

Draft, subject to revisions and/or amendments

LOUISIANA RECOVERY AUTHORITY
Board of Directors Meeting
House Committee Room 1
December 1, 2005

MINUTES

I. CALL TO ORDER

Dr. Norman Francis, chairman of the Louisiana Recovery Authority, called the meeting to order at 9:10 a.m. in House Committee Room 1 of the State Capitol in Baton Rouge, Louisiana. Rabbi Barry Weinstein led the board in prayer followed by the recitation of the Pledge of Allegiance. It is noted for the record that notice to the public and news media of the time and place of the meeting had been given in compliance with the Louisiana Open Meetings Law. The roll was then called.

II. ROLL CALL

BOARD MEMBERS PRESENT:

Dr. Norman Francis, Chairman
Mr. Walter Isaacson, Vice Chairman
Ms. Dale Atkins
Rev. Harry Blake
Mr. Boysie Bollinger
Ms. Donna Brazile
Mr. Tim Coulon
Mr. James Davison
Ms. Donna Fraiche
Mr. Tom Henning
Ms. Sibal Holt
Ms. Linda Johnson
Mr. John T. Landry
Mr. Walter Leger
Mrs. Laura Leach
Dr. Calvin Mackie
Mr. Sean Reilly
Mr. Virgil Robinson
Dr. Mary Sanders
Mr. Matt Stuller
Mr. David Voelker
Mr. Rod West
Mr. Mike Woods

BOARD MEMBERS ABSENT:

Mr. Rene Cross
Ms. Mary Matalin
Ms. Susan Taylor

EX-OFFICIO MEMBERS ABSENT:

Representative Yvonne Dorsey

EX-OFFICIO MEMBERS PRESENT:

Representative Joe Salter
Senator Don Hines
Senator Diana Bajoie

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Representative Joe Salter
Senator Don Hines
Senator Diana Bajoie

III. STAFF MEMBERS PRESENT:

Andy Kopplin, LRA Executive Director
Marsha Theis Jabour, Documents Manager, House of Representatives

Gloria Angus-Bolds
Charles Braud
Jessica Dardenne
Dominique Duval-Diop
James Gilmore
Kim Hamilton
Catherine Heitman
Adam Knapp
Meg Mahoney

IV. DISCUSSION

Governor's Report on the 2005 1st Extraordinary Session

Kathleen Babineaux Blanco, Louisiana Governor, stated that important steps were taken toward Louisiana's recovery during the recent special legislative session. She noted that budget cuts of \$600 million combined with a loss of matching federal funds lowered the state budget by \$1 billion. The session was a success because of teamwork and the many tough decisions that were made to advance recovery efforts. Governor Blanco acknowledged the Louisiana Recovery Authority's (LRA) endorsements of key issues and the unified voice that which the authority spoke especially during committee meetings.

Governor Blanco detailed challenges facing the newly created Coastal Protection and Restoration Authority (hereinafter "CPRA") and noted that it will have control over local levee boards and flood control agencies. The CPRA will work closely with the LRA Levee and Coastal Restoration Task Force on hurricane protection issues to provide the groundwork for long-needed uniform standards for levee and coastal protection. She announced the gubernatorial appointment of Mr. David Voelker to the Orleans Levee Board and pointed out this will give LRA Board members an internal voice on the Board.

The governor referenced several pieces of legislation from the special session including but not limited to an act that creates statewide building codes to ensure homes, businesses, and schools in hurricane-impacted areas will be rebuilt to meet higher standards; legislation that allows the state to take control of the most troubled schools in Orleans Parish and stressed the need to create quality public schools for returning students; a series of focused initiatives aimed at businesses damaged by the hurricanes that will motivate reinvestment and the return of jobs and has asked Congress to assist in this regard with tax incentives and initiatives; and legislation to tighten ethics rules for public officials in dealing with income received from recovery efforts.

Governor Blanco reiterated the nation must see that Louisiana is working hard to take charge of its recovery by making tough decisions. By correspondence, she recently reminded congressional leaders that no other state in the country has ever experienced such back-to-back disasters (See Exhibit A). The governor stated that it may be imperative to have another special session to deal with ongoing and new issues related to hurricane damage.

The governor stated that Louisiana must make the case for additional (federal) funding to raise hurricane protection to a category five level and the need for an annual revenue stream of outer continental shelf monies. She noted that the sooner the levees are built to a category five, the sooner citizens and businesses will have the confidence to rebuild.

Governor Blanco pointed out that the LRA is the entity through which all recovery efforts are being coordinated. Less than two months after its creation, the LRA has taken the lead in the state's recovery by allowing a vehicle for public expression for those individuals and businesses directly impacted by the storms. Although much has been accomplished in a short time, there remain many difficult days ahead.

EXECUTIVE REPORTS

Dr. Norman Francis, Chairman of the LRA Board

Dr. Norman Francis, Chairman of the LRA Board, affirmed the commitment of board members in their support of Governor Blanco's efforts. He noted the hard work of the staff and task forces and the leadership role of the LRA as it seeks one voice and a singular focus on the recovery issue.

Dr. Francis pointed out the challenges ahead in addressing the issue of quality education and discussed recently passed legislation that provides the foundation to achieve excellence in education for Louisiana's youth. Louisiana is in a position to lead the nation through this opportunity to take ideas that work and ensure once failing schools are deemed excellent.

Dr. Francis asked Mr. Matt Stuller to offer comments regarding the recent business investment meeting held in Washington, D.C., which was attended by several LRA board members. Mr. Stuller stated Louisiana was well represented at the Gulf Coast Business Reinvestment Forum hosted by the U.S. Chamber of Commerce and the International Economic Development Council. LRA board members, Mr. Walter Isaacson and Ms. Sibal Holt, attended the forum as well as Mr. Michael Olivier, Secretary of the Department of Economic Development, and other LRA staff.

Mr. Stuller discussed some of the forum topics including image building, crafting the media message, legislative agendas, infrastructure development, workforce development, and financial tools for large and small businesses. The text of discussion-group conclusions will be forwarded to all LRA board members. He stated the federal agency representatives in attendance reiterated the fact that there is greater strength if the gulf coast region has a single voice in the recovery efforts in addition to a single Louisiana voice on individual state issues. Mr. Stuller stressed the need for an organized recovery plan and a unified message in order to see good results.

For the benefit of the media and the citizens, Mr. Tim Coulon clarified that there was no true category three levee in place prior to the hurricane. Although Louisiana needs category five protection, an enforced and effective category three levee needs to be in place first. Mr. Coulon challenged the US Army Corps of Engineers (USACE) to provide a levee status report in laymen's language indicating the pre- and post-Katrina levee situations.

Mr. Andy Kopplin, Executive Director LRA

Mr. Andy Kopplin, executive director of the Louisiana Recovery Authority (LRA), highlighted some of the progress that has been made to date. He stated Lake Charles now has a long-term community planning "store front" office for individuals and businesses to identify key issues and priorities in recovery/rebuilding, and 25 additional parishes will have similar offices. Mr. Kopplin mentioned that Audubon Zoo and the first public school in New Orleans also reopened with others to follow in the spring semester. He noted that with the help of LA Swift, which is

now carrying approximately 12,000 riders to the New Orleans area, evacuees are able to return to the workforce in a variety of jobs.

Mr. Kopplin reported the Louisiana State Police Academy is providing training to displaced officers and first responders from affected parishes in order to address safety concerns for returning citizens. He further stated that six Business Recovery Centers have opened in the Greater New Orleans area. Mr. Kopplin briefly discussed available housing. He further stated that debris clean up is about 37% completed including the containment of oil spilled during the hurricane. He commented that the Department of Economic Development had awarded 407 Bridge Loans of more than \$23,000 each, exhausting all funds. Mr. Kopplin referenced the Department of Culture, Recreation, and Tourism's latest report indicating the return of conventions to New Orleans. He stated the recovery is not a sprint but a marathon.

Mr. Kopplin discussed the recovery expenditures as outlined in a power point presentation (See Exhibit B). He noted Hurricanes Katrina and Rita have been the most expensive disasters any state has faced. Mr. Kopplin briefly commented on the federal expenditures and the state match of an estimated \$3.7 billion. He illustrated that twice as many people in Louisiana were impacted as any of the other four states. Insured losses for the hurricanes bested the ten costliest hurricanes the country has experienced, and the number of homes damaged or destroyed was about 275,000.

Mr. Kopplin pointed out Louisiana had about 64% insured losses for the two hurricanes. Assessed property damaged by flood and storm surges was approximately 86% with half in the metro New Orleans area. He stated a total of 81,000 businesses were either interrupted or suffered catastrophic damages. Mr. Kopplin also noted the significant impact of the state's 300,000 unemployment insurance claims resulting from loss of jobs.

In conclusion, Mr. Kopplin reiterated that a unified message is essential relative to the scope of LRA's work in dealing with an unprecedented series of hurricanes. He discussed the message to the country and the need for leadership to make the case to congress for any and all recovery assistance. Mr. Kopplin explained additional national media expertise is being sought to help organize events to entice key congressional leaders to visit the state for a first-hand assessment of the damage. The LRA will do what is necessary to procure hurricane protection regardless of the time frame to ensure Louisiana has good schools, good jobs, strong houses, and strong levees.

TASK FORCE REPORTS

Housing and Redevelopment Task Force

Mr. Walter Leger reported the task force has formulated three resolutions in connection with their concentrated efforts in the housing area. He noted that no part of the state was excluded from the impact of the hurricanes, and displaced citizens are being housed in 46 other states. The task force understands the need for citizens to return to their homes and businesses and the need for businesses to have employees and customers. Mr. Leger pointed out the task force members have met with Chambers of Commerce, mortgage bankers, renters, homeowners, and others regarding the housing issue, and the underlying factor in redevelopment continues to be coastal protection and efficient levees.

Mr. Leger stated another major topic of discussion was the passage of recent legislation addressing statewide building codes. This will directly impact the availability of insurance and the survivability of future catastrophic events. He noted Governor Blanco's recent executive

orders authorizing millions of dollars of bonds to finance below-market loans through the Louisiana Housing Finance Agency (LHFA) for financing/refinancing mortgages and rehabilitation of multi-family dwellings.

Mr. Leger submitted the first of three task force proposals recommending support, in principle, of HR 4100 sponsored by Congressman Richard Baker that creates the Louisiana Recovery Corporation (LRC). He suggested this is a bold attempt to finance rehabilitation and redevelopment of communities by issuance of US Treasury Bonds. This resolution allows for arms-length negotiations between the LRC and homeowners. Mr. Leger discussed some concerns regarding the membership of the board and any redevelopment plans agreed to by state and local officials both of which could be resolved by amendment.

Ms. Sibal Holt, Mr. Leger, Mr. Isaacson and Mr. Kopplin engaged in discussions to ensure that the individual homeowners are not coerced into selling property since insurance companies will likely no longer insure properties located in certain areas in the city; the LRC would be amended to reflect individual protections; the LRC would give the homeowner additional options; and information to make informed decisions about the future of their property should be readily available to the homeowners.

Mr. Isaacson stated that the LRC legislation was heard in the House Committee on Financial Institutions; however, no floor action would be scheduled until there is as consensus of the state delegation. He further indicated the only chance of passing this legislation is to reconcile the language in both houses of Congress.

Governor Blanco noted initial reservations concerning HR 4100; however, she said the state needs tools to assist homeowners with low-interest loans for redevelopment and rehabilitation of property. She stated that insurance issues are vital to the decision making process for individuals and businesses. Governor Blanco agreed with the wording of the LRA resolution seeking state representation on the proposed Recovery Corporation and supports the legislation in principle.

Mr. Leger pointed out that a hardy endorsement of Congressman Baker's legislation would follow only if the amendments addressing state representation and state and local considerations on a redevelopment plan are adopted.

Mr. Leger offered a motion on behalf of the task force to support, in principle, HR 4100 sponsored by Congressman Richard Baker subject to amendments adding state representation on the Louisiana Recovery Corporation and a clear statement that any redevelopment plan will include the agreement of state and local governmental officials. The motion was seconded by Ms. Donna Fraiche. There was no objection, and the motion was adopted by a vote of 21 yeas, 0 nays, and 1 abstention.

Mr. Leger discussed the second resolution proposed by the task force which supports, in principle, legislation that will provide information on resources available to property owners directly through housing recovery centers for the rehabilitation of residential housing units. He noted it also addresses abandoned or blighted property and provides an additional tool for the redevelopment of such property through a receivership program. This would apply not only to the New Orleans area but every local governmental unit in the entire state as well. Mr. Leger explained this would address the issue of housing shortages and enable a homeowner to place property on a blighted property list if redevelopment is not an option. The owner would retain title to the property while placing it into a receivership venue. Mr. Leger cautioned that individuals must be fully educated as to tools available for redevelopment to make informed

decisions on recourse. There is no specific legislation at this time; however, Mr. Leger noted the resolution supports the concept of such legislation in principle.

Ms. Linda Johnson questioned the purpose of redevelopment if the owner retains title to the property. Mr. Leger explained the property would be returned to commerce, and the developer would have usufruct of the property.

Mr. Leger offered a motion on behalf of the task force to support, in principle, the concept of legislation that creates housing recovery centers and provides for the rehabilitation of abandoned or blighted property by means of blighted property lists and receivership programs. The motion was seconded by Ms. Fraiche. There was no objection, and the motion was adopted by a vote of 22 yeas and 0 nays.

Mr. Leger explained the third resolution proposed by the task force that supports special legislation to create a method of funding for the Louisiana Housing Trust Fund. Housing Trust Funds exist in 36 states and are funded by various instruments. After the review of existing law in other states, legislation would be developed by the Louisiana Housing Finance Agency to determine feasibility of establishing permanent sources of revenue to fund the program.

Mr. Leger offered a motion on behalf of the task force to support a resolution requesting the Louisiana Housing Finance Agency to develop legislation that would provide for the establishment of permanent revenue sources for the Louisiana Housing Trust Fund. There was no objection, and the motion was adopted by a vote of 22 yeas and 0 nays.

Public Health and Healthcare Task Force Report

Dr. Mary Ella Sanders stated the task force is working with the Louisiana Department of Health and Hospitals and other experts utilizing best practices to reach healthcare goals. She noted that healthcare in a region is mandatory for the return of displaced citizens and businesses and is fundamental for quality of life. Dr. Sanders pointed out the economic development potential in the biomedical industry and academic health centers. The four priority areas as outlined by Dr. Sanders are short-term recovery, redevelopment of healthcare systems in affected parishes focusing on access, excellence and sustainability, emergency preparedness and disaster planning, and the reestablishment of a robust healthcare workforce.

Dr. Fred Cerise, Secretary of the Department of Health and Hospitals (DHH), reported that the department continues its surveillance for disease and hospital capacity. He noted hospitals are paying close attention to limitations of staffing due to the ongoing nursing shortage. Dr. Cerise stated that hospitals are working to make more beds available and gain capacity in trauma units. There is an extensive effort in the New Orleans area to reopen clinics to match capacity with demand. He said the Federal Emergency Management Agency (FEMA) has extended the prescription drug coverage through January 15, 2006. Dr. Cerise referenced work with the federal government in terms of Medicaid and other work to secure funding for an uncompensated pool to pay providers for rendered services.

Dr. Sanders explained the proposed resolution offered by the task force which urges state and federal leadership to seek funding to re-establish healthcare in the affected areas of the state focusing on alternatives for facilities and medical education (See Exhibit C). Senator Hines stated that the resolution does not portray the urgent nature of the state's healthcare crisis as the state is in a position to lose its entire healthcare system if action isn't taken in the very near future. Senator Hines discussed the residency recruitment issue and the risk to graduate medical education programs. He noted that out-of-state medical centers are trying to recruit entire

departments away from Louisiana, and he reiterated the need for immediate assistance to retain staff. Mr. Tim Coulon and Dr. Sanders discussed the inadequacy of healthcare for prisoners. Dr. Francis discussed the critical nature of the healthcare situation, and stated the urgent need mandates immediate action. He supported strengthening the resolution in any way possible. Ms. Johnson agreed the resolution needs to be extremely strong and stated she was concerned about losing the professional schools which educate medical personnel.

Dr. Sanders noted the wording was purposefully vague and meant to be broad to allow the state's leadership to make decisions as to the details. She echoed the comments regarding the potential loss of medical education.

Mr. Stuller agreed with the resolution in principle but found the wording incredibly weak. He acknowledged the recent budget cut but assumed funding was still in place for these particular aspects. Mr. Stuller pointed out the state needs to be careful not to recreate the healthcare system the way it was because of less available money and decreased population. He suggested more specifics in the wording of the resolution.

Dr. Sanders said the vagueness of the language reflects the complexity of the issue at hand. The resolution acknowledges the crisis but does not define the path to resolve the need. She stated it is imperative to restore the charity hospital system, but the funds are not currently available. The activities that support the medical education system are no longer there, and the task force decided to leave the language vague for the administration to determine the best approach.

Mr. Kopplin outlined the three areas involved as the Medicaid issue, staff and support for charity hospitals, and public hospitals in affected areas that are applying for community disaster loans. He advocated broad language due to the multifaceted approach to reestablishing healthcare services and the lack of a simple way to resolve the issue.

Senator Hines emphasized the critical need for immediate action. He noted if medical schools are confident of additional revenue, interim plans can be made to remain in the area; however, if assistance is not forthcoming, they may leave the area.

Dr. Sanders offered a motion to amend the agenda to allow for consideration of the task force resolution regarding healthcare funding. The motion was seconded by Mr. Boysie Bollinger. There was no objection, and the motion was adopted by a roll-call vote of 23 yeas and 0 nays.

Dr. Sanders offered a motion on behalf of the task force to adopt the resolution urging the administration, the legislature, and the Congressional leadership to seek funding for critical healthcare services in hurricane- affected areas that provide alternatives for facilities and medical education. There was no objection, and the motion was adopted by a vote of 23 yeas and 0 nays.

Human Services Task Force Report

Dr. Calvin Mackie stated the task force was charged with short- and long-term priorities in reconnecting displaced families and acknowledged the formation of the Louisiana Family Recovery Corps (LFRC) created to assist in this regard.

Mr. Randy Ewing, Chief Executive officer of the LFRC, reported the LFRC is charged with the responsibility of coordinating the humanitarian efforts of all not-for-profit entities, state and federal funding streams, including FEMA, and directs those resources to housing, education, job

opportunity and training, and health care. The LFRC is the action arm of the humanitarian effort and has established a working relationship with FEMA, the Department of Social Services (DSS), DHH, and others. Mr. Ewing referenced on-site meetings with displaced families and individuals to determine immediate needs relative to housing and jobs. He stated the need to raise \$100 million to deliver direct services and identified the receipt of a TANF grant to allow initial focus on families with children. The vision of the Louisiana Family Recovery Corps is to return families to a better quality of life and improve the standards of the state.

Mr. John Landry inquired about the receptiveness of specific families needing housing. He referenced FEMA's difficulty in identifying property to locate trailers for displaced families. Mr. Ewing stated the LFRC's interest in specific cases and noted their work to assist in the delivery of needed services by development of a comprehensive database listing of displaced families.

Ms. Donna Brazile asked how the LFRC was communicating with displaced families who are scattered across the nation and if the LFRC is to be a one-stop shop for nonprofit support. Mr. Ewing discussed the LFRC's work with FEMA in establishing a database to expedite the location of all displaced families. With the assistance of various hotel and motel associations, he noted they have a general idea of the whereabouts of these families, but do not have a comprehensive list of names. Mr. Ewing stated they are not trying to duplicate the efforts of other agencies but work with them to ensure the resources are available to meet the need.

Mr. David Voelker inquired about the impediments to trailer placement in certain parishes. Mr. Ewing responded that trailer placement must meet FEMA guidelines, and there was resistance on the part of some communities that do not have the infrastructure to support a large concentration of trailers.

Tourism Rebirth Task Force Report

Mr. Sean Reilly referenced a post hurricane poll taken by the Public Policy Research Lab of the Manship School of Mass Communications that documented a two to one approval rating of the LRA (See Exhibit D). He discussed Lieutenant Governor Mitch Landrieu's tireless efforts and commitment to the rebirth of tourism in the state through the Louisiana Rebirth Task Force. Mr. Reilly also noted that Lieutenant Governor Landrieu is coordinating federal requests and has called for the highest ethical standards in audit and performance.

Lieutenant Governor Landrieu detailed the membership of the National Advisory Board and the local and state Advisory Boards as the best and brightest individuals from the cultural economic industry who represent the "soul of America." These advisory boards are working on complicated issues that range from coastal restoration to employment. He discussed the preparation of a scaled-down assistance request to Congress, and commented on the collaboration between Ms. Angelle Davis, Secretary of the Department of Culture, Recreation and Tourism, and FEMA on housing solutions facilitated by the hospitality industry. Mr. Landrieu stressed the need to improve the image of Louisiana in all media venues and commended the Louisiana Rebirth Plan and updated progress report to the LRA for review and endorsement (See Exhibit E).

Mr. Leger attested to the fact that Louisianians are engaged in the rebuilding process and stated the New Orleans Zepheers baseball team will remain in the city. Mr. Tom Henning expressed his appreciation for the progress report's inclusion of areas impacted by Hurricane Rita. Mr. Isaacson noted many offers of private donations to cultural entities in the affected areas and inquired as to the creation of a foundation for that purpose.

Lieutenant Governor Landrieu suggested that different foundations have different missions and discussed the Cultural Economy Foundation created specifically to provide an avenue for private donors. He added that the recipients of these donations could be either state-owned or privately-owned cultural institutions. Mr. Landrieu spoke about the need to return tourism and jobs as quickly as possible because the cultural economy is about business and jobs.

Mr. Reilly offered a motion on behalf of the task force to adopt the Louisiana Rebirth Plan and updated progress report. The motion was seconded by Ms. Atkins. There was no objection, and the motion was adopted by a vote of 23 yeas and 0 nays.

AIA/APA Conference Findings

Ms. Donna Fraiche noted the importance of long-term community planning and the fulfillment of rebuilding a better, bigger, and stronger Louisiana. She discussed the recent Louisiana Recovery and Rebuilding Conference held in New Orleans presented by The American Institute of Architects (AIA) and The American Planning Association (APA) which brought together leaders and design planners to help develop principles for long-range recovery efforts.

Ms. Trula Remson, President of AIA Louisiana, referenced the collaborative efforts of various conference co-sponsors and attendees in determining the guidelines for rebuilding impacted areas. She presented those planning principles as outlined in the report from the Louisiana Recovery and Rebuilding Conference (See Exhibit F). Ms. Remson pointed out the six overriding issues are unity, cooperation between public and private entities, protection from hurricanes and floods, preservation of heritage and culture, rebuilding under a realistic time frame, and improvement of quality of life. She expanded on the planning principles stating the cornerstone of any further redevelopment is the infrastructure. The remaining four principles include the promotion of economic growth encompassing traditional and emerging industries; providing public services including education, regional transit, and the creation of open spaces; the pursuit of policies to promote a healthy environment and healthy people through sustainable design and good land use; and the planning and design of livable communities. Ms. Remson referenced the portion of the report focusing on parish-related issues that include schools, transit, mixed-use communities, regional planning, and a strong desire to continue this dialogue. She stressed that conference sponsors and participants are ready and willing to assist the LRA in any way.

Mr. Stephen Villavosa, President of the Louisiana Chapter of the APA, commented that the conference symbolized a new coming together of many planning professionals including engineers, landscape architects and preservation specialists. He noted upcoming meetings across several states involving citizens' groups and planning leaders.

Mr. Landry commended the AIA and APA for their leadership role in coordinating the conference and for their dedication to the recovery effort. Ms. Holt added the greatest fear is the culture will be lost if someone or some group does not recognize the community spirit that must be rekindled. Mr. Leger pointed out the contributions made by Ron Fauchaux in developing the conference.

Ms. Fraiche offered a motion on behalf of the task force to endorse the AIA/APA planning principles as outlined in the *Goals and Principles for Action* section of *Starting Point: Report from the Louisiana Recovery and Rebuilding Conference*. The motion was seconded by Mr. Rod West. There was no objection, and the motion was adopted by a vote of 22 yeas and 0 nays.

Identification of Planning Firms

Ms. Fraiche referenced the prior endorsement of selection criteria to be used by the LRA Support Organization in hiring community planning firms. She noted the support group has implemented the principles of selection and has hired three firms to address the various parts of the long-term planning process.

Ms. Elizabeth “Boo” Thomas, representing Plan Baton Rouge, explained that her organization, in conjunction with the Baton Rouge Area Foundation, is staffing the nonprofit support organization. She stated the support organization contacted 39 firms in November and received proposals from 14 firms based on the adopted criteria. After evaluating these proposals, three firms were chosen and authorized by the support organization to move forward as a team. Ms. Thomas cited the firms chosen as Calthorp and Associates, Urban Design Associates, and Duany Plater-Zyberk Associates and noted their respective expertise in regional planning of this scope.

Mr. Peter Calthorp, representing Calthorp and Associates, stated the real goal is to rebuild communities with the culture and inter-connective structure that is unique to the area. He added that Louisiana needs to rebuild better and quickly with an innovative approach involving the entire community. Mr. Calthorp discussed the expertise of the three firms that comprise the team and the steps involved in dealing with the structure and economics of the region. He indicated the team would develop a series of scenarios for rebuilding, and the citizens would be asked to make choices in coherent long-term environmental, economic, and social areas. Mr. Calthorp noted specialists for each area to include the Brookings Institute for work on economic issues, PolicyLink for development of social infrastructures, and the environmental aspect will be headed by LSU. He stated that stakeholders must be engaged to help shape these scenarios with adequate input from a full range of citizens. Regional strategy summits and workshops will be scheduled to help model scenarios and provide the public and elected officials knowledge to make decisions and understand the consequences of the strategies. Mr. Calthorp suggested this approach needs to be as grassroots as possible and the outreach directed to specific groups. An interactive web site will be created to update citizens on the progress of long- and short-term planning in the rebuilding of healthy and sustainable communities.

Mr. Mike Woods questioned the membership of the support organization since the group has not yet convened, the amount of money being spent, and the source of that money.

Ms. Fraiche explained the membership of the support organization and noted Mr. Voelker and Mr. Reilly as LRA members serving on the board. She stated the group is in the process of raising funds, and the task force is asking the LRA to adopt the support organization’s efforts to assist as a partnership and utilize these consultants to work on rebuilding efforts.

Mr. Voelker expanded on the membership of the support organization and noted they are raising funds for initiatives the state cannot fund. He added the support organization will ensure the donors have only the interest of the state at hand.

Ms. Atkins inquired as to the number of African-American firms that responded to the request for selection consideration. Ms. Thomas stated they identified as many local minority firms as possible to contact in this regard, and a list of those firms will be provided.

Senator Bajoie noted a situation in New Orleans involving exclusions in rebuilding predominantly African-American communities and asked if there was any response from

African-American businesses. Ms. Thomas stated FEMA is recruiting firms from across the state to participate in the affected 26 parishes and is having difficulty filling positions.

Since certain communities no longer exist, Dr. Mackie asked how information regarding the rebuilding effort will be disseminated among the displaced citizens. Ms. Fraiche stated the nonprofit support organization will assist in a coordinated effort in partnership with PolicyLink.

Discussions ensued among Mr. West, Mr. Rielly, Mr. Leger, and Laura Leach about the need for proper channels and avenues to communicate all information to the displaced people including regional participation using local talent.

Mr. Landry asked if the team will be working with Mississippi on regional planning for the gulf coast area. Mr. Calthorp noted the differences in the coastlines of each state and stated the teams would seek out synergies that define the region such as the unifying element of the delta.

Ms. Fraiche offered a motion on behalf of the task force to accept the LRA Support Organization's recommendations for the nationally-recognized, long-term community planning experts. The motion was seconded by Mr. West. There was no objection, and the motion was adopted by a vote of 23 yeas and 0 nays.

Equitable Development Policy Remarks

Ms. Angela Glover Blackwell, Founder and Chief Executive Officer of PolicyLink, stated the company is here to assist strategic advisors and experts on policy work to ensure the timely dissemination of information concerning the recovery process (See Exhibit G). PolicyLink's pro-bono work in Louisiana is a collaboration with Living Cities and 15 major institutions and foundations working to provide critical information to displaced citizens. She pointed out housing is foremost in the recovery efforts, and Louisiana must learn from the challenges of the hurricanes to rebuild healthy vibrant communities for the children of tomorrow. Ms. Blackwell discussed the need for mixed-income neighborhoods to ensure affordable housing and economic integration in every community. She stressed the crucial need for investment in transit to create economic engines necessary to revitalize communities and regional destination points.

Ms. Blackwell emphasized communication as the key in connecting displaced people and providing access to information through an internet communications portal approach. In addition to the web site, an off-line component, spearheaded by faith-based and nonprofit organizations, is necessary to reach individuals without internet access. She further noted the communication venues are only as good as the publicity about them, and she added the technicians have been identified and are ready to proceed once the resources are available.

Urban Land Institute Report

Ms. Fraiche recognized Mr. Mel Lagarde, co-chairman of the Bring Back New Orleans Commission, for his work on the recovery efforts. Mr. West discussed urban planning issues and the need for input at the local level. He provided background information on the Urban Land Institute (ULI), nonprofit organization, supported by its membership since 1936 and noted the institute's work in land-use disciplines.

Mr. John MacIlwain, representing ULI, conducted a power point presentation on the rebuilding strategy as prepared for the Bring Back New Orleans Commission (See Exhibit H). He explained that prior to developing this strategy, six weeks were spent interviewing more than 300 citizens of the city gathering facts on pre- and post-Katrina situations. Mr. MacIlwain noted that the

institute will continue the dialogue in other states housing displaced citizens to allow them a voice in the process. He stated it is essential for those families who are not able to rebuild to have full and fair compensation of their property at the pre-Katrina value. Mr. MacIlwain pointed out the major portion of recovery funding will come from the federal government, and he stressed the need for city and state governmental entities to work in partnership and speak with one voice. Mr. MacIlwain clarified the local work of the Crescent City Rebuilding Corporation (CCRC) in comparison to the regional work of the LRC and the necessity of these two groups to work hand in hand; he recommended the city of New Orleans out-source its permitting and inspection processes to accelerate rebuilding of the area; he suggested the establishment of a temporary financial oversight board created by legislation to gain the confidence of the federal government; he stated property tax reform is essential, and the zoning and planning reviews need to be held to performance standards. ULI recommends activation of an inspector general and a board of ethics as authorized by the city's charter to increase transparency in local government. He further explained long- and short-term opportunities associated with the Port of New Orleans, the film and music industry, healthcare, and bioscience research. Mr. MacIlwain detailed the principle of maintaining neighborhood integrity by rebuilding neighborhoods as a whole; he discussed infrastructure rebuilding in terms of the recovery stage from now until August 2006, the rebuilding stage between the first and fifth years or until August 2010, and the growth stage from 2010 until 2018 which is the tricentennial of the city. He suggested setting markers for each stage and proposed smart growth principles encompassing phased infrastructure rebuilding, regional transportation planning, consolidation of levee boards, and the replanting of green space. Mr. MacIlwain also suggested the city form a housing ombudsman to represent homeowners and renters in work with the city, FEMA, and others. He stressed the need for a single plan for the entire city that is fair and equitable to all citizens.

Mr. Lagarde stated the Bring Back New Orleans Commission is committed to the rebuilding efforts and in making sure all who want a voice in the process are allowed the opportunity. He noted the commission wants to create a composite recommendation to the Mayor in seven areas, five of which were addressed by ULI, and additionally, in healthcare and education.

Mr. Bollinger asked Mr. Lagarde to clarify any misdirection on the part of the media regarding the perceived parallel direction of work of the LRA and the Bring Back New Orleans Commission. Mr. Lagarde said he knew of no conflict between the work being done by the LRA and that of the commission.

Mr. Isaacson stated he understood the difference between the CCRC and the LRC, and Congress will be asked to appoint members to each commission. He noted that Congress may insist on one recovery commission with singular bonding authority and inquired about the possibilities of merging the two groups under one set of directors. Mr. MacIlwain confirmed the merger was possible and would reflect all levels of government without having two different bonding agencies.

Mr. Bollinger stated it was not a great issue to have two boards but expressed his concern about retaining eminent domain through a city stakeholder and the loss of direction of the appointment process as outlined by ULI. Mr. MacIlwain stated this could be accomplished by giving the LRC authority to create subsidiary corporations.

Ms. Johnson noted the misconception regarding the rebuilding zones suggested by ULI and a rebuilding schedule. She questioned the repopulation of universities located in particular zones that may not be redeveloped. Mr. MacIlwain stated the education and economic aspect promotes the reopening of higher education facilities and could be used as criteria for repopulating other zones.

Mr. West expressed his dismay at newspaper articles and other discourse that suggests this is the finalized plan for rebuilding the New Orleans area. He cautioned the Board to remember that ULI is only offering recommendations for urban planning efforts. Mr. Coulon commented on the trust level regarding the continuity of a rebuilding plan and the need for funding a comprehensive plan. Mr. Voelker stated he hoped the city and state will work closely on growing the plan from the ground up by providing the essence of good planning. Mr. Leger noted that each parish needs to have a seat on the CCRC and subsidiaries could provide that avenue.

Hazard Mitigation Presentation

Mr. James Lee Witt, President and Chief Executive Officer of James Lee Witt Associates, provided an overview of mitigation and noted an expected \$2 - 4 billion available through FEMA along with matching Community Development Block Grant (CDBG) dollars. He challenged the board to view this as a five-year mitigation period to provide a better quality of life for citizens. Mr. Witt addressed the importance of FEMA determining a base elevation taking into consideration the pumping stations and levee heights.

Mr. Drew Sachs, representing James Lee Witt Associates, conducted a power point presentation on the opportunities of hazard mitigation in the aftermath of Hurricanes Katrina and Rita (See Exhibit I). He explained that mitigation measures must be cost effective and participation must be voluntary. Mr. Sachs explained the 75/25 cost share can be covered by cash, in-kind contributions, and CDBG monies. He discussed several options for mitigation and noted almost 30% of severe repetitive loss nationwide occurred in Louisiana. Mr. Sachs further explained opportunities in Cameron Parish that would remove every citizen from harm's way through use of undeveloped higher ground and structural elevations.

Mr. Sachs presented several incentives for mitigation money use such as flood elevation advisory levels adopted by city/parish ordinances. This would magnify the benefits of mitigation money and ensure that higher safety standards are met. Mr. Coulon questioned the use of flood maps and base elevations in rebuilding and the resulting availability of flood insurance. Mr. Sachs noted this is the case if an adopted flood map is used in the determination; however, this information is only the best available data and has not gone through the public adoption process.

Mr. Sachs discussed the use of the Demolition/Rebuild pilot project in Louisiana that would pay the cost for demolition of a structure and rebuilding of an elevated base on the same site. He suggested the LRA use the Demolition/Rebuild project in combination with traditional acquisition programs to refurbish an entire urban core. Mr. Sachs also commented on the cost effectiveness of levee repair in high-risk areas and recommended LRA pursues the realignment of levees in those areas.

Mr. Sachs addressed the issue of subsidence as it relates to the 100-year flood elevation levels and the use of mitigation money for the development of state land use codes for new elevations. Cities or parishes could establish some restrictions on new development or new public investment for infrastructure with subsidence issues and use property acquisition funds on negatively impacted areas.

Another possibility he discussed was that of homeowner tax incentive programs such as hurricane shutters. Universities could assist the LRA in identifying beneficial projects, and in turn, the LRA could gain FEMA approval of those projects deemed cost effective. He noted the

use of mitigation measures that homeowners use on their own could possibly be tied into SBA loans.

Mr. Sachs suggested implementing a massive mitigation education outreach program, and he noted the impact of educating the population in mitigation techniques through media, conferences, and materials development. He reviewed the cost effectiveness of the hurricane shutter initiative and the critical facility wind protection program. Lastly, Mr. Sachs recommended the establishment of a mitigation bank and revolving loan fund and the use of a mitigation audit team. These measures would infuse more funds over a longer period of time for mitigation purposes.

Federal Legislation Report

Mr. Walter Isaacson, Vice Chairman of the LRA, reported on four elements of the federal legislation package that include the supplemental appropriations bill addressing CDBG monies, the reconciliation package, the Louisiana Recovery Corporation legislation, and the coastal restoration and hurricane protection package. He noted Senator Thad Cochran and others are working on an increase in the supplemental bill for CDBG to allow flexibility to the state for use where needed. Congressman Baker and the delegation are working with Andy Kopplin on compiling and prioritizing all requests. Mr. Isaacson stated that the push for the reconciliation package needs to be completed before Congress recesses. He stated there needs to be a single initiative on the LRC bill, and Congressmen Baker and Jefferson are working on a consensus. Mr. Isaacson commented on the difficult balancing act of levee board reform and noted this is just the first step in a lengthy process. Mr. Kopplin indicated that in addition to working with the congressional delegation, he and the LRA staff are working with officials of the affected parishes to reach a consensus on the CDBG issue. Mr. Isaacson suggested the requests be carefully reviewed and the process not circumvented.

Ms. Fraiche asked if a letter can be used as an educational tool for a grass-roots campaign to garner support across the nation. Mr. Kopplin referenced Governor Blanco's letter and noted the need to educate the rest of the country on the state's share of outer continental shelf money. Mr. Isaacson added the country needs to be made aware that Louisiana's share of this revenue would be used for hurricane protection and would offset any additional federal expenditures. Ms. Brazile suggested this information be sent to all relevant committees and staff for review during the recess period.

Flood Recovery Guidance from FEMA

Mr. Frank A. Pagano, Director of the FEMA Region VI Mitigation Division, stated public safety and reduced long-term vulnerability are key to decisions in the recovery process. He challenged local communities and the state to look at innovative approaches to long-term sustainability in recovering from this event. Mr. Pagano added direct technical assistance to LRA, state, and local jurisdictions will be provided as well as other tools necessary to make decisions in process. He released new advisory base flood elevations in 11 parishes in the state which include Calcasieu, Cameron, Iberia, Lafourche, St. Charles, St. John the Baptist, St. Tammany, Tangipahoa, Terrebonne, St. Mary, and Vermilion Parishes and will continue to work on new elevations for four additional parishes (See Exhibit J).

Mr. Pagano explained prior to the disaster, FEMA and state and local officials worked together to develop flood insurance rate maps to guide development in the state and advise property owners of the necessity for flood insurance. Maps are also used by the insurance and lending communities to protect wise investments. He further noted the post-disaster assessment of

current data used to develop the maps and the importance of analyzing and producing the best information to all officials to assist in rebuilding. These new advisory base elevations in 11 parishes are better reflections of risk than current rate maps. Mr. Pagano pointed out the new maps cover open coasts outside of the levee areas. He advised that FEMA is working with the USACE to ensure consistent elevation data in the additional parishes of Orleans, Jefferson, St. Bernard, and Plaquemines. New storm surge models are being prepared with the assistance of the USACE and will form the basis for revised storm surge maps. Mr. Kopplin pointed out at least nine parishes have one-foot freeboard and one-foot elevation increases, but Terrebonne Parish has a two-foot freeboard and two-foot elevation increase. This information will be on LRA's web site for immediate access by parish officials and homeowners.

Mr. Tony Haag, senior technical advisor for the FEMA Region VI Office, noted levees and flood systems were compromised in the other four parishes, and it could be several more weeks before new base flood elevation information is released. He added information for the Hurricane Rita impacted area will be released in early February.

Mr. Coulon questioned when the finalized flood base elevations would be released for insurance purposes. Mr. Ross Richardson, director of the Hazardous Materials Mitigation Branch of the FEMA Region VI Office, stated preliminary maps would be presented in June of 2006 followed by an appeal and adoption period normally lasting nine months. In regards to meeting requirements of national flood insurance program ordinances, FEMA is recommending additional freeboard for rebuilding efforts.

Mr. Landry asked how these recommendations for additional freeboard would apply to permits already issued and the impact on insurance costs. Mr. Richardson noted if a community officially adopts the freeboard increase, then individuals could be compensated for the additional expense. Mr. Pagano noted the benefits would be to those substantially damaged properties that qualify for reimbursement costs of compliance, and it would benefit the community by providing an additional level of protection and a lower rate of insurance.

Mr. Richardson stated FEMA encourages the adoption of additional freeboard, and local entities have the authority to apply more restrictive guidelines in their respective jurisdictions. Mr. Landry asked if a police jury had the authority to enact the recommended additional freeboard. Mr. Richardson noted it may depend on protocol, but the local authority could amend current flood plain guidelines.

Mr. Pagano explained this does not mean that every flooded property will be required to elevate, but it will depend on the requirements adopted by each community. Homeowners and businesses need definitive guidelines on adopted freeboard requirements to make informed decisions on the rebuilding of property.

V. OTHER BUSINESS

Mrs. Laura Leach offered a motion to adopt the minutes of the November 11, 2005, LRA board meeting. The motion was seconded by Mr. Walter Leger. There was no objection, and the motion was adopted by a vote of 20 yeas and 0 nays.

VI. ANNOUNCEMENTS

There were no announcements.

VII. ADJOURNMENT

The meeting was adjourned at 4:03 p.m.

Respectfully submitted,

Andy Kopplin, Executive Director

Date approved: _____