# Disaster Recovery Initiative U.S. Department of Housing and Urban Development (HUD)

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## Louisiana Office of Community Development, Division of Administration

**Louisiana Recovery Authority** 

**Action Plan Amendment #17 (First Allocation)** 

Fisheries Infrastructure Program, Program Income Modification and Reallocation of Funds to *The Road Home* 

Public Comment: October 11<sup>th</sup>, 2007 Original HUD Submittal: November 26<sup>th</sup>, 2007 December 20<sup>th</sup>, 2007





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#### 1. Fisheries Infrastructure and Assistance Program

Eligible Activity: 105(a) 1, 2, 4, 8, 9, 17, 25

National Objective: Low to Moderate Income, Elimination of Slum and Blight, or

**Urgent Need** 

**Activity Amount:** \$19 Million

Hurricanes Katrina and Rita devastated the commercial and recreational fisheries industries in coastal Louisiana. Much of the infrastructure along the coast, including docks, icehouses and other infrastructure necessary to the fisheries industry and to accessing coastal waters, has been damaged or destroyed. Many of Louisiana's fishermen and fisheries related businesses suffered great financial losses as a result of the storms and the distressed condition of coastal infrastructure impedes their return as a viable industry. Commercial and recreational fishing are vital to the overall economic well-being of the state.

The storms also caused losses of personal equipment and income, but at least two other recovery programs are addressing the industry's need for direct aid to fishermen. In order to avoid potential program duplication, and to ensure that a substantial investment is made in restoring coastal infrastructure, this program's funding will be directed exclusively to enhancing infrastructure

The proposed Action Plan Amendment would create a new recovery program with \$19 million of disaster CDBG funds from the existing Infrastructure allocation proposed in the Action Plan for the Use of Disaster Recovery Funds Allocated by P.L. 109-148 to the Fisheries Infrastructure and Assistance Program. This program will allocate \$19 million for the following purposes to assist the commercial and recreational fisheries industries in returning to viability:

To improve and expand infrastructure critical to the recreational and commercial fisheries industries, including but not limited to docks, icehouses, boat launches, processing and shipping facilities, boats and other necessary infrastructure that address the most pressing needs of the fisheries industry, both currently and for future sustainability. Program implementation and eligibility are described below.

#### **Program Implementation**

All proposals will be reviewed to ensure that all required proposal elements are submitted. A competitive selection process, using weighted evaluation criteria, will be used to determine which proposals will be funded. The RFP will specify requirements and information needed for a complete application. The primary goals of the program include:

- Enhance and ensure continued access to the state's coastal waters for commercial and recreational fishing, eco-tourism, and development of "working waterfronts;"
- b. Create/maintain employment in the commercial and recreational fishing

industry;

- c. Preserve the commercial and recreational fishing culture of coastal Louisiana:
- d. Improve the economic efficiency of the fishing industry; and
- e. Improve the resiliency and sustainability of the industry in the event of future storms.

#### **Applicant Eligibility**

Any combination of private (companies), private non-profit (cooperatives and NGOs), and public entities (governments) is eligible to submit proposals and receive awards through the Program, but applicants must designate a fiscal agent that is responsible for the fiduciary transactions of the Fisheries Infrastructure contract that must be one of the following:

- a. A governmental entity that is a budget unit of the State of Louisiana;
- b. A parish or municipal government;
- c. Any other political subdivision of the state; or
- d. Certain non-profit entities.

Collaborative efforts and partnerships are encouraged. Entities as described above need not have existed prior to the storms. Any assets or enhancements paid for with CDBG funds shall be the property of the fiscal agent.

#### **Project Eligibility**

Any project that supports achievement of the Goals listed above through infrastructure repair or enhancement will be eligible, contingent on eligibility under Community Development Block Grant rules and support of at least one HUD national objective.

## **Geographic Eligibility**

Proposed projects must be located in the following affected coastal parishes:

Calcasieu, Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion.

#### 2. Program Income Modification to the Small Firm Loan and Grant Program

The State of Louisiana's current policy requires that all program income, including repaid loans, must be returned to Louisiana's Disaster Recovery CDBG program and placed in the unallocated balance to be reallocated by the Louisiana Recovery Authority in conjunction with the Office of Community Development.

The State proposes to amend the Small Firm Loan and Grant Program to allow income generated by repaid loans to be retained by the lenders contracted to implement the program. These funds will be used as loan capital within the damaged parishes, according to the current rules and policies of the Small Firm Loan and Grant Program.

This amendment will allow these loan funds to continue to operate as an economic tool for the impacted communities.

#### 3. Reallocation of Funds to the Road Home Amendment

The State proposes to move an additional \$547,382 of unallocated funds to the Homeowner Assistance Program. This Amendment does not change any policies, procedures, methods of distribution, or eligibility criteria associated with the affected program, only the total amount of money that is allocated to the Homeowner Assistance Program.

#### **Summary of Financial Changes in this Amendment**

Program	Previous Total	Reallocation	New Total
Homeowner Assistance Program	\$4,017,990,868	\$547,382	\$4,018,538,250
Fisheries Infrastructure Program	\$0	\$19,000,000	\$19,000,000
Unallocated Balance	\$80,000,000	\$19,547,382	\$60,452,618

## Appendix 1 – Summary of Public Comments and State's Response

An earlier version of the proposed Action Plan Amendment was published for Public Comment on March 27<sup>th</sup>, 2007 through April 6<sup>th</sup>, 2007 as part of the second Action Plan. The State received no substantial comments. This Amendment was also subjected to public comment, review, and approval by the Louisiana Recovery Authority, the Louisiana Legislature's Joint Committee on the Budget, and the full Louisiana Legislature. This version was submitted to HUD on April 25, 2007, and HUD responded in May with comments and requests for clarification.

The current version of the Action Plan Amendment was re-published for Public Comment as part of the first Action Plan on October 15<sup>th</sup>, 2007 through November 5<sup>th</sup>, 2007. The State received no comments during this period.

#### Appendix 2 – Guidelines for Request for Proposals

#### 1. Program Guidelines

The purpose of this document is to set forth the guidelines for the award of funds for the Community Development Block Grant Fisheries Infrastructure Program.

The Fisheries Program has been established by the Louisiana Recovery Authority (LRA) in cooperation with the State Office of Community Development's Disaster Recovery Unit (OCD). OCD is the administering body of this program and will work in conjunction with the LRA in Policy and Administration of this program. As stakeholder agencies, Louisiana Department of Wildlife and Fisheries (LDWF) and Louisiana Economic Development (LED) will also participate at every stage of the development and implementation of the program.

The Fisheries Program is intended to provide funding assistance for projects that improve the viability and long-term sustainability of the commercial and recreational fisheries of coastal Louisiana. Intended results are to speed the recovery of the industry from the hurricanes of 2005, as well as to improve the industry's resilience following future storms and to provide infrastructure for the commercial and recreational fisheries. This program is funded through a grant from the U.S. Department of Housing and Urban Development as eligible under Section 105(a)8 of the Housing and Community Development Act of 1974. The activities will meet one of the national objectives of that program.

### 2. Program Implementation

Staff of the LRA, OCD, LDWF, and LED will review all proposals to ensure that all required proposal elements are submitted and will use a competitive selection process, using weighted evaluation criteria, to determine which proposals will be funded. Proposals will be submitted to the Disaster Recovery Unit of the Louisiana Office of Community Development on a date to be set in the fall, 2007. The Request for Proposals (RFP) will address the requirements and criteria to be used in the evaluation of proposals. The primary goals of the program are to:

- Enhance and ensure continued access to the state's coastal waters for commercial and recreational fishing, eco-tourism, and development of "working waterfronts;"
- b. Create/maintain employment in the commercial and recreational fishing industry;
- c. Preserve the commercial and recreational fishing culture of coastal Louisiana;
- d. Improve the economic efficiency of the fishing industry; and
- e. Improve the resiliency and sustainability of the industry in the event of future storms.

## 3. Applicant Eligibility

Any combination of private (companies), private non-profit (cooperatives and NGOs), and public entities (governments) is eligible to submit proposals and receive awards through the Program, but applicants must designate a fiscal agent that is responsible for the fiduciary transactions of the Fisheries Infrastructure contract that must be one of the following:

- a. A governmental entity that is a budget unit of the State of Louisiana;
- b. A parish or municipal government;
- c. Any other political subdivision of the state; or
- d. Not for profit organizations that are classified by the IRS as a 501(c)(3) or Private foundations that annually file to the IRS a form 990-PF. Not for profits must also show a direct relationship to the recreational or fishing community.

Collaborative efforts and partnerships are encouraged. Entities as described above need not have existed prior to the storms.

#### 4. Eligible Activities For Funding Assistance

Project proposals that include the repair or replacement of infrastructure damaged by one or both of the storms, or the construction/enhancement of infrastructure that wasn't damaged or did not exist prior to the storms, or some combination of the two are eligible activities for funding assistance. The objective is to improve infrastructure where it is most needed and will be most valuable to the future of the industry as a whole, not simply to replace what was lost. All projects must be eligible activities under Community Development Block Grant rules, which are attached. All projects must also be designed for storm resistance/resilience. Below are examples of projects that may be eligible for funding assistance under this program. These examples of potential projects should not be considered as exclusive:

- Docks, wharves, marinas, fishing and observation piers, marine debris staging areas, ramps, lifts, ice machines, loading, unloading and cold storage equipment, bait facilities, and land acquisition that improve public access, both commercial and recreational, to coastal waters in locations where such access is needed/lacking and would be most beneficial, as well as the infrastructure necessary, including roads, ramps, and bridges, that enhance this accessibility;
- Docks/wharves/mooring sites that provide storm harbor for boats during storms;
- Processing facilities that improve the efficiency/profitability of fishermen, and/or the public infrastructure necessary for such facilities;
- Facilities that tend to connect fishermen more closely with markets, like dockside markets; and
- Collaborative efforts to retrieve and repair vessels and equipment used in commercial fishing and charter boat operations

## 5. Geographic Eligibility

Proposed projects must be located such that they are able to reasonably serve the coastal fishing community. For the purposes of this RFP, eligible parishes are: Calcasieu, Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion.

## 6. Eligible Program Expenditures

Funds may be available for the following activities/expenses within the constraints and objectives of the program, as mentioned herein:

- Planning, architecture, and engineering fees necessary to advance infrastructure construction, up to a maximum of 15% of project cost;
- Purchase of existing infrastructure necessary for improvement;
- Purchase of land necessary for any eligible activities;
- Purchase of materials, labor, contractor services to construct infrastructure; and
- Grant Consultant services to assist with compliance with CDBG regulations.

#### 7. Program Administration

The Louisiana Office of Community Development, Disaster Recovery Unit will administer and oversee the management of the program. Applications will be evaluated and grants will be awarded through a RFP process.

#### 8. The RFP Selection Process

Proposals that address all RFP criteria and required proposal elements will be evaluated by a committee of objective evaluators with expertise in fisheries management, natural resources, economics, and tourism, among other relevant fields. The evaluation committee will award points and rank based on how well each proposal addresses the RFP requirements and criteria. The committee will then make funding recommendations to a selection team consisting of representatives of appropriate state agencies. The LRA will provide technical assistance to the selection team, which will select proposals considering the following guidelines:

- 50-65% of available funds shall be awarded to proposals that benefit the Katrina impacted region, and 35-50% shall be awarded to proposals that benefit the Rita impacted region, the delineation between the regions being the Lafourche/Terrebonne boundary;
- Regional aspects of projects must be considered, ensuring that project benefits do not conflict, at the least, and are complimentary, where possible;
- Fiscal agents for the selected proposals must demonstrate the ability to maintain and operate the infrastructure through its useful life;
- Program intent is to fund multiple projects across the coast, with no fewer than three projects funded. No project proposal valued at less than \$250,000 shall be

considered; and

 Award amounts may be adjusted to maximize program effectiveness and to ensure distribution allocations between geographic areas.

Project proposals that do not address the RFP requirements and criteria shall not be considered.

### 9. Proposal Evaluation and Scoring

Proposals will be evaluated and scored based on these seven criteria.

- 1. Justification of need, as determined by demand for and availability of existing similar services in proximity (maximum 25 points)
- 2. Alignment of proposed project outcomes with program goals (see Section 2), with projects meeting multiple objectives scoring higher (maximum 25 points)
- 3. Anticipated return on investment (jobs, visitors, economic activity, and other positive impacts) (maximum 20 points)
- 4. Integration with other projects and funding sources (maximum 15 points)
- 5. Quality of the proposal in terms of how the project addresses the RFP requirements and criteria (maximum 5 points)
- 6. Collaboration among active participants in the project (maximum 5 points)
- 7. Meets the needs of multiple user groups (maximum 5 points)