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RESTORE
LOUISIANA TASK FORCE



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Restore La. Program Speeds Up Progress, Aims to Help More Homeowners and Businesses

BATON ROUGE, La. - At today's Restore Louisiana Task Force meeting, Gov. John Bel Edwards said the state is making significant progress in its recovery from the 2016 floods, but there is more work to be done to help homeowners and businesses recover faster "While we are moving faster than any other housing recovery effort in our nation's history, due to the required federal processes and the fact that we are still trying to secure additional funds to meet the remaining unmet needs of our people, we are still very much in the middle of our recovery," Edwards said.

Edwards has requested more than \$3.7 billion from Congress to fund Louisiana's long-term recovery efforts. To date, the state has been allocated about \$1.7 billion, of which \$1.3 billion is dedicated to the Restore Louisiana Homeowner Assistance Program to help homeowners rebuild and recover, as well as reimburse them for work they have already completed. The program is funded through the U.S. Dept. of Housing and Urban Development.

"As HUD required, our initial priority was helping homeowners with low-to-moderate incomes and those

with disabled and elderly household members," Edwards said. "In recent months, Restore Louisiana has expanded, and now all families, including those who had flood insurance, who have completed the initial survey and are eligible for the program have been invited to complete an application. "In an effort to speed up the process of assisting homeowners, we have hired additional damage assessors and are continuing to work with HUD and other federal agencies to streamline the processes so we can more quickly get these precious dollars into the hands of our citizens."

Gov. Edwards also addressed the \$81 billion disaster recovery legislation pending in Congress that includes a proposed change to the existing guidance regarding how SBA loans are considered a duplication of benefits for grant programs.

"Eliminating SBA loans as a duplication of benefits is something my office and the Office of Community Development have been working toward with HUD, SBA and the Congressional Delegation," Edwards said. "We know that a loan is different from a grant, and we think this needs to be changed. It is important to note that this legislation has only passed the House, has yet to be considered by the Senate and would require presidential approval."

Of the approximately 22,000 homeowners who have completed the formal application for Restore, 5,300 were approved for SBA loans for home repairs/reconstruction. Edwards said if the bill is finalized, some homeowners who didn't qualify for assistance will be able to do so, and some who did qualify will be able to receive more funding. "We are monitoring the situation and will continue to fight for more federal recovery dollars to meet the unmet needs of our citizens," Edwards said.

Also included in the bill are billions of dollars in disaster mitigation money earmarked for flood prevention and U.S. Army Corps of Engineers projects. If passed as is, the state could receive up to \$600 million for infrastructure and flood-mitigation projects, including potential funding for watershed management projects like the Comite River Diversion Project. According to Office of Community Development Executive Director Pat Forbes, the Restore Louisiana Homeowner Assistance Program has received more than 47,000 initial surveys from flood-impacted homeowners and, based on their responses, has invited nearly 38,000 of those respondents to apply to the program. To date, the homeowner assistance program has awarded \$144 million to 5,000 homeowners.

"We are committed to doing everything we can to help as many homeowners as possible and are working daily to improve the delivery of the program while remaining flexible enough to accommodate the new applicants we could see if the duplication of benefits issue is successfully resolved, which we certainly hope will happen," Forbes said.

In addition, the state provided the following program updates:

- Outreach: The homeowner program is currently hosting a series of outreach events in flood impacted communities across the state to help homeowners complete their applications.
- Piggyback: The rental program has added a piggyback option to its existing landlord and multifamily programs. The new program will "piggyback" \$36.7 million in Community Development Block Grant dollars on top of Low Income Tax Credits to create 500 units for low-to-moderate income tenants. Action Plan Amendment 1 originally obligated \$19 million to a Piggyback Program and APA 7 now moves an additional \$17.7 million into Piggyback.
- Small Business: The small business program has 87 approved applications and 209 are currently going through the pipeline. In addition, there are more than 160 applications who have not been submitted and lenders are working with those businesses to get their applications submitted. The program has been made more attractive by increasing the forgiveness portion of the loan to 40 percent. Loan amounts could range from \$10,000 to \$150,000.
- MHUs: FEMA will start charging rent to occupants of Mobile Housing Units beginning March 1. Currently, there are 1,800 Restore Louisiana homeowners living in MHUs. The state is negotiating

with FEMA to adjust its policy and the Restore program is working with those residents to get their homes completed as quickly as possible.

In other federal news for flood victims, the tax bill recently passed by Congress now allows anyone with more than \$500 in losses from the 2016 floods not covered by insurance or government grants to deduct those costs from their taxable income — even if they didn't itemize deductions on their taxes and claimed the standard federal deduction instead. The new tax bill also waives an IRS penalty for flood victims who pulled cash out early from retirement accounts. Finally, the initial survey to determine eligibility is still available to flood-affected homeowners who have not yet responded. It's available online at restore.la.gov or by phone from 8 a.m. to 6 p.m. weekdays at (866) 735-2001 or by visiting one of the Restore Louisiana housing assistance centers in Lafayette, Hammond, Monroe and Baton Rouge.

About the Restore Louisiana Task Force The Restore Louisiana Task Force comprises 21 individuals from throughout the state who were appointed by Gov. John Bel Edwards to oversee the rebuilding process after historic flooding in March and August 2016 impacted 51 disaster-declared parishes. The Task Force's mission is divided into six categories: community planning, economic, health and social services, housing, infrastructure and natural and cultural resources. All task force documents are available at <http://restore.la.gov/resources/>. For more information, visit restore.la.gov.

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