



## **Housing Task Force Meeting**

**Paul Rainwater**

**February 6, 2009**



# Road Home



## Budget

- \$10.36B Allocated for Homeowner program
- \$8.3B to \$8.6B will be spent on compensation, elevation and additional compensation grants
- \$650M set aside for IMM
- \$100M set aside for Sold Homes
- \$869M is ICF contract; \$780M has been spent

as of Jan. 30



# Road Home



## Road Home Single Family

- Closed applicants: 121,723
- Amount disbursed: \$7.7 billion



This elevated Lakeview home (right) highlights safer rebuilding practices in post-Katrina New Orleans.

as of Jan. 30



# Road Home

## ICF Appeals



Cases processed through appeals department	15,206
Cases resolved	14,555
Active cases	651

### Results of Resolved Appeals Cases

- More than 5,000 cases awarded additional funds
- Average amount of additional funds awarded: \$26,568
- 640 award reductions, average amount of \$16,182
- Approximately 4,500 cases had no change to award amount
- 4,254 cases reviewed for eligibility determination  
1,533 approved; 2,721 denied

as of Jan. 30



# Road Home

## State Appeals



Total state appeals	2,878
In Progress state appeals	997
Denied/Withdrawn state appeals	1,701
Approved state appeals	180
Appeals on hold per applicant request	1
Average length of processing time	75 days

as of Jan. 30



# Sold Homes Program

On Jan. 23, HUD approved the state's request to bring more Road Home applicants into the Sold Homes Program

- Approval extends the timeframe until Aug. 29, 2007 for applicants who sold their homes
- Previous deadline was Aug. 29, 2006
- Applicants must still have applied to the program prior to its July 31, 2007 application deadline and completed their first appointment by Dec. 15, 2007.
  
- The change affects an additional 832 applicants
- \$100 million has been budgeted for the Sold Homes Program
- These applicants had been contacted by the Road Home and their applications are now being processed.



# CDBG/Road Home Elevations

More than \$700 million dispersed to homeowners

- 32,086 eligible homeowners
- 24,614 elevation disbursements
- \$711 million awarded
- 2,380 elevation disbursements are currently at closing companies totaling \$67.7 million.



**Elevated home in 9<sup>th</sup> Ward**

as of Feb. 4





# HMGP Elevations

- 37,028 forms processed
- 20,366 homeowners interested
- 21,112 properties cleared by FEMA
- 445 homeowners meetings
- 814 files actively being worked
- 3 payments to date
- \$39,341 amount disbursed



**Elevated home in Lakeview**

as of Feb. 4





# ICF Transition

## Transition Team Progress

- ICF contract ends in June
- Two contracts to transition homeowner and IT management
- Successful bids announced in February



## Small Rental Program

•Active awardees	5,890
•Rental closings	384
•Rental award amount	\$30.5 million
•Units produced	896
•Affordable units produced	595

as of Feb. 4



# Small Rental Challenges and Changes

## Challenges:

- Applicants cannot receive upfront financing from the program
- Difficult to obtain construction financing in current market
- 25 percent of commitment letters are not accepted
- 1,171 of 4,903 commitment letters mailed out are not returned

## Changes:

- Direct funding rehab program for Active Awards
- No outside financing needed in most cases
- No interest, no payment, forgivable loan



# LIHTC/CDBG Piggyback Program

- Total projects awarded: 59
- Total units awarded: 8,185
- Total award amount: \$583 million
  
- Projects closed/under construction: 24
- Units under construction: 3,831
- Dollars closed: \$311 million
- Dollars expended: \$151 million
  
- Available units by March 695



The Preserve (right) in New Orleans will feature 83 mixed-income units next month



# First time Homebuyer Program

## Overview:

- Assists low-to middle-income borrowers in the purchase of single family, owner-occupied properties in the 13 Katrina and Rita-affected parishes.
- FANO (Finance Authority of New Orleans) administers funds for Orleans and St. Bernard parishes, offering up to \$65,000 in a soft-second mortgage for the acquisition of a single family, owner-occupied property in one of the city's designated disaster zones.
- LHFA (Louisiana Housing Finance Agency) administers funds for the remaining 11 parishes.



## First Time homebuyer Program

**FANO closed 35 soft-second loans (\$1,933,379) leveraged with \$2,550,436 in first mortgage loans. In addition to the soft-seconds, they awarded \$293,781 in closing-cost grants.**

- FANO’s goal is to fill 365 loans in their three-year contract period, which started March 1, 2008.**
- LHFA closed four loans using \$190,000 in CDBG funds.**
  - LHFA has a three-year contract that started Sept. 2, 2008 and is using CDBG funds in conjunction with Mortgage Revenue Bonds to buy the interest rates down.**
- The LRA/OCD has not received any draw requests from either contractor.**

as of Jan. 27





# Alternative Housing Pilot Program

Approximately 500 locations identified

## New Orleans – 287 unit

- 100 single family units in Algiers
- 100 units on infill sites in various neighborhoods
- 27 single family units in Westwego
- 60 units as infill sites in Treme

## Jackson Barracks - 91 units

- Infrastructure complete in March
- Single family construction begins this month
- Multi-family construction begins in March
- Construction complete by August

## Baton Rouge – 42 units

- Construction started this week
- Construction complete by July

## Lake Charles – 82 units

- Construction expected to begin next month



Louisiana Cottages are now being built offsite to facilitate quicker installation on the ground.



# DHAP

The State has requested a one-year extension of the Disaster Housing Assistance Program, which is administered by HUD & FEMA.

## **What we know about DHAP participants in Louisiana:**

According to the most recent data from HUD, 16,802 households in Louisiana currently receive DHAP assistance.

Of those:

- Approximately 7,000 may be eligible for Housing Choice Vouchers, which will provide critical support for the elderly and disabled;
- Only 3,000 are estimated to be at a “low risk” for homelessness, according to HUD’s own data;
- This means that approximately 7,000 families who rely on DHAP will have remaining housing needs and will not be served after Feb. 28.



# DHAP

In Louisiana, we have an affordable housing crisis.

- Hurricanes Katrina and Rita damaged or destroyed more than 80,000 rental units in Louisiana.
- The state has developed programs to repair and rebuild an estimated 30,000 units of affordable rental housing.
- To date, more that 3,400 units have come online. The state projects more than 5,700 additional units will be ready for occupancy in mid-to-late 2009.
- The current economic downturn and freezing of the credit markets had a significant impact on these projects, but the state has been creative in investing its resources to fill gaps and keep projects under construction.
- The current rental housing market simply is not affordable for the average renter in New Orleans and the surrounding parishes.



# DHAP

DHAP participants live primarily in the areas most affected by Katrina:

## PARISHES THAT HOUSE THE MOST DHAP FAMILIES

Parish		Elderly Participants	Total Households
Orleans		822	8,485
Jefferson		304	3,522
St. Bernard		107	1,105
St. Tammany		140	974
East Baton Rouge		109	906
Calcasieu		31	458
Tangipahoa		20	216
St. John the Baptist		21	145
St. Charles		11	131
Lafayette		11	109
Plaquemines		13	98
Ascension		7	71
<b>TOTAL IN STATE:</b>		<b>1,694</b>	<b>16,903</b>