



Disaster Recovery Budget and Program Updates Robin Keegan

May 10, 2010

Budget Overview As of April 30, 2010			
	<u>Encumbered</u>	<u>Expended</u>	<u>In Process</u>
Homeowner Assistance*	\$10,348,438,929	\$9,416,378,266	\$932,060,663
Rental**			
Small Rental Property Program	\$722,462,250	\$221,415,344	\$501,046,906
Piggyback Program	\$581,046,000	\$318,790,553	\$262,255,447
Rental Sub-Total	\$1,303,508,250	\$540,205,897	\$763,302,353
Other Housing Programs	\$279,730,000	\$64,767,747	\$214,962,253
Infrastructure			
Long Term Community Recovery	\$700,000,000	\$32,531,846	\$667,468,154
Primary and Secondary Education	\$247,500,000	\$86,215,311	\$161,284,689
Ratepayer Mitigation	\$200,000,000	\$180,812,593	\$19,187,407
Local Government	\$112,287,731	\$7,967,514	\$104,320,217
Fisheries Assistance	\$28,750,000	\$55,036	\$28,694,964
Infrastructure Sub-Total	\$1,288,537,731	\$307,582,300	\$980,955,431
Economic Development	\$322,555,663	\$253,351,634	\$69,204,029
Planning & Environmental Clearance	\$20,783,475	\$16,492,120	\$4,291,355
<u>Administration</u>	<u>\$217,900,000</u>	<u>\$52,922,999</u>	<u>\$164,977,001</u>
	\$13,781,454,048	\$10,651,700,963	\$3,129,753,085

* Includes \$372 million in State General Fund. Total CDBG allocation for Road Home Homeowner Assistance is \$9,978,000,000.
 ** Louisiana must spend at least \$812 million (19.33% of second allocation of \$4.2 billion) on affordable rental repair and development.

Road Home - Budget

as of April 30, 2010

Homeowner Program Current Balance:
\$10.349Billion - \$9.416Billion = \$0.933Billion

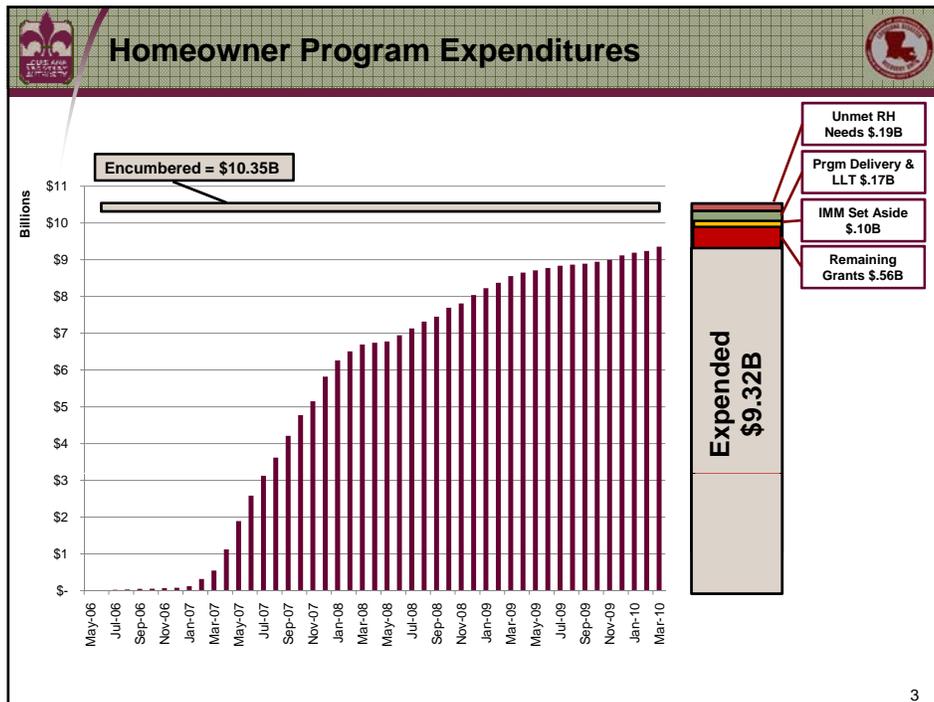
Outstanding estimated project costs:

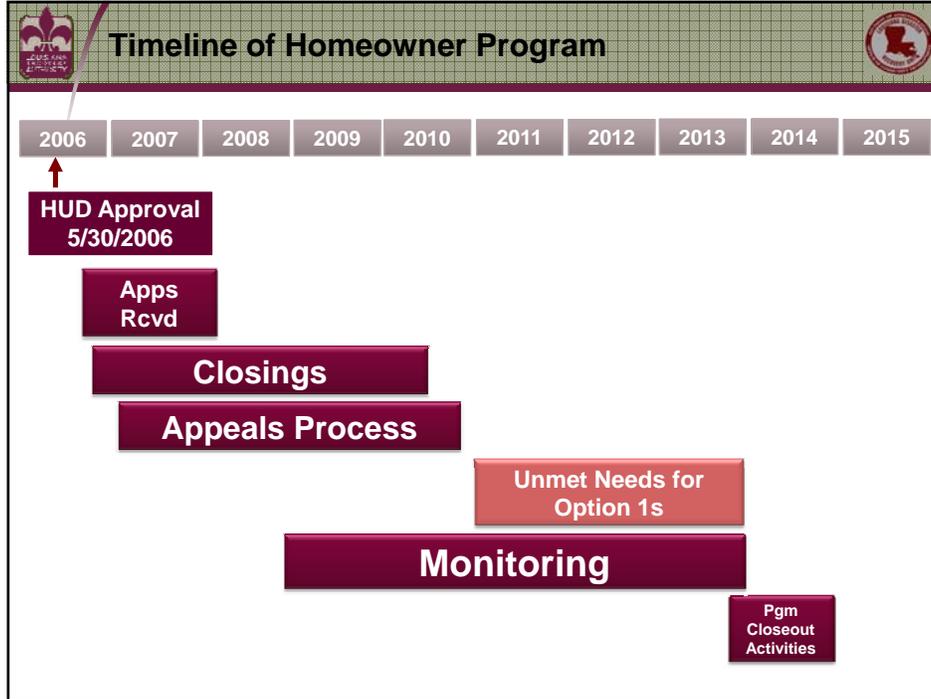
- **\$195M*** – Serving remaining homeowners
- **\$317M** – Removing ACG cap
- **\$ 8M** – Sold Homes Program
- **\$100M** – Individual Mitigation Measures
- **\$160M** – Program delivery and LLT operations
- **\$ 5M** – Contaminated Drywall assistance
- **\$785M** – Total

\$933M Balance - \$785M Projected Costs =
Approximately \$148M left for unmet housing needs.

*Figure has been modified upward to account for all outstanding grants calculated. This number will likely decrease as some homeowners drop out of the program or are determined to be ineligible.

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Road Home – Remaining Challenges

Homeowner Unmet Needs

Target Population: Option 1 recipients who are unable to re-occupy their homes

- Population estimated to be **10,000 in New Orleans and 20,000 statewide**
- **Variety of situations:**
 - ✓ Contractor Fraud / Negligence
 - ✓ Mortgage payoff
 - ✓ Forced to return SBA loan
 - ✓ Insufficient resources
 - ✓ Lack of income or credit to finance construction

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Addressing Unmet Needs



Priorities:

- **Provide options** for households to re-occupy their homes
- **Restore** heavily damaged neighborhoods
- **Ensure** compliance and blight enforcement



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Addressing Unmet Needs



Process:

A Housing Counseling Approach

- Intake and Evaluation
- Services, Referrals and Solutions as indicated by individual situations

Solutions:

- Deadlines
- Housing Counseling/Covenant Monitoring
- Referrals to HMGP Elevation program
- Referrals to Non-Profit Rebuilding Pilot Program
- Construction Financing Program
- Conversion to Option 2 or 3
- Swaps to LLT or other properties
- Neighborhood Focus – Aligning Resources



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Rental Housing - Budget Overview



Overall

- **\$1.3 billion** encumbered
- **\$539 million** disbursed
- **\$763 million** in process

Small Rental

- **\$722 million** encumbered
- **\$221 million** disbursed
- **\$501 million** awarded in process

Piggyback

- **\$581 million** encumbered
- **\$318 million** disbursed
- **\$263 million** awarded in process

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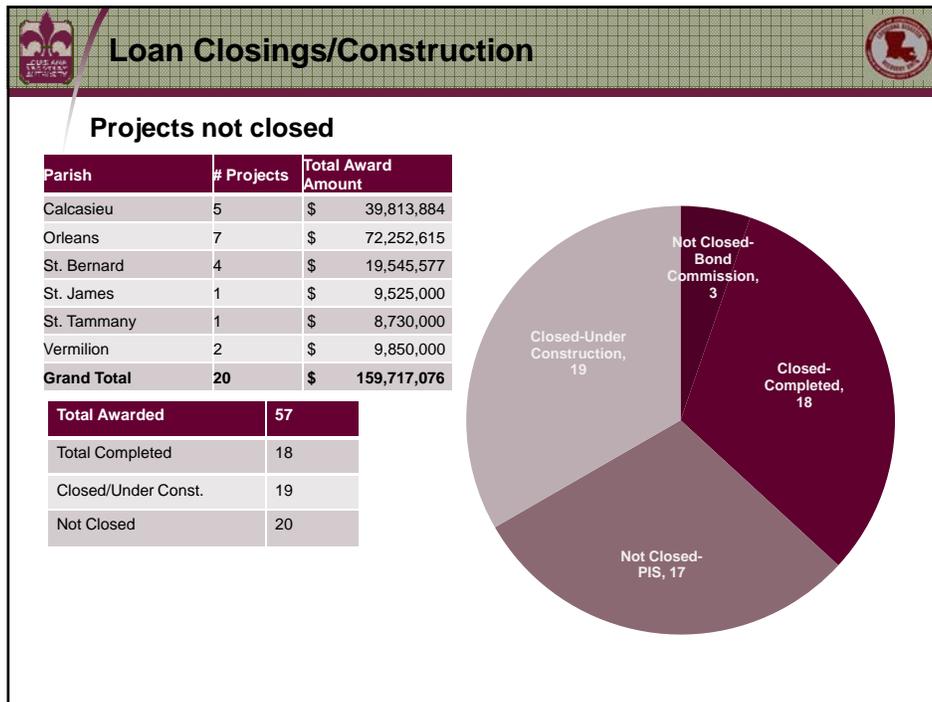
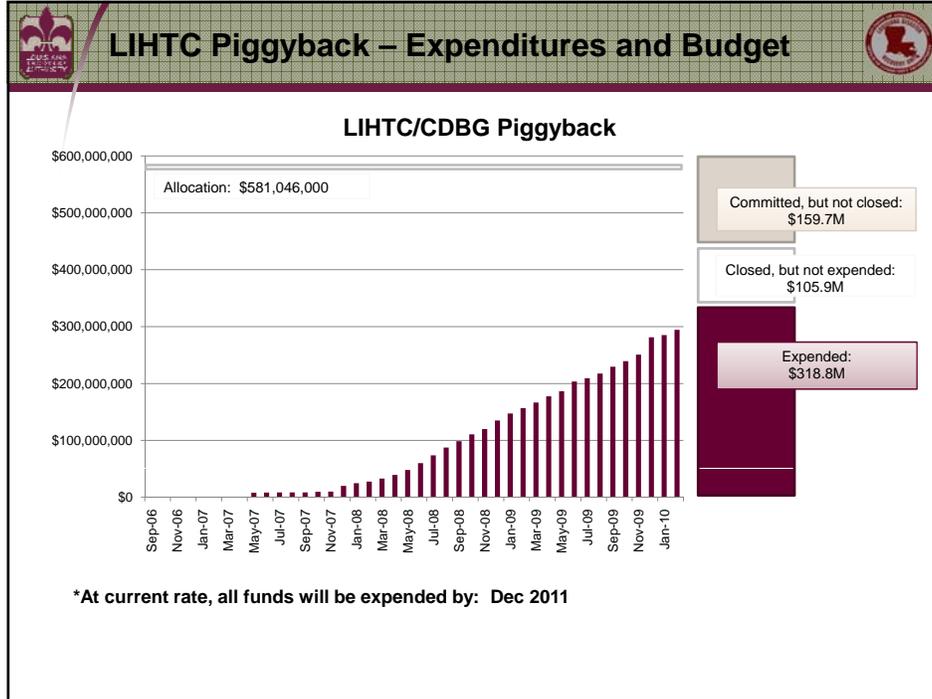


Piggyback Projects by Parish



Parish	# of Projects	Total CDBG Encumbered	# Closed Projects	Total CDBG Closed	# Not Closed	Not Closed *	Expended
Calcasieu	10	\$81.4M	5	\$41.6M	5	\$39.8M	\$22.2M
Cameron	1	\$1.8M	1	\$1.8M	0	\$0	\$0
Jefferson	2	\$19.7M	2	\$19.7M	0	\$0	\$19.0M
Orleans	32	\$374.5M	25	\$303.8M	7	\$72.3M	\$221.3M
St. Bernard	4	\$19.5M	0	\$0	4	\$19.6M	\$0
St. James	1	\$9.5M	0	\$0	1	\$9.5M	\$0
St. Tammany	3	\$42.0M	2	\$33.3M	1	\$8.7M	\$31.3M
Terrebonne	1	\$5.0M	1	\$5.0M	0	\$0	\$4.6M
Vermilion	3	\$29.5M	1	\$19.6M	2	\$9.9M	\$19.6M
Total	57	\$582.9M	37	\$424.7M	20	\$159.7M	\$318.8M

Program Delivery and ODLP:	\$15.5M
Total Committed:	\$598.4M
Total Allocation:	\$581.0M
Oversubscribed:	\$17.4M





Orleans Detail



Total Projects: 32

- \$375M in CDBG
- 5,157 total units
- 3,106 affordable (383 PSH)
- 2,051 market rate

Completed Projects: 12

- \$157M in CDBG
- 1,754 total units
- 844 affordable (118 PSH)
- 910 market rate

Closed/Under Construction: 13

Yet to close financing: 7

Not Closed in Orleans	# Projects	Award Amount
Bond Commission	3	\$14,159,179
PIS Date Extension	4	\$58,093,436
Total	7	\$72,252,615



Occupancy



*As of Dec 31, 2009

Project	# Units	# Affordable	# Market	Occ. % Affordable	Occ. % Market
Calcasieu	120	84	36	63.33% (38)	N/A
Cameron	30	29	1	82.76% (24)	0% (0)
Orleans	1,754	844	910	94.4% (797)	79.9% (727)
St. Tammany	250	100	150	100% (100)	32.67 (44)
Vermilion	250	100	150	100% (100)	67.33% (101)
Total	2,404	1,157	1,247	91.53% (1,059)	69.93% (872)

79% across the board occupancy

Leveraged Funding

Multiple sources captured under “**Other Private**” **include**, but are not limited to, the following:

- 1st Mortgage
- Historic Federal Tax Credits
- Historic State Tax Credits
- Deferred Developer Fee
- City of New Orleans funding/grants
- HANO funding
- Etc.

Source	Percentage
LIHTC Equity	42%
CDBG	36%
Other Private	22%

Piggyback Deadlines

PIS Extension / 1602 Exchange NOT Approved by Dec 31, 2010	PIS Extension Approved
<ul style="list-style-type: none"> • Any funding currently obligated in the Piggyback Program via Award Acceptance Agreement will be de-obligated and reallocated to a rental pool • Once the state meets its federal requirement for creating affordable rental housing, any excess funds in this pool may be reallocated in accordance with the reallocation plan approved by the LRA's board 	<ul style="list-style-type: none"> • Developers have only six months from the date of the extension to close on their CDBG loans • Funds not closed will be reallocated to a rental pool • Projects failing to close because of delays caused by the capacity of the state may be granted an extension by the Executive Director of the OCD/DRU.



Small Rental Property Program



- A **\$608M program to rebuild 11,500 rental units** destroyed by hurricanes Katrina and Rita. 90% of these units will be affordable.
- Eligible applicants are **owners of rental units** occupied before the storms
- Program **initially designed to provide an upfront subsidy** to reimburse construction costs incurred by landlords in exchange for 10 years of affordable rents
- **Program Improvements:**
 - ✓ Ability to provide advanced funding for construction
 - ✓ Increased flexibility in compliance to enable more landlords to complete
 - ✓ New administrator streamlines processes
- **Monthly production** of affordable units has **more than tripled** in the last year

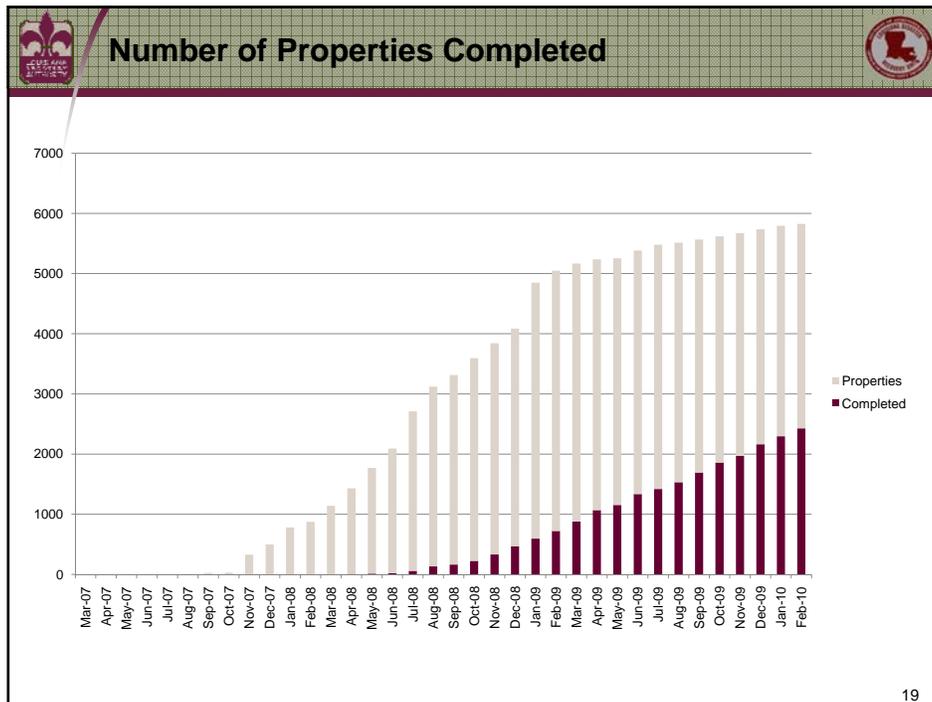
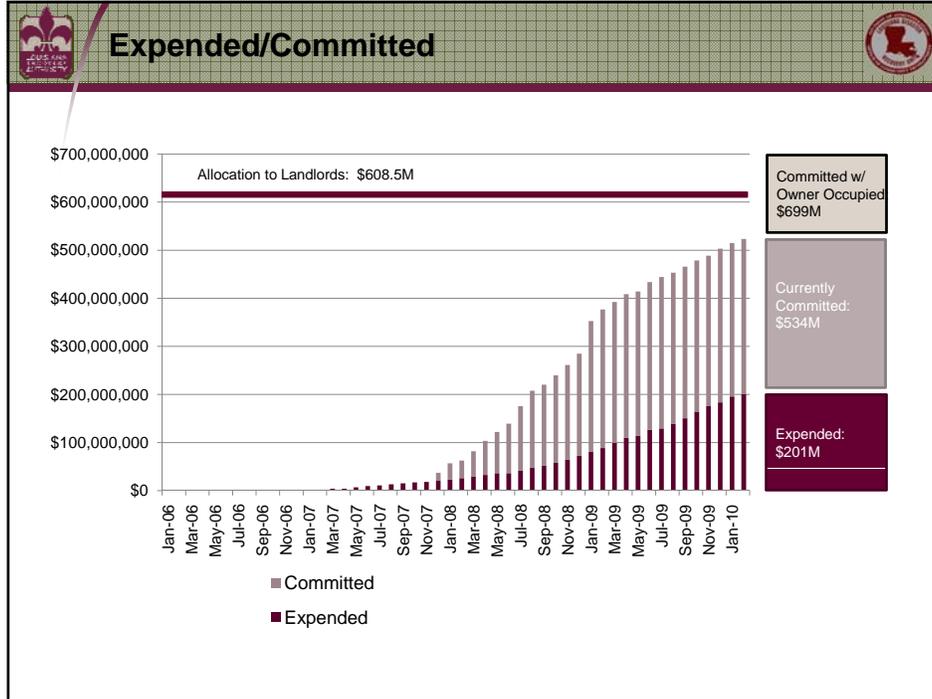


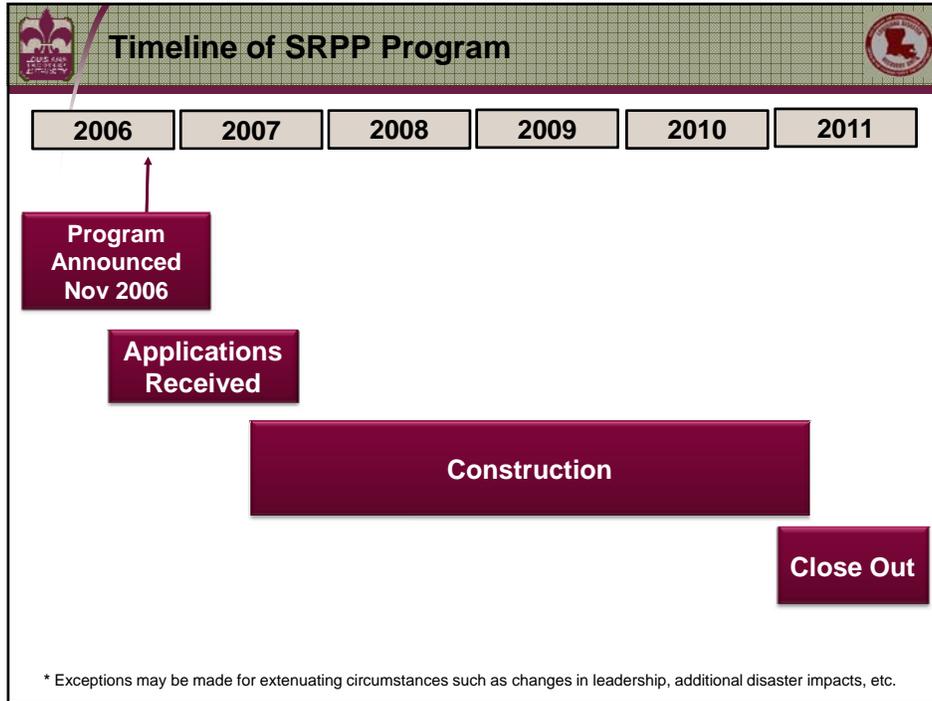
Parish Breakdown of Small Rental Program



Parish	# of Landlords	# of Total Livable Units	Awarded	Award Amount Committed	
				Expended	Balance
Acadia Parish	4	12	\$669,000.00	\$0	\$669,000
Calcasieu Parish	144	316	\$11,923,320.17	\$2,008,350	\$9,914,971
Cameron Parish	6	16	\$1,019,000.00	\$0	\$1,019,000
Iberia Parish	6	14	\$667,000.00	\$108,000	\$559,000
Jefferson Parish	339	984	\$41,453,099.39	\$10,759,034	\$30,694,066
Orleans Parish	3,123	8,946	\$418,104,255.45	\$108,146,450	\$309,957,805
Plaquemines Parish	14	33	\$1,853,200.00	\$228,000	\$1,625,200
St. Bernard Parish	304	907	\$45,532,695.90	\$19,281,123	\$26,251,573
St. Tammany Parish	95	200	\$10,359,576.89	\$2,100,568	\$8,259,009
Tangipahoa Parish	9	13	\$426,176.81	\$123,227	\$302,950
Terrebonne Parish	6	11	\$646,000.00	\$0	\$646,000
Vermilion Parish	6	13	\$312,000.00	\$74,000	\$238,000
Washington Parish	18	37	\$1,436,550.00	\$237,000	\$1,199,550
Sub-Total	4,074	11,502	\$534,401,875	\$143,065,751	\$391,336,124

Deferred Owner Occupied:	\$165,000,000
Total Committed:	\$699,401,875
CDBG Allocation:	\$608,500,000
Oversubscribed:	\$90,901,875





Small Rental Deadlines

1) Clear Title:

- 335 Titles outstanding (299 requests are more than 90 days without response, representing around \$24M in awards)
- Letters sent **4/15/2010**
- Have **45 days** to show that efforts have been made to produce clear titles
- Most titles that can be cleared already have, incentives put in place for people to clear titles (e.g. advanced funding, construction management initiatives)

2) Sign Commitment Letters:

- Approximately **168 landlords** have failed to turn in their commitment letters.
- Any outstanding commitment letters must be signed and returned by **5/31/10**

*1,200 landlords will choose between Construction Management and Advance at Title initiatives

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Infrastructure Program Summary

as of 4/30/2010

Program	HUD Approved Allocations	# Approved Projects	Approved Projects Amounts	% of Allocations Approved	Disbursed	Pending Approval or Submittal
Long Term Community Recovery (LTCR)	\$700,000,000	162	\$577,080,652	82%	\$32,531,846	\$122,919,348
Primary and Secondary Education	\$247,500,000	39	\$138,572,505	56%	\$86,215,311	\$108,927,495
Local Government	\$112,287,731	10	\$32,145,562	29%	\$7,967,514	\$80,142,169
Fisheries Assistance	\$28,750,000	10	\$13,555,311	47%	\$55,036	\$15,194,689
Ratepayer Mitigation	\$200,000,000	1	\$200,000,000	100%	\$180,812,593	\$0
TOTAL	\$1,315,137,731	222	\$942,166,622	72%	\$312,154,802	\$372,971,109

- The **entire \$700M** in LTCR has been **committed to parishes** through Cooperative Endeavor Agreements; **82%** of those funds have been **designated to specific approved projects**.
- The primary and secondary education allocations were **committed directly to local school boards** including the Recovery School District.
- Ratepayer Mitigation dollars were committed to Entergy New Orleans** to repair electric and gas infrastructure and reduce costs that would be passed on to customers. Invoices for the most of the balance have been submitted for review.

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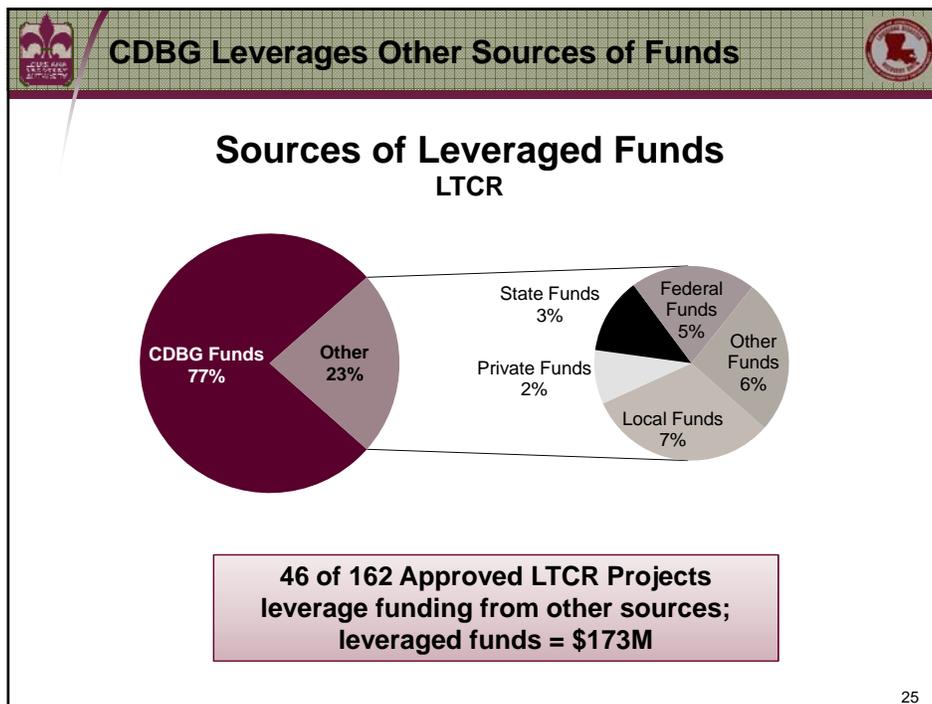
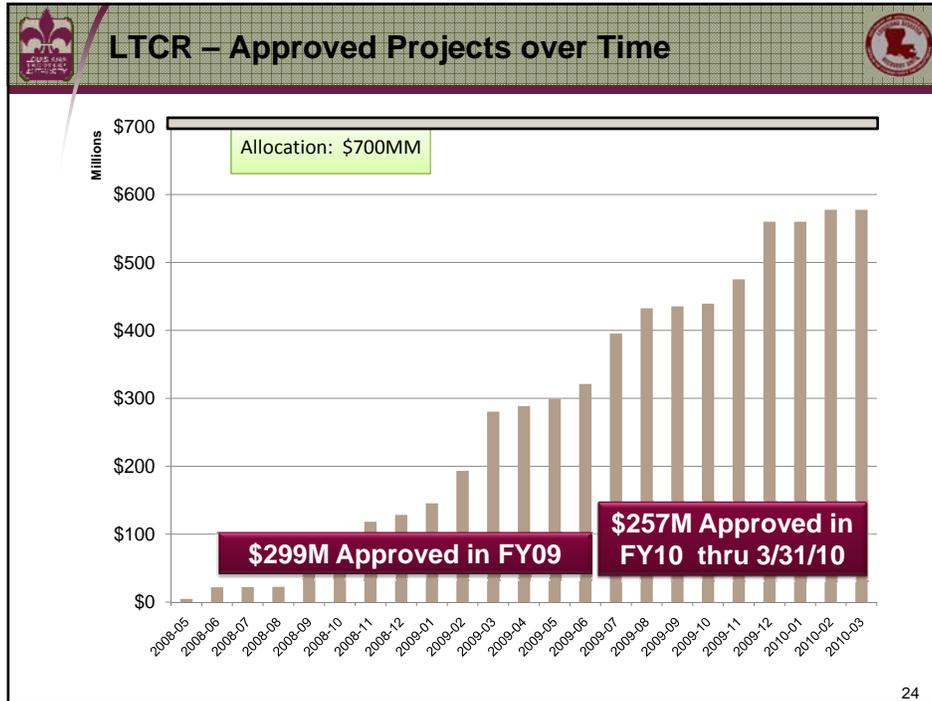


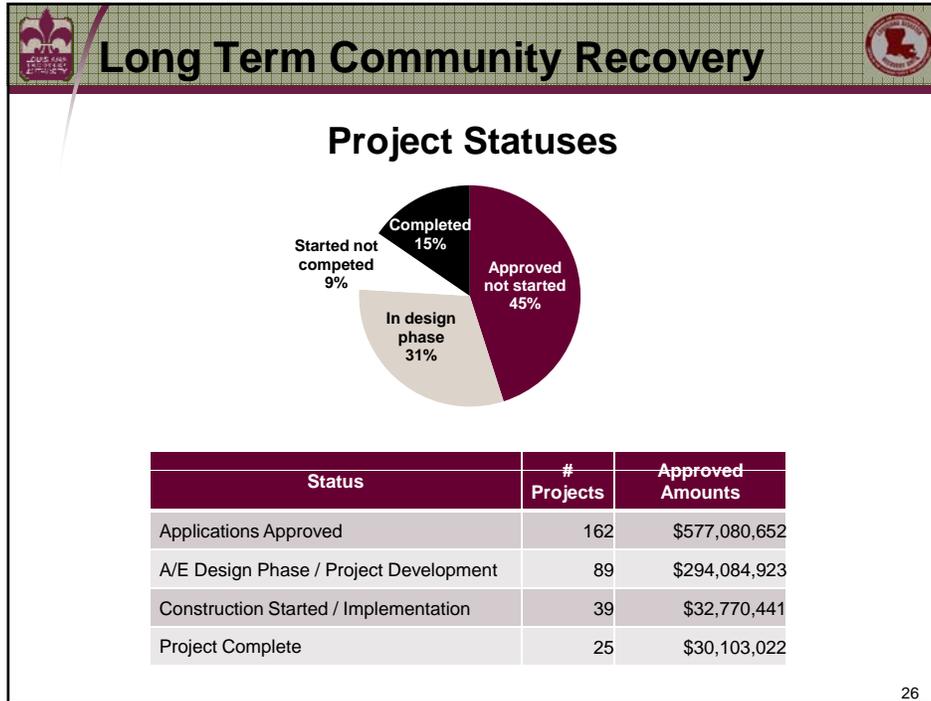
Long Term Community Recovery by Parish

Parish	Allocated	# Projects	Approved \$\$	% Approved \$\$	Pending Approval	Pending \$\$	% Approved or Pending	Disbursed	Awaiting Parish Proposal
Orleans	\$410,720,016	77	\$340,026,132	83%	16	\$62,680,000	98%	\$20,072,348	\$8,013,884
St. Bernard	\$ 91,185,319	3	\$80,976,854	89%	3	\$3,250,000	92%	\$2,076,194	\$6,958,465
Jefferson	\$ 50,120,337	30	\$44,523,739	89%	2	\$1,523,286	92%	\$171,251	\$4,073,312
Plaquemines	\$ 44,925,792	5	\$23,858,317	53%	10	\$21,067,475	100%	\$0	\$0
Cameron	\$ 29,622,944	4	\$29,622,944	100%			100%	\$1,739,176	\$0
St. Tammany	\$ 26,815,082	16	\$26,815,082	100%			100%	\$2,078,017	\$0
Calcasieu	\$ 18,391,496	3	\$12,695,748	69%	0	\$0	69%	\$2,373,561	\$5,695,748
Vermilion	\$ 7,651,424	10	\$7,651,424	100%			100%	\$834,021	\$0
All Other Parishes	\$ 20,567,590	14	\$10,910,412	53%	6	\$5,861,540	82%	\$3,187,278	\$3,795,638
Louisiana Total	\$700,000,000	162	\$577,080,652	82%	37	\$94,382,301	96%	\$32,531,846	\$28,537,047

11 of 23 parishes have committed 100% of their funding

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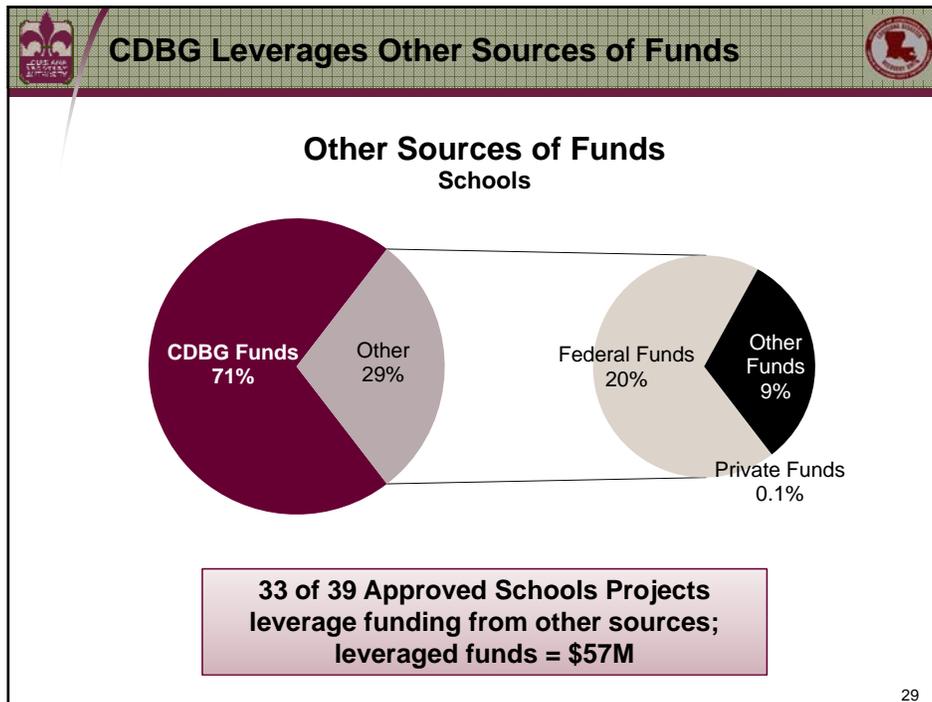
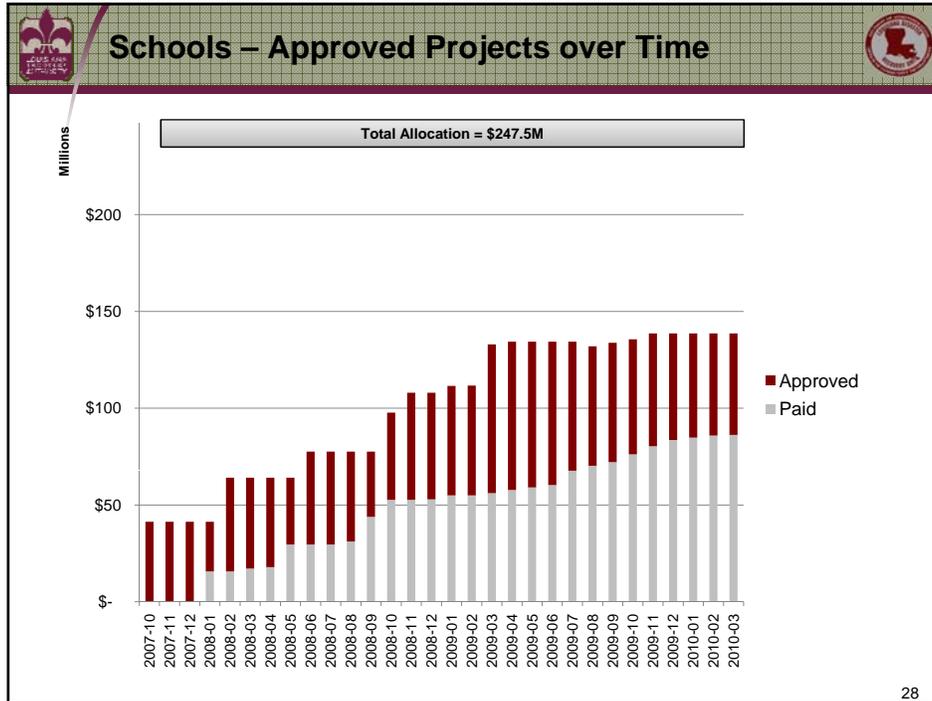


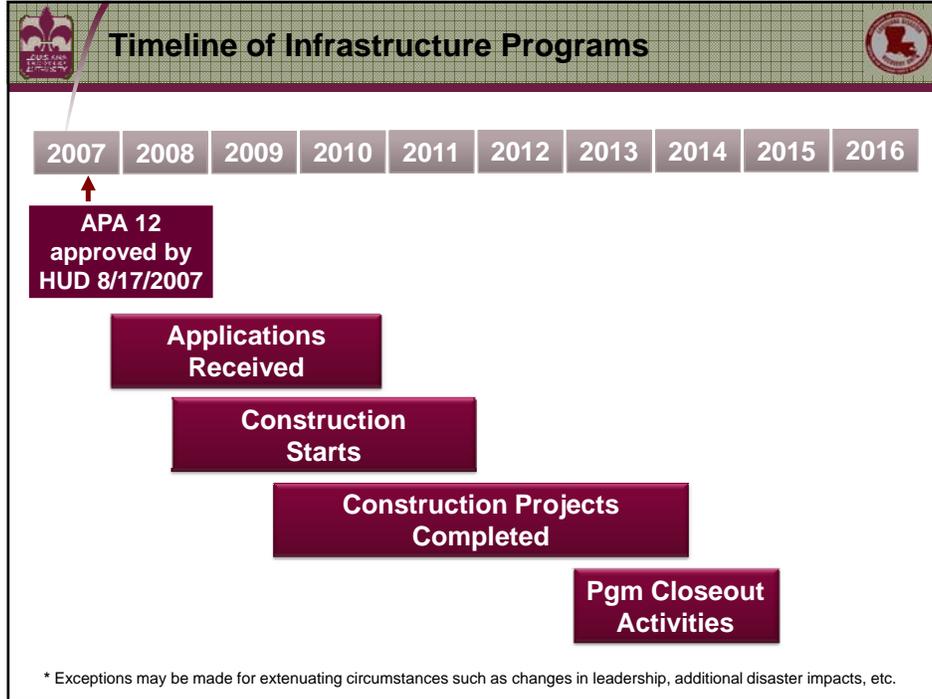
Primary and Secondary Schools Recovery Projects by School District

School District/Parish	Allocated	# Projects	Approved \$\$	% Approved \$	Pending Approval	Pending \$\$	% Approved or Pending	Disbursed	Awaiting Parish Proposal
Recovery School District	\$111,379,389	23	\$85,897,853	77%	2	\$25,481,537	100%	\$68,909,682	\$0
St. Bernard	\$39,742,999	4	\$35,866,817	90%			90%	\$15,166,785	\$3,876,182
Orleans	\$21,299,554	1	\$3,000,000	14%			14%		\$18,299,554
Plaquemines	\$20,932,720	1	\$94,278	0%	10	\$8,290,000	40%	\$94,278	\$12,548,442
St. Tammany	\$19,647,306		\$1,592,223	8%	4	\$5,363,740	35%		\$12,691,343
Cameron	\$14,500,287	1	\$1,500,943	10%			10%	\$157,866	\$12,999,344
Vermilion	\$9,221,458	1	\$9,221,458	100%			100%	\$22,500	\$0
Jefferson	\$4,813,724	0	\$0	0%	2	\$4,750,000	99%		\$63,724
Calcasieu	\$3,068,854	1	\$1,175,527	38%	1	\$1,893,327	100%	\$48,570	\$0
All Other	\$2,893,709	7	\$1,815,630	63%	2	\$698,232	87%	\$1,815,630	\$379,847
Total	\$247,500,000	39	\$140,164,728	57%	19	\$41,726,836	75%	\$86,215,311	\$65,608,437

- The Recovery School District has committed all of its allocation plus an additional \$4.8M in requests.
- Vermilion and Calcasieu school boards have also committed 100% of their allocations.

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Infrastructure Program Deadlines Summary

Event	Deadline
Applications Due	10/31/2010
All Construction Started	12/31/2011
All Construction Complete	6/30/2014
Program Closed	6/30/2015

- **Exceptions may be made** for extenuating circumstances such as changes in leadership, additional disaster impacts, etc.
- **Technical assistance will be provided to parishes** to ensure that they understand the applicable deadlines and have the capacity to complete applications.

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 Programs with More than \$10M remaining 							
	Program	Allocated	Obligated*	% Ob	Disbursed	% Disb.	Balance
HOUSING	Soft Seconds	\$75,000,000			\$ -	0%	\$ 75,000,000
	Supportive Housing Services	\$72,730,000			\$ 3,991,899	5%	\$ 68,738,101
	First time Homebuyer	\$40,000,000			\$ 27,843,019	70%	\$ 12,156,981
	Homelessness Supports & Housing	\$25,900,000			\$ 11,331,417	44%	\$ 14,568,583
	Non-profit rebuilding	\$20,000,000			\$ 17,781	0%	\$ 19,982,219
	Housing Development Loan Fund	\$16,570,000			\$ 2,292,470	14%	\$ 14,277,530
ECONOMIC DEVELOPMENT	Small Firm Recovery Loan & Grant	\$210,698,251			\$164,463,945	78%	\$ 46,234,306
	Recovery Workforce Training	\$38,000,000			\$ 27,951,703	74%	\$ 10,048,297
	Research Commercialization	\$28,500,000			\$ 14,225,717	50%	\$ 14,274,283
INFRA-STRUCT	Local Gov	\$112,287,731	\$32,145,562	29%	\$ 6,552,772	6%	\$105,734,959
	Fisheries	\$ 28,750,000	\$13,555,311	47%	\$ 55,036	0%	\$ 28,694,964

 Programs with More than \$10M remaining 							
<ul style="list-style-type: none"> • Research Commercialization/Educational Enhancement <ul style="list-style-type: none"> – \$12,955,428 remaining <ul style="list-style-type: none"> • Committed to 11 sub recipients • Have until June 30, 2011 to expend all funds • Small Firm Loan & Grant <ul style="list-style-type: none"> – \$46,234,306 remaining <ul style="list-style-type: none"> • Remaining balance is allocated to phase III APA #40 approved March 13 2010, application is in development, no funds disbursed • \$16.8 million needs to be de-obligated from 9 sub recipients; • \$28.5 million program funds to be de-obligated from LED; • \$3 million admin to be de-obligated from LED • Presently LED and sub recipient contracts expire 30 Jun 2010 • Recovery Workforce Training <ul style="list-style-type: none"> – \$10,048,297 remaining <ul style="list-style-type: none"> • Committed to 16 sub recipients • Have until June 30, 2011 to expend all funds 							



Programs with More than \$10M remaining



- **Soft Seconds**
 - **\$75,000,000 remaining**
 - FANO has a 5 year signed contract to administer the \$52.2 million LLT soft second program for Orleans Parish. They are in the infancy stages of public awareness and outreach.
 - Tentative closeout 2013
- **Housing Development Loan Fund**
 - **\$14,277,530 remaining**
 - Expected to be fully expended by Dec. 2010
- **Supportive Housing Services**
 - **\$68,738,101 remaining**
 - All funds committed to DHH via CEA ending 12/31/2016
- **Homelessness Supports & Housing**
 - **\$14,568,583**
 - Contract with DSS ends 8/31/10, CEA ends 10/31/10 allowing 2 month close out
 - \$8.67M of unspent reallocated to Piggyback Permanent Supportive Housing
 - Remaining (~\$2.7M) reallocated to Temporary Rental Assistance Program



Programs with More than \$10M remaining



- **First-Time Homebuyer Pilot Program**
 - **\$12,156,981 remaining**
 - First time homebuyer program for Orleans Parish should be fully expended and in closeout by June, 2010
 - Projected closeout of this program is summer of 2011.
- **Non-profit Rebuilding**
 - **\$19,982,219 remaining**
 - Nonprofit Organizations must have all funds obligated by July 31, 2010.
 - All rehabilitation should be complete by December 31, 2010.
 - Construction is on target to begin May 2010.
- **Local Government Infrastructure**
 - **\$105,734,959 remaining,**
 - **\$32,145,562 in approved projects**
 - Deadlines are the same as for LTCR and Schools programs
- **Fisheries**
 - **\$28,694,964 remaining**
 - **\$13,555,311 in approved projects**
 - Deadlines are the same as for LTCR and Schools programs



Reallocation Strategy



Road Home – Any remaining dollars go to unmet needs for homeowners and neighborhood revitalization as required by Congress

Piggyback and Small Rental – Currently oversubscribed, but any remaining dollars will be re-allocated in two tiers:

- 1) A rental pool will be developed to finance affordable housing until the HUD required allocation for affordable rental housing has been met
- 2) Any dollars remaining after the State has met their federal obligation to affordable housing will be re-allocated to the parishes based on their damages in combination with unused infrastructure funds

Infrastructure – Any unused funds not applied for will be re-allocated to the parishes based on their damages (allocations will not be less than \$150,000 per applicant)

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