

GUSTAV/IKE ACTION PLAN AMENDMENT 7

**DISASTER RECOVERY INITIATIVE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CONSOLIDATED SECURITY, DISASTER ASSISTANCE,
AND CONTINUING APPROPRIATIONS
ACT, 2009
H.R. 2638 / Public Law 110-329**

**Louisiana Office of Community Development/
Disaster Recovery Unit**

**AMENDMENT NO. 7 – *NON SUBSTANTIAL Related to Homelessness Prevention
Housing Programs and Compensation/Incentive Program***

**TO THE STATE OF LOUISIANA ACTION PLAN
FOR THE UTILIZATION OF CDBG FUNDS IN RESPONSE TO HURRICANES
GUSTAV AND IKE**

Submitted to HUD: July 12, 2010

Approved by HUD: July 30, 2010

**Bobby Jindal
Governor**

**Scott Angelle
Lieutenant Governor**

**Angele Davis
Commissioner of Administration**

GUSTAV/IKE ACTION PLAN AMENDMENT 7

Amendment Number 7 (Non-Substantial) to the State of Louisiana Action Plan for Disaster Recovery – Utilizing Funding from the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Public Law 110-329)

The State of Louisiana was awarded an initial allocation of \$438,223,344 in CDBG Disaster Recovery funding from the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 for the purposes of disaster relief, long-term recovery, and restoration of infrastructure, housing and economic revitalization directly related to the consequences of recent 2008 hurricanes Gustav and Ike. The State submitted its Disaster Recovery Action Plan to HUD for approval on January 8, 2009. The Action Plan submitted to HUD provided the framework for distribution of the initial \$438,223,344 of funding under the Act.

HUD approved \$309,791,652 of the Action Plan on March 19, 2009 and requested a clarifying Amendment be submitted for the remainder. The state submitted Action Plan Amendment Number One on May 18, 2009. HUD approved Action Plan Amendment Number One, which further details the distribution of funds and eligible program activities for affordable housing, fisheries, agriculture, coastal restoration, and administration, on July 24, 2009.

HUD issued notice of a second allocation for grant funds for CDBG disaster recovery of \$620,467,205 to Louisiana, as published in the Federal Register on August 14 (FR-5336-N-01). This notice requires the State to submit an Amendment to Louisiana's initial Action Plan for Disaster Recovery to provide further details for the distribution of funds and the eligible program activities for the second allocation.

Amendment Number Two requested approval for the entire second allocation, with a majority of funds (\$408,368,165) being added to existing program areas and the remainder allocated to statewide 'unmet needs.' Amendment Number Three detailed the new programs areas to be funded with \$112,099,040 of the funds to respond to statewide unmet needs and was approved on December 30, 2009 in the amount of \$90,000,000. Action Plan Amendment Number Four detailed how the state intends to dedicate the remaining \$100,000,000 balance of 'unmet needs' funds and will be submitted to HUD for approval in June 2010.

This Action Plan Amendment Number Seven provides *non-substantial* clarifications on the homelessness programs in Action Plan Amendment Number One; and on the housing compensation and incentive recovery program language in Action Plan Amendment Number One.

This Amendment may be obtained via the Internet at:

<http://doa.louisiana.gov/cdbg/DRactionplans.htm>, or by contacting: Paul Catrou, Office of Community Development, Post Office Box 94095, Baton Rouge, Louisiana, 70804-9095.

Comments may be sent to the attention of Paul Catrou at the above address or sent via facsimile to (225) 219-9605 to the attention of Paul Catrou. Comments may also be submitted via email at ocd@la.gov or through the online form at <http://www.doa.louisiana.gov/cdbg/dractionplans.htm>.

GUSTAV/IKE ACTION PLAN AMENDMENT 7

I. INTRODUCTION

The Office of Community Development's Disaster Recovery Unit (OCD-DRU) has developed the following **Action Plan Amendment Number Seven (Non-substantial)** to provide clarification to program language noted in Action Plan Amendment One. This Amendment Seven does not involve a funding change.

II. AMENDED LANGUAGE

A. Amend APA No. 1, Section V. OVERVIEW OF ELIGIBLE PROGRAM ACTIVITIES; **B. STATE-IMPLEMENTED PROGRAMS**; 1. Affordable Rental Housing Programs

Amend this section to add under **Types of Projects**:

- **Homelessness Prevention**

Many households, especially rental households, that evacuated or whose homes were damaged by the storms were near the edge of sustainability prior to the storms. The state may provide resources towards households most at risk of homelessness for reasonable rent/utility payments, deposits and arrears, moving and storage expenses, and emergency hotel housing, as necessary.

Homelessness Prevention is an existing program described and included under the *C. Parish-Implemented Programs*. It is determined that cost effective and coordinated implementation can be obtained also through state-implementation of the homelessness prevention activities to provide affordable rental options already stated in the approved Action Plan Amendment One.

B. Amend APA No. 1. Section V. OVERVIEW OF ELIGIBLE PROGRAM ACTIVITIES; **Section C. PARISH-IMPENTED PROGRAMS**; 1. **Housing** as follows:

A non-substantial change to the 1a. **Homeowner Compensation/Incentive Program**. The purpose of this change is in the \$50,000 CDBG incentive limited to LMI households. The change proposed would provide this same assistance to non-LMI households in the area as an incentive for resettlement in the region, with the overall priority remaining LMI households served. The amendment also clarifies the requirements related to insurance, allowing that LMI and Non-LMI households are eligible regardless of the household having insurance at the time of the storm, except for those who have received federal assistance for previous disasters. The insurance requirements of those programs prevail, unless otherwise specified by the state.

Under "**Type of Assistance**", remove and replace #2 with the following:

- 2) CDBG funds will be used for up to a \$50,000 incentive loan to LMI households and non-LMI households of the area to remediate damage and/or increase resiliency.

Under "**Maximum Assistance Levels**", remove and replace language with the following:

The maximum assistance for any homeowner is \$60,000.