100 million be allocated to this activity to cover the non-federal match requirements for FEMA PA in Categories A and B.

Expenditures from the program for match of NRCS expenditures and FEMA's Categories A and B PA grants must meet the following guidelines:

1. Funding is provided as a match for projects eligible for FEMA Public Assistance or NRCS Drain clearing program;
2. That the funding be provided to parishes which have adopted the latest available base flood elevations of the FEMA Flood Recovery Guidance unless exceptions are granted by the LRA based on reasonable alternatives where safety is not minimized;
3. That the funding be provided to parishes or communities which have adopted, implemented or are in the process of implementing the new statewide building code standards adopted in the 2005 1st Extraordinary Session of the Louisiana Legislature;

As stated in the initial action plan, each project funded will meet one of the three national objectives. Until applications are received and service areas and beneficiaries are known, the specific national objective cannot be determined.

This activity is considered to be a low risk activity. Monitoring will be performed by the Office of Community Development staff in accordance with the Infrastructure Monitoring Plan.

Appendix 1: Summary and State's Response to Public Comments for Proposed Action Plan Amendment 10

* *Note:* The Long-Term Community Recovery Program was published for Public Comment with this Amendment, but was not approved by the LRA Board in time. It has been removed from the final version of this amendment and has now become Action Plan Amendment 12. All comments received during this comment period will be summarized as a part of Amendment 12. Amendment 12 also underwent its own public comment period.

This appendix summarizes the public comments received during the public comment period from December 29th, 2006 through January 8th, 2007.

Comments were also received through a public hearing of the Joint Legislative Committee on the Budget. The transcript of the Joint Budget Committee Hearing is available through the House of Representatives Commerce Committee staff. The LRA Board met on January 12th, 2007 to approve this Amendment. The meeting notes relevant to the Private Non-Profit Infrastructure program are included in this Appendix. The Louisiana Legislature also reviewed and approved this Amendment on February 16th, 2007.

Comments on Private Non-Profit Infrastructure Program

Comment: Assisting schools and communities is important, but providing means for our citizens to return home, especially our disadvantaged citizens should remain our highest priority.

Response: Comments noted.

Comment: Assistance for 'private' schools should be privately funded, not funded with 'public' monies.

Response: In most cases where states have paid the non-federal match on Public Assistance grants, they have included payment of the match for all private non-profit organizations. Unfortunately, due to limited funding, that was not possible for this disaster. The payment of non-federal match for private non-profit schools represents a recognition of the importance of all educational institutions to the recovery.

Comment: The Catholic and private schools in New Orleans are IN COMPETITION with the public schools, are private entities, and in many cases have donors, some very large donors, to help them with expenses. They also charge tuition to pay for their services. Giving money to the private schools is just taking money away from the opportunity for a visionary plan and execution of it for New Orleans.

Response: Comments noted.

Excerpt from the minutes of the September 14, 2006 board meeting of the Louisiana Recovery Authority (LRA)

Public Comment Period, Presentation of the Archdiocese of New Orleans and related board discussion

XI. TASK FORCES - DISCUSSIONS AND REPORTS (CONTINUED)

A. Infrastructure Task Force

Mr. Walter Isaacson opened the floor to public comments.

Ms. Judy Mulla, Mr. Andre Villere, Mr. Jeff Entwisle, and Mr. Dan Loar, representing the Archdiocese of New Orleans, spoke in support of including their schools in the ten percent FEMA match program.

Ms. Linda Johnson adamantly denied that the LRA is discriminating against parochial schools. She noted her discontent at receiving communications and seeing advertisements to the contrary.

Mr. Sean Reilly noted that the LRA is doing as much as it can for everyone affected by the hurricanes. He cautioned against groups having a sense of entitlement.

Ms. Dale Atkins clarified to the Archdiocese representatives that this was indeed the first time that the board members were receiving the information and that they had not taken any vote on the matter.

Ms. Sibal Holt questioned where the dollar figures for repairs were obtained. Ms. Mulla responded that the figures were obtained from the affected schools.

Dr. Francis also clarified that this was the first time that the issue had been brought before the LRA board. He questioned whether private schools could receive aide. Mr. Kopplin responded that CDBG funds have been used for private organizations before and that it appears to be eligible. He noted that written response from the Department of Housing and Urban Development (HUD) was pending. Mr. Kopplin noted that there was an infrastructure action plan published on June 9. This action plan obtained public comments and subsequent approval in July. He noted that there was no request from the Archdiocese of New Orleans on the table when the action plan was considered.

Dr. Francis explained that the problem was the board members were receiving communications about actions that had not occurred. He noted that upon a legal decision a recommendation would be forthcoming.

Mr. Boysie Bollinger, Dr. Calvin Mackie, Mr. Leger, and Ms. Atkins discussed and questioned how the damage estimates were derived. They cited similar damage in the area as a basis of concern. Mr. Entwisle and Ms. Mulla responded that the figures were derived from property damage. Mr. Kopplin explained that an action plan would cover the ten percent match for FEMA-funded projects. He continued that no money would be transferred without the proper documentation.

Ms. Fraiche inquired whether it would be possible to see where all of the schools are in the application process.

Ms. Johnson inquired as to the status of the funds in the previous presentation. Mr. Kopplin responded that the figures are unallocated.

Mr. Coulon inquired whether there would be a monitoring process once the monies were allocated. Mr. Kopplin responded that there would be a monitoring process because it is mandated of CDBG programs.

Comments on Local Government Infrastructure for Non-Federal Match

No comments were submitted on this program.