

DISASTER RECOVERY INITIATIVE  
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Allocations, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2016  
*The Continuing Appropriations Act, 2017, The Further Continuing and Security Assistance Appropriations Act, 2017 and The Consolidated Appropriations Act, 2017 (Public Law 114-223, 114-254 and 115-31)*

Federal Register Docket No.

FR-5989-N-01, FR-6012-N-01 and FR-6039-N-01, FR-6136-N-01

LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT, DISASTER RECOVERY UNIT



**STATE OF LOUISIANA  
ACTION PLAN AMENDMENT NO. 20 (substantial)  
FOR THE UTILIZATION OF  
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS  
IN RESPONSE TO THE GREAT FLOODS OF 2016**

Public Comment Period: December 28, 2022 – January 26, 2023

SUBMITTED TO HUD: January 27, 2023

APPROVED BY HUD: March 20, 2023

**John Bel Edwards**  
Governor

**Billy Nungesser**  
Lieutenant Governor

**Jay Dardenne**  
Commissioner of Administration



## **A. Summary of Changes**

The purpose of Action Plan Amendment 20 is to reduce the allocations of multiple programs, using those funds to increase the budget for the Middle Market Loan program. The increase to the Middle Market Loan program is intended to provide more gap assistance for construction that will continue to benefit LMI renters. This amendment will further clarify the administration and distribution of funds for the Pecan Acres Resettlement Program, the High-Risk Community subset of the Solution 4 Restore Louisiana Homeowner Assistance Program (RLHP).

This APA is considered substantial, as it involves the re-allocation of more than \$5 million dollars or a re-allocation which constitutes a change of 15 percent or greater of a program budget. This amendment also results in a change in program benefits.

## B. Total CDBG-DR Allocations

State of Louisiana Total CDBG-DR Allocations				
	Previous Allocation	Change	Revised Allocation	Percent Change
<b>Total Allocation</b>	<b>1,708,407,000.00</b>		<b>1,708,407,000.00</b>	
<b>Respire Louisiana Homeowner Programs</b>				
Homeowner Assistance Program	1,059,716,475.00	-	1,059,716,475.00	0%
RLHP Flood Insurance Assistance Program	1,000,000.00	-	1,000,000.00	0%
RLHP Interim Housing Assistance Program	6,000,000.00	-	6,000,000.00	0%
<b>Rental Housing, Housing Assistance and Homelessness Prevention Program</b>				
Neighborhood Landlord Rental Program	36,085,427.26	-	36,085,427.26	0%
Neighborhood Landlord Program Phase II	7,561,331.82	(1,852,481.82)	5,708,850.00	-24%
Neighborhood Landlord Program Phase III	14,301,124.92	(5,676,668.00)	8,624,456.92	-40%
Multifamily Rental GAP Program	21,015,518.00	-	21,015,518.00	0%
Piggyback Program	73,040,006.00	-	73,040,006.00	0%
Permanent Supportive Housing Program	5,000,000.00	-	5,000,000.00	0%
Rapid Rehousing Program	11,000,000.00	-	11,000,000.00	0%
Resilient and Mixed Income Piggyback Program	108,000,000.00	-	108,000,000.00	0%
Neighborhood Stabilization Housing Initiative	-	-	-	
Soft Second Program	6,000,000.00	-	6,000,000.00	0%
Safe Haven Program	4,000,000.00	-	4,000,000.00	0%
Louisiana Military Dept - Affordable Rental Housing	10,000,000.00	-	10,000,000.00	0%
Cypress at Ardendale - Affordable Rental Housing	8,000,000.00	-	8,000,000.00	100%
Rural Bond Bundle Program	15,000,000.00	-	15,000,000.00	0%
OCD CDBG Homeownership (OCHO) Pilot Program	5,000,000.00	-	5,000,000.00	0%
Middle-Market Loan Program (MMLP)	33,000,000.00	19,564,319.82	52,564,319.82	59%
Fast GAP A Program	15,000,000.00	(9,707,704.00)	5,292,296.00	-65%
Fast Gap B (Rental Affordability Preservation) Program	17,368,652.00	(2,327,466.00)	15,041,186.00	-13%
<b>Restore Louisiana Economic Recovery and Revitalization Programs</b>				
Small Business Loan Program	39,306,474.00	-	39,306,474.00	0%
Small Business Technical Assistance Program	-	-	-	0%
Farm Recovery Program	19,741,171.00	-	19,741,171.00	0%
<b>Restore Louisiana Infrastructure and Public Services</b>				
Infrastructure Program (PA Match)	105,000,000.00	-	105,000,000.00	0%
First Responders Public Services Program	1,691,140.00	-	1,691,140.00	0%
PRO Louisiana Workforce Development	3,500,000.00	-	3,500,000.00	0%
<b>Administration and Planning</b>				
Watershed Modeling and Planning	21,600,800.00	-	21,600,800.00	0%
Regional Capacity Building Grant	3,200,000.00	-	3,200,000.00	0%
Administration and Planning	58,278,880.00	-	58,278,880.00	0%
<b>Total</b>	<b>1,708,407,000.00</b>	<b>-</b>	<b>1,708,407,000.00</b>	<b>0%</b>

## C. Proposed Use of Funds

### 1. Neighborhood Landlord Rental Program Phase II

<b>Eligible Activity</b>	<b>Rehabilitation, new construction, loan financing (HCDA Sections 105 (a)(4)); 105(a)(8-9); 105(a)(15)).</b>
<b>National Objective</b>	<b>Benefit to low to moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$7,561,331.82</b>
<b>Budget Change</b>	<b>(\$1,852,481.82)</b>
<b>Revised Program Budget</b>	<b>\$5,708,850.00</b>

**Budget change summary:** The state has determined that after reducing the Neighborhood Landlord Rental Program Phase II budget by \$1,852,481.82, sufficient funds will be available to serve all eligible households.

### 2. Neighborhood Landlord Rental Program Phase III

<b>Eligible Activity</b>	<ul style="list-style-type: none"> <li>• <b>Clearance, Rehabilitation, Reconstruction, and Construction of Buildings (Including Housing), HCDA Section 105(a)(4)</b></li> <li>• <b>New Housing Construction, as identified in Federal Register Docket No. FR-5989-N-01</b></li> </ul>
<b>National Objective</b>	<b>Benefit to low to moderate income persons</b>
<b>Previous Program Budget</b>	<b>\$ \$14,301,124.92</b>
<b>Budget Change</b>	<b>(\$5,676,668.00)</b>
<b>Revised Program Budget</b>	<b>\$ \$8,624,456.92</b>

**Budget change summary:** The state has determined that after reducing the Neighborhood Landlord Rental Program Phase III budget by \$5,676,668.00, sufficient funds will be available to serve all eligible households.

### 3. Fast Gap A Program

<b>Eligible Activity</b>	<ul style="list-style-type: none"> <li>• <b>Clearance, Rehabilitation, Reconstruction, and Construction of Buildings (Including Housing), HCDA Section 105(a)(4)</b></li> <li>• <b>New Housing Construction, as identified in Federal Register Docket No. FR-5989-N-01</b></li> </ul>
<b>Nation Objective</b>	<b>Benefit to low- to moderate-income persons</b>
<b>Previous Program Budget</b>	<b>\$15,000,000.00</b>
<b>Budget Change</b>	<b>(\$9,707,704.00)</b>
<b>Revised program Budget</b>	<b>\$ 5,292,296.00</b>

**Budget change summary:** The state has determined that after reducing the Fast Gap A Program budget by \$9,707,704.00, sufficient funds will be available to serve all eligible applicants.

4. Fast Gap B (Rental Affordability Preservation) Program

<b>Eligible Activity</b>	<ul style="list-style-type: none"> <li>• Acquisition of Real Property, HCDA Sections 105(a)(1)</li> <li>• Clearance, Rehabilitation, Reconstruction, and Construction of Buildings (Including Housing), HCDA Section 105(a)(4)</li> </ul>
<b>National Objective</b>	<b>Benefit to low- to moderate-income persons</b>
<b>Program Budget</b>	<b>\$17,368,652.00.00</b>
<b>Budget Change</b>	<b>(\$2,327,466.00)</b>
<b>Revised Program Budget</b>	<b>\$15,041,186.00</b>

**Budget change summary:** The state has determined that after reducing the Fast Gap B Program budget by \$2,327,466.00, sufficient funds will be available to serve all eligible applicants.

5. Middle-Market Loan Program

<b>Eligible Activity</b>	<ul style="list-style-type: none"> <li>• Acquisition of Real Property, HCDA Sections 105 (a)(1)</li> <li>• Clearance, Rehabilitation, Reconstruction, and Construction of Buildings (Including Housing), HCDA Section 105(a)(4)</li> <li>• New Housing Construction, as identified in Federal Register Docket No. FR-5989-N-01</li> </ul>
<b>National Objective</b>	<b>Benefit to low- and moderate-income persons</b>
<b>Program Budget</b>	<b>\$33,000,000.00</b>
<b>Budget Change</b>	<b>\$19,564,319.82</b>
<b>Revised Program Budget</b>	<b>\$52,564,319.82</b>

**Budget change summary:** The state created the Middle-Market Loan Program in APA 16 to provide gap financing to support the rehab and/or construction of multi-family buildings that serve a range of household incomes, with the goal of using higher-cost units to generate deeper affordability for LMI renters. The budget is being increased by \$19,564,319.82. The additional funds will further support the construction or rehabilitation of affordable housing units due to increased construction costs and the increased interest rates to obtain a first mortgage lender.

## D. Program Description

Homeowner Assistance Program – Restore Louisiana Homeowner Rehabilitation, Reconstruction and Reimbursement Program

<b>Eligible Activity</b>	<ul style="list-style-type: none"> <li>• <b>Rehabilitation, Reconstruction, Buyouts, Acquisitions, New Construction, Public Facilities, Interim Housing Assistance, Expansion of Homeownership (42 U.S.C. 5305(a)(4)); HCDA Sections 105 (a)(1-4),</b></li> <li>• <b>105(a)(7-8), 105(a)11, 105(a)24). Housing Incentive, as identified in Federal Register Docket No. FR-5989-N-01 and other applicable Federal 15 Register Notices.</b></li> <li>• <b>Also eligible are elevation expenses related to rehabilitation and reconstruction activities and reimbursement of eligible rehabilitation and reconstruction activities.</b></li> </ul>
<b>National Objective</b>	<b>Urgent Need or benefit to low-to-moderate income persons</b>
<b>Program Budget</b>	<b>\$1,059,716,475.00</b>
<b>Per Property Award Cap</b>	<b>Increase from \$200,000.00 to \$300,000.00</b>

**Budget change summary:** The state has determined there is a need to increase the per property award cap for the twenty (20) newly built homes in Pecan Acres to \$300,000.00. Action Plan Amendment 11 addressed technical clarifications in the eligibility of the High Risk Community properties and allowed rental property and vacant lot owners to participate in the program in order to achieve a more comprehensive community buyout tied to an organized retreat from an area prone to repetitive flooding. The homeowners and rental property owners who chose to move into the newly built community are not subject to the program’s \$200,000 per-property award cap, as their award levels are based upon the appraised value of the newly built homes. Due to the increased cost to build and subsequent market adjustment, the appraised value of the resettlement properties and thus the award amounts are calculated above the \$200,000 cap. This Action Plan amendment raises the cap to \$300,000.00 for the newly built homes in Pecan Acres.

## E. Public Comments

Per the state’s initial Action Plan, this Amendment is considered substantial as it as it substantially amends program budgets and adds new programs and beneficiaries. The formal public comment period for the amendment begins December 28, 2022 and runs until 5 p.m. January 26, 2022. Citizens and organizations can comment on this amendment via:

- a. The OCD-DRU website, [http://www.doa.la.gov/Pages/ocd-dru/Action\\_Plans.aspx](http://www.doa.la.gov/Pages/ocd-dru/Action_Plans.aspx);
- b. Emailing them to [ocd@la.gov](mailto:ocd@la.gov);
- c. Mailing them to Office of Community Development, P.O. Box 94095, 70804-9095, Attn: Janice Lovett; or
- d. Faxing them to the attention of Janice Lovett at (225) 219-9605.

The plan is available in Vietnamese and Spanish to reach the limited English proficiency citizens in the

impacted areas. Citizens with disabilities or those who need other technical assistance can contact the OCD office for assistance via the methods listed above.

## **F. Appendix**

### **PUBLIC COMMENT**

No comments received.