

## **State Community Development agencies penalizing homeowners that refused to take the approved SBA Loan.**

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Is your state setting you up to fail your disaster recovery? Ignoring Public Laws 115-123 part of H.R. 1892. Are they creating local rules that just don't seem to fit the spirit of the DOB SBA rules?

DOB for those that Declined here's just one more clip from within our state managed Office of Community Development that shows they are aware of things but seem to ignore what would benefit those that the HUD CDGB program was designed to help.

As you know the State of Louisiana to use CDBG funds from HUD had to prove that 70% of the funds were going to help 100% of the LMI groups in the 6 most impacted parishes.

By asking for waivers the State has reduced the required amount of funds to help LMI households from 70% to 55%.

They also are taking LMI households that were found to have credit and removing them from the LMI Household list as credit worthy of SBA Loan households.

This week would be the best week to sound off that you are not happy with how Restore the OCD-DRU group is handling things for LMI households. These are our Louisiana neighbors, they work in state and live in state with us, they are making changes that are not providing the help our LMI neighbors truly need. They are actually excluding LMI households for having been good with their low incomes. They are excluding homeowners for having credit, for being accepted by SBA for credit or collateral.

If you could tell the HUD Auditor from the HUD Office of Inspector General anything today what would it be?

Maybe we all need to call Governor Edwards today and ask him why our LMI neighbors Household was denied a financial hardship because Restore claims that the SBA accepted their application for a loan even when the homeowner declined the loan.

Maybe we need to post a comment here.  
Maybe we need to post a comment in RestoreLA.

Maybe we need to call HUD and ask to speak with the OIG Inspector that is in town today.

Maybe it's time to make noise so you can finish your home.

I know I'm only addressing roughly 3,800 flood victims according to the published numbers. But, as we addressed the issue of DOB and Forced Mortgage Payoffs at times it only takes one person to find the issue and maybe one person to correct the issue (Pointing at You Mrs. Meyers). But at times we need a group to push the issue for change.

Let's say you are not LMI, but maybe we have one or more in our group that are. Would you speak out for them as well?

Let's guess that the Office of Inspector General HUD is having lunch right now, do you have a number to call him or her? If you did, would you pick up the phone and call?

You you know it was any number of these auditors that could trigger an internal audit related to your issue would you spend the time looking their numbers up to find how who is in town and if they could spend 3 minutes over the phone with you?

The list isn't long, John Laswick, David Noguera, Hunter Kurtz, Ryan Flannery, Jessie Handforth Kome, James, Yerdon, Mark Mitchell all could make things happen for you with a 3 minute call or a short post. Maybe Mr. Flannery would be interested in hearing from you after you call the Governors office today or any time this week.

"Mr. HUD OIG, why would a Low to moderate income family with good credit be declined CDBG-DR grant money because the household was approved for an SBA Loan due to having good credit?"

"Mr. HUD OIG, why would I place my household in what could be described as a financial hardship by taking on a long term loan? If I said I had \$100.00 extra each month would you say I had enough to live monthly with an added long term debt?"

"Mr. HUD OIG, at wont point does the rules about Low to Moderate Incomes stop being about income and more about SBA Loans and the ability to pay back the loan? We could afford the loan, SBA claims that to be true, but having \$0.00 monthly savings and being \$31k yearly income makers doesn't give us room to make a mistake with our money. It also makes it impossible to provide general maintenance to our home for the length of the loan."

**WE ARE NOT MAKING ENOUGH NOISE TO HELP EVEN ONE MEMBER OF OUR GROUP!! LETS MAKE THEM TAKE NOTICE WE HAVE RETIREES THAT ARE OR WILL BE SKIPPING MEAL TO PAY BACK LOANS.**

Resource: APA 1 GREAT FLOODS OF 2016 SUMMARY OF PUBLIC COMMENTS AND THE STATE'S RESPONSES TO THOSE COMMENTS

Community Development Block Grant-Disaster Recovery funds were allowed to pay off SBA loans after Hurricane Katrina, but HUD subsequently issued guidance in November 2011, in which it clarified the duplication of benefits requirements under the Stafford Act for CDBG-DR grantees. The November 2011 guidance can be found at: <https://www.gpo.gov/fdsys/pkg/FR-2011-11-16/pdf/2011-29634.pdf>

<https://www.hudoig.gov/>

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