

Louisiana Recovery Authority

Quarterly Report
February 2007

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OUR MISSION

The Louisiana Recovery Authority (LRA) was created in October 2005 by Governor Kathleen Babineaux Blanco to serve as the planning and coordinating body for Louisiana's recovery from hurricanes Katrina and Rita.

Appointed by the Governor and confirmed by the Senate, the organization's 33-member body is charged with securing funding for community recovery and resurgence, ensuring accountability and effectiveness, coordinating across jurisdictions, and planning for the rebuilding of South Louisiana.

The authority's mission is to ensure that Louisiana rebuilds safer, stronger and smarter than before. There are four areas of focus: securing funding and other resources needed for the recovery, establishing principles and policies for redevelopment, leading long-term community and regional planning efforts, and ensuring transparency and accountability in the investment of recovery funds.

Throughout its initiatives, the LRA is committed to a recovery and rebuilding process that is fair and equitable to everyone.

Kathleen Babineaux Blanco
Governor, State of Louisiana

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Photos:

Front Cover: MSC Michaela docks at the Napoleon Avenue container terminal at the Port of New Orleans.

Back Cover: Rice is loaded at the Port of Lake Charles' automated terminal (Contraband Bayou Terminal) destined for Ghana, Africa.

Letter from the Governor

Dear Friend,

Hope continues to rise above devastation as we continue the hard work of bringing our people home, re-opening businesses and schools and better preparing Louisiana for any future disaster. Through coordinated efforts of the Louisiana Recovery Authority, my administration, state departments and countless citizens, our state achieved significant progress in 2006.

When FEMA stopped funding the free bus service that gives displaced residents a way to get back to New Orleans for work and school, I fought to keep the LA Swift program moving. More than 235,000 rides have been provided by this service. Thanks to support from the LRA and the Department of Transportation and Development, LA Swift will continue.

At the state level, we continue to do our part to help local governments recover and protect our citizens during future storms. To date, the state has delivered more than \$2 billion in recovery aid to local communities in a record 15 months, and we are expediting disbursement of additional funds. We also established the state's first-ever emergency fund; a \$150 million safety net to protect our citizens during an emergency.

I recently called for a \$100 million grant program, the next phase in our ongoing efforts to support small businesses recovering from the storms. These struggling businesses could qualify for up to \$20,000 through this program directed by the LRA and Louisiana Department of Economic Development. We also created programs providing grants and loans for workforce training, technical assistance and marketing to let tourists know we are open for business in the recovery areas.

History was made in New Orleans as a new, professional levee board took office. Louisiana stood together to overwhelmingly pass a constitutional amendment taking politics out of levee board appointments. I charge the members of Louisiana's new boards with the responsibility of focusing on flood protection and only flood protection.

Earlier this month I met with leaders of the new Congress to push Louisiana's federal recovery agenda and secured firm commitments that our recovery from both storms will now be a national priority. Some federal rules and red tape simply do not fit the needs of a catastrophe of this size, and reforming the system will benefit communities across the country.

The state maintains its commitment to keep New Orleans safe and has already spent \$15 million providing 300 members of the Louisiana National Guard and 60 Louisiana State Police troopers to patrol the city. They will remain on duty for the foreseeable future as we work to prevent crime, solve crimes and put criminals behind bars through our continued housing of Orleans Parish inmates in our state prisons. There must be law and order in New Orleans and we stand committed to this mission.

We begin 2007 with our sleeves rolled up, strong forward momentum, and with an understanding that much work remains to be done. With your help, Louisiana will remain on a solid track to full recovery and a promising future.

Sincerely,



Kathleen Babineaux Blanco

Governor



EXECUTIVE SUMMARY

It has been about a year and a half since hurricanes Katrina and Rita spawned the most complex rebuilding effort in United States history. Housing. Infrastructure. Economic development. Jobs. Health care. Education. Social Services. Environment. The hurricanes ravaged every aspect of society in South Louisiana, and for the recovery to be deemed a success, the state must get all of these back on course — at the same time.

While much remains to be done, there has been much accomplished. Throughout the recovery area, communities are beginning to rebuild. From Cameron to St. Bernard, residents are making tough choices about their futures and taking steps to rebuild better than before. And local, state and federal governments are working together to move the recovery forward.

Within the past few months:

- ✔ The LRA has developed plans and received legislative approval for the bulk of the \$10.4 billion in funding that Congress appropriated for Louisiana's recovery. This includes the Road Home homeowner assistance and rental redevelopment program, as well as a program to rebuild critical infrastructure, and an economic recovery program. Most of these programs are already in the implementation phase, after receiving approval from the Legislature and the U. S. Department of Housing and Urban Development.
- ✔ 12 of 15 parishes have adopted FEMA's Advisory Based Flood Elevation guidelines. These guidelines require buildings to be reconstructed at higher levels, making them less prone to flooding. The LRA Board of Directors requires any parish seeking infrastructure dollars to adopt the guidelines.
- ✔ There has been a 75 percent increase in federal approvals of critical rebuilding projects. The LRA began working with FEMA and the federal Office of Gulf Coast Recovery last fall to speed approval of rebuilding project requests.
- ✔ About \$2 billion in rebuilding projects have been approved for funding by FEMA and made available by the state.

At the same time:

- Planning in New Orleans and throughout the region has taken significant leaps forward.
- More than 50 million cubic yards (78%) of storm debris has been removed.
- 56 schools have reopened with more than 27,000 students enrolled in New Orleans; all colleges and universities in the state reopened for the fall 2006 semester.
- University Hospital in New Orleans reopened in November with 85 beds. The hospital has since brought its trauma center back to downtown New Orleans. In total, 12 hospitals are open in the New Orleans area.
- Officials and residents broke ground on the new \$22 million South Cameron Memorial hospital, funded by a combination of FEMA funds and Community Development Block Grants from the LRA. The hospital also received \$2 million from the Bush-Clinton Katrina Fund for start-up operating costs.
- 100 percent of port traffic has returned to New Orleans, and the Port of Lake Charles is fully operational.
- 29,500 hotel rooms, out of 38,000, are now available in Metro New Orleans, with 140 hotels open, including 90 downtown.
- Traffic at the Lake Charles Regional Airport has increased by 10 percent since before Hurricane Rita, and Louis Armstrong International Airport in New Orleans is at 64 percent of its pre-Katrina daily departures.
- The Sugar Bowl and Bayou Classic came home to New Orleans, and the Essence Festival will return in July 2007. The city has retained approximately 70 percent of its conventions and meetings for 2007 and more than 90 percent for 2008.

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Port of Lake Charles



100 percent of port traffic has returned to New Orleans, and the Port of Lake Charles is fully operational.

With these accomplishments and more, the pace of Louisiana's hurricane recovery is accelerating. While there is still a long way to go, there is significant progress that will become more apparent as the implementation of rebuilding plans increases.

SECURING RECOVERY FUNDS

Obtaining Louisiana's Share of Outer Continental Shelf Royalties

In December, Louisiana took an important step toward restoring its coastal wetlands and gained a major victory in its effort to protect against future hurricanes with Congress' passage of the Domenici-Landrieu Gulf of Mexico Energy Security bill. The measure, which gives Louisiana its fair share of the oil and gas revenues produced off its coast, is expected to generate \$13 billion over the next 30 years. A Constitutional amendment approved by Louisiana voters last year dedicates all of these revenues to projects that restore Louisiana's wetlands, strengthen its levees, and build better hurricane and flood defenses.

Securing Funding for Alternative Housing Program

Rebuilding Louisiana's housing stock will take innovative ideas. The LRA, working with the Governor's Office of Homeland Security and Emergency Preparedness, secured a grant of up to \$75 million to build affordable, easy-to-assemble, hurricane-proof housing and to locate sites for their placement in hurricane-impacted areas. The Alternative Housing Pilot Program, often referred to as the Katrina Cottage program, is designed to address the needs of citizens currently being housed in trailers, those displaced both in-state and elsewhere, and workers critical to recovery such as those in healthcare, education, hospitality, construction, and first responders. The proposal approved by FEMA is designed to build infill development housing in the Treme neighborhood and Jackson Barracks in New Orleans, as well as in Lake Charles and Abbeville.



Making the Case in D.C. for Greater Federal Focus, Efficiency, Equity

In January, LRA member Walter Leger testified before the U.S. Senate Homeland Security Committee during the panel's field hearing in New Orleans. Leger addressed the progress of the recovery, the remaining challenges and the LRA's specific policy recommendations to improve the pace and efficiency of recovery efforts.

Just a few weeks later, Leger was called to testify in Washington before the U.S. House of Representative's Financial Services Committee. The hearing focused on the loss of affordable rental housing units in the Gulf Coast as a result of Hurricanes Katrina and Rita and examined the critical role that the availability of affordable rental housing to working families has on efforts to rebuild and to restore the local economy. During both visits, the LRA met with Members of Congress to make the case for change on several areas of the recovery being slowed by federally-mandated red tape.

Following Governor Blanco's meetings with top Congressional leaders on Capitol Hill and Leger's testimony, several key Senators urged President Bush to address one specific issue with far-reaching effects. They asked the President,

State officials say they have set aside close to \$1 billion to help struggling local governments pay matching funds for things like replacing police stations and repairing sewage systems. They are trying to cover some 20,000 construction projects in all, ranging from tens of thousands of dollars to millions. That's no small amount of administrative and bureaucratic hassle on top of the expense.

— *New York Times* editorial, Feb. 13, 2007, calling on President Bush and Congress to waive Louisiana's 10 percent match requirement

Since September
2006 the LRA
Board Committed

\$200
Million to
local long-
term recovery
efforts

\$300
Million to
Medical
Center of
Louisiana—
New Orleans

\$40
Million to
non-public
schools and
universities

\$20
Million to
Commercial
Fisheries

\$200
Million to
rate relief for
New Orleans
residents

and introduced accompanying legislation, to waive the requirement that Louisiana pay a 10 percent match for assistance from FEMA.

LRA estimates show that the current policy will cost Louisiana more than \$1 billion in matching funds, although the cost share was waived for significantly less expensive disasters including hurricanes Andrew, Hugo and Iniki. The federal government also waived the match requirement for New York following September 11, 2001. Should President Bush adjust the policy and waive Louisiana's match requirement, \$750 million in CDBG funds would become available for recovery efforts in need of additional funding including individual parish recovery projects.

Other federal priorities for recovery outlined by Governor Blanco include:

- Cutting the red tape in hazard mitigation funding for the Road Home program
- Exempting the Road Home awards from federal tax penalties
- Allowing forgiveness of community disaster loans
- Combating crime in New Orleans
- Extending Social Services Block Grants (SSBG) supplemental funds for one year
- Allocating disaster recovery funds proportional to damage
- Investing in hurricane protection and coastal restoration
- Increasing recovery aid to small businesses and approve key business extensions
- Extending key deadlines for Gulf Opportunity Zone (GO Zone) Tax Credits
- Clarifying Small Business Administration (SBA) loan treatment relating to Road Home grants

ESTABLISHING POLICIES & PRINCIPLES FOR REDEVELOPMENT

Infrastructure

Hurricanes Katrina and Rita destroyed billions of dollars in infrastructure — schools, roads, bridges, ports, sewer and water systems and other facilities. Since residents and businesses cannot return without these facilities, there is a great urgency to replace them.

Of the \$2.3 billion in federal recovery dollars dedicated to replacing lost infrastructure, the LRA dedicated \$775 million to matching FEMA Public Assistance program funds and the remaining money to specific projects critical to the recovery, among them:

- **Entergy New Orleans:** Allocated \$200 million to offset extraordinary increases in gas and utility bills that otherwise would be passed on to businesses and residents.
- **Medical Center of Louisiana – New Orleans:** Committed \$300 million to the construction of a new facility to be integrated into Southeast Louisiana's redesigned health care delivery system, including an immediate \$74 million for land acquisition and to commission architecture and engineering design work.
- **Non-public schools and universities:** Committed \$40 million toward the non-federal portion of FEMA Public Assistance grants for these schools and universities.
- **State Buildings:** Committed an additional \$135 million for the repair and reconstruction of state buildings.
- **Long-term community recovery plans:** Committed \$200 million to implementation of recovery plans, allocating money to each parish based on storm damages.
- **Fisheries:** Committed \$20 million to rebuild fisheries infrastructure, including such things as stranded boat recovery, public docks, and direct assistance to fishermen.

The LRA also worked with Federal Coordinator of Gulf Coast Rebuilding Donald Powell and FEMA Principal Federal Officer for Gulf Coast Recovery Gil Jamieson to streamline the approval process for infrastructure repair dollars. The result is approaching a \$1 billion increase in approvals of recovery projects.

REBUILDING SAFER AND STRONGER

Building Code Compliance and Advisory Base Flood Elevation Adoption

Helping communities rebuild in ways that are safer and stronger than before is a chief goal of the LRA. In fall 2006, the LRA Board allocated \$14 million in Hazard Mitigation Grant Program Funds and \$11.4 million in CDBG funds to local governments to assist in implementation of Louisiana's new statewide building codes. In accordance with the state's Uniform Construction Code Council (UCCC), local governments were required to implement the new statewide building code by January 1, 2007.

Also, working with the LRA, 12 of 15 disaster parishes have since adopted FEMA Advisory Base Flood Elevations, which determine minimum safe elevations for new construction. The LRA Board has tied the receipt of federal recovery dollars to the adoption of ABFEs.



The following parishes have adopted the Advisory Base Flood Elevations: Calcasieu, Cameron, Iberia, Jefferson, Orleans, Plaquemines, St. Charles, St. Mary, St. Tammany, Tangipahoa, Terrebonne, and Vermilion.

ECONOMY AND WORKFORCE

Addressing the severe blow that New Orleans' and South Louisiana's economies took in the 2005 storms will take a comprehensive approach—one that combines business assistance with worker training, tourism marketing and higher education research investment. It's the approach the LRA and its agency partners have taken.

LOUISIANA SMALL BUSINESS RECOVERY PROGRAM

This quarter, Governor Blanco, the LRA and Louisiana Economic Development announced the reallocation of \$100 million of economic development disaster recovery funds to create a pilot grant program which will provide grants of up to \$20,000 to approximately 5,000 small businesses. A portion of the reallocated funds were from the now-closed Bridge Loan program which provided immediate gap loan financing to small businesses immediately following the storm. In addition to the \$100 million in grants, businesses can take advantage of a \$38 million program of 0% interest loans, a \$68 million loan guarantee program, and \$9.5 million in technical assistance to small businesses. Collectively these programs are intended to provide a range of much-needed business assistance to small businesses struggling to rebound from last year's storms. More information can be found at Louisiana Economic Development's website, www.louisianaforward.com.



Governor Blanco announces a \$100 million grant program for small businesses impacted by the storms.

ANSWERING THE DEMAND FOR TRAINED WORKERS

The LRA and the Louisiana Workforce Commission implemented a recovery workforce program to address the post-hurricane needs of businesses. The Workforce Commission selected 18 programs for funding in December to address the changing needs in the workplace and target worker shortages in key recovery sectors such as healthcare, construction, advanced manufacturing, cultural economy, oil and gas and transportation.

722 businesses took advantage of Louisiana's no-interest Bridge Loan program since it started in January 2006. The program was designed to act as a bridge for businesses awaiting U.S. Small Business Administration grants.



The New Orleans Metropolitan Convention & Visitors Bureau is using some of the CDBG funds allocated by the LRA for its Forever New Orleans campaign, aimed at revitalizing the city's tourism industry.

Louisiana Tourism Recovery Program

Grantees:

New Orleans

Tourism Marketing Corporation
\$8,500,000

Southwest Louisiana Convention
and Visitors Bureau
\$950,000

New Orleans Metropolitan Convention
and Visitors Bureau
\$8,500,000

Louisiana Office of Tourism
\$5,500,000

St. Tammany Parish
Tourist Commission
\$600,000

St. Bernard Parish Office of Tourism
\$200,000

Louisiana Stadium and Exposition
District
\$1,000,000

Morial Convention Center, New
Orleans
\$2,000,000

River Parishes Tourist Commission
\$150,000

Washington Parish Tourism
Commission
\$50,000

Lafourche Parish Tourism Commission
\$60,000

Jefferson Convention
and Visitors Bureau, Inc.
\$750,000

Tangipahoa Parish Convention
and Visitors Bureau
\$75,000

Vermilion Parish Tourist Commission
\$50,000

TAPPING THE COMMERCIAL POTENTIAL OF RESEARCH

The LRA and the Louisiana Board of Regents initiated a \$28.5 million program to invest in university-based research and related education programs. Phase I of the Research Commercialization and Educational Enhancement Program will establish guidelines and recommendations for the expenditure of the \$28.5 million to support research, commercialization, and educational enhancement activities at public and private post-secondary institutions in the eight parishes most severely impacted by Hurricanes Katrina and Rita. Phase I will result in an RFP for campuses available by early March 2007.

BRINGING BACK LOUISIANA'S TOURISM INDUSTRY

The LRA, Lt. Governor's Office and Department of Culture, Recreation and Tourism launched a \$28.5 million Louisiana Tourism Marketing Program to jumpstart the damaged tourism and convention industry sectors through a major marketing and advertising campaign. The program is being managed by CRT and implemented by travel, tourism and marketing organizations in the impacted areas (see list). The goal is to deliver a coordinated message that Louisiana and impacted regions are open to tourists and business travelers.

EDUCATION

After the devastating storms, Louisiana seized the opportunity to radically improve the public school system in New Orleans by creating the Recovery School District. The LRA has supported the efforts of the Louisiana Department of Education and RSD. The board has committed \$345 million statewide to cover repair costs that are ineligible for FEMA funding. LRA is working with non-profit organizations eager to lend innovative ideas to the recovery of New Orleans schools.

New Leaders for New Schools

The LRA board of directors committed to assisting New Leaders for New Schools in its efforts to select New Orleans as a new region for its program. The highly-regarded national non-profit organization trains and places new principals in school districts throughout the country and has been credited with raising student achievement in schools. NLNS plans to place up to 40 new principals in New Orleans public schools over the next three years.

Global Green

The LRA has partnered with the international non-profit organization Global Green to work toward the most efficient implementation of the LRA's school design criteria for use of the \$345 million in school rebuilding funds. Within the LRA's school design criteria is a requirement that schools are rebuilt using sustainable design and elements of green building, such as durable and efficient air conditioning and heating systems, better classroom air quality, and recycled building materials. Global Green recently completed a draft green building criteria, which school districts throughout the state would have to follow in order to obtain CDBG funds to rebuild their schools. Global Green, which was recently announced as a Bush-Clinton Katrina Fund grant winner, is also planning to fund the construction of the green elements of model green schools within Southeast Louisiana.

Expediting Funding to Impacted School Districts

The LRA is working with the state Board of Elementary and Secondary Education, LDE, OCD and the Governor's Office of Homeland Security and Emergency Preparedness to speed the delivery of a variety of federal funds to the most impacted school districts, including the Recovery School District, thereby hastening the rebuilding process.

ENVIRONMENT

Louisiana Department of Environmental Quality, U. S. Environmental Protection Agency, Corps of Engineers, Coast Guard, and local government agencies have worked in a coordinated effort to assure environmentally safe cleanup and disposal of the unprecedented quantities and diversity of debris left by Hurricanes Katrina and Rita. Among the materials collected and disposed of so far:

- More than 50 million cubic yards of debris from roadways, curbs, and yards. As of this date, the debris mission for the Hurricane Rita impacted areas of the state is essentially complete. The debris mission for the Katrina impacted areas is about 78 percent complete. The current challenge is the demolition and proper disposal of nearly 30,000 flood and storm-damaged structures that have been identified in the greater New Orleans area.
- Almost 100 percent of green waste (such as trees and limbs) recycled (e.g. ground for mulch, composting, erosion control, landfill cover, or used for fuel to generate power).
- Approximately 1 million white goods (refrigerators, freezers, stoves, etc) collected for recycling and more than 50,000 pounds of refrigerant recovered for recycling.
- Around 250,000 small engines collected for recycling.
- About 600,000 e-goods (electronic devices) collected for recycling.
- Largely through the efforts of insurance companies and LDEQ contractors, approximately 350,000 automobiles and 60,000 vessels are being picked up and ultimately recycled.
- More than 20 million pounds of hazardous materials collected and disposed of safely.
- About 65,000 pounds of explosives (ammunition, fireworks, and flares) collected and disposed of properly.
- Around 4 million orphan containers (drums, barrels, etc.) collected and recycled or disposed of appropriately.

HOUSING

The Road Home

From its inception, the LRA has made the redevelopment of South Louisiana's housing stock its top priority. Board members and staff joined Governor Blanco in the effort to secure funding for the state's housing program and devised The Road Home, the most sweeping housing rebuilding program in U. S. history.

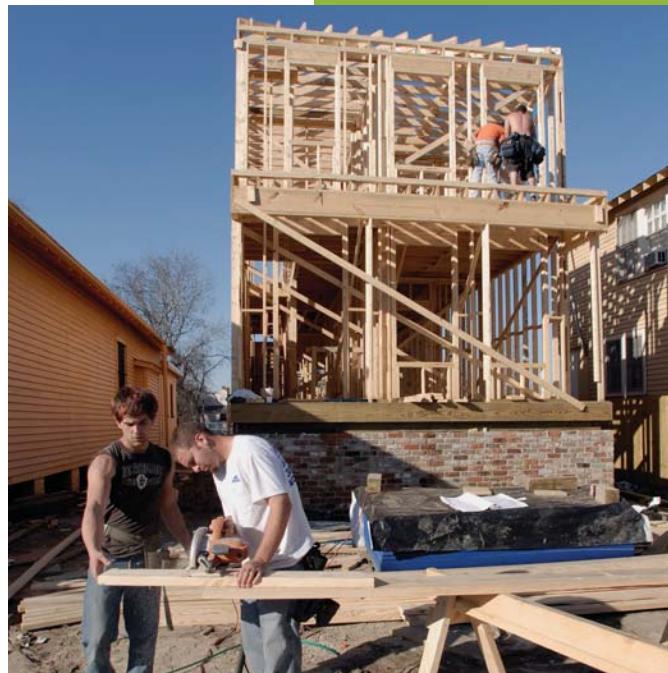
Homeowner Assistance

The LRA has worked with the Division of Administration's Office of Community Development and the state's contractor, ICF International, to address issues with the Road Home program and help find solutions for improving it.

In addition, the LRA Board of Directors and staff made policy changes to benefit homeowners. They worked with OCD and ICF to identify bottlenecks and change implementation directives to speed implementation. Among these were policies that increased the amounts of awards, provided additional aid to make homes safer, eased burdens on senior citizens and extended assistance to mobile home owners.

As of this date, the **debris mission** for the **Hurricane Rita** impacted areas of the state is **essentially complete.**

(source: DEQ)



The **Road Home** addresses the needs of all Louisiana homeowners:

- affected by Katrina or Rita
- living inside or outside the floodplain
- with or without flood insurance

Since its implementation in June 2006, Road Home administrators:

- Opened 12 Road Home Assistance Centers throughout hurricane Rita and Katrina affected areas and in Houston, where a large number of evacuees still reside
- Accepted more than 100,000 applications by phone, mail and Internet
- Met with more than 80,000 homeowners with over 90 percent reporting a positive experience in exit surveys
- Committed \$3.5 billion in awards to more than 43,000 families
- Contracted with non-profit agencies to help homeowners complete applications and answer questions
- Launched mobile centers in Plaquemines, Vermilion and Terrebonne Parishes, with plans to launch in Dallas and Atlanta in mid-March

Rental Programs

With renters comprising almost half of all residents in affected areas, replenishing South Louisiana’s rental housing must be a top priority. A policy, developed by the LRA and OCD, uses federal CDBG funds to rebuild about 35,000 affordable rental units, a critical step to bringing back the workforce required for recovery, particularly in New Orleans.



There are two rental programs:

In the **Piggyback Program**, the state couples tax credits with CDBG funds to spur development of workforce housing in mixed-income communities. The Louisiana Housing Finance Agency approved its initial awards this fall. The program:

- 🏠 Uses \$1.7 billion in 2007 and 2008 Gulf Opportunity Zone Low Income Housing Tax Credits (LIHTC)
- 🏠 Uses \$667 million in CDBG funds, which are being added to or “piggybacked” with tax credits for mixed-income developments
- 🏠 Avoids replicating the pre-storm excessive concentrations of poverty

The **Small Rental Program** targets 18,000 units and seeks to invest \$869 million. The state is scheduled to make its initial \$200 million in grant awards in April. The program is designed to:

- 🏠 Repair and rebuild small rental properties with 1 to 4 units
- 🏠 Prevent blight by rebuilding through in-fill development
- 🏠 Stabilize rents in traditional neighborhoods by increasing supply
- 🏠 Prioritize mixed-income small rental properties and small, Louisiana-based landlords

HEALTH CARE

Hurricanes Katrina and Rita devastated the health care delivery system across South Louisiana, disrupted access to care for displaced patients, and strained the health care infrastructure in communities from the Texas to Mississippi borders. But there has been some progress toward restoring the system and rebuilding it in ways that will better serve patients, their communities and the state.

The Louisiana Health Care Redesign Collaborative

Guided by a charter signed by its members and other supporters, the Louisiana Health Care Redesign Collaborative grew from the LRA Public Health and Health Care Task Force with the goal of making recommendations for a new health care system in the New Orleans region and for reforming the health care delivery system statewide. In October, the Collaborative unanimously approved

“Overall, the (Road Home) program thoughtfully aims to address the full range of housing needs, both for homeowners and renters, and for low-income and working families.”

— Amy Liu
Brookings Institution
August 2006

recommendations and submitted them to U.S. Department of Health and Human Services Secretary Michael Leavitt. The report is the basis for ongoing discussions between state officials and HHS to produce a comprehensive systemwide Medicaid Section 1115 Waiver and Medicare Demonstration proposal for the four Greater New Orleans parishes—Jefferson, Orleans, Plaquemines, St. Bernard—which will guide the physical and financial reconstruction of the region's system of care.

Behavioral Health Care

One of the lasting impacts of Katrina and Rita has become the behavioral health problems caused by the disruption of lives and separation of families. With \$80 million in Social Services Block Grant funds allocated by the LRA, the state has created behavioral health care programs that will:

- Alleviate emergency room backlogs and decrease over-reliance on hospitalization by use of a range of specialized crisis services including mobile teams and crisis intervention units;
- Provide additional treatment options for the 25-30% of Katrina and Rita victims who have been exposed to severe trauma and 5-10% who have been exposed to moderate trauma that will present with clinical symptoms of abuse or dependence on alcohol and/or drugs;
- Improve early identification of mental health problems in children and adolescents affected by the storms through the integration of mental health services in schools; and
- Prevent or reduce inappropriate institutional care for victims of the storms with developmental disabilities.

In addition to the SSBG funds, Louisiana secured more than \$50 million in mental health services funding through the FEMA Crisis Counseling Program, which is supporting the ongoing work of mental health counselors under the Louisiana Spirit program that targets victims of hurricanes Katrina and Rita. The Louisiana Department of Health and Hospitals also secured critical approval from FEMA to increase the intensity of treatment programs using CCP funds, offering services not otherwise allowed under the program.

South Cameron Memorial Hospital

Hurricane Rita devastated Southwest Louisiana, destroying South Cameron Memorial Hospital, which operated as the only full-service hospital in Cameron Parish. The facility is being replaced by a new \$22 million facility financed through a combination of FEMA and CDBG funds in accordance with a plan approved by Governor Blanco, the LRA and the Louisiana Legislature. Working with Governor Blanco, Chairman Powell and Louisiana's Congressional Delegation, the LRA helped to expedite the funding approval process for FEMA's Public Assistance (PA) Program. The hospital is scheduled to re-open in March.



Medical Center of Louisiana – New Orleans

The two hospitals on the campus of LSU's MCLNO, University Hospital and Avery C. Alexander Charity Hospital, suffered extensive flood damage in the wake of the hurricanes. Consulting engineers have declared Charity unfit for medical use. There are no plans to reopen the facility.

LRA Teams with DHH to Conduct Population Survey of Storm-Damaged Areas

Survey Charts Residents' Return, Population Shifts

As part of its responsibility to collect data essential to recovery planning, the LRA joined the Louisiana Department of Health and Hospitals to sponsor the most comprehensive household survey of hurricane-impacted parishes yet. Conducted by the Louisiana Public Health Institute, with assistance from the Centers for Disease Control and the U.S. Census Bureau, the survey will be used to provide critical population data to aid in decision-making and planning. Results are posted at www.popest.org.

The LRA has committed more than \$4 million in CDBG funds to rebuilding South Cameron Hospital.

Before Katrina, Charity had the only 'Level 1' trauma unit in the New Orleans region. The new trauma center will have the same resources as Charity, and will be eligible for 'Level 1' certification by the American College of Surgeons.

La. Family Recovery Corps Introduces NOLA BOUND

The Louisiana Family Recovery Corps (LFRC) launched NOLA Bound, to provide New Orleans evacuees with information and personal planning assistance for their return home.

NOLA Bound offers information via the Internet and toll-free line about opportunities and challenges evacuees might face as they return home. Personal Planning Partners are available to help evacuees develop a plan for their individual situation. Evacuees can reach NOLA Bound by calling 1-877-PLAN4LA (752-6452) or visiting www.nolabound.org.

In February 2007, the LRA allocated an additional \$3.5 million in Social Services Block Grants to the LFRC, bringing its total SSBG allocation to \$18.5 million.

In November, University Hospital reopened in downtown New Orleans with 85 beds in the first of three phases to be made available on a temporary basis during the design and construction of a new academic medical center, in collaboration with the Department of Veterans Affairs, adjacent to the old MCLNO campus. The LRA has committed \$300 million in CDBG funds to the project. On February 22, LSU moved the trauma center from Elmwood in Jefferson Parish to the downtown hospital. The 13 ICU beds and 18 trauma beds are now located on a renovated space on the first floor of the hospital. Additionally, 14 labor and delivery beds have been added for a total of 130 staffed beds. Plans are underway to bring 32 additional in-patient beds on-line in April. Additionally, the hospital now operates 20 clinics in three buildings including the Hutchinson Clinic, which offers dermatology, neurology, podiatry, internal medicine and primary care, and the Roman Street Clinic which provides cardiology, HIV and renal services.

LEADING LONG TERM COMMUNITY AND REGIONAL PLANNING EFFORTS

Providing Resources for Rebuilding: LA Speaks Tool Kit Now Available

Over the last year, Louisiana has learned many lessons from the devastation caused by hurricanes Katrina and Rita. Among them is: to rebuild Louisiana safer, stronger, and smarter—and to safeguard its long-term future—the state must plan well, with sensitivity to the goals of its citizens, with respect for the natural systems it stewards, and with full awareness of the impact of natural forces and the potential benefits and consequences of development decisions.

The Louisiana Speaks Tool Kit, a joint effort of the LRA, The Center for Planning Excellence (CPEX), and Urban Design Associates, was developed to help encourage strategies for rebuilding better than before.

Designed primarily for civic leaders, planners, and architects, the Tool Kit will serve as a valuable resource to all who are engaged in planning the future of communities and regions throughout Louisiana. Using a reader-friendly format, the Tool Kit presents some of the most innovative and progressive methods of planning and urban design.

The Tool Kit complements the Louisiana Speaks Pattern Book, which was released last summer. Publication of the Pattern Book and Tool Kit was made possible by a grant from the Fannie Mae Foundation. Copies are available through the LRA, CPEX or online at www.louisianaspeaks.org.

SUPPORTING A UNIFIED PLAN FOR NEW ORLEANS

In December, more than 2,500 New Orleanians in 21 cities gathered for a historic community congress meeting to begin finalizing the Unified New Orleans Plan (UNOP). Citizens in New Orleans, Baton Rouge, Atlanta, Houston and Dallas gathered simultaneously via satellite for the opportunity to make a profound impact on the City of New Orleans.

The resulting plan was completed in January. It was then presented to the City Planning Commission, where it is expected to be considered in early March. UNOP has gained the support of Governor Blanco, the LRA, Mayor C. Ray Nagin, the New Orleans City Council and others. Government agencies, including the LRA, will use the UNOP as a strategic guide for the investment of funds to support the continued rebuilding of communities in New Orleans. The plan will also serve as a resource to citizens and private investors. Elements of the city-wide plan will also be incorporated into the LRA's Louisiana Speaks regional planning initiative. More information about UNOP is available online at www.unifiedneworleansplan.org.

DEVELOPING A REGIONAL VISION

Working with CPRA to Develop Regional Solutions to Coastal Restoration & Hurricane Protection

In addition to the devastating impacts hurricanes Katrina and Rita had on homes, businesses and communities across South Louisiana, the storms also consumed 217 square miles of Louisiana's coast. This is in addition to the thousands of acres of land that were lost along our coast even before the storms. What had been a crisis has now turned into an emergency: extreme rates of land loss compounded with inadequate hurricane-protection measures now threaten the viability of South Louisiana's communities and infrastructure.

To correct the root causes of these problems, the Coastal Protection and Restoration Authority, the entity charged with fully integrating hurricane protection and coastal restoration, is developing a master plan to use multiple lines of defense that will help us move toward a protected coast. Over the past year, Louisiana Speaks planning teams have worked with the CPRA to ensure that the choices that Louisiana citizens make about their future consider the unique challenges of South Louisiana's coastal geography. The CPRA released a preliminary draft of its master plan in November 2006. This plan is now available online at http://louisianacoastalplanning.org/prelim_draft.html.

Webcast of the Community Dialogue on Transportation and Land Use in South Louisiana Now Online

In November 2006, Louisiana Speaks partnered with Louisiana Public Broadcasting to host a community dialogue meeting with South Louisiana residents to discuss transportation and land use challenges facing the region in the aftermath of hurricanes Katrina and Rita. The one-hour program is now available via streaming video, pod cast or transcript online at www.louisianaspeaks.org.

RESIDENTS URGED TO SPEAK UP

Residents had an opportunity to weigh in on these issues and other elements of the Louisiana Speaks Regional Vision in a three-week polling period that began in January 2007.

Recognizing that the choices and investments we make today will impact South Louisiana for generations, the LRA is working through the Louisiana Speaks

initiative to engage citizens in developing a regional vision for South Louisiana's long-term recovery. The proposed regional plan is scheduled to be presented to the LRA in May.



Southern University's baseball coach, Roger Cador, joined Governor Blanco, LA Speaks champions, coaches, and community leaders to encourage citizens to speak up for South Louisiana's future. Seen here, Cador and others are dropping off their LA Speaks response sheets to 'weigh in' on the Regional Vision.

ENSURING TRANSPARENCY AND ACCOUNTABILITY

Ensuring that recovery dollars are spent wisely and responsibly is a main part of the LRA's mission.

Over the past few months, the LRA Audit Committee has received regular reports from the state Legislative Auditor, the Inspector General, and other independent accounting firms engaged by various entities of the state. It also has received updates from the Fraud Prevention and Investigations Task Force, which the committee created by resolution last May.

In addition, as mandated by the Louisiana Legislature, the LRA supported the creation of a Disaster Recovery Expenditure website, LA Direct. The website is designed to provide centralized information on all recovery dollars spent by both state and local governments and will allow public access to recovery-related expenditures. But beyond providing information, the website will contribute to the public's confidence that these vital recovery dollars are well spent, an essential point as Louisiana progresses in its recovery from the first and third costliest disasters in American history.

Rebuilding dollars in action

To date, about \$2 billion dollars have been approved for rebuilding projects by FEMA. These dollars will help fund the rebuilding of water systems, public utilities, schools, hospitals and other projects of varying scope across South Louisiana. Some examples of projects currently receiving funds are:

- In New Orleans, more than \$115 million for repairs to the Superdome
- In Calcasieu Parish, more than \$753,000 for rebuilding Washington Marion High School
- More than \$66 million to rebuild New Orleans Sewerage and Water Board
- In Plaquemines Parish, more than \$550,000 to rebuild Bootheville-Venice High School
- More than \$10 million spent to restore and rebuild ports in Louisiana, with \$5 million going to the Greater Lafourche Port Commission to ensure uninterrupted transport of gas and oil from Port Fourchon
- In St. Bernard Parish, \$22 million to gut and repair Chalmette Middle and High Schools
- More than \$2.6 million paid to date for repairs in the East Jefferson General Hospital system
- More than \$2 million paid for repairing Forked Island / East Broussard Elementary School in Vermilion Parish
- At least \$100,000 paid to replace books in the Bogalusa School System in Washington Parish
- About \$4 million funded to re-open South Louisiana airports. Chennault International Airport in Lake Charles received \$2.5 million, with \$1.5 million to repair Hangar C

Source: LRA and GOHSEP

“If Louisiana is to grasp the opportunities in this new world, the regional plan under development by the LRA is going to be a significant milestone in the recovery. Its delivery early in 2007 will also provide the public with an in-depth look at the hard choices ahead.”

— Editorial, *The (Baton Rouge) Advocate*
December 2, 2006

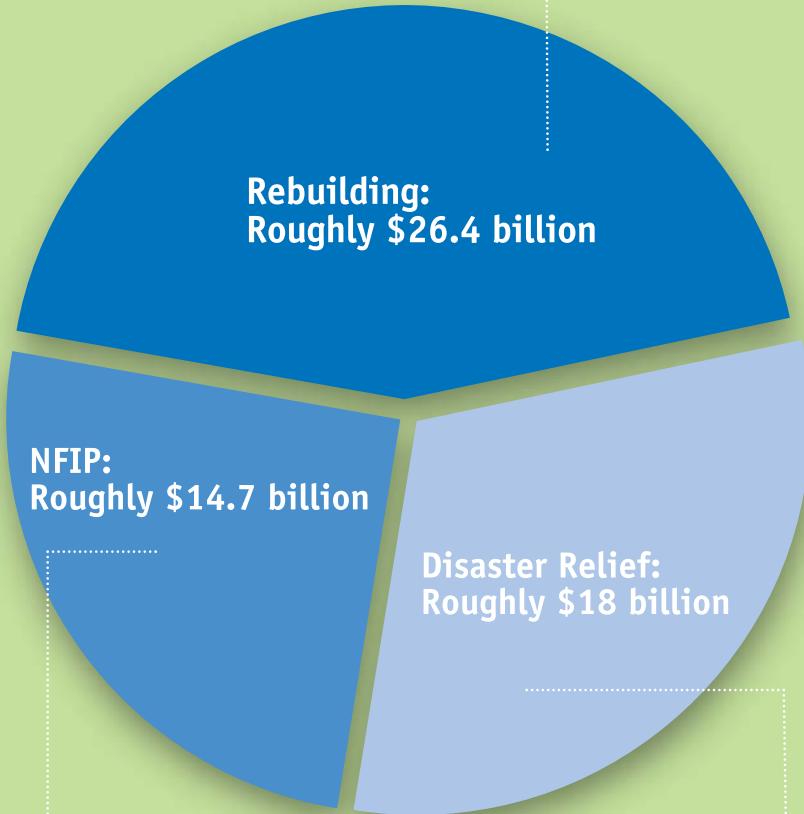
A Snapshot of Federal Commitments to Louisiana's Recovery

Rebuilding: \$26.4 billion
Disaster Relief: \$18 billion
NFIP: \$14.7 billion

TOTAL: Approximately \$59 billion

REBUILDING

CDBG and HMGP	\$11.9 billion
• Homeowner Assistance	\$7.5 billion
• Affordable Workforce Rental Housing	\$1.75 billion
• Infrastructure	\$2.3 billion
• Economic Development	\$350 million
Levees	\$5.7 billion
Transportation	\$1 billion
FEMA PA [CAT. C-G]	\$7 billion*
Other	\$812 million
• Jackson Barracks	\$142 million
• Veterans Hospital for New Orleans	\$550 million
• Coast Guard Integrated Support Command Center	\$80.8 million
• Historic Preservation Grants	\$37 million
• Job Corps Facility in New Orleans	\$2 million



National Flood Insurance Program

As of August 2006, approximately \$13.2 billion had been paid out to policy holders in Louisiana.

DISASTER RELIEF

Healthcare	\$1 billion
Education	\$760 million
UI Assistance & Workforce Development	\$600 million
Temporary Assistance for Needy Families (TANF)	\$34 million
Small Business Administration (SBA)	\$834 million*
Social Service Block Grant (SSBG)	\$220 million
Individual Assistance (IA)	\$12.1 billion*
Other	\$2.4 billion
• DOD	\$586 million
• DHS/other	\$516 million
• HUD/other	\$71 million
• USACE	\$989 million
• All other	\$324 million

* This chart represents the current estimate of recovery funds for Louisiana. Most categories show the estimate of the total investment that will be made in Louisiana based on specific Congressional appropriations. Those categories marked with asterisks (*) represent the current estimate of what has been or is estimated to be spent in federally administered programs that do not have a specific appropriations cap. These will likely increase over time.



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