

# **LOUISIANA RECOVERY AUTHORITY**

## **Approval of the Intended Distribution of Gustav/Ike Funding**

**September 22, 2009**

**OVERVIEW:** A Resolution of the Louisiana Recovery Authority Board providing for the publication and conditional approval of Amendment No. 3 to the Hurricane Gustav/Ike Action Plan to confirm the intended distribution of funds and provide descriptions of the eligible program activities to be undertaken to assist the state and its local entities to confront unmet housing, business, economic revitalization, community resiliency, public service, public infrastructure and other needs after the 2008 hurricanes. Following a public comment period, the Board recommends that this Amendment be sent to the Governor and the Joint Legislative Committee on the Budget for consideration.

Whereas, the State of Louisiana was awarded an initial allocation of \$438,223,344 in Community Development Block Grant (CDBG) Disaster Recovery funding from the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 for the purposes of disaster relief, long-term recovery, and restoration of infrastructure, housing and economic revitalization directly related to the consequences of recent 2008 hurricanes Gustav and Ike;

Whereas, the State submitted its Disaster Recovery Action Plan to HUD for approval on January 8, 2009 which provided the framework for distribution of the initial \$438,223,344 of funding under the Act;

Whereas, HUD approved \$309,791,652 of the initial \$438,223,344 of funding under the Action Plan on March 19, 2009 and requested a clarifying Amendment be submitted for the remainder;

Whereas, the framework for the distribution of the initial allocation became Action Plan No. 1 which detailed activities under affordable housing, fisheries, agriculture, coastal restoration, and administration;

Whereas, Action Plan No. 1 was approved by HUD on July 24, 2009;

Whereas, HUD issued notice of a second allocation for grant funds for CDBG disaster recovery of \$620,467,205 to Louisiana, as published in the Federal Register on August 14 (FR-5336-N-01).

Whereas, this notice requires the State to submit an Amendment to Louisiana's initial Action Plan for Disaster Recovery to provide further details for the distribution of funds and the eligible program activities for the second allocation; and

Whereas, Action Plan No. 2 requests approval for the entire second allocation of \$620,467,205. The majority of the second allocation will be added to the existing

program areas described in the approved Action Plan and Action Plan No. 1. Unless otherwise determined, those parameters will govern the funding of this additional allocation under these program areas. Additionally, new program areas to respond to statewide unmet needs will be further described for approval in a follow-on Action Plan Amendment request.

Funds from the second allocation will be distributed as detailed in Action Plan Amendment Number Two and this action plan amendment. This section provides details on the specific program areas to be funded under the broad terminology of “Statewide Unmet Needs Initiatives,” as written in Amendment Number Two. This designation of programs results from further assessment of damages, recovery needs and parish plans for revitalization and sustainability into the future, identifying gaps and outstanding needs.

This action plan amendment allocates \$112,099,040 million of the remaining \$212,099,040 million to statewide unmet needs, including municipalities with damage from Gustav and Ike, economic development programs, funds to assist fisheries, a pilot community resiliency program and funds for homeowner rehab program. All programs are still under development.

**THEREFORE BE IT RESOLVED**, that the Louisiana Recovery Authority Board does hereby approve for public comment Amendment No. 3 to the Hurricane Gustav/Ike Action Plan to confirm the intended distribution of funds and provide descriptions of the eligible program activities to be undertaken to assist the state and its local entities to confront unmet housing, business, economic revitalization, community resiliency, public service, public infrastructure and other needs after the 2008 hurricanes.

**THEREFORE BE IT FURTHER RESOLVED**, that the Louisiana Recovery Authority Board does hereby recommend that Louisiana Recovery Authority and Office of Community Development staff shall publish an Action Plan Amendment to be sent to the Governor and the Joint Legislative Committee on the Budget for approval. In the event that comments during the public comment period do not require any changes to the Action Plan Amendment, the LRA Board does hereby authorize the chairman of the LRA Board, to approve the plan and send it to the Governor and the Joint Legislative Committee on the Budget without additional full Board review in order to move the plan forward in the most timely manner possible.