

**LOUISIANA RECOVERY AUTHORITY**  
**Board of Directors Meeting**  
Baton Rouge Community College  
Louisiana Boardroom; Louisiana Building  
Baton Rouge, LA  
Tuesday, December 11, 2007

**DRAFT MINUTES**

**I. CALL TO ORDER**

Dr. Norman Francis, chairman of the Louisiana Recovery Authority (LRA), called the meeting to order at 9:15 a.m. at the Baton Rouge Community College in Baton Rouge, Louisiana. *(Note: Notices to the public and news media of the time and place of the meeting were given in compliance with the Louisiana Open Meetings Law.)*

**II. PRAYER**

Mr. Walter Leger led the Board in prayer.

**III. PLEDGE OF ALLEGIANCE**

Dr. Francis led the Pledge of Allegiance.

**IV. ROLL CALL**

Ms. Fay Ayers called the role. The presence of a quorum was noted.

**Board Members Present:**

Dr. Norman Francis, Chairman  
Senator Diana Bajoie  
Mr. Boysie Bollinger  
Ms. Kim Boyle  
Ms. Donna Brazile  
Mr. John Brewster  
Mr. Tim Coulon  
Mr. Rene Cross  
Mr. Tom Henning  
Mr. Walter Isaacson, Vice Chairman  
Dr. Alex Johnson  
Ms. Linda Johnson  
Mr. John T. Landry  
Mr. Walter Leger  
Dr. Calvin Mackie  
Mr. Chet Morrison  
Mr. Sean Reilly  
Mr. John E. Smith  
Mr. Matt Stuller  
Mr. David Voelker

**Board Members Absent:**

Rev. Harry Blake  
Mr. James Davison  
Representative Yvonne Dorsey  
Ms. Donna Fraiche  
Senator Don Hines  
Ms. Sibal Holt  
Ms. Mary Matalin  
Mr. David Richard  
Mr. Virgil Robinson  
Representative Joe Salter  
Mr. Dennis Stine  
Ms. Susan Taylor  
Mr. Mike Woods

**Staff Members Present:**

Mr. Andy Kopplin, Executive Director  
Ms. Fay Ayers  
Ms. Lynn Bankston  
Ms. Krystle Beauchamp  
Mr. Dave Bowman  
Ms. Lindsey deBlieux  
Ms. Laura Deslatte  
Ms. JoAnn Early  
Ms. Alexandra Evans  
Ms. Sandra Gunner  
Ms. Catherine Heitman  
Ms. Desirée Honoré  
Mr. Kimon Ioannides

Mr. Wil Jacobs  
Ms. Kim Jupiter  
Ms. Robin Keegan  
Mr. Adam Knapp  
Ms. Melissa Landry  
Mr. Ty Larkins  
Ms. Kristen Parnell  
Ms. Marisa Robertson  
Ms. Christina Stephens  
Mr. Kris Van Orsdel  
Ms. Alesia Wilkins-Braxton  
Mr. Carl Williams

**V. READING & APPROVAL OF THE MINUTES OF THE PRECEDING MEETING**

Mr. John T. Landry offered a motion to approve the minutes of the October 11, 2007, LRA Board meeting. There being no comments or corrections, upon motion duly made and seconded by Ms. Kim Boyle, the following resolution was unanimously adopted:

**Approval of the minutes and ratification of actions taken at the October 11, 2007, meeting of the LRA Board.**

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**RESOLVED, that the minutes of the meeting of the LRA Board held on October 11, 2007, as presented at this meeting, are hereby approved and all actions taken by the Board presented at such meeting, as set forth in such minutes, are hereby in all respects approved as actions of the LRA Board.**

*Voting: Bajoie, Bollinger, Boyle, Brazile, Brewster, Coulon, Cross, Francis, Henning, Isaacson, Alex Johnson, Landry, Leger, Mackie, Morrison, Reilly, Smith, Stuller and Voelker.*

**VI. EXECUTIVE REPORTS**

**Chairman of the Board Report**

Dr. Francis commented that this would be the last meeting under the administration of Governor Kathleen Blanco, who would address the members later. He thanked her for the LRA, which was created to help rebuild safer, stronger and smarter. The reality was that Louisiana would never be the same. You cannot replace hopes and dreams but you can rebuild new ones. Dr. Francis said Governor Blanco's leadership had led to restoration of housing, the largest reconstruction program in U.S. history, the return of commerce and people returning home. She took several trips to Washington, D.C. to outline unmet needs and fight for funding to ensure Louisiana communities would rebuild new dreams.

Dr. Francis pointed out that the Road Home program was finally fully funded. The state will be focusing on workforce training programs to ensure we have enough workers to rebuild. The rebuilding of schools led to the creation of the Recovery School District, and we are starting to see the light at the end of the tunnel. Cameron Parish just opened the South Cameron Parish Memorial Hospital. All rebuilding is safer than before, and the levee boards were consolidated in order to better protect communities after the levees are rebuilt. In addition, the LA Speaks Plan is helping to link communities together and to emerge better and stronger than before. No one could have foreseen the magnitude of the rebuilding task.

Dr. Francis thanked Governor Blanco for her leadership of passion, commitment and endurance. She was a listener and a cheerleader and she fought for us. He said it was fulfilling to see two years later that we now have hope that many did not see at the beginning of the task.

Dr. Francis introduced Governor Kathleen Blanco.

### **Governor Blanco's Report**

Governor Blanco said it was an honor to be with the LRA Board for her final meeting. She said important business was at hand and thanked the members for all that was accomplished. She commented that the Board members were a talented and hard-working team. When she first asked the members to serve, some thought it was an honorary position that would be part-time. It turned out to be volunteer work and many ended up working overtime. She pointed out that Mr. Walter Leger became a radio talk show star. Many stood up and gave all that they had in our greatest hour of need. The members gifts and talents melded together to build a foundation for recovery. She stated that diverse skills, backgrounds, regions of representation and careers were needed for a variety of perspectives. True patriots and history will look fondly on the Board's efforts, although some were sorry that their names were linked to the Louisiana Recovery Authority.

Governor Blanco commented that we had been running at full sprint, and we did not have time to stop to see where we had been. Since the hurricanes, we have kept our eyes focused on the goal, and we are significantly closer to that goal today. The state of Louisiana got funds more rapidly than any other state. She added that it was frightening to be responsible for how the federal funds were spent. During her last visit to Washington, D.C., she was asked about accountability. Unfortunately, Louisiana had a bad reputation; we had to prove ourselves and show that we could manage billions of dollars responsibly.

Governor Blanco explained that she directed that \$5 billion in state funding be dedicated for recovery. The state did not ask for everything, but we acknowledged that we had insufficient funding to meet our needs. She remarked that \$10 billion in federal aid will have been distributed by the end of 2007; never before has so much funding been placed in the hands of the citizens. People had to make low interest loans through the Small Business Administration (SBA), and just last week it was announced that the Road Home program was fully funded.

Governor Blanco paid special tribute to Speaker of the House Nancy Pelosi, who made a direct commitment to us and even visited Louisiana so she could see first hand our needs. She also praised Senator Mary Landrieu, whose Republican colleagues even recognized her

efforts. Approximately 90,000 families will get their reward checks by the end of 2007; only 17,000 applicants have received their awards in Mississippi. It took some time to get this monstrous effort underway, and Congress did not fund Louisiana properly in the first six months. This put us behind, but we are working hard to make it up to the people of Louisiana.

The governor stated that the disaster experienced by Louisiana is unprecedented in American history. We had to fight for our recovery, which depended on many members who applied pressure at the right place and at the right time. We were programmed to do this together, even though there was no program. We knew the mission had to be accomplished, and the people are grateful. She pointed out that she went to Washington, D.C. nine times in two years, and it took more effort than she originally thought. Many people went with her to Washington, and we told DC that we would not take “no” for an answer.

Governor Blanco said the securing of the final funding for the Road Home program gives the state some extra flexibility. We are waiting to see if 100% of the Community Development Block Grant (CDBG) funds have to go to the Road Home program. We may be able to free up some funding for infrastructure. She encouraged the Board to move forward with the Long Term Recovery program and the reopening of schools. There is another \$49 million set aside for schools that were FEMA-ineligible, and we want to get the money to the communities as soon as possible because they have been waiting patiently. The citizens of Louisiana want to come home. Parish plans will also be discussed in order to guide the recovery.

Governor Blanco thanked the LRA for providing a strong foundation for recovery, and stated that she was proud of the work done by them. She asked that we keep our minds on a comprehensive vision for a stronger and safer Louisiana. There is nothing more important to the nation than a full recovery of the Gulf Coast. It will be many years before we see the fruits of our labors, but we are performing an amazing effort for Louisiana’s future.

Dr. Francis said it was an honor and a privilege to serve on the Board, and he felt that most members did so willingly and passionately. He thanked all the board members for their work.

### **Executive Director's Report**

Mr. Andy Kopplin, Executive Director of the LRA, said it was a good day to be in Louisiana and part of the recovery, with \$3 billion to seal the deal and fully fund the Road Home program. There was some initial misunderstanding about wind versus flood damage, but we made sure we could provide every eligible homeowner with a grant. He said he was grateful for the congressional efforts, especially Senator Landrieu’s assistance in getting recovery funding added to the defense appropriation bill.

Mr. Kopplin explained that there had been 76,288 closings so far, with a contractual goal of 90,000 closings by the end of 2007 by ICF or there will be huge penalties based on how long the applicants have been in the system. There are specific benchmarks in the contract; however, we do not want the money – we want the citizens to get their grants. December 1, 2007, was the deadline for first appointments to be held for every Road Home applicant. Some applications were deemed to be duplicates, but we were able to determine budget

certainty after that date. The launch budget was almost \$7 billion, and we are anticipating 150,000 to 159,000 applicants will be eligible for the Road Home program.

The federal funding is being allocated as follows: 44% for rebuilding, 34% for disaster relief, and 22% for the National Flood Insurance Program (NFIP). There was \$9.8 billion spent on rebuilding and \$19.5 billion on disaster relief. The majority of the funding went to the Road Home program and housings, followed by the Corps of Engineers and levees and FEMA rebuilding.

The LRA launched a “Give Thanks” campaign to thank Congress for their support in the recovery. Louisiana was disappointed that the presidential debate decided not to stop in Louisiana. The state was able to handle the Sugar Bowl, the NBA All Star game and the Bowl Championship Series (BCS) game, so we could have handled a presidential debate. Maybe they will reconsider in four years.

Mr. Kopplin pointed out that Board member Kim Boyle presented testimony on the health care crisis to the U.S. Senate Homeland Security Subcommittee on Disaster Response. Also, a LA Speaks documentary on PBS won an Emmy award. Congress overrode the veto to the Water Resources Development Act (WRDA). This required team effort, and Senator Landrieu referred to this as the “\$12 billion day”.

The Hazard Mitigation Grant Program (HMGP) at the Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP) is flowing, even though movement is being described as glacial. Mr. Kopplin wanted to mention a couple of other things. The McKinsey and Company consultants were hired for free. Also, Louisiana documented our damages and the Board made the case for equity, which resulted in an additional \$4.2 billion. The magnitude of our damages was underestimated, and we could not have secured additional funding without our Board members fighting behind the scenes. Mr. David Voelker hired a lobbyist, and the Board of Elementary and Secondary Education (BESE) was a great help. We also have innovative workforce training that is sector based, and we insured that fisheries and infrastructure were funded. The waiver of the 10% federal match was going to provide an additional \$500 million to the communities, but then the Road Home shortage occurred. Additionally, the Board fought for the Veterans Hospital in downtown New Orleans, which will serve as an anchor and beacon for recovery. Mr. Kopplin thanked the Board members for their fairness, integrity and leadership.

Mr. Kopplin thanked Mrs. Donna Fraiche and the Community Development Committee, as well as Mr. David Voelker and Ms. Kim Boyle for their efforts with the Unified New Orleans Plan (UNOP), including the charrettes held in the coastal parishes. We are hoping to make the Office of State Planning a reality in the near future. Mr. Tim Coulon took responsibility for the Advisory Base Flood Elevations (ABFEs) and this made a difference in Washington, D.C. with regard to Louisiana rebuilding safer. Terrebonne Parish President Don Schwab provided the best statement on the wisdom of elevating when testifying that houses that were elevated did not flood during Hurricane Rita.

The LRA has provided a level of transparency and a forum for public input that is not present in any other state. The governor asked for a strategy for a bipartisan, transparent agency to steer the recovery, and we ended up with Louisiana speaking in one voice. Mr. Kopplin

stated that the LRA Board was the best board ever appointed by a governor. He said it was a privilege to work with the LRA Board and Governor Blanco.

Mr. Kopplin asked Mr. Adam Knapp to address the next steps for the LRA.

Mr. Adam Knapp explained that Louisiana is on the right course, but there are challenges remaining. The recovery and the needs of the state have not stalled; there are things that remain to be accomplished. He pointed out that we need assistance with rebuilding the levees, housing assistance, and how to dispose of properties. Even the U.S. Department of Housing and Urban Development (HUD) has said that this is an unprecedented challenge. We need to be flexible and work together. There continue to be homeowner needs, and some people still have not made the decision to rebuild. The rental housing program is in the early stages, and the rental housing crisis continues to put a strain on the workforce.

Mr. Knapp stated that we need a surge of emphasis over the next six months. Public infrastructure needs have to be finalized as well as HMGP. There are many businesses that have not reopened; we still need to help the fishermen and restaurants, and there is an additional need for workforce development. The insurance issues are mainly federal and we need to work with the Department of Insurance. The transition meetings have identified insurance as the biggest priority. We need to get all the schools reopened, and there is a crisis in delivery of services for health care. We also need to identify and provide the resources needed for community services.

Mr. Knapp commented that the largest challenge is transparency and accountability so the nation will have confidence to reinvest in Louisiana's ongoing needs. The Audit Committee has done a fantastic job. As we ask for more resources, we need to continue to focus on communication and sharing our stories with communities and the nation. The LRA continues to work with the transition staff to keep the focus on recovery as a priority.

Mr. Kopplin introduced Ms. Lindsey deBlieux, Ms. Alexandra Evans, and Mr. Kimon Ioannides as the new staff members at the LRA. He thanked Ms. Catherine Heitman, who will be stepping down as the Communications Director, for her contributions. She has been with the LRA from the beginning.

Mr. Kopplin stated that he would also be stepping down as the Executive Director. He said he had an opportunity to move on, and he would be climbing the next mountain. The fight for the federal funding had to be accomplished, and now that the Road Home program is fully funded, he felt as though he had completed what he had set out to do. He said the Board had the energy and vision to carry on the mission.

Governor Blanco pointed out that Mr. Kopplin was the Chief of Staff when Hurricane Katrina hit Louisiana. She had begun to identify the LRA and was about to announce the organization when Hurricane Rita hit Southwest Louisiana. She said she knew the problems were huge, so she looked at the talented bank of people in her cabinet and staff. She decided that there was no one more talented than Mr. Andy Kopplin. He had the breadth and depth of talent to forge this amazing organization. There was no formula to go by and we had to write the book on recovery. We got some help from New York City; however, their experience was minor when compared to Louisiana.

Governor Blanco said Mr. Kopplin did not initially recognize how long the work would take, but he took it on and immersed himself. He was the right person, in the right place, at the right time. His family made the sacrifice for the state of Louisiana. She stated that the work had been done well and that we were in a good place to turn over the reins to a new administration.

Dr. Francis said he had never worked with anyone who had such total control and knowledge of what he and his staff were doing. It is not easy to deal with a multiplicity of issues, but Mr. Kopplin would explain the situation in a simple way without using any notes. This is a skill that not many possess. Dr. Francis commented that everyone had seen Mr. Kopplin's passion, and had gained from his presence. His family will be able to look back at his sacrifice and know that it was worth it. Dr. Francis said the LRA staff was focused, smart and amazing, and commented that everyone on the Board and the staff will miss Mr. Kopplin. He said he had the utmost respect for Mr. Kopplin, and that it would be most difficult to fill his shoes.

Dr. Francis bid farewell to Governor Blanco, and recognized some of the members of the New Orleans City Council that were present.

## **VII. COMMITTEE REPORTS AND ACTION ITEMS**

### **Infrastructure Task Force**

Dr. Francis pointed out that we had originally allocated \$200 million to the parishes, and an additional \$500 million will be distributed according to a formula, with \$15 million being set aside for administrative costs. A resolution to allocate this funding will be presented to the Board for preliminary approval; however, the plan still needs to be published for public comment, and final approval will follow at the next meeting in January, 2008. He stated he wanted to make it clear to the local governments that they can move forward.

Mr. Walter Leger explained that we had debated several formulas for the funding, but the allocation will be based on the level of damages, and Orleans Parish will receive 56% of the funding. He stated that this decision was arrived at objectively and was not based on politics.

Mr. Arnie Fielkow, President, New Orleans City Council, declared that losing Mr. Kopplin was terrible because he was a tremendous asset to the state. Mr. Fielkow thanked the Board members and the federal partners for their assistance in getting the federal match requirement waived. He stated that 2008 will be a "tipping point" for New Orleans; the planning stage is complete and they are now moving into the implementation and execution phase. He informed the members that Mayor Ray Nagin was on his way to the meeting to address the members.

Ms. Jacquelyn Clarkson, Vice-President, New Orleans City Council, said it was an honor and a privilege to serve with the members of the LRA Board of Directors in both her public and private life. She commented that the neighborhoods will be the beneficiaries of the funding, and this will give the citizens incentive to continue with rebuilding. She thanked the members for their vision and leadership in accomplishing the mission, and she thanked Mr. Kopplin for being a role model.

Ms. Shelley Midura, District A Representative, New Orleans City Council, stated that she was most concerned with the maintenance and redevelopment of properties, development of neighborhood and commercial corridors, increased neighborhood stabilization, code enforcement, and economic development. She said the key component of the UNOP is code enforcement and revamping of the blighted properties, particularly in the Lakeview neighborhood.

Mr. Fielkow said the three New Orleans City Council members present speak on behalf of all seven. They are all working with the Mayor of New Orleans and Dr. Blakely and stand united with one voice in gratitude to the LRA Board members.

Mr. John Landry said he hoped everyone would work together for consistency in permitting for rebuilding.

Mr. Fielkow pledged his commitment to this effort. He explained that discussions on permitting were ongoing.

Mr. Al Pitre, representing the Lakeview Civic Improvement Association, said the residents of Lakeview consider themselves pioneers. They organized the neighborhood associations so they could work together with the city on funding issues. Volunteers from around the world have helped with rebuilding, and the next step is to get the communities cleaned. He said he hopes the additional funding will help people to decide to return. He applauded the efforts of the LRA Board and said his association will work with the Mayor, the Office of Recovery Management, and the New Orleans Redevelopment Authority (NORA).

Mayor Ray Nagin said he did not plan on losing Mr. Kopplin. Mr. Kopplin was committed to “walking the walk and fighting the fight” and he was a warrior for New Orleans.

Mr. Ezra Rapport was present on behalf of Dr. Ed Blakely of the Office of Recovery Management (ORM). He thanked the LRA for the help they provided over the past two years. He said we did not always agree, but we were both focused on how to bring New Orleans back bigger, better and safer.

Mr. Rapport stated that the ORM was pushing for the first phase of infrastructure development. He said the LRA Board had approved the UNOP, which focused on 17 target zones for recovery, and it is critical that we move forward. They have the design in place and national firms ready to start work. City government has been reorganized and there is now a project delivery unit whose entire focus is to move projects forward.

Mr. Rapport explained that we need to be aggressive; however, they can only do this if they have sufficient funding. The city has to get houses and lots rehabilitated. The Road Home program is providing funds to the homeowners; now the city needs critical funding for code enforcement and support services.

Dr. Francis stated that the Board made the commitment we did because we knew it was important to the City of New Orleans. We set aside funding and are still hoping for additional funding in the future.

Mr. David Voelker said he spent time with Mayor Nagin, Dr. Blakely and the Jeremiah Group and everyone is on the same page. This is definitely a “New Orleans” project now and they are handling it well. We just need to get the funding to the city so they can run the recovery from their end.

Dr. Francis thanked Mr. Voelker for his efforts.

Senator Diana Bajoie expressed her concern about the timeline for getting the funding to the city.

Dr. Francis pointed out that a 30-day public input is mandatory, and after that the Board will take final action on the resolution.

Ms. Kim Boyle thanked the New Orleans City Council members for attending the LRA Board meeting. She explained that Mayor Nagin had appointed her to serve on the Bring Back New Orleans Commission, and she has worked with Dr. Francis for the past 2-1/2 years. She is a native New Orleanian and explained that her parents, her relatives, and she all lost homes during Hurricane Katrina. She is excited that the city will be getting this funding and she urged the City Council members to take action now.

Senator Bajoie asked how long before the funding will be allocated. She was not aware of the 30-day public input requirement, and asked if the funding could be allocated in February, 2008.

Mr. Kopplin agreed that it would be February, 2008. He said the parishes have the money already, but they have not started to drawdown the funds.

Mayor Nagin pointed out that it took the city six months to get approval from HUD before they could start spending the first \$117 million allocated. He said he may need the Board’s assistance and that he could use any expertise available.

Dr. Francis assured Mayor Nagin and Senator Bajoie that the funds had been set aside.

Senator Bajoie asked that these funds be expedited. She thanked Councilwoman Clarkson and Mr. David Voelker for their efforts. She stated that there is still a lot of devastation in uptown, and she will be present at the Council meetings to give her input.

Dr. Francis recognized Councilwoman Cynthia Willard-Lewis in the audience.

Mr. John Landry offered a motion to approve the resolution to increase funding for the Long Term Community Recovery program. The Board unanimously seconded the motion.

**Preliminary approval of the Action Plan Amendment for the Allocation of up to an Additional \$500 Million of CDBG Funds for the Long-Term Community Recovery Projects.**

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**RESOLVED, that preliminary approval of the Action Plan Amendment for the allocation of an additional \$500 million of CDBG funds for the long-term community recovery projects.**

*Voting: Bajoie, Bollinger, Boyle, Brazile, Brewster, Coulon, Cross, Francis, Henning, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Morrison, Reilly, Smith, Stuller and Voelker.*

Mr. John Landry introduced a resolution for an Action Plan Amendment allocating an additional \$46 million of CDBG funds for K-12 repair and rebuilding of damaged schools that are FEMA-ineligible.

Ms. Linda Johnson offered an amendment to the resolution to add language that funding be provided under the Administrative Procedure Act using a formula that was put in place previously based on damages for the rebuilding of schools.

The amendment was seconded by Dr. Francis. The amendment was adopted by a vote of 17 yeas and 0 nays.

*Voting: Bollinger, Boyle, Brazile, Brewster, Coulon, Cross, Francis, Henning, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Morrison, Smith and Voelker.*

Mr. Landry offered a motion to adopt the resolution, as amended to increase funding for K-12 repair and rebuilding of damaged schools. The motion was seconded by Ms. Linda Johnson.

**Approval of the Action Plan Amendment for the Allocation of an Additional \$46 Million of CDBG Funds to School Districts Impacted by the Hurricanes but Deemed FEMA-ineligible.**

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**RESOLVED, that approval of the Action Plan Amendment for the allocation of an additional \$46 million of CDBG funds for school districts impacted by the hurricanes but deemed to be FEMA-ineligible.**

*Voting: Bollinger, Boyle, Brazile, Brewster, Coulon, Cross, Francis, Henning, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Reilly, Smith and Voelker.*

Mr. Landry informed the members that the Infrastructure and Transportation Task Force Advisory Committee was being dissolved in light of the shift in focus from the development of programs to one of oversight and implementation of the recovery programs. Mr. Landry presented the Task Force members with certificates of appreciation and commended them for their service.

Dr. Francis said there were task forces that met for hours while dealing with contentious issues. These task forces took the load off the Board, and he thanked them for their contributions.

### **Housing and Community Development Task Force Report**

Mr. Walter Leger commented that as the storm passed through and destroyed St. Bernard Parish, he tried to contact people who had stayed. There were 5,000 people in the Chalmette slip, and he tried to arrange for boats to come rescue these people. He went to the Governor's War Room and out stepped Mr. Andy Kopplin, who had a plan for the rescue. They commandeered barges, ferries and school buses. He said the joy on the faces of the people when they arrived was an emotional experience. He reminded the members that the federal government did not arrive until five to six days after the storm, but the Governor's staff and the people of Louisiana were here saving people from the first few hours.

Mr. Leger presented a resolution to publish an action plan amendment on the Road Home property dispositions for those who selected Options 2 and 3. The Louisiana Land Trust will take the title to these properties and then redistribute the properties to parishes and cities for redevelopment. Local governments have submitted plans and others are being worked on.

Senator Bajoie asked if everyone has to sign off on the property transfers.

Mr. Adam Knapp explained that the LRA is still learning. Increased Cost of Compliance (ICC) funds are attached to some of the properties; homeowners are still eligible for the Road Home grant, but their new property may have ICC funds. He added that there are only three options: elevate, demolish or move on the same piece of land.

Mr. Leger offered a motion to approve the resolution to request staff to prepare and publish an Action Plan Amendment on Road Home property dispositions. The motion was seconded by Mr. David Voelker.

### **Approval of the Action Plan Amendment for Road Home Property Dispositions.**

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**RESOLVED, that approval of the Action Plan Amendment for Road Home property dispositions.**

*Voting: Bajoie, Bollinger, Boyle, Brewster, Coulon, Cross, Francis, Henning, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Morrison, Smith, Stuller and Voelker.*

Mr. Leger offered a resolution for preliminary approval for reallocation of funds from the Piggyback program to a new fund to be developed for home ownership. The new program would be for renters who would like to become a homeowner. The second part of the proposal asks that the Housing Task Force meet to consider soft second mortgages of \$75 million. He said the idea is to subsidize firefighters and others who could not previously own a home. The formula for this program would be based on the number of properties per parish.

The resolution will direct the Office of Community Development to develop an action plan amendment to move \$35 million from the Piggyback fund, and direct the LRA Housing Task Force to meet to consider avenues for home ownership.

Ms. Linda Johnson asked Mr. Leger to get with her later to explain soft seconds. She said she had some concerns.

Mr. Leger offered a motion to approve a resolution to direct the LRA staff to develop an Action Plan Amendment to reallocate \$35 million from the Piggyback program to a home ownership program. Their motion was seconded by Dr. Mackie.

**Approval of a Resolution Directing the LRA Staff to Develop an Action Plan Amendment for the Reallocation of \$35 Million From the Piggyback Program to a Home Ownership Program.**

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**RESOLVED, that approval of a resolution directing the LRA staff to develop an Action Plan Amendment for the reallocation of \$35 million from the Piggyback Program to a home ownership program.**

*Voting: Bajoie, Bollinger, Boyle, Brewster, Coulon, Cross, Francis, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Morrison, Smith, Stuller and Voelker.*

Mr. Leger informed the Board members that the KPMG audit report on the Road Home program was received and will be discussed at the Housing Task Force meeting.

**Jefferson Parish Road Home Property Disposition Plan**

Ms. Nigela Thompson, representing Jefferson Parish, said they are expecting 250 properties to be received from the LLT for redevelopment. She commented that there will be a need for green space and adjoining properties.

Mr. Tim Coulon stated that this is part of a bigger initiative dealing with blighted and abandoned properties. He said agencies are pushing for owners to demolish, redevelop, or clean up. The bigger mission is being discussed.

Mr. Walter Leger offered a motion to approve the Jefferson Parish Road Home Property Disposition Plan. The motion was seconded by Mr. John Landry.

**Final Approval of the Jefferson Parish Road Home Property Disposition Plan.**

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**RESOLVED, that the Board hereby accepts and approves the Jefferson Parish Road Home Property Disposition Plan.**

*Voting: Bajoie, Bollinger, Boyle, Brewster, Coulon, Cross, Francis, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Morrison, Smith, Stuller and Voelker.*

## **Orleans Parish Road Home Property Disposition Plan**

Mr. Joe Lewis, representing NORA and Councilwoman Cynthia Willard-Lewis presented the Orleans Parish Road Home Property Disposition Plan.

Mr. Joe Williams said the plan is a collaborative effort between the LLT, NORA and the City of New Orleans. He pointed out that this must be a community-driven process. Some of the key points of their plan are transparency and accountability, maintenance and responsible development, targeted intervention and clustering, promotion of home ownership, affordability and equity, and aggressive implementation with a sensitivity to the market.

Councilwoman Willard-Lewis said the approach is to acknowledge their citizen heroes. She commented that the city had been on hold for two years, and this will give a signal of hope.

Senator Bajoie said she had concerns about clustering that she would like to discuss later.

Councilwoman Willard-Lewis indicated that she was concerned with the term “clustering” as this sends a red-flag to many citizens.

Mr. Williams said they are working with the neighborhoods to revitalize entire blocks.

Senator Bajoie stated that there are entire neighborhoods where no one lives. She asked that they be cognizant of trying to locate some of the citizens who have not returned. She also asked that they continue to include community organizations in their efforts.

Mr. Isaacson commented that he was concerned about properties hitting the market at the same time.

Mr. Williams stated that they want to move forward, but they recognize the issue of supply and demand. They are trying to maximize rebuilding of communities.

Mr. Leger said that NORA and LLT will be the largest owner of properties, and they will try to regulate the market to prevent a glut of properties hitting the market at the same time. He pointed out that the LLT is maintaining the properties that they presently own. He said most of the blighted properties that are seen are most likely owned by the state. It will cost a lot to maintain these properties over the next 10 years, but we are aware of the fiduciary responsibilities.

Mr. Walter Leger offered a motion to approve the Orleans Parish Road Home Property Disposition Plan. The motion was seconded by Mr. Tim Coulon.

## **Final Approval of the Orleans Parish Road Home Property Disposition Plan.**

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**RESOLVED, that the Board hereby accepts and approves the Orleans Parish Road Home Property Disposition Plan.**

*Voting: Bajoie, Bollinger, Boyle, Brewster, Coulon, Cross, Francis, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Morrison, Smith, Stuller and Voelker.*

### **Audit Committee Report**

Ms. Desiree Honore said they are continuing oversight and accountability. The KPMG audit findings in the small rental program are being resolved. The State Legislative Auditor released reports on four audits with two recommendations. The ICF LMI calculations include accurate income data, and OCD will continue to monitor the LMI determinations. The performance audit addressed eligibility where applicants meet certain income requirements to ensure grants only go to eligible applicants. The income information reporting system is being corrected. Another audit showed inconsistent documentation. OCD has hired additional staff to address this finding. Another finding determined that the Pipeline Reliability report was not detailed enough. OCD is working with ICF on improving this report.

Ms. Honore said the KPMG audit report on the Road Home program had been received and some problems were recognized. There are problems in the appeals and resolution processes, and these issues are being addressed.

### **Long Term Community Planning Task Force Report**

Mr. Landry introduced Ms. Krystle Beauchamp, who will present six parish plans to the members for their approval: Tangipahoa, Washington, Iberia, Acadia, Jefferson Davis and Allen.

Dr. Francis informed the members that they would vote on the parish plans in globo.

Ms. Beauchamp explained that \$2.4 million will be allocated to six parishes as follows: Tangipahoa Parish, \$625,030 for five priority projects; Washington Parish, \$689,579 for five priority projects; Iberia Parish, \$615,677 for their top five priorities; Acadia Parish, \$181,301; Jefferson Davis Parish, \$168,174; and Allen Parish, \$150,000.

Ms Kim Boyle offered a motion to approve the six parish plans. The motion was seconded by Mr. John Landry.

### **Final Approval of the Tangipahoa, Washington, Iberia, Acadia, Jefferson Davis, and Allen Parish Long Term Community Parish Plans.**

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**RESOLVED, that the Board hereby accepts and approves the Tangipahoa, Washington, Iberia, Acadia, Jefferson Davis, and Allen Parish Long Term Community Recovery Plans.**

*Voting: Bajoie, Bollinger, Boyle, Brewster, Coulon, Cross, Francis, Isaacson, Alex Johnson, Linda Johnson, Landry, Leger, Mackie, Morrison, Smith, Stuller and Voelker.*

### **VIII. UNFINISHED BUSINESS**

There was no unfinished business.

## **IX. PUBLIC COMMENTS**

Mr. Frank Silvestri, Mr. K.C. King, and Dr. Melanie Ehrlich, representing the Citizens Road Home Action Team (CHAT) were present to provide testimony.

Dr. Melanie Ehrlich had questions on how the Road Home program was functioning, as there seems to be a false sense of contentment. There are problems with the quality of closings and applicants are being forced to go to closing with the wrong amounts. Many “old” applicants have been waiting for over a year when other applicants have closed quickly. Many applications have been lost, and she suggested that an independent group check the award letters. There is still a need for an ombudsman. Additionally, ICF has taken actions to avoid penalties for not meeting deadlines. She submitted a handout to the members outlining her concerns. (See Attachment A.)

Mr. Frank Silvestri said the devil is in the details and that is where the process breaks down. There is no reason why people cannot find out where their application is in the process. ICF needs to inform the public on their status. Louisiana certified appraisals are not being used. The appeals problem is that you cannot appeal if you do not have a decision and ICF refuses to provide documentation to allow people to appeal. The process has been compromised. Decisions are being made over the phone and by e-mail, and ICF expects the people to trust them.

Mr. K.C. King commented that you can take all the pain and suffering of the Road Home program and double it and get the HMGP program. Elevation is the only thing that will make the program safe. Wetlands and levees are of questionable reliability; elevation is the only way to ensure an element of safety. He cannot rebuild until he elevates, but he is still waiting for the HMGP grant. He commented that the building market will also need to be paced. There are gaps to redevelopment and the barriers need to be removed. He pointed out that one accomplishment of the program was the solicitation of opinions of the citizens.

Ms. Kim Boyle asked if there was a mechanism in place to evaluate progress and assess penalties when benchmarks are not met.

Mr. Kopplin informed Mr. King that the HMGP is a federal program and their funding is abhorrent. FEMA has approved the program, but the challenge will be to get the funds.

Mr. Mike Spletto explained that ICF has had metrics in place since July, 2007, except for the resolution process. OCD is working with the Legislative Auditor, but a finite number has not been determined for which a penalty would apply. The number will have to be validated.

Ms. Boyle said she understood from Dr. Ehrlich that ICF has rushed to meet the matrix in order to avoid penalties. This is the gap that she is concerned about, and wanted to know how we can assess this information.

Mr. Spletto stated that OCD listens in on ICF conversations with applicants and attends closing sessions. ICF has 3,000 employees and they have experienced some personnel problems, which is why the penalty has not been assessed. It may add up to a \$1 million penalty. With regard to the homeowners being forced to close, ICF has a team that is

contacting homeowners who have not chosen a Road Home option, and some of these applications are over 180 days.

Ms. Boyle said she was not sure of the protocol for the changing administration, but she requested that an ICF representative be present at the January, 2008, LRA Board Meeting.

Mr. Leger invited all the LRA Board members to the Housing Task Force meeting scheduled for next week.

Mr. Spletto stated that there had been difficulties, but they were addressing the problems. A preclosing batch report was implemented in July, 2007. Some people were turned away at closing due to an issue with Small Business Administration (SBA) loans. OCD is working with SBA to resolve the problems, and OCD is working on getting the rules straight before closings. He pointed out that there is always a reason why something is not working.

Dr. Francis stated that ICF should be present at the Board meetings so the members can deal with the concerns. He said ICF would be invited to the January, 2008 meeting.

Dr. Ehrlich said the system is well documented. She believed that additional staff was assigned to dispute resolutions in order to reduce the number of applications in that area. Many of these people had never worked in dispute resolution before. She pointed out that they did not get information from ICF that was promised at the October, 2007, Housing Task Force meeting.

Dr. Francis commented to Mr. Leger that we need to do more to get information.

Mr. Leger explained that the Housing Task Force is trying to meet on a regular basis, and ICF was at the last Task Force meeting. He said he was waiting to see what the new administration wants to do. We are an advocate for the homeowners, and the Board needs to be ever vigilant because there are still thousands of applicants who have not received their grant. He added that he was proud to have served under Governor Blanco. We have been transparent, dealt with the press and brought in the citizens. We have launched the ship while we were still building it. We need to keep our eyes on the needs of the homeowner. Mr. Leger pointed out that his Road Home interview is scheduled for December 15, 2007, at 4:00 p.m., the last appointment for the program per his request.

Mr. John Landry thanked CHAT for their efforts and for maintaining their vigilance. He asked about the certified appraisals and asked whether the applicant is penalized if the certified appraisal is 20% over the ICF appraisal.

Mr. Spletto said the homeowner certified appraisal is part of the process. If the homeowner brings in his own appraisal and it is 20% higher than the ICF appraisal, then it is not considered. There is a new process in place for the past three weeks where OCD/ICF will do another appraisal to review the documents to determine the correct value of a home, and this will become the final value. If the homeowner cannot do their own appraisal, they can appeal the value and get ICF to do an appraisal.

Mr. John Landry said he has been advising people to go to closing and appeal within 30-60 days.

Mr. Spletto commented that at some point next year there will be closure; either the homeowner will appeal and get the final amount or they will not be eligible. The appeal form is on their website as is the appeal process.

Mr. Landry stated that not everyone has a computer.

Mr. Spletto explained that there is a group that works with those with special needs and the outreach has been great.

Pastor Sherman Shelton, representing the Jeremiah Group, said he came in support of the proposal presented by Mr. Leger on soft seconds to get more people into home ownership. He said the reallocation of funds from the Piggyback program would not jeopardize the intent of the program because the renters would become homeowners.

Dr. Francis said we do not want to take away from those who want only to rent, but it would be nice to offer a choice between renting and owning. Dr. Francis thanked Pastor Shelton for his comments.

**X. NEW BUSINESS**

There was no new business.

**XI. ANNOUNCEMENTS**

There were no announcements.

**XII. ADJOURNMENT**

The meeting was adjourned at 1:20 p.m.

Respectfully submitted,

Andy Kopplin  
Executive Director

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Date approved: \_\_\_\_\_