



## RESOLUTION

**Overview:** A resolution by the Restore Louisiana Task Force recommending to Louisiana Governor John Bel Edwards the allocations of \$100,000,000 towards rental and homelessness prevention programs, \$62,000,000 towards economic development and agriculture assistance programs, and \$105,000,000 towards FEMA Public Assistance non-federal share match, from the state's Community Development Block Grant Disaster Recovery (CDBG-DR) allocations of \$1,656,972,000 for recovery from the Great Floods of 2016; and also recommending that Governor Edwards instruct the Office of Community Development to immediately include the details of these programs into a Second Appropriation Action Plan for submission to the United States Department of Housing and Urban Development.

**WHEREAS**, on September 2, 2016, Governor John Bel Edwards established by Executive Order Number JBE 2016-65, the Restore Louisiana Task Force, directing the members of the Task Force to establish both short and long-term priorities in developing plans for recovery and redevelopment;

**WHEREAS**, these priorities and plans shall focus on the following areas: housing and redevelopment; economic and workforce development; education; infrastructure and transportation; healthcare; fiscal stability; family services; and agriculture;

**WHEREAS**, on September 29, 2016, President Obama signed into law a Continuing Resolution directing \$500 million to the U.S. Department of Housing and Urban Development for recovery from disasters in 2016;

**WHEREAS**, HUD allocated \$437.8 million of that \$500 million in CDBG-DR to the State of Louisiana as a result of the catastrophic and destructive floods that impacted the state in both March and August 2016;

**WHEREAS**, on December 10, 2016, President Obama signed into law the Fiscal Year 2017 Further Continuing Resolution, directing HUD to allocate \$1.8 billion to states that experienced presidentially declared disasters in 2016 but prior to December 10, 2016. These funds are in addition to the \$437.8 million HUD allocated in October 2016;

**WHEREAS**, HUD allocated \$1,219,172,000 of that \$1.8 billion to the State of Louisiana as additional recovery funds as a result of the catastrophic and destructive floods that impacted the state in both March and August 2016;

**WHEREAS**, the total amount allocated of \$1,656,972,000 is less than half the amount the State estimates is required to address unmet disaster recovery needs;

**WHEREAS**, given the significant shortfall in allocated CDBG-DR funding, the minimum goals and primary priorities of the Restore Louisiana Task Force for each program area are:

Housing:

Enable homeowners currently displaced, as well as those currently in their homes but living in unsustainable shelter conditions, to complete adequate repairs and/or reconstruction in order to return and re-occupy their home on a permanent basis;

Repair or construct an adequate number of affordable rental units to accommodate currently displaced renters within a reasonable proximity of their jobs and schools;

Provide adequate assisted housing solutions for disaster victims who are homeless or are in danger of becoming homeless, as well as for long-term unemployed and extremely low-income renters currently receiving FEMA temporary assistance;

Infrastructure:

Provide adequate cost-share assistance necessary to ensure that State and local infrastructure projects funded under FEMA's Public Assistance Program are completed;

Economic Recovery:

Provide adequate assistance via grants, loans and technical assistance to prevent otherwise viable small businesses from closing and/or jobs being eliminated due to the disaster;

NOW, THEREFORE, BE IT RESOLVED BY THE RESTORE LOUISIANA TASK FORCE, THAT:

**Section 1:** The Restore Louisiana Task Force recommends to the Governor the following allocation amounts and recovery programs to address unmet needs in the areas of rental housing and homelessness prevention, business and agriculture assistance, and FEMA Public Assistance non-federal share match:

**Rental and Homelessness Prevention Programs: \$100,000,000**

*Infill Disaster Housing Program:* The program will offer eligible applicants CDBG-DR funding to restore or create affordable units in structures that contain seven or fewer housing units. Individual properties will be underwritten and eligible applicant property owners will be awarded a loan, with possible partial forgiveness, as defined in the program policies and procedures.

*Multi-Family and Public Housing Authority Gap Program:* The goal of the Multi-Family Rental Gap Program is to provide funds to restore and re-establish multifamily housing units which were impacted by flooding, and provide greater affordability of rental units in flood-impacted parishes. Many properties outside the floodplain were not required to hold insurance and thus have no means to offset the cost of repair. For those property owners that had insurance, the cost of repair may not be fully met. Given these circumstances, Public Housing Authorities and private property owners may face significant gaps to repair units. In addition, insurance rates may increase given the

extensive nature of the disaster; therefore, it is anticipated that owners of large developments will have a financial burden in operation and cash flow, which will impact their ability to recover and offer affordable housing to qualified renters.

*Piggyback Program:* The state's 'Piggyback' program will seek to leverage CDBG-DR funds with low income housing tax credits and/or other sources to address longer-term housing recovery needs in the impacted communities. The Piggyback Program's objective is to finance the development of multi-family rental housing in areas most impacted by the Great Floods of 2016. The Program will develop rental housing utilizing, but not limited to, the following priorities:

Workforce Housing Units: the program will prioritize the creation of mixed-income projects including market-rate units and units affordable to (and restricted to occupants by) households with incomes below both 80% and 60% of area median income (AMI);

Additional Affordability Units: The program seeks to facilitate development of units affordable to (and restricted to occupancy by) households with incomes at or below 20% of AMI, 30% of AMI, and 40% of AMI;

Permanent Supportive Housing (PSH): The program seeks to facilitate the development of permanent supportive housing for a variety of households, including extremely low income citizens at 20% AMI and below, with serious long-term disabilities, and/or who are homeless, and/or who are most at-risk of homelessness.

*Rapid Rehousing Program:* This program will provide rental assistance and support services to those renters displaced by the floods and who are also at risk of becoming homeless. Populations deemed at-risk of becoming homeless include very low- and extremely low-income families receiving Temporary Shelter Assistance from FEMA and very low- and extremely low-income families temporarily living with friends or family.

*Permanent Supportive Housing Support Services Program:* A critical component of any Permanent Support Housing plan, the support services provided through this program will assist individuals in transitioning to Permanent Supportive Housing and maintaining successful, long-term tenancies. Eligible participants must have incomes at or below 50% of Area Median Income and require services to maintain their housing situation. Supportive housing is, by definition, permanent affordable housing linked to services (health, mental health, employment) required to help individuals rebuild their lives after homelessness, institutional care or other disruptions.

### **Economic Development & Agriculture Recovery Programs: \$62,000,000**

*Small Business Loan and Grant Program:* The state will enter into sub-recipient agreements with local community development organizations (non-profit organizations, community development financial institutions, local credit unions, etc.) to implement and administer a lending program for disaster-impacted small businesses for non-construction related expenses.

*Technical Assistance Program:* Either separate technical assistance providers or the entities implementing the loan and grant program will provide business technical assistance services as part of the loan underwriting and loan servicing processes. Technical assistance activities may include, but are not limited to: development of

business plans; financial management guidance; and long-term recovery and sustainability plans.

Louisiana Farm Recovery Grant Program: The program will be available to farms in all of Louisiana's disaster declared parishes and will target farms that are deemed viable and able to contribute to the economy while maintaining and creating rural jobs. Funds will be available via a direct grant to the farm. Farms assisted through the program are expected to plant a crop in 2017, and must be able to provide a plan detailing an acceptable use of funds, including: how they would use the grant; what they intend to plant; anticipated acreage and proposed committed timeline for their goal.

**FEMA Public Assistance Non-Federal Share Match Program: \$105,000,000**

The program will provide funding to cover the non-federal share of FEMA Public Assistance grants provided for the March and August flood events. This includes the 25% cost share match required for the March floods, and the 10% match required for the August floods. FEMA PA recipients will be eligible for this funding. The result will be reimbursement of eligible FEMA PA activities.

**Section 2:** In order to continue expediting the process of federal fund approval, the Restore Louisiana Task Force recommends to the Governor that the State of Louisiana, Office of Community Development incorporate and provide appropriate details on the above recommended Rental and Homelessness Prevention programs, Economic Development and Agriculture Recovery programs, and FEMA Public Assistance Non-Federal Share Match Program into its Second Appropriation Action Plan Amendment. The Office of Community Development should then immediately publish the Action Plan Amendment for the federally required 14-day public comment period, and, upon incorporation of all public comments, submit the Action Plan Amendment to HUD as soon as possible, for its review.

PASSED AND UNANIMOUSLY ADOPTED on this the 20<sup>th</sup> day of January 2017.

**APPROVED**

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**Jimmy Durbin, Co-Chair**

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**Jacqui Vines Wyatt, Co-Chair**