

## **Word has it Louisiana Flood Victims are not interested in rebuilding based on a 13% program dropout rate.**



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When you first applied to the Louisiana Restore Homeowners Program you may have thought this would be easy, you flooded, you do not have enough money to rebuild. HUD offered \$1.33 to share with homeowners, then the OCD-DRU stepped in and took it all away.

Thousands have complained for months now since the first major fix to a major bottleneck restricting the release of HUD CDBG-DR funds was only partially fixed. Even Governor Edwards in a press released acknowledged the fact that the SBA Fix of Feb. 9, 2018 would only help 3,800 households instead of what he wanted and needed to fix roughly 11,200 households that actually accepted the SBA Disaster federal assistance.

An estimated 11,200 households are saying they need more money and they need HUD money, the Governor was very clear on that.

But what Governor Edwards wasn't clear on after Feb. 8th and Feb. 9th 2018 rant blaming U.S. Senator Kennedy for all the states SBA problems was the group that U.S. Senators Kennedy and Rubio did help.

Governor Edwards reported that 3,800 homeowners would benefit from the wording of the bill passed in H.R. 1892 Public Law 115-123 but that was it. He has not given the order for the OCD-DRU to actually do anything for the 3,800 homeowners that declined assistance from the SBA but are still being penalized for having applied to the SBA.

It appears Governor Edwards was "All In" and lost the bet. It also appears he has forgotten all about the 3,800 he pointed out so vocally back in February. It appears since he couldn't fix 11,200 SBA Loans that were taking by homeowners those that refused the money are just not worth fighting for.

State Representative "Ted" James said it best July 13, 2018 when he asked to be on recorded before the official task force meeting started. View this link for the video and story.

So now a small group of homeowners are picking up the fight and out of the gate have hit a wall of unresponsive Louisiana Restore Task Force members.

We aren't talking a few thousand dollars, we are talking over \$162 million at least that the state is willing to not offer homeowners and transfer to state infrastructure simple because the Full SBA Fix isn't going to happen. Listen to State Rep. James and read the bill, it changes nothing, FEMA and HUD will continue to tell the state No regarding using HUD funds to pay back SBA Loans. It's been told to the Governor at least 3 times officially between FEMA and HUD.

You be the judge, listen to the people and listen to the Louisiana Office of Community Development - Disaster Recovery Unit Director Patrick Forbes, does this sound like the plan to help Louisiana Homeowners rebuild?

To me it sounds as if he's given up on the people of the State of Louisiana.

It also appears he's bucking to break all records as the fastest CDBG-DR closeout in HUD Grant history. This may come at a \$682 million price to Louisiana Taxpayers and Voters that lost millions because of the flooding DR-4263 and DR-4277

Let's face the facts, 16% drop out of the program because they listen to others struggle in the program. Over 49,000 attempted to navigate the program and gain access to HUD CDBG-DR funds. Roughly 34% are denied access to the program. Another 16% dropout of the program.

Then there are the ones that receive a grant award that comes with a FEMA "Clawback" for FEMA IA grant money that may have been used for food, clothing, rents, or even to purchase a vehicle to get back to work. All things the OCD-DRU Director Patrick Forbes tells the state and the state Task Force the state will have to pay back to HUD. So many things stated without anyone questioning the one making the statements.

Now after the July 13, 2018 meeting we are seeing an increased lack of fight from the Task Force itself and the people are responding by simply walking away. Most are saying it's been over 2 years, I'm tired of fighting with the state, I will rebuild on my own, it's just going to take many years to fix everything. Why? Why has our OCD-DRU which is paid to assist us all after a disaster making it so difficult?

Maybe the \$1.33 Billion was really never ours the homeowners in the first place and only the Grantee knew who would benefit from HUD CDBG-DR grants designed to help the people first then infrastructure.

<source src="https://www.truckandtools.com/dl/GDYKImg/137/LA\_OCD-DRU\_Director\_Patrick\_Forbes\_July\_13\_2018\_Holds\_682\_Million.mp4" type="video/mp4" />

In the 2 minutes and 32 seconds it took to watch the video you may have felt many emotions, we all did when we listened to OCD-DRU Director Patrick Forbes lay on the line \$682 million to an SBA gamble. You may have felt like thousands of Louisiana flood victims have felt and feel today, and that feeling is "Hopelessness".

Opinion: From a quick review of the Pipeline reports it looks like we are on track to have less than 55% of all the funds offered to the LMI crowd. Not only that, those rebuilding that finished before the Restore program elevated about 1 foot to low for reimbursements. Will HUD help?

Pipeline Report August 11 - 17 2018 #52:

- Zero Award: 25% or 9,957 households. (This is those that have SBA issues and DOB amounts greater than damage estimates)
- Ineligible Determination 19% or 7,374 households many of which did not meet the minimum dollar amount in damages of \$8,000
- Withdrawn by Applicant: 13% or 4,841 households as of this report.
- Grant Awards Offered: 13,642
- Grant awards Obligated: 10,391 which are the actual homeowners that handled all DOB and FEMA Clawbacks and now are locked in to an amount but other restrictions do apply so this is still not 100% paid out.

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