

LOUISIANA RECOVERY AUTHORITY
Board of Directors Meeting
Lake Charles Civic Center, Jean Lafitte Room, Lake Charles, LA
Tuesday, September 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. in the Jean Lafitte Room of the Lake Charles Civic Center in Lake Charles, 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. Carl Williams, LRA Outreach Coordinator for Community Planning, 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
Ms. Kim Boyle
Mr. John Brewster
Mr. Rene Cross
Mr. James Davison
Ms. Donna Fraiche
Mr. Tom Henning
Ms. Linda Johnson
Mr. John T. Landry
Mr. Walter Leger
Dr. Calvin Mackie
Mr. Sean Reilly
Mr. David Richard
Mr. Virgil Robinson
Representative Joe Salter
Mr. John E. Smith
Mr. Dennis Stine
Mr. Matt Stuller

Board Members Absent:

Mr. Walter Isaacson, Vice Chairman
Senator Diana Bajoie
Rev. Harry Blake
Ms. Donna Brazile
Mr. Boysie Bollinger
Mr. Tim Coulon
Representative Yvonne Dorsey
Senator Don Hines
Ms. Sibal Holt
Dr. Alex Johnson
Ms. Mary Matalin
Mr. Chet Morrison
Ms. Susan Taylor
Mr. Mike Woods
Mr. David Voelker

Staff Members Present:

Mr. Andy Kopplin, Executive Director
Ms. Fay Ayers
Ms. Lynn Bankston
Ms. Krystle Beauchamp
Mr. Dave Bowman
Ms. JoAnn Early
Ms. Sandra Gunner
Mr. Jeff Hebert
Ms. Catherine Heitman
Ms. Desirée Honoré

Mr. Wil Jacobs
Ms. Kim Jupiter
Ms. Robin Keegan
Mr. Adam Knapp
Ms. Melissa Landry
Mr. Ty Larkins
Ms. Kristen Parnell
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. Dennis Stine offered a motion to approve the minutes of the July 30, 2007, LRA Board meeting. There being no comments or corrections, upon motion duly made and seconded by Mr. Rene Cross, the following resolution was unanimously adopted:

Approval of the minutes and ratification of actions taken at the July 30, 2007, meeting of the LRA Board.

RESOLVED, that the minutes of the meeting of the LRA Board held on July 30, 2007, as presented to 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: Brewster, Cross, Davison, Fraiche, Francis, Henning, Linda Johnson, Landry, Leger, Mackie, Reilly, Richard, Robinson, Salter, Smith, Stine, and Stuller.

VI. EXECUTIVE REPORTS

Chairman of the Board Report

Dr. Francis introduced Mr. Randy Roach, Mayor of Lake Charles, for some opening comments.

Mayor Randy Roach welcomed the Board members to Lake Charles. He commented that Lake Charles is still in the midst of recovery. Two years ago, Lake Charles held a 9/11 ceremony while 3,000 Hurricane Katrina evacuees were housed in the Lake Charles Civic Center and the City Council members rotated working on the food line. Two weeks after that, he was being served in that same food line after Hurricane Rita hit Southwest Louisiana.

Mayor Roach commented that recovery will take time. He explained that Governor Kathleen Blanco refers to the two hurricanes as one event separated by 22 days. Over one-third of the population was directly impacted by these national disasters of epic proportion, and the impact is still being felt today. He pledged support of the recovery effort at the local level. The variety of issues that arose after the hurricanes was never anticipated. Mayor Roach said he appreciates the work of the LRA Board of Directors and asked that they not forget the devastating consequences of Hurricane Rita on Southwest Louisiana. He added that the high school had recently held a rededication ceremony.

Dr. Francis pointed out that the Lake Charles area is on the road to recovery. He commented that recovery is taking longer than thought, but the people are resilient and we will take it one step at a time. He explained that some parishes would be presenting their recovery plans at the meeting. We were fortunate to have the congressional delegation in Louisiana two weeks ago and they expressed their support for the recovery efforts. They hope to pass a resolution outlining the action needed. The delegation asked for our assistance in outlining the needs to be included in the resolution.

Dr. Francis pointed out that an important part of the recovery effort has been the work of the Support Foundation, who raised funds outside of federal funds. The Support Foundation will be completing their work soon, and Governor Blanco wrote an appreciation letter to each of the members. Dr. Francis read the letter to the members. Dr. Francis expressed our gratitude to the Support Foundation for all their efforts, and stated that LRA Board members Sean Reilly and David Voelker also served on the Support Foundation.

Dr. Francis said the Louisiana Speaks plan will provide a vibrant future for Louisiana in building cities and making neighborhoods into communities. He stated that workshops were held in various areas to develop plans so we can build better than before. Additional funds are needed for housing and infrastructure, so a consultant has been hired.

Dr. Francis explained that there would be a bus tour of Cameron Parish, including a tour of South Cameron Hospital, immediately following the Board Meeting.

Executive Director's Report

Mr. Andy Kopplin, Executive Director of the LRA, showed a graphical representation of the impact of Hurricanes Camille and Andrew compared to Hurricane Katrina and the monetary damages to Louisiana as calculated by the LRA staff one year ago. The gross state product had shrunk \$11.5 billion, and there remains a gap today between what was lost and what is being reinvested. The magnitude of the damage is the story that needs to be emphasized.

Mr. Kopplin explained that the federal government provided \$60 billion to Louisiana for insurance payments, critical emergency response, first responders, and trailers to keep the people safe and provide housing. Another \$26 billion is expected for rebuilding; \$6.7 billion has already been invested into rebuilding, which is the first significant funds on the ground in sticks and bricks. The second largest investment has been from the Corps of Engineers for levees and an increase in the Federal Emergency Management Agency (FEMA) Public Assistance (PA). There is \$20 billion in the pipeline for the next few years, and the biggest

difference between last year and this year is the FEMA PA did not have much funding approved.

Mr. Kopplin said eight parishes were mainly affected by Hurricanes Katrina and Rita. Approximately \$6.7 billion has been distributed to the parishes. He commented that there would be further detail later in the meeting, especially with regard to Cameron Parish which has lots of reconstruction work coming.

Louisiana has committed \$5 billion to the recovery effort, both in investments and pledges by the governor and the legislature. Now the parish plans need to be implemented. There will be several plans presented to the Board today for approval so the funds can be put to work.

There has been a great effort to get people moved into permanent housing. ICF began processing applications one year ago and they just recently closed 3,000 grants in two days to meet their obligations for the end of August, 2007. In February, 2007, only a few hundred grants had been closed and since April, ICF is closing thousands of applications monthly.

The Citizens Road Home Action Team (CHAT) asked for an in-flight review. Rand Corporation was recently hired to perform this review. The program manager has also asked KPMG to do an internal investigation, and we are planning on coordinating these two efforts. New performance measures have been implemented that address the length of time in problem resolution. This provides a view of the overall process and not just "global" closings.

Mr. Kopplin pointed out that the shortfall projection, based on mid-range numbers and the mitigation measure, is \$3.4 billion including the HMGP funds. Representative Clyburn stated during his recent visit to New Orleans that Congress was going to fix the shortage in order to assist the citizens of Louisiana. The supplemental appropriations bill is scheduled to be heard in October or November, 2007.

There was a groundbreaking of a piggyback development in New Orleans at Tulane Avenue where the hospital will be going. This will be a mixed income development paid for by CDBG funds and tax credits that will trigger additional development.

The small rental program has \$3 million projected to be available for the second round of funding, which will be announced in the next two weeks. An update to the small business survey was issued, and Louisiana is almost back to pre-Katrina numbers for employers, with the exception of Cameron Parish.

Colleges and universities are bouncing back with 195,000 students enrolled, which is 20,000 more than last year. Research and recovery grants have been announced and an agreement has been signed between McNeese University and Southwest Louisiana. Mr. Kopplin said he was pleased that they received high quality proposals to rebuild academics. A workforce training program is being kicked off at Abbeville General Hospital, and an emergent technologies training program has been launched for Internet technology students.

There has been over \$5 billion in PA that has been approved. In Louisiana, \$2.6 billion has been spent, which is more than has been approved for expenditure in Mississippi. There has

never been a program like this in history and a significant investment has been made in Louisiana. Hurricane Rita was the third largest storm in history.

Calcasieu Parish will receive \$1.3 million for McNeese State University. Cameron Parish will use 90% of their PA funds for long term rebuilding projects and Vermilion Parish will use 75% of their PA funds for school repairs.

Marine debris continues to be an issue. Mr. Kris Van Orsdel, LRA Infrastructure Policy Director, is working with FEMA and the National Oceanic and Atmospheric Administration (NOAA) on a mission assignment. This effort will require constant vigilance.

As for fisheries funding, Mr. Rene Cross sent a letter to NOAA requesting that funds be distributed equitably. Louisiana received 49% of the funds, which is less of an inequity than the CDBG funds, but is still not a fair and equitable distribution.

The magnitude of this catastrophe was never anticipated and the Stafford Act needs to be changed to eliminate the red tape. This huge bureaucracy can be fixed for future disasters with 100% cost share from the beginning, automatic appropriations, provisions for fire and police; and the use of lump sum disbursements. Some schools have seven or eight Project Worksheets (PW) because they have separate structures and the haggling is endless. We need to rebuild safer, stronger, and smarter – not to past conditions but build for the future. We have to count pencils in schools as justification, which is ridiculous and should not be necessary. The FEMA paperwork is overwhelming and affects rebuilding. If the Stafford Act is so great, why don't federal agencies use it? Federal agencies are not required to have PWs and there is no haggling, just the funds. We could speed up to \$20 billion to the communities but Congress needs to help us do it.

The Veteran's Affairs has agreed to build a hospital in downtown New Orleans, which answered one of our requests.

Ms. Susan Taylor hosted the "Day of Presence" on the anniversary of Hurricane Katrina and called for additional assistance with our recovery. She thanked the citizens of the United States of America for their assistance. Time Magazine has picked up the message and copies of articles were included in the members' binders.

Mr. Kopplin stated that Katrina Cottages are now known as Louisiana Cottages. The Louisiana Cottage proposal has been funded for \$74 million and Cypress Cottage is due to get a contract within the next few days.

Mr. Kopplin congratulated Dr. Francis for being honored as the longest serving college administrator. He also congratulated Ms. Kim Boyle for being designated as "One to Watch", and Ms. Donna Fraiche who will be honored by the Louisiana Planning Association.

LRA staff changes include the departure of Mr. Jeff Hebert, who will be joining Concordia Architects on October 1, 2007. He will be greatly missed, but he will continue to work on the recovery effort. Ms. Christina Stephens has been promoted from Webmaster to Assistant Director of Communications and Ms. Laura Deslatte has joined the staff as a Communications Specialist.

Mr. Miles Bruder was reassigned to Washington, D.C. at the end of August as the Director of State and Federal Relations for Louisiana. This is good news for us because he knows the recovery issues. The next presentation on federal funding is based on his work in Washington and will help us address our long term needs.

Dr. Francis asked why it is taking so long for the mission assignment from FEMA.

Mr. Kopplin responded that fishermen are risking their lives every day. He said he was optimistic that FEMA would do the mission assignment for Louisiana because they are already doing this in Mississippi; however, he is pessimistic about the pace of FEMA's action. NOAA is presently doing survey work and they call in the location of the marine debris.

Dr. Francis asked if anyone else had weighed in about this issue.

Mr. Kopplin stated that nine members of the congressional delegation have signed on, but we may have to write letters to other congressional members.

Ms. Donna Fraiche said Stafford Act amendments have been suggested because changes need to be made. She asked if the changes could be retroactive and applied to ongoing projects.

Mr. Kopplin commented that several delegation members have proposed amendments to the Stafford Act. FEMA is now focused on PWs and value-to-dollar, but this is still not getting schools, fire and police stations rebuilt. He has suggested that Congress create an index for future disasters. There is some potential for group settlements to be applied retroactively, but Congress wants benchmarks. He stated that they could benchmark Louisiana, but the federal government should be benchmarked also. Federal agencies are mandating rebuilding but we have to haggle over every pencil.

Ms. Fraiche suggested that we partner with other states that have suffered disasters, such as the mid-West states that recently flooded and who will be experiencing similar difficulties with FEMA. This would show the bureaucratic problem as a nationwide issue rather than just a Louisiana issue.

Mr. Kopplin said that is a great suggestion.

Mr. Tom Henning said the PA process in Cameron Parish is only at 25% and asked why.

Mr. Kopplin said the function of the PW was for debris removal, and most work in Cameron Parish will be permanent reconstruction of facilities, which takes longer for PA funding.

Dr. Francis stated that he has been concerned about the Stafford Act since October 2005, and he expressed his concern over who is helping Congress to rewrite this Act. He suggested that Congress meet with lawyers, parish officials and LRA staff in Louisiana to discuss problems experienced so we can solve the problem. FEMA should not be the one helping Congress rewrite the Stafford Act.

Mr. Kopplin stated that Congress is listening and hearings will be held on the Stafford Act.

Dr. Francis commented that we are still trying to clean the waters in Louisiana, and when history writes about the recovery, people will find that Louisiana was treated unfairly and inequitably.

Mr. David Richard informed the members that a vessel was found leaking toxic material into the water this week. He could not find anyone in the state to deal with this situation, and finally the Environmental Protection Agency stepped up to the plate. He stated there are still huge amounts of debris and hazards in our waters and urged the Board to write another letter to get the mission assignment done quickly.

Dr. Francis suggested that we get President Bush on board.

Mr. Cross pointed out that NOAA is the marine division of FEMA and they have the same problems with red tape.

Mr. Kopplin said the LRA would write a letter for Mr. Tom Henning, Chairman of the LRA Environmental Task Force to send.

Dr. Francis asked the cost of a Louisiana Cottage.

Mr. Jeff Hebert replied that the cost range is between \$50,000 and \$80,000 for a cottage kit, and when labor and materials are added, the average cost is \$120,000.

Federal Priorities

Mr. Andy Kopplin said we started putting together a list of priorities for Congress. They want to know what we need so they can help. The list is illustrative and not final. Our first priority is to fill the funding gap in the Road Home program, and we would like to guarantee the use of HMGP funds for the Road Home. On a broader basis, the Waters-Frank bill on Freddie Mae/Mac is moving through Congress and this will help with workforce housing assistance.

Flood and coastal protection is high on the priority list. The Water Resources Development Act (WRDA) is awaiting presidential signature. We originally requested \$7.6 billion for levee construction, but that number has risen to \$14.6 billion. Congress is now asking for a 35% cost share. There was no cost share with the original request so we will ask for a waiver of this match.

As mentioned earlier, the Stafford Act must be reformed in order to streamline the PA program to better support the repair and reconstruction of our schools, road and bridges, fire and police stations, and hospitals.

We need assistance for families in crisis with behavioral health services, including mental health and addictive disorders; homelessness; housing vouchers for the elderly and the disabled, and expand assistance to returning families.

Health care needs to be restored for all. We need doctors and nurses; we need to address both the public and the private sector, and we need short term aid. We need to bolster economic

recovery with assistance to small businesses. Go Zone bonds and tax credits need to be increased, and we must address the workforce shortages. We need to fund the local and regional recovery plans. This is a long term request for assistance.

Last on the list is assistance in the recovery of Louisiana's commercial and recreational fisheries. We need a mission assignment and the NOAA survey.

Mr. Walter Leger commented about the Road Home shortfall. He went to a hearing with Senator Landrieu two months ago and thought we would finally get some assistance from Washington. Then he heard we had a shortfall because we decided to cover wind damage. We suffered two storms and we said we would help everyone. A senator from Oklahoma commented that the reason we got any money was because the levees broke. If that was the case, then why did Mississippi and Alabama get funding?

Mr. Kopplin said if there was a wind versus flood issue, then victims from Hurricane Rita would be treated differently. Louisiana has a housing crisis due to two different storms. We are covering the uninsured gap.

Ms. Linda Johnson asked how we could capture the wind issue in the resolution for the federal recovery priorities.

Mr. Kopplin responded that full funding of the Road Home program covers the wind issue.

Dr. Francis stated that never once was a word mentioned that wind would not be covered. Hurricanes are wind. He repeated that when history is written, people will see that Louisiana was not treated fairly.

Mr. Dennis Stine thanked the members for their concern with Southwest Louisiana and for not having "Rita amnesia".

Mr. Tom Henning commented that the issue of wind did come up, because 90% of the damage from Hurricane Rita was from wind. He specifically asked about this and there was never a doubt in his mind that wind damage would be covered.

Mr. David Richard said funds for coastal protection had been requested in the amount of \$16.5 billion in WRDA. This was pared down to \$1.6 billion. He explained that there had been a huge marsh loss and asked that we use the word "restoration" and not just "protection" in the resolution.

Mr. Kopplin said we would amend the resolution accordingly.

Dr. Francis said he was concerned about health services and facilities. He pointed out that it takes three to four years to build a hospital, and we need funds to build structures for the short term as transitional facilities.

Mr. Kopplin said we need medical personnel, and that the short term health priorities are glaring.

Mr. John Brewster stated that the resolution needs to be all encompassing.

Mr. Kopplin explained that the goal is to come back to the priorities in October. This is only the preliminary resolution and is the initial outline to guide the conversations with Congress.

Dr. Francis offered a motion to give preliminary approval to the resolution to endorse federal recovery priorities. The motion was seconded by Mr. Walter Leger.

Preliminary Approval of the Resolution to Endorse Federal Recovery Priorities.

RESOLVED, that the Board hereby accepts and gives preliminary approval to the resolution to endorse federal recovery priorities.

Voting: Boyle, Brewster, Cross, Davison, Fraiche, Francis, Henning, Linda Johnson, Landry, Leger, Mackie, Reilly, Richard, Robinson, Salter, Smith, Stine, and Stuller.

VII. COMMITTEE REPORTS AND ACTION ITEMS

Long Term Community Planning Task Force Report

Ms. Fraiche explained that there would be six parish plans presented to the members for their approval: Beauregard, Calcasieu, Cameron, Plaquemines, Jefferson, and St. Mary. She thanked Mr. Jeff Hebert and Ms. Lynn Bankston for coordinating with the parishes in getting their plans prepared and finalized.

Mr. Jeff Hebert said there was \$41 million in the long-term community planning funding allocation for the six parish plans being presented. He said that St. Tammany, Terrebonne and Lafourche parishes would be presenting their parish plans at the October Board meeting.

Presentation of the Calcasieu Parish Community Recovery Plan

Mr. Chris Landry, Calcasieu Parish Police Jury President, and Mr. Bryan Beam, Assistant Chief Accounting Officer of Calcasieu Parish Policy Jury, presented the Calcasieu Parish Community Recovery Plan. Mr. Beam said they solicited public input over several months resulting in a comprehensive plan that will help them recover and prepare them for future disasters. Their primary emphasis was growth of the local economy as a business incubator. Mr. Beam commended Mayor Roach on the bond issue for the lakefront development project. The second emphasis was on physical infrastructure improvements such as drainage improvements.

Mr. Landry thanked the members for their service to the citizens and the entire state.

Mr. Matt Stuller said he had missed last month's Board Meeting and the presentation of other parish plans. He asked how investing taxpayer money into revitalizing the Lakefront and Riverwalk was considered recovery.

Mr. Beam commented that FEMA planners emphasized long-term planning and revitalization of the urban core as being critical to recovery. Then outer migration will occur.

Mr. Walter Leger explained that in rebuilding you have to look at what you do not like and don't rebuild those things; build the things you do like better, safer, stronger and smarter. Planners hired from Tulane said this is vision that was not anticipated by FEMA, but we are looking at rebuilding our towns and communities.

Mr. Dennis Stine commented that it is all about rebuilding safer. Lake Charles recently passed a \$90 million bond issue to support the Lakefront development and the federal dollars will only be a small part of the project.

Mr. Rene Cross asked if the Wetland Discovery Center project had been started prior to Hurricane Rita.

Mr. Beam said it had been started prior to the storm, but this project is seen as a key driver of economic development in downtown Lake Charles. Some funds had already been dedicated and local matching funds are required for this project.

Mr. David Richard added that private funds had also been committed and that it would be a private/public cooperative effort in building the Wetland Discovery Center.

Mr. Cross said there was some controversy over this project due to the Mississippi River, yet the Center is being built in Lake Charles, which is a long way from the Mississippi River. He asked if this project was really needed.

Mr. Richard stated that this project was being done with Audubon as a trailhead that will end in New Orleans. It focuses on 40% of wetlands in Louisiana, with the trailhead in Lake Charles and a terminal in New Orleans.

Dr. Francis explained that the Board would vote in globo on the parish plans.

Presentation of the Cameron Parish Community Recovery Plan

Mr. Ernie Broussard, Cameron Parish Policy Jury, said Cameron Parish is unique. Several models were superimposed for parish-wide recovery due to the devastation of the parish seat. They need to make a statement and commit to the reestablishment of government. He said that housing, education, and health care are all important, but they need to send a message to the rest of the parish about economic development. The reestablishment of the government will serve as a model for the rest of the developments in the parish. They need to have government, government services, and law enforcement before doing peripheral projects.

Presentation of the Plaquemines Parish Community Recovery Plan

Mr. Billy Nungesser, Plaquemines Parish President, said Plaquemines is a small parish that has recently been fighting FEMA and the Corps of Engineers to fix the pump stations to keep the parish dry. The parish asked the Corps to give up control of the pump stations, but they refused. The Corps is preparing a plan to storm proof the area to pre-Katrina conditions. An engineering company developed a plan to raise the pumps above the levee rather than rebuild as they were before Hurricane Katrina.

Mr. Nungesser stated that the ability to get dirt is the issue on the West Bank. The Corps has been taking dirt from Plaquemines Parish and they would like the governor to stop this from happening. The majority of recovery funding is going to New Orleans. Plaquemines doesn't need any funds until 2009, they just need dirt. The Corps needs to rebuild 34 miles of levee. He suggested that the Corps pay the landowners for their dirt and the residents could rebuild much cheaper. The Corps explained that the only way to do that is for the projects to be run by contractors. Mr. Nungesser said they just want to protect Plaquemines Parish.

The independent fishermen need assistance. They are not like the oystermen who got rich because of acreage. The independent fishermen do not have representation in Washington, D.C. and we need to make sure that funds get into the hands of the fishermen.

They are working on the Batiste Corridor to the Eastern Gulf, which is a 16-foot passageway. They are going to Congress to get the passageway deepened to 26-feet. This will not compete with Fourchon; it is critical to keeping jobs in the Eastern Gulf. Otherwise half of the oil service industry will go to Mobile, Alabama.

Mr. Brewster asked how they derived the cost estimates.

Mr. Nungesser said they looked at old plans and funding for projects that already have grant money, local funding or matching funds and came up with an estimate.

Ms. Donna Fraiche said CDBG funds are specific to projects, which makes it cumbersome. As time goes on, the figures will be perfected. She said it is up to the parishes to find the programs that can accommodate the funding.

Mr. Rene Cross said to include as many projects as possible because HUD will delete several projects from the list.

Mr. Nungesser commented that the Senior Citizen Centers, YMCA's, school systems and community centers were all cooperating.

Presentation of the Jefferson Parish Community Recovery Plan

Mr. Tim Whitmer, Chief Executive Assistant to Jefferson Parish President Aaron Broussard, said they worked with the communities over the past year to develop the plan and a funding formula that everyone would agree on.

Ms. Donna Fraiche said she had invited Mr. Whitmer to attend the meeting to present the Jefferson Parish Community Recovery Plan. She explained that it is important to recognize the importance of drainage, and the Jefferson Parish Economic Development Commission (JEDCO) process, as well as the economic and community development process. She explained that all the Jefferson Parish funding will go to drainage, so they had to find funding for the other projects themselves.

Mr. Whitmer stated that Jefferson was able to do some things themselves. They borrowed \$40 million and are waiting for reimbursement from FEMA. JEDCO is totally involved in every area of recovery. Local money got the process started. They are committed to funding everything but need assistance.

Presentation of the Beauregard Parish Community Recovery Plan

Mr. Jeff Hebert presented the Beauregard Parish Community Recovery Plan. They are requesting \$180,000 and their top priority is renovation of the old Post Office in DeRidder as an economic development project.

Presentation of the St. Mary Community Recovery Plan

Mr. Jeff Hebert presented the St. Mary Community Recovery Plan. They have a list of priorities, but their most important project is the Airport South Apron project.

Mr. Hebert pointed out that Beauregard and St. Mary Parishes suffered the least damage.

Ms. Kim Boyle asked why we were using federal resources on a Post Office.

Mr. Hebert responded that it is no longer used as a Post Office. It is an historic building that houses businesses.

Mr. John Landry commented that the bottom line is that lots of local people have been involved in the recovery planning process.

Mr. John Brewster expressed his concern that what we are voting on will be perceived properly.

Mr. Kopplin explained that this process was set up in January, 2007. The parishes were required to get local input in order to develop a local plan which is responsive to local needs with broad community input and which included economic development values. The LRA Board then approves local plans that meet the broad goals.

Ms. Donna Fraiche said that we approved the Orleans Parish Unified New Orleans Plan (UNOP) Recovery Plan last month. Our approval states that the local plan met the overall requirements. We are not trying to micromanage the projects.

Mr. Kopplin thanked the LRA staff and the Office of Community Development staff for their extensive efforts in working as liaisons with the parishes.

Ms. Donna Fraiche offered a motion to give final approval in globo to the Beauregard, Calcasieu, Cameron, Plaquemines, Jefferson, and St. Mary Parish Long Term Community Parish plans. The motion was seconded by Mr. John Landry.

Final Approval of the Beauregard, Calcasieu, Cameron, Plaquemines, Jefferson, and St. Mary Parish Long Term Community Parish Plans.

RESOLVED, that the Board hereby accepts and approves the Beauregard, Calcasieu, Cameron, Plaquemines, Jefferson, and St. Mary Parish Long Term Community Parish Plans.

Voting: Boyle, Brewster, Cross, Fraiche, Francis, Henning, Linda Johnson, Landry, Leger, Mackie, Reilly, Richard, Robinson, Salter, Smith, Stine, and Stuller.

Housing and Community Development Task Force Report

Mr. Walter Leger informed the members that over 50,000 applicants have received Road Home grants. He hears complaints daily on his radio program, but he feels the program has shifted and people are calling to thank the LRA and they are moving forward. There are still complaints, but things are getting better. Rand Corporation will be performing an in-flight review. The Legislative Auditor was critical of the disbursement of funds, but we have been unable to review the report. He commented that the Housing Task Force would be holding a meeting in the next couple of weeks to discuss problem resolution.

Mr. Leger explained that the Road Home options for homeowners are: Option 1: accept assistance to fill the insurance gap to repair their home; Option 2: a buyout proposal from the state and relocate within Louisiana; or, Option 3: sell and leave Louisiana. The legislature created the Road Home Corporation (RHC) Landbank to receive the titles from the properties when Option 2 is selected by the homeowner. The OCD provided \$30 million to maintain these properties and keep them safe and aesthetically pleasing. We are now moving toward moving the properties from the RHC Landbank to the local entities for redevelopment.

The first resolution sets guidelines for RHC's distribution of the properties to the local communities. The second resolution sets forth plans for redevelopment of the properties in St. Bernard Parish.

Dr. Calvin Mackie asked if there was a breakdown of the type of properties in Option 2.

Mr. Leger said he did not have this information.

Mr. Adam Knapp explained that 1,000 properties had been acquired as of last week. He projected that this number would climb to 9,000 properties.

Mr. Leger interjected that this number would ultimately be between 15,000 – 20,000 properties because 40% of the homes in St. Bernard Parish would be sold to the state. The percentage across the rest of the state is lower because more people will be rebuilding.

Ms. Linda Johnson asked if a property owner has a Small Business Administration (SBA) loan, if the property would revert to the SBA.

Mr. Leger pointed out that Option 2 is a real estate transaction and all loans must be paid off before the transfer of a title.

Mr. Sean Reilly asked about blight and lawn care for these properties, and if there was a mechanism where properties can be cleaned up before closing.

Mr. Leger said St. Bernard Parish can enact an ordinance that makes homeowners responsible for the upkeep of their properties or they are fined \$100 per day and a lien could be placed on their property. He explained that neither the state nor the RHC can do anything until they take ownership of the property, but the parishes can address the issue. He added that the RHC has contracted with a company for grass cutting in St. Bernard Parish.

Mr. Reilly asked how quickly this can be done.

Mr. Leger commented that nothing has been done yet and that is why the members would be voting on the guidelines.

Mr. Knapp said that a contract had been let for grass cutting and that 400 to 500 lawns had already been mowed. Pictures are being taken of the maintenance for the RHC to track the status of properties and for remote monitoring purposes. A line of credit was issued by OCD. The initial bid was for \$3.2 million for 1,000 properties, but the total contract could be up to \$18 million. It is a huge cost to maintain properties.

Dr. Francis asked if you could go on the property before it is owned.

Mr. Reilly stated that St. Bernard Parish has put the burden on the homeowner.

Mr. Leger commented that his position is that the parish has taken the responsibility.

Mr. Rene Cross said he felt it should be the responsibility of the parish. He asked if there was a final guideline or is that what is in the resolution.

Mr. Jeff Hebert said he spoke with OCD about creating a template based on the criteria in the resolution.

Mr. Cross asked if other parishes have guidelines to implement the program.

Mr. Leger pointed out that Mr. Hebert is holding meeting with the parishes. It is not as simple as it should be when dealing with CDBG. That is why we are creating a template and educating the local governments. The local governments want to know in advance what they can do to meet the requirements for their plan.

Mr. Reilly asked if a house is bought with HUD funds, if they will have to be reapplied to the program.

Mr. Leger said the difficulty is determining the split between the parish and the RHC when the property is sold. HUD requires the funds go back into the program. In New Orleans, they want the funds to go back to the area where the house was located, but no separate action plan is required.

Mr. Kopplin said St. Bernard Parish is ready. We need to be in a position where properties can quickly get back to the New Orleans Redevelopment Authority (NORA) or the other local agencies for housing purposes or whatever redevelopment is determined by the local governments. We are pushing the parishes to action.

Ms. Donna Fraiche said her mother received a call about her option letter and was told if no decision was made by October 31, 2007, that she would waive the right to an option. Ms. Fraiche said she had never heard of this deadline and wanted to bring it to the attention of the Board.

Mr. Kopplin said he would have Mr. Ty Larkins, LRA Policy Advisor, look into this.

Mr. Ty Larkins stated that he had not heard this before and he would investigate the matter.

Mr. John Landry said he would like to get clarification of the LRA role in rural versus urban land acquisition.

Mr. Kopplin stated that we do have a role, which has caused some consternation in New Orleans. Staff from the governor's office will be meeting with the New Orleans delegation to address concerns and to resolve the issue. The question is whether there is a difference between 100 acres and a lot that is 100' x 60'. This is a controversial question depending on which side of the Atchafalaya you reside.

Mr. Leger offered a motion to give final approval to the resolution on guidelines for parish disposition plans for RHC properties. The motion was seconded by Mr. Sean Reilly.

Final Approval of the Resolution to Adopt Guidelines for Parish Disposition Plans for Road Home Corporation Properties.

RESOLVED, that the Board hereby accepts and approves the resolution to adopt guidelines for parish disposition plans for Road Home Corporation Properties.

Voting: Boyle, Brewster, Cross, Davison, Fraiche, Francis, Henning, Linda Johnson, Landry, Leger, Mackie, Reilly, Richard, Robinson, Salter, Smith, Stine, and Stuller.

Mr. Leger presented the resolution on the St. Bernard Parish plan for the RHC acquired properties. He said the resolution states that neighbors have the right of first refusal, addresses demolition and maintenance, and specifies that the Road Home Corporation Landbank will get 80% of the sales and St. Bernard Parish will get 20%. These criteria are consistent with the guidelines that were just approved.

Mr. Sean Reilly asked if there was a deadline for the parishes.

Mr. Leger said this is a myth – there is no deadline.

Mr. Leger stated he wanted to amend the resolution to delete the provision that states that the LRA Board approved the St. Bernard Parish plan for the RHC acquired properties. He would like the resolution to state that the LRA Board recognizes the St. Bernard Parish property disposition plan as generally consistent with the guidelines set forth.

Mr. Leger offered a motion to give preliminary approval to the resolution that the St. Bernard Parish property disposition plan is consistent with the guidelines set forth. The motion was seconded by Mr. Sean Reilly.

Preliminary Approval of the Resolution that the St. Bernard Parish Property Disposition Plan is Consistent with the Guidelines Set Forth.

RESOLVED, that the Board hereby accepts and preliminarily approves the resolution that the St. Bernard Parish property disposition plan is consistent with the guidelines set forth.

Voting: Boyle, Brewster, Cross, Davison, Fraiche, Francis, Henning, Landry, Leger, Mackie, Reilly, Richard, Robinson, Salter, Smith, Stine, and Stuller.

VIII. UNFINISHED BUSINESS

There was no unfinished business.

IX. PUBLIC COMMENTS

There were no other public comments.

X. NEW BUSINESS

There was no new business.

XI. ANNOUNCEMENTS

There were no announcements.

XII. ADJOURNMENT

The meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Andy Kopplin
Executive Director

/fa

Date approved: _____