

Full repair reimbursement plus SBA payoff leaves many Low to Moderate income families with nothing



Published: 7-21-2018 Revised: 7-22-2018

Louisiana Task Force made up of individuals that represented the people voted last Friday, July 13, 2018 to hold 683 million in HUD CDBG-DR funds until Congress and HUD allow funds to be granted to SBA Disaster Loan recipients.

Full reimbursement has been allocated and full SBA Loan payoff has been completely funded and those funds are being held for the "Big SBA Fix" for Louisiana 2016 Flood victims. This leaves homeowners with NFIP and FEMA duplication of benefits without funding, ZIP, ZILCH, ZERO.

The actual core to the whole HUD CDBG-DR program was left out in the muddy waters by Louisiana Swamp Politics.

With the public unable to reach out to the Louisiana Task Force to express their concerns the Task Force voted unanimously to effectively end all federal grant aid to all groups except for reimbursement and SBA Disaster Loan approved households. Director of community development, Patrick Forbes, made sure policy was in place and no remedy offered to households that used FEMA money to purchase items such as vehicles when the grant was for structural repairs. As other states such as New York and New Jersey worked with FEMA to waive this duplication of benefits the state of Louisiana OCD-DRU focused less on HUD demographics and more on the statistically higher voting population and the governors pipe dream to pay SBA loans.

After the flood it was estimated that 220,000 vehicles were destroyed. Vehicles are the life line for many families and without a vehicle income ends for many households. The people didn't rush out and purchase party supplies, kegs of beer and drugs to live the "High Life" for a year. No, those families were forced to find transportation, and it was at a cost. Nearly every used car in our areas were flooded. We had to search

outside our areas for vehicles, and the prices were not going down. Some were actually forced to purchase what they could find shipped in to local dealers. People needed to get back to work so they used what funds they could find. FEMA had just offered the funds to help with rebuilding their homes, but those household used those funds to purchase vehicles so they could keep their jobs.

But what did the Office of Community Development - Disaster Recovery Unit director Patrick Forbes say about all this when asked if there was a way we could waive the DOB on FEMA or deal with it later as Mr. Durbin Chair person for the Louisiana Task Force asked Mr. Forbes (April 13, 2018 task force meeting)? Director Forbes said to the task force that HUD would expect us to repay the full grant amount awarded to the family if they didn't finish repairs. In the history of HUD Disaster Relief there are no public documents online that support director Forbes statement to the Louisiana Task Force.

A quick search did find that New York and New Jersey elected officials worked with FEMA to have \$25,000 worth of all FEMA grants waived for homeowners due to unforeseen costs after the disaster. Did the state of Louisiana even attempt to have the FEMA grant money waived from the duplication of benefits screening? No, and today even if FEMA did waive the grants, Restore Louisiana has not made allowances for these homeowners based on Action Plan Amendment 9.

The 22 member Restore Louisiana Task Force that was selected by Governor Edwards to represent the state and it's people has failed the people on many levels in grant award processing. We have had many floods, and we should be finished with the "Learning Curve" and know just how to rebuild. First help those that are willing to help themselves but unable to do so, then work your way up the ladder.

What focus would you have to have to vote Yes on the items in the Action Plan Amendment 9?

- SBA Disaster Loans required the ability to repay. Many low income families could not afford the payments and declined the offer. This means the task force is focused on groups above the 80% AMI which FEMA identifies as those able to repay SBA loans. Even Rep. James voted Yes to hold \$638 million to pay effectively pay off or down SBA disaster loans.
- Reimbursement assists those that had the money or the private credit lines to have all the work completed on their homes. This is a wider demographics but still has focus on the wealthier disaster victims. Your low income households living paycheck to paycheck would not have the reimbursement option.

By voting to allow the remaining CDBG-DR funds to cover those that had the resources to rebuild Representative James, Representative Pope, Chair person Durbin effectively ended the recovery efforts of our low income population within the most impacted areas.

But that's within the limits according to reports published by the OCD-DRU. Within weeks of the first allocation of funds the Governor requested the required 80% of all funds assist those that have income less than 80% AMI and are located in the most impacted areas. The Governor asked that number to be changed to 50%, HUD approved the 55% number and today it's estimated by December 2018 that the minimum amount of funds possible to assist low income families will be reached, estimated to be 58%. But we wont know the actual numbers until audits are completed years from now. We just know from the numbers that the States Office of Community Development that is funded and responsibly for handling HUD funds worked very hard to support the minimum numbers of our states low and moderate income families.

Unless a new allocation of grant money is coming from HUD these families will have to look elsewhere to complete their homes after the 2016 floods.

We can only hope that the politicians, task force members and governors of the disaster states after our 2016 Floods do not do the same as Louisiana politicians. Even congressmen that pushed for funding will soon forget the disaster victims when they start their "Big Fix" projects that based on engineering will leave

thousands of homes and businesses flooded. None of the "Big Fix" projects address and correct the I-12 water flow issue, so those homes and businesses will always be at risk.

For our Texan neighbors, work on getting FEMA to waive the first grants from DOB screening, people do need vehicles and kitchen appliances before they need drywall. The same for you PR, FL, VI, let the people use the FEMA money for what needs they need to get their household back working, eating and sleeping as best as you can. To sleep on floors after a flood and telling that household you shouldn't have purchased a bed or bedding is inhumane.

Texas, we hope you have better people than our local representatives and state government workers. We hope you come first and the drainage ditches come second. We have been told a ditch will protect us, and we respond, "Protect what? Our homes are still not complete."

Louisiana State Reps vote to effectively cancel all future HUD CDBG-DR funding and abandon flood victims that can not afford to carry the debt to rebuild after the flood.

Copy provided by TruckAndTools.Com developed by Murray Wennerlund.

Email help@truckandtools.com for additional information.

Copyright © 2019 TruckAndTools.Com All Rights Reserved.

Original location: <https://www.truckandtools.com/disaster/rants.asp?gdyk=117>

Published: 7-21-2018 Revised: 7-22-2018

Contribute

**TRUCK AND
TOOLS .COM**