

**Disaster Recovery Initiative
U.S. Department of Housing and Urban Development (HUD)
Public Law 109-234
The Emergency Supplemental Appropriations Act for Defense, the Global War on
Terror, and Hurricane Recovery**

**Louisiana Office of Community Development/Disaster Recovery Unit,
(OCD-DRU)
Division of Administration**

Non-Substantial Action Plan Number 22 to Katrina/Rita Second Appropriation:

- **Reallocation of funds from the Local Government Infrastructure Program to the Infrastructure Program Delivery Program; and**
- **Clarification of Language in the Road Home Disposition and Redevelopment Process**

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Non-Substantial Action Plan Number 22 to Katrina/Rita Second Appropriation: Reallocation of funds from the Local Government Infrastructure Program to the Infrastructure Program Delivery Program; and Clarification of Language in the Road Home Disposition and Redevelopment Process

Activity Amount: Transfer of \$1,748,393 from Local Government Infrastructure Program (4.4%) to the Infrastructure Program Delivery Activity (5.7%)

This amendment transfers \$1,748,393 from the *Local Government Infrastructure (ILOC) Program* allocation to the *Infrastructure Program Delivery* allocation. These funds will be used to assist program applicants in developing projects and assuring compliance with CDBG regulations throughout implementation. This transfer of funds is particularly realized as projects move towards completion making funds available, and others progress in design and the needs become evident to cover costs of reviews and regulatory requirements required related to the decision to fund large and often more complex infrastructure projects. Funds could be used to provide assistance to applicants in all disaster recovery infrastructure programs, including, but not limited to the following: *Long Term Community Recovery, Fisheries Infrastructure and Assistance, Local Government Infrastructure* and, including the allocation for *Primary and Secondary Education Infrastructure*.

The ILOC program was created in the second allocation in APA 15 and amended in APA 18. This amendment decreases the ILOC program in the second allocation from \$39,657,000 to \$37,908,607. The Infrastructure Program Delivery activity was created in APA 6, with additional updates in APA 12, APA 13, APA 14 and APA 18. The Infrastructure Program Delivery activity will increase from an allocation of \$30,692,359 to \$32,440,752.

This amendment is considered non-substantial since the transfer is less than 15% of the *Local Government Infrastructure Program* allocation and the *Infrastructure Program Delivery* activity; does not create a new program; nor, does it change any beneficiaries.

These expenditures will be presumed to meet the National Objectives of the Infrastructure programs they serve.

Monitoring

This activity is considered to be a low risk activity. Monitoring will be performed by the Office of Community Development (OCD-DRU) staff in accordance with the contracts and the OCD-DRU Monitoring Plan.

**Clarification of Language in the Road Home Disposition and Redevelopment Process
Activity Amount: No funds involved**

APA 21 (Second allocation) outlines the disposition plans for properties obtained through the Road Home Program. It states that the Road Home Corporation dba the Louisiana Land Trust (LLT) is the publically chartered nonprofit corporation created to both take title to properties

purchased by the Road Home Homeowner Assistance Program and also to work with the Office of Community Development/ Disaster Recovery Unit and the parishes to facilitate in the recovery and redevelopment initiatives of these properties.

The purpose of this Action Plan Amendment is to clarify the methods for determining Fair Market Value.

This amendment changes language on page 6 of APA 21 from:

“Fair market value is defined as the current post-storm value of a property as determined by a Louisiana certified appraiser or by auction.”

To:

“Fair Market Value is defined as the price for property which would be agreed upon between a willing and informed buyer and a willing and informed seller under usual and ordinary circumstances. Reasonable methods for determination of fair market value may include, but are not limited to, the following examples: a Broker Price Opinion by a Louisiana licensed real estate broker, an appraisal by a Louisiana licensed appraiser or auction.”