

Email:

From: Lori Dupont
Sent: Thursday, July 12, 2018 4:27 PM
To: Adam Knapp; Commissioner Mike Strain; Darryl Gissel; Don Pierson; Dr. James Richardson; Shawn Wilson; Jacqui Vines Wyatt; Jimmy Durbin; John Gallagher; Johnny Bradberry; Mayor Dave Norris; Mayor Ollie Tyler; Mayor-President Joel Robideaux; Michael Faulk; Michael Olivier; Randy Clouatre; Representative Edward "Ted" James (2); Representative J. Rogers Pope; Representative Robert Shadoin; Roland Dartez; Sean Reilly; Senator Dan "Blade" Morrish
Cc: Aimee Richard; Arlene Adger; Barbara Marrable; Becky Perret; Cami Barlow; Enger Kinchen; Jane Lambert; 'Jayne Norton'; Julie Simms (jmullis@C100LA.org); Karen Brown; Karen White; Kimberly LaMotte; Michel Zambo; N Jarreau; Nancy Collie; Paine Gowen; Rhea Victorian; Rhonda Byrd; Sabrina Sentino; Susan Wassan
Subject: RLTF 7/13 Meeting Materials
Attachments: Restore Louisiana Task Force Agenda 7 13 18 LD V1.docx; Drafted 4-13-18 Meeting Minutes 20180419.docx; 20180413 Resolution _ Watershed.docx; Homeowner Program Expansion Resolution 07132018.docx

Members of the Restore Louisiana Task Force:

Please find the attached documents for your review and records in preparation of the RLTF meeting scheduled for Friday, July 13, 2018, at 9:30 AM at the Louisiana State Capitol in House Committee Room 5.

1. RLTF 7/13/18 Meeting Agenda
2. RLTF 4/13/18 Meeting Minutes
3. RLTF 4/13/18 Amended & Approved Watershed Resolution
4. Homeowner Program Reimbursement Expansion Resolution

Kindest Regards,

Lori Dupont

Executive Assistant to the Executive Director
Office of Community Development-Disaster Recovery Unit
State of Louisiana
225-342-1626



RESOLUTION

Overview: A resolution by the Restore Louisiana Task Force encouraging the Louisiana Watershed Coordinated Agencies (LWCA) to prioritize investment to advance watershed-based floodplain science in Louisiana.

WHEREAS, Louisiana seeks to create a safer state for its citizens who are living in proximity to water; and

WHEREAS, Louisiana will invest billions of dollars of CDBG-DR, HMGP and other resources for the protection, sustainability and resilience of the state through advanced floodplain management; and

WHEREAS, Louisiana has invested and is continuing to invest significant resources toward creating organizations such as The Water Institute of the Gulf and university centers that build the state's strength as a unique, global leader in water management; and

WHEREAS, Louisiana has an opportunity to develop capabilities through its non-profit research institutes and universities to advance the science, knowledge and capabilities of Louisiana for Louisiana that develop cutting edge, innovative capabilities that can become tools to help the world, and position its institutes to be more competitive for additional national and international work; and

WHEREAS, Louisiana is positioned to be a national and international leader in watershed-based floodplain management; and

WHEREAS, the state should promote as a top strategic priority the scientific advancement of water-related innovation for Louisiana in a manner that also respects that non-profit research centers and universities should avoid direct competition with the private sector;

NOW, THEREFORE, BE IT RESOLVED BY THE RESTORE LOUISIANA TASK FORCE, THAT:

Section 1: The Restore Louisiana Task Force strongly encourages that the Louisiana Watershed Coordinated Agencies (LWCA) seek to further Louisiana's competitiveness in watershed-based floodplain management by prioritizing the use of their state and federal resources at Louisiana's independent, not-for-profit, scientific research institutes such as The Water Institute of the Gulf and at other, similar water management research centers that currently exist at its public and private research universities and private entities. Further, these state and federal investments should seek to leverage their independent

scientific and technical advice and avoid competition with the private sector for capabilities including but not limited to:

- Coordinating the development of a common set of modeling standards;
- Providing the State with Quality Assurance / Quality Control services;
- Developing a statewide flood Real-Time Forecasting (RTF) System; and
- Developing metrics and research-based strategies for assessing community vulnerability and adaptation interventions.

Further, the Restore Louisiana Task Force encourages regular public reporting to the Task Force and to the public to demonstrate progress toward the goals stated above.

PASSED AND UNANIMOUSLY ADOPTED on this the 13TH day of July 2018.

APPROVED

Jimmy Durbin, Co-Chair

Jacqui Vines Wyatt, Co-Chair

RESTORE LOUISIANA TASK FORCE

April 13, 2018

**Louisiana State Capitol
Senate Committee Room A-B
900 North 3rd Street
Baton Rouge, Louisiana 70802**

MINUTES

I. CALL TO ORDER

Mr. Durbin called the meeting to order at 9:34 AM.

Mr. Durbin: Good morning, everyone. My name is Jimmy Durbin, co-chair of this committee. We will begin with roll call.

II. ROLL CALL

TASK FORCE MEMBERS PRESENT:

Mr. Johnny Bradberry
Mr. Jimmy Durbin
Mr. Michael Faulk
Mr. John Gallagher
Mr. Darryl Gissel
Mr. Adam Knapp
Mr. Sean Reilly
Dr. James Richardson
Commissioner Mike Strain
Dr. Shawn Wilson

TASK FORCE MEMBERS ABSENT:

Mr. Randy Cloutre (non-voting, ex-officio)
Mr. Roland Dartez
Representative Edward “Ted” James
Senator Dan “Blade” Morrish
Mayor Dave Norris
Mr. Michael Olivier
Mr. Don Pierson
Representative J. Rogers Pope
Mayor-President Joel Robideaux
Representative Rob Shadoin
Mayor Ollie Tyler
Ms. Jacqui Vines Wyatt

Ms. Dupont: Sir Chair, 10 members are present. We do not have a quorum.

LET THE RECORD SHOW THE FOLLOWING MEMBERS ARRIVED AFTER THE ROLL CALL:

Mr. Michael Olivier
Mr. Don Pierson

SUPPORTING STAFF MEMBERS PRESENT:

Pat Forbes, Executive Director, Office of Community Development
Stacy Bonnaffons, Office of Community Development
Jennifer Perkins, Emergent
Nicole Sweazy, Louisiana Housing Corporation
Marvin McGraw, Office of Community Development
Skip Smart, Louisiana Economic Development
Robert Bizot, Louisiana Housing Corporation
Pat Santos, Office of Community Development
Shauna Sanford, Office of the Governor
Jeff Haley, Office of Community Development
Casey Tingle, Governor's Office of Homeland Security & Emergency Management
Madhu Beriwal, IEM
Jon Mabry, IEM
LaSonta Davenport, Office of Community Development
Dan Rees, Office of Community Development
Lori Dupont, Office of Community Development
DeJa Smith, Office of Community Development
Portia Johnson, Office of Community Development

III. CHAIRPERSON OPENING REMARKS

~ Jimmy Durbin, Restore Louisiana Task Force Co-Chair

Mr. Durbin: Thank you, we do expect a quorum for this meeting, as we have important business to take care of today. Three or four resolutions that we will be considering and we also are expecting a visit from Governor John Bel Edwards around 10:30, so again, good morning everyone and thank you all for joining us for the Restore Louisiana Task Force meeting here today. I want to thank all of the task force members for their continued participation and commitment to this as we will hear today, much progress has been made, but there is still a lot for us to do for our recovery. I will keep my opening remarks brief and we will begin with the presentations. Is Mr. Robert Bizot present? Please come to the witness table, along with Mr. Forbes, on the item entitled rental program reallocation and present this and the resolution that will be presented for adoption. We do not have a quorum, so we will come back to that resolution but will begin with this particular item. Thank you.

IV. RENTAL PROGRAM REALLOCATION

~ Robert Bizot, Louisiana Housing Corporation

CONSIDERATION OF RESOLUTION

Mr. Forbes: So, yes sir, thank you, just very briefly. The proposal that you are about to hear is regarding our rental programs and allocation of funds across those rental programs. The proposal is to after having received applications from all the different rental programs that we have, we understand the funding that is going to be required for each now. There will be a \$7 million surplus in the Neighborhood Rental Program. The proposal before you today will be to move that \$7 million from the Neighborhood rental to Piggyback. In addition to that, now that all those applications are in from all the programs, we were able to do some analysis. Mr. Bizot and his folks have done some analysis with the respect to where the rental units that we will be building will be located. Specifically they did analysis relative to rural versus urban. We found that our rural population and census tracts were underrepresented in the units. Consequently, this proposal goes further and recommends that the \$7 million be allocated specifically to a rural pool for housing within Piggyback. I'll leave it at that, if you have any questions Mr. Bizot is the expert.

Mr. Durbin: Any comments, Mr. Bizot?

Mr. Bizot: I think he covered the basis. Throughout the rigorous analysis that we did, look at it in the past IA data, we did realize that if we did not address the rural population through this transfer today then we would be undeserved throughout the entire rental portfolio.

Mr. Forbes: I guess I can only suggest if we do not have the quorum yet maybe we will go through the presentations for each of the proposals, and then we can have a vote on the resolution.

Mr. Faulk: I am trying to keep it simple, a brief overview of what is the Piggyback Program?

Mr. Bizot: Not a problem. The Piggyback Program is exactly in the name. We are piggybacking off of low income housing tax credits. And the state has awarded 9% and 4% low income housing tax credits that the Louisiana Housing Corporation continuously puts out through different types and notice of funds availability. In which these funds would be used to offset some of the soft cost or the gap financing that would be necessary to bring some of those multifamily units into fruition.

Mr. Forbes: It basically leverages low income housing tax credits so we can get more units and better amenities, and more opportunity to do mixed income housing.

Mr. Durbin: Okay, thank you Mr. Bizot. All right, we will pass on consideration of the resolution that pertains to that presentation.

V. PUBLIC SERVICES PROGRAM

~ LaSonta Davenport, LA Office of Community Development

CONSIDERATION OF RESOLUTION

Mr. Forbes: Okay, the next resolution before you is a proposal to create a new program called the First Responders Program. It would be Public Services Assistance Program. I am sure that many of you remember immediately after the storms that there were. The statewide reassessment was in 2016, and many jurisdictions suffered from that reassessment in that the flooded homes had lower property values, reduced tax revenues from ad valorem tax. We heard from fire districts, we heard from sheriff's offices about lack of funding due to those reductions to continue to carry on their work in the face of additional costs that they faced in responding to and recovering from the floods. This program would move \$8 million

out of what's currently in our admin budget into a first responders program to back-fill those losses of ad valorem taxes for EMS, sheriff's, fire districts, all the first responders in the ten most impacted and distressed parishes. We will survey all of those entities and we already have a pretty good understanding of which parishes had reductions in ad valorem tax, so this program should move fairly quickly. It is worth noting that This \$8 million from administration. I have been talking for a few months about our moving \$10 million, reducing our admin by ten million. This is eight of that ten, we're simply not moving the other two until. We will talk about the SBA business in a bit, but until we understand the budget impacts of the SBA guidance from HUD on our homeowner program. We will hold that \$2 million to see where it will best be utilized. And again, if you have any questions Ms. Davenport is the expert on this program. Do you have any comments before you receive questions?

Ms. Davenport: No, I do not. I think that covered everything.

Mr. Reilly: A brief comment, I think this is brilliant. You are taking what would normally be administrative overhead, expenses and providing direct services and directly to everybody's favorite direct services. So, just a quick question. Is there anything in here for the Cajun Navy?

Mr. Forbes: Since they are not covered by ad valorem taxes. Unfortunately not, no.

Commissioner Strain: Yes, and just a general question. I know there has been a significant decrease in the amount of ad valorem taxes collected. Do we have a ballpark figure of what that is, just overall? Is it, and that \$50 million, \$100 million? Whatever that amount is.

Ms. Davenport: We had not assessed the overall reduction in the ad valorem taxes, just those of the ten most impacted parishes. And the responses that we received from a few of those parishes show that there was about, and sheriff's budgets in particular -about a \$4.5 million deficit. But overall, and that's just for sheriff's departments in particular. So no, no total assessment overall of the impacted parishes. But we will do more of that once we get the resolution passed and we can see the impacts.

Commissioner Strain: Thank you.

Mr. Faulk: Any consideration given to those school systems that have ad valorem taxes that were impacted by that? The reason why is it does impact state funding for a school system, and it takes two years of data to be able to recover any loss or gain in the state funding formula. I know ours dropped approximately \$1.4 million on our, just our ad valorem tax collections.

Mr. Forbes: That certainly came up in discussion, in fact, with members of the task force as well. And at this point, it's not in there, but it certainly is a thing that we can consider. Unfortunately, the amounts associated with school districts may be way beyond the scale that we would have available. But it's absolutely worth exploring and seeing what those numbers are, and which we will do.

Dr. Richardson: The allocation Do you have a formula for allocating, for example, let us say we get to request of 12 million and you only have 8. How do you plan to allocate?

Ms. Davenport: We are going to, all of the applicants, they will be applicants, those entities that are interested in receiving funding through this program. We are going to review their applications, review the type of services, or things that they want to implement, or cover through this funding. And then based on the budget shortfall that they do have in addition to the types of things that they want to cover, we'll review that and then see how everything will be allocated. We do not have a particular formula for that right now, but as we develop the guidelines for the program, we will present that to you guys after it's approved.

Mr. Forbes: The most important part of this allocation is not necessarily a division by need necessarily or by damages. We only can provide a maximum up to the tax revenue declines that we can document. So to the extent that we can document tax revenue declines among all these agencies that exceed \$8 million, it would likely just be a pro rata reduction for everyone. But everybody's top amount is going to be determined by their specific ability to document ad valorem tax losses.

Dr. Richardson: Okay, and is there, if, let's say it does come to be more than \$8 million, based on the criteria you're talking about, Pat, is there another bucket of money to turn to at all, or not?

Mr. Forbes: Certainly, we still have the \$2 million-

Dr. Richardson: Besides that.

Mr. Forbes: We have a total grant of \$1.7 billion for those grants. And how we allocate those funds is absolutely always in play. The \$1.2 billion that we will be talking about in a few minutes is an important part of that. Probably the most important part of the answer to your questions, is how the interpretation of the SBA duplication of benefits comes out. If that is broader and allows us to help more people, then we will be tight on funding within the homeowner, current homeowner program budget. If it is more restrictive, then we may in fact have options for moving funds, yes sir.

Mr. Bradberry: Pat, in your assessment for unmet needs, East Baton Rouge, Livingston, Washita, and Vermillion, identified an unmet need due to the reduction in ad valorem taxes? What about the other six parishes of the ten? Have they just not turned in their information, are they not interested or what is the deal with those?

Ms. Davenport: The Acadia Parish, St. Tammany Parish, and Washington Parish, did not have a reduction in their ad valorem taxes and again this is for the Sheriff's Departments only. So yes, those did not, and the other remaining that are not listed in the four, they also did not have a reduction in their ad valorem taxes.

Mr. Bradberry: All right, and so they are automatically not eligible for any of this money?

Mr. Forbes: That is correct.

Mr. Durbin: All right, task force if you will go to tab seven, the third page in that tab. There are three pages in that tab, the third page is the resolution pertaining to this. Once you, all of you have reviewed that, I will ask for a motion to adopt the resolution.

Mr. Gallagher: I move.

Mr. Reilly: Second.

Mr. Durbin: All in favor signify by saying aye.

All members: Aye.

Mr. Durbin: Is there any opposition? There is no opposition, it is unanimous. Thank you, Mrs. Davenport.

IV. RENTAL PROGRAM REALLOCATION ~ Robert Bizot, Louisiana Housing Corporation CONSIDERATION OF RESOLUTION

Mr. Durbin: Okay, Mr. Bizot If you will come back to the podium. Tab five is the item that Mr. Forbes and Mr. Bizot have presented on. And that is, Dealing with shifting seven million. Okay, everybody with me? All right, this is a rental. Okay, any other comments from Mr. Forbes, Mr. Bizot? All right, the resolution is before you.

Mr. Reilly: I motion

Mr. Bradberry: Second

Mr. Durbin: All in favor signify by saying aye.

All members: Aye

Mr. Durbin: Is there any opposition? No opposition, unanimous. All right, moving to watershed. Thank you, Mr. Bizot.

V. WATERSHED PLANNING & MITIGATION ASSISTANCE ~ Cooperating Agencies CONSIDERATION OF RESOLUTION

Mr. Forbes: So thank you. This third resolution goes to the issue of the \$1.2 billion that has recently been allocated to the State of Louisiana through the bipartisan budget act of 2018 that was passed in February. We just got the allocation a week or so ago. It is important to note the reason that there are four of us up here is that shortly after the floods, the Governor had us all begin working together in preparation for this moment. We did not know if or when we would get substantial funding for infrastructure. For a while there, it did not appear that we would. That has come to fruition now. And the work that we have all been doing together over the last several months has gotten us into a position to hit the ground running with respect to investing this \$1.2 billion. And the resolution before you is to because the Governor's executive order that created the Restore Louisiana Taskforce charges you with short, medium, long-term recovery planning for the recovery from the floods. This resolution is to clarify, to essentially assign the responsibility for working within this watershed-based floodplain management plan to this group of state agencies and the various stakeholders and other groups that will be working with us in establishing the priorities for investments of the funds. To be clear, the Governor made it clear from the very beginning; this is not going to be a state run, top-down sort of organization. What he did was put the resources that he had available together to begin doing this work. It absolutely will be collaborative with local governments. It has to be. Part of the process will be creating watershed districts that are different from current jurisdictional boundaries. It will be working with them, working with federal agencies, working with universities, water institute, the gulf, all these various organizations to make sure that we bring the best and brightest of Louisiana to the task of ensuring that we do this right that we get it right. And that we create a model, frankly, for the rest of the country.

Mr. Reilly: Pat, so I understand we would be handing off this allocation. And one of the recommended programs is the 25% match for what is otherwise going to be hazard mitigation dollars. Are we handing off those dollars as well as part of this? The hazard mitigation dollars that we would otherwise get.

Mr. Tingle: So those hazard mitigation dollars come very quickly after the event and the Governor has already allocated those dollars. This funding would then go to allow the jurisdictions to match that funding.

Mr. Reilly: Okay got it.

Mr. Forbes: It is worth noting that several jurisdictions had essentially told GOHSEP they may not be able to take the grant for lack of ability to come up with the match.

Mr. Bradberry: Pat, can we talk about the money a little bit, the \$1.2 billion? What are you hearing now are the specifications and the guidelines for spending that money? What parishes is it going to go to, who is eligible, what percentage of it, what kind of flexibility do we have? Those types of questions. Can you inform the taskforce here on how that money is to be spent, what we know today, at least?

Mr. Forbes: What we know today is only what was in the legislation. The next step is for HUD to publish their federal registry notice that describes their interpretation of that legislation. What we have tried to glean from the legislation, it appears that it is possible that it could be used in all 64 parishes. Because it calls the grantee the State of Louisiana and it does not refer necessarily back to the impacted parishes. We do not know if that will be an interpretation. That has not been ever an interpretation in the past.

Mr. Bradberry: So what you and I talked about here, over the last couple of days, may in fact not be correct? In that there are some parishes that we agreed that probably would not be eligible, or now might be eligible for some of this money. Now would they be eligible for the 20% or the 80%?

Mr. Forbes: So the 20% and 80% is also a construct that I have been overlaying on the money just from my experience with previous HUD allocations and federal registry notices. They may not write that into there. And what Mr. Bradberry's talking about is that, in most cases, in fact with our \$1.7 billion, we're required to spend 80% of those funds in the ten most impacted and distressed parishes. They could carry that requirement over to the 1.2 billion or they could not. So we may be restricted in focusing those funds in most impacted places and we may not. And again, we may even not be restricted to the 56 declared parishes. We have certainly requested of HUD the opportunity to do statewide flood mitigation planning and implementation of projects because 56 of our 64 parishes are impacted. And it would be crazy for us to miss an opportunity to do mitigation across the entire state. Where they will land on the answer to that question we do not know yet.

Mr. Bradberry: Okay, and when do you think it'll be published in the federal registry, and we'll get a clear understanding of those facts?

Mr. Forbes: They have not indicated a time for us, other than that they are trying to do it fairly quickly. But they also said that they were still in discussion about all these matters.

Mr. Faulk: When the work is done, will there be priority levels established as to the projects that will be addressed by the funds? Because there are some things that need to be done rather quickly that would benefit a large number of people. There are other things that do need to be done that maybe, the priority may not need be as vital.

Mr. Martin: Right, the collaborative group that we've put together immediately recognized that we had some of these, what we're calling low hanging fruit are no brainers. Projects that can be initiated and undertaken, and we are putting a priority on those and identifying who's the best entity to undertake and execute those. But it's all part of the process. We're also investigating longer term, developing standards and mechanisms for choosing projects across all flood programs throughout the state and doing those in a consistent fashion.

Mr. Forbes: And a great deal of those longer term things will be driven by modeling results, and modeling takes some time, as everybody knows. And so, we'll have to get those models in place and get that work done before we can do some of the bigger things. But we absolutely recognize and the governor has been clear, we got to go start doing things right now that are going to reduce flood risk immediately.

Dr. Richardson: Couple of questions. The 1.2 billion is very different from the 1.6 billion, terms in 1.6 based on housing and on construction within an area that was affected. This is a larger type of funding, is it not? That should go over boundaries.

Mr. Forbes: It is broader in reach, and that you're right, because it mentions mitigation. It's not looking back to the effects of the covered disaster quite as much. But it's also more restricted in the sense that at least in the legislative language, it's very clear that it's for activities that will mitigate the risk for future disasters. In other words, we can't think of this in terms of being fundable with the 1.7. We can't augment the homeowner program or anything like that with these funds, because it's fairly specific there. But you're right, geographically, it may actually be broad.

Dr. Richardson: Yeah, okay, and then, out of the money, the 1.2 billion, sounds like a lot of money. But for what you're talking about, it's not that much money, really. Is this for planning, modelling, or is it for actual projects?

Mr. Forbes: It will include all of the above.

Dr. Richardson: Okay, how much goes to projects, or have you thought about that yet?

Mr. Forbes: We have absolutely thought about it. Whether we have come up with numbers that we think are good to tell it to the world yet, I would say not quite yet. But certainly the governor has made it perfectly clear that we're not going to spend a billion dollars on planning. We have to get work done that reduces flood risks for the citizen's of this state. With that said, he is also been saying from the very beginning that we're going to do this in a smart way. We're going to do it in a regional watershed based way, and that's going to take work, because we are frankly not in that position in the state right now. We have few watershed-based organizations that could make those decisions together. Notably Acadiana has stepped out and taken a lead in working together around their watershed. But we need to make that happen all over the state if we're going to do this as wisely as we possibly can. So there's going to have to be a combination of the planning and modeling, the implementation and then long term implementation.

Dr. Richardson: And do we have the ability, you're saying the watersheds cross governmental boundaries. I'm assuming you mean parish lines. Is there an organization to do that? If you've got four or five parishes together, is there an organization at the top that can actually make decisions for that group?

Mr. Forbes: The Amite River Basin, notably has a commission that exists in law. One of the things that we've identified, Sam can probably speak to this better. One of the things that we've identified in our initial planning up to this point is that we may well need legislation next year for setting those new jurisdictional boundaries around watershed, specifically, for the purpose of floodplain management.

Dr. Richardson: Okay, thank you.

Mr. Martin: There's another alternative, I mean there's lots of alternatives. For instance, you mentioned the Acadiana Planning Commission. That's a group of parishes that have gotten together and decided that they want to make decisions on their planning for transportation on waterways collaboratively, in ways that are going to meet the best interest of their collective group of citizenry. So, those sorts of organizations could be encouraged to be developed across the state. That was something they undertook on their own.

Mr. Reilly: Thank you, Pat. I'm kind of getting back to this notion of hazard mitigation dollars that otherwise flow, and where they flow from in these dollars. Because it seems to me at some point, you may want to marry the two. You may want to match up to be able to execute on a large project, right? One of the things we learned, having gone through this many times. And I noticed that one of the proposals is to do homeowner buyouts with this. And one thing we learned in past disasters is that hazard mitigation dollars are really clumsy when it comes to individual mitigation. And quite frankly, I don't think we would look back fondly and say we were successful with that in past disasters. And I think that's caused us to think more about community mitigation with those dollars. So, are we comfortable that because these dollars are flowing from HUD, that they're going to be easier to execute on, and less cumbersome? And particularly, if we commingle them with hazard mitigation dollars that are flowing from another source. Are we going to get caught up in all this bureaucratic red tape and execution risks?

Mr. Forbes: Still federal funds, I will say that the answer to your first question is yes, it may be less cumbersome with the CDBG funds to do that. Is it going to be non-cumbersome, if that's a word? It's going to carry the same red tape and bureaucracy with it, that all of our CDBG funds do. I'm glad that you brought up the buyouts, it's important to note that there's a piece of this that hinges back on the SBA part. One of our budget items in the homeowner program is to buy out homes in floodways, if we have enough money, because it's a very expensive part of the program. If that's in fact an eligible activity under this and we get the SBA guidance that we hope we will. Then we can use all of our current homeowner budget on other homeowners. Then it would give us an opportunity still to go help those folks in the floodways. To help some of these communities like Pecan Acres that have flooded 12 times in the last 10 years. So they are still somewhat interconnected, and that again depends on how the language of the federal register notice comes out.

Mr. Reilly: Just as a cautionary tale, let's learn the lessons of the past. I'm more in favor of community mitigation than individual mitigation. I think it's more cost effective. It's easier to execute on, and well anyway. I'd prefer not to see that language in the recommendation that we're going to go buy out houses with this money.

Mr. Tingle: Yeah, the only thing that I would add there is as we look at particularly matching hazard mitigation grant program dollars, we are looking creatively at ways to provide that match without the recipient having to manage both HMGP and CDBG. So are there some ways for us to do some CDBG projects that we can count as match without the mingling part of this that can slow people down and create some complexity?

Mr. Bradberry: Yeah, Pat, you know there's a lot of energy and a lot of anticipation and excitement about Comite

River Diversion. Our strategy as to using this money for Comite I would think that the strategy that we have around using this money, probably minimizes the use of this money relative to Comite in that we've got the Corps looking at funds coming out of their budget, right? And so I want to make it very clear that hopefully our strategy is to continue to push funding of the Comite through the core budget as a core allocation as opposed to this fund.

Mr. Chris: Yes sir, Mr. Bradberry. I met with the Core New Orleans leadership last week. It's still uncertain. There's some uncertainty to it. We realize that the general and all the leadership of the Corp was in favor of it. But it still has not been determined exactly when or exactly how much. We are still pushing them very hard to fund that project with their funds. And I think this is more of a contingency. Or should those funds come out in a manner or timing unacceptable to us, we could then act. But we are still pushing that funding.

Mr. Bradberry: Okay, one more time, Chris, bear with me. Going forward, the cost of Comite is what?

Mr. Chris: The official cost estimate for the total project on Comite as of last year was \$450 million. There are some aspects of that that even the Corps does not agree with because that comes out of their Walla Walla, Washington area. If you take that number and don't dispute it, we've already spent a little over 110. So we're looking at somewhere around 350 million to complete the project.

Dr. Wilson: Thank you, I was just going to comment that we've got several, when I say several, I believe three different potential 'pay fors' for the Comite. And our intent is to use the best pot of money first, which would be someone else's funds. And so with that regard, we're most concerned about getting something done. And so in terms of our plan to move forward with function of element one, that's still in process and working until something else happens. And then we've got the Corps and their allocation. Then we've got their work plan opportunities, and then we have this pot of money. But at the end of the day, we've been very clear. And we had General Semonite here touring the project as well as others in the state, and the Governor and I will be in Washington in the next couple of weeks with General Semonite again to further that message. So the message of getting it done is being sent and we will use one of those sources to get it done.

Mr. Chris: And I'll follow that up, the Corps leadership in New Orleans is taking steps as if they're going to get full funding. Now I don't know if that's true, but they're changing their strategy and addressing it as the whole project, obviously with functional element one first. But they're looking at all the rest of the phases to complete the project.

Mr. Durbin: Any questions from the task force? Okay turn to tab six, page three. It's a resolution before you pertaining to the items just discussed.

Mr. Strain: I motion

Mr. Reilly: Seconded

Mr. Durbin: All in favor signify by saying aye.

All members: Aye.

Mr. Durbin: Any opposition? None, unanimous, okay.

VI. PRIORITIZE INVESTMENT TO ADVANCE WATERSHED-BASED FLOODPLAIN SCIENCE IN LOUISIANA

~ Adam Knapp, President and CEO, Baton Rouge Area Chamber

CONSIDERATION OF RESOLUTION

Mr. Durbin: All right, this time we have about 20 minutes before the anticipated arrival of Governor Edwards. I'm going to give it to him, yeah. I want to focus our attention on Mr. Knapp to our right. He has asked to speak on a item and it's an item that is called Resolution. It's not on the agenda yet, but he wishes to speak to this committee with the possibility of lifting the agenda and adding that item for a vote.

Mr. Reilly: I motion.

Mr. Knapp: Seconded.

Mr. Durbin: All in favor of lifting the agenda, adding this particular resolution in the discussion there to the agenda. All in favor signify by saying aye.

All members: Aye.

Mr. Durbin: Any opposition? There being none. Okay, Mr. Knapp you have an item on the agenda.

Mr. Knapp: Thank you. After our briefing on the watershed recommendation, which we thought was superb and I agree with a lot of the comments made about lessons learned from past experiences with HMGP. We've had a lot of conversation as a committee also about the opportunity for Louisiana to become one of the best in the world at water management. And

a lot of excitement since Hurricane Katrina and Rita about what that looks like for the state of Louisiana. And I think that with this 1.2 billion, it really creates an even more specific moment to think about what that leadership opportunity looks like. And so what I try to do is capture a very positive, encouraging resolution that Louisiana should look forward to what those opportunities might be with some fairly simple language of encouragement. It really is a non-binding document of suggestion that says where we have opportunities to advance science and innovation in Louisiana as it relates to water management, advance floodplain management. That we look to our universities and advanced institutes like the water institute of the gulf to give us some guidance and input that also strengthens and enhances their capabilities. So I wanted to put this on paper for discussion. This is not an art of writing a document necessarily but something that we thought would be a way to express what that economic development opportunity looks like for Louisiana. To continue to build the knowledge and enterprise of water, and water science in Louisiana. That we continue to be a global leader. Many of us have thought about the Netherlands as the place that is the dominant center of science and knowledge and innovation as relates to water. And in many ways Louisiana is becoming, if not already there, that level of leadership for the rest of the country as well as the rest of the world. And this is another opportunity for our task force, I think to express that we think that opportunity is really special and unique one. So what this resolution would do is strongly encourage that the new coordinated agencies have just been created. Look to ways to take advantage of Louisiana's scientific research institutes and university, water-related centers, as ways to leverage these dollars to advance the science and outlines a handful of areas where they might, including but not limited to areas where they might look at for advancing the science of this capability. And it suggests that it would also be good for the public to hear how we're making progress on that and public communication. So with that I offer that resolution to the task force.

Mr. Olivier: Seconded.

Mr. Bradberry: Fundamentally, I don't have a real issue with the resolution and how it's proposed. I just think we have to be considerate and careful and make sure that we don't so focus the work that's going to come out and is necessary for us to protect ourselves from a flood plain perspective. Be so focused as to specifically name the water institute and others in this resolution. Because what we're doing then, we're sending the signal, in my opinion, to those companies that are Louisiana based, that do good work, that are acquiring the scales of how to work along our cost, and they are very skilled as well. And what we don't want to do is, send a message to them that the water institute or our research facility will specifically be getting the work from Louisiana. It needs to be a competitive environment, for our best price. I want my cake and I want to eat it too. I want to have the best project I can get and I want my dollars to be spent very effectively. If you take the competitiveness out of it, and that's how some of our consultants and engineering firms may see this, then they may get discouraged, and I don't want us to do that. So I agree with the language, I would just like to maybe consider that we strengthen the language. To include a focus as well on those communities, those technical communities that help us restore our flood situations in our coast. I don't know if I've articulated that well enough, but if you get my drift you see what I'm trying to do here. I want to make sure we stay competitive and we're not so specific as to say, our work for these flood plain studies and spending this \$1.2 billion is going to these research institutes. It's just not a good message.

Mr. Olivier: I don't think that's message at all. It says further, these state and federal investments should seek to leverage their independent scientific and technical advice and avoid competition with the private sector. For capabilities including but not limited to, and it lists all of those. I think we need to support our Water Institute, ladies and gentlemen, I think we put a lot of resources into it. I don't think this is even saying that we're driving things to the water institute, but I don't think we've had much conversation about the Water Institute being included in any of these recovery funding opportunities that exist.

Mr. Bradberry: Yeah, but now you do.

Mr. Olivier: But it specifically says avoid competition with the private sector.

Mr. Bradberry: I just hear comments every day in the role that I play in the agency about the perception of work going to research facilities that they could compete for, and I just don't want to prolong that or exacerbate that. A great example is this. The water campus itself is trying to encourage consulting firms, engineering firms to come into that campus and to make an office there. Think about how they would feel if they come to that same campus and we're specifically saying that modelling work, other types of water work front analysis are going to go to the Water Institute, and they're not going to get a chance to compete for that. You think they're going to want to come to that campus? I'm hearing hesitations about that, so that's why I bring this up. How can we word this, and again, I think the fundamental wording is good here. But how can we assure through this document, that they are also given a fair chance, that they see that they have a fair chance to compete for these monies?

Mr. Olivier: I think we're bound by procurement laws, aren't we?

Mr. Reilly: Well I certainly understand the issue and I am sympathetic, but I think that when the Water Institute was founded, this discussion was had back then. And it was pretty well reasoned that the basic delineation between, the basic

science of moving water around, as opposed to executing on the engineering of projects that that line can be drawn, and I'm pretty comfortable that. Again, the folks that were at the table here can walk that line. I'm comfortable with the language. And to echo Adam, the Water Institute and our universities have certain expertise that needs to be brought a bear, to make sure that we get the science right, and that's why it was founded. That's why we've sunk a lot of dollars into it, and we'd hope that this new organization that we just handed \$1.2 billion would avail themselves of the expertise that's right here in our own backyard.

Mr. Pierson: I appreciate Mr. Bradberry's comments and I would encourage him to continue be a sentinel. As he's on the front line on things that might cause difficulty or stand in the way of us optimizing and leveraging the funding that's available to achieve the goals that we're setting out to achieve. What I believe the resolution does is shines a light on some important new assets that we have in our state. And I've taken a look at it. I'm very pleased when we look at the way that we're deploying GOMESA funds in support of coastal restoration today. That I'm seeing engineering offices all over this state and other agencies, and private sector enterprises all over the state being involved. In this, because money, funding, is now available in ways it's never been available before, technology has advanced significantly. This is an entirely new era in the way that Cloud computing and big data are available to be utilized in the things that we're setting out to achieve. And for the first time, there's better public/private partnerships as well. And the integration of things such as the water campus, but if you'll see in the resolution, there's room for LSU, there's room for Tulane, there's room for a lot of specific agencies and academic organizations and institutions to participate in this. The LSU Modeling Center, located on the Gulf Institute property, there on the campus is an important feature. I think the resolution simply encourages that we prioritize assets that are available in Louisiana. Not to the exclusion of others, but not to overlook these new vibrant contributors that perhaps are not well known outside of the east bound ridge marsh.

Mr. Bradberry: Well said Don. What language we would put in here to strengthen the emphasis that we want to continue to keep on our private sector is all I'm looking for. That's it. I think that the current language that we have relative to using the research facilities in the water institute are great. I live this every day, I intermingle with them every day, I interface with them every day on both sides of the fence. And I just want to make sure that we don't discourage the private sector from competition and just give up. And so we got to be careful how we send this message, that's all I'm saying. So if there's a way, Adam, that you would consider strengthening that language around the private sector, I would be satisfied with that.

Mr. Knapp: I completely agree, Mr. Bradberry, with the sentiment and as a head of a chamber of commerce and a regional economic development group, we've spent considerable time working with engineering firms to think about how better to enhance the connection between science and private services. And I think, as we've seen, as has happened with partners in the Netherlands, who are living in this interesting quasi-governmental space of scientific research institutions, that they have found that harmony of how they partner with private firms to delineate where is that line. And I think we've been encouraging that that is an important effort to bring together because I think Louisiana is stronger when they do that. And as we build those capabilities, they can export that science and those capabilities partnering together to the rest of the world. And that's something I think is where we become a global leader is when we get that harmony right. Let me in the interest of time, suggest that we add language to call for, and I would beg the group to let us craft the right exact wording on this as an addition. But the sentiment would be to express that we want to make sure that the private center is working collaboratively with scientific research institutions to advance the economy of Louisiana. Does that work?

Mr. Faulk: I will just suggest that after universities insert the language in private entities that can help the state build its strength as a unique global leader in water management and that would address what you just said I believe Mr. Knapp.

Mr. Durbin: Move the adoption of that amendment.

Mr. Reilly: I motion.

Mr. Pierson: Seconded.

Mr. Durbin: All in favor signify by saying aye.

All members: Aye.

Mr. Durbin: Any opposition? There being none, it's unanimous.

Mr. Durbin: Move adoption of the resolution.

Mr. Reilly: I motion.

Mr. Strain: Seconded.

Mr. Durbin: All in favor signify by saying aye.

All members: Aye.

Mr. Durbin: Any opposition? None, passed, okay.

See attached amended resolution.

Mr. Bradberry: I just want to recognize, Adam, good work in putting this together. I appreciate your effort in doing this. This is a good piece of work, and it's necessary. Thank you.

VII. GOVERNOR JOHN BEL EDWARDS ADDRESS

Mr. Durbin: Governor, the mic is waiting for you.

Governor Edwards: And I want to thank all of you for being here and for having another opportunity to discuss our recovery with you. But more than anything else just for your hard work. And I know that it's a lot to do left, but we're making significant progress. And I kind of wanted to come in and share some of my thoughts with you on where we are right now. And the first thing I'm going to do is get the candy out of my mouth. So let me begin again, by thanking you for your continued commitment to the flood recovery and the work that you're doing, it is critically important. Since we met last time, the restore program is in place to assist homeowners, small businesses, and farmers, commissioner, have all made significant progress? Pat Forbes from the Office of and Development is going to provide more details in just a few moments. I'd like to focus my remarks on really two key areas, federal support, and where things stand concerning the federal duplication of benefits issue. Last week, we learned that HUD is going to allocate \$1.2 billion in community development block grant funding for infrastructure enhancement, hazard mitigation, whatever you want to call it, for our state to reduce the risk of floods going forward in those parishes that were impacted by the 2016 floods. Obviously, that's very welcome news. And in couple days ago, Secretary Carson called me to give me the official notification, he did confirm that number, \$1.2 billion. You might remember our very first trip to Congress after the August flood. We started asking for infrastructure enhancement funding, and got none until this particular allocation. So we're very thankful for the administration, for Congress, and particularly our congressional delegation. Congressman Garret Graves and I released the joint statement expressing appreciation for the dollars and how important they're going to be for our rebuilding efforts. The allocation of CDBG for this purpose in our state is unprecedented. And so we are appreciative of it. HUD has never allocated this amount of money for mitigation activities for our state, and we understand the importance of getting it right. And your helping making sure that happens is going to be incredibly important. Shortly after the 2016 floods hit, and well before we had any funding for infrastructure enhancements, I instructed the relevant agencies with the executive branch to begin planning for how best to invest any funds that we might receive in reducing our flood risk across the state. And to take a new and fresh look rather than trying to spend a lot of money raising structures. Can we spend money to manage flood planes and actually lower base flood elevations, if we could do that. And the other thing we wanted to do is, we didn't want every parish spending for itself. So that its goal is to get the waters out of its parish boundaries, but without any regard to what it does to its neighbor. And so we're taking a different approach, and I think it's going to pay dividends. And we've got a lot of buy-in from around the state on this approach. But allows us to put funds towards important projects quicker with earlier input from local communities. And it's going to harness the skills and talents to make Louisiana a leader around the country in addressing flood risk and making our people safer from those risks in the future. Now, guidance from the federal government on precisely how these funds can be spent has not been released. So we're looking for the federal register notice to be published, that tells us exactly what they're looking for. We have some idea what that's going to look like, but we have to wait till it comes out to know for sure. But we're not going to wait until it comes out to start putting together our action plan that we are then going to submit to the federal government, because we want that action plan to be submitted as soon as possible after the federal register notice is published, so that we can move forward as quickly as possible. One of the reasons we're going to be able to do that is work you've already done, but also the work we've done with the all set community development to anticipate the receipt of these funds. And how we would want to integrate them into our efforts. But we know now we're going to be investing in some large fill projects such as the Comite River Diversion Canal. And that will be a big priority, but many other projects as well. And it was just a couple of weeks ago that I was able to host General Semonite, who runs the Corps of Engineers for a meeting at the Governor's Mansion. He went and personally looked at the Comite River Diversion. And we have a commitment from him to do everything that he can to expedite that project. But also he's trying to determine whether he can spend his funding on the Comite River Diversion. Because he was allocated additional funding for the core that can only be spent in states that were declared disastrous as well. So one way or the other, we're going to deliver this project and we're going to deliver it fairly quickly going forward. In fact, I'm now have had several meetings with General Semonite, and hope to be able to meet with him again later this month. But there are flood protection needs all around the state, and we are aware of that. And while it's a lot of money, we have to make sure we get the best utilization of these funds, meaning that the most bang for the buck. And so we're going to be working very hard with local government and stakeholders to determine the best use of the dollars to strengthen our communities against future disasters. I did have an opportunity in my conversation the other day with Secretary Carson to bring back what I think is the biggest hindrance going forward on the housing recovery program. And that is the duplication of benefits issue. And I had sent him a letter, I think it was early last week, maybe the week before, I brought his attention to that letter and asked him to respond. But he now has more flexibility than ever because the language the Congress included in this appropriation to

grant us relief from that duplication of benefits issue. And I kind of want to revisit that issue because it is the biggest hindrance to a full recovery. It is the leading cause for individuals to express displeasure with the Restore program, and so forth. But if someone was approved for a Small Business Administration loan in the aftermath of these disasters, the amount that was approved becomes in the federal government's mind a benefit. Even if they didn't receive it, or even if they received it in part. And then they base the duplication of benefits on that amount, and I think it's a real problem. So if someone was approved for a \$50,000 loan and took 25, the benefit is at 50. It doesn't make sense to me. If they took 0, the benefit is at 50. And I read the Stafford Act, and I'm not going to profess to be the smartest lawyer in the world, but I don't believe that that interpretation flows from the plain language, a fair reading of the Stafford Act as it is. But with the appropriations language that was incorporated by Congress, I know that's no longer the case going forward. So we hope to get some relief from that duplication of benefits issue. What you may not know is 66% of the people who have tried, so they have taken the survey. They've made the application. But 66% of the people who are getting zero dollar awards are getting zero dollar awards because of the duplication of benefits issue. So it's two thirds of the people. We need to do better than that. And it is a federal duplication of benefits issue. We have actually been asking for relief from this since the storms happened. They now can do that and, of course, I can't predict what they're going to do. But we're leaning forward, so that if we get the relief that we're looking for, we're going to be able to quickly bring these individuals back in and hopefully lend the assistance to them that they deserve. You know the loans were offered because individuals were told by FEMA to apply for a small business administration loan. So you go to FEMA to access your assistance and you're told to go do this. And so individuals who are similarly situated, you might have neighbors where they may both make the same amount of money. But one doesn't have the capacity for another loan, and so the Small Business Administration turned them down. And so they don't have this duplication of benefits issue, and the neighbor next door or across the street does. So I think we need to do something different and better. And we think that there's about 5,200 homeowners that we would be able to help but for the duplication of benefits penalty. So we're going to keep working with the federal government on that. I know the homeowner's are tired of waiting, and we hope to get this resolved as soon as possible. I also wanted to talk just a little bit about the overall program. It is absolutely true that the Restore Program is moving faster than any other housing construction recovery program in history. Not just in the state, but in the country. It is also true that that process, however, has been different for different people. Some of whom are caught up in the duplication of benefits problem, some caught up in other issues. And so I'm not going to pretend or say that we've done things perfectly, and I know that we have a long way to go. And we've got some people in the audience today who have benefited from and are relatively satisfied with the Restore Program. I suspect there's some in the audience today and around the state who are not. So we're going to keep working to try to make this happen as fast as possible for all of these individuals because while we can show that by every relevant metric we're delivering this program faster than has been done in the past. If someone's not yet back in a repaired home, it doesn't do them much good, right? And I fully understand that and there is some frustration out there, but there's also been a lot of good work and you all have been setting the stage for that work because of your efforts and I want to just again thank you for that. But we should all be motivated to keep working hard every single day and fighting on behalf of our people to get the assistance they need as soon as we can possibly deliver it. So with that, I'm going to conclude and just tell you again, I appreciate the work that each of you is doing. We look forward to getting the federal register notice, getting the next state action plan submitted as soon as possible, and delivering more assistance to individuals across the state of Louisiana. I believe you're going to hear, either next or shortly, from Pat Forbes at the Office of Community Development and he's got a lot more specific information for you all so you get an idea of the types of actions that we hope to be able to take in this next state action plan. And where we are in terms of the numbers when it comes to the Restore Program. Do any of you have any questions for me?

Commissioner Strain: And thank you for coming in and speaking with us today. On the question on the duplication of benefits and is that something that may be we as an entity should formally request of Congress that we either put it in the next CR, or some legislative instrument, if we can't find appropriate direction coming from HUD?

Governor Edwards: Well, I guess I would defer to Pat and what he thinks about that, and certainly we can talk to our congressional delegation. But they actually incorporated some language that is helpful in the last appropriation. And so we've actually gotten Congress to move, but it is now it seems to be discretionary with HUD as to how they interpret and apply that language whether they think it's mandatory or whether they have the ability to still say no. We're going to stick with the same approach that we've been taking all along as it relates to the duplication of benefits program. And I think we could learn as early as when the federal register notice comes out as to what approach HUD has taken. So we have our fingers crossed that when it comes out, it's going to give us the flexibility we need to go back and pick up these 5,200 homeowners and erase this barrier for two thirds of the people who are not able to access. So it's probably something we have to come back to after the federal registry notice comes out.

Commissioner Strain: Okay, thank you.

Dr. Wilson: Governor, I just want to commend you and thank you for your personal engagement on the Comite. Because as the agency charged with building that and working with the Corps, over my decades plus years having the governor personally engaged has really moved the ball in getting things done, not just with the Corps, but with the delegation and, of course, with the stakeholders. So I just want to thank you for that and I see the results of that work, and I wanted the public to know your involvement personally in that.

Governor Edwards: Thank you.

VIII. APPROVAL OF JANUARY 12, 2018 MEETING MINUTES

Mr. Durbin: I had just a little homework while we still have a quorum. Some will be leaving. Item number three is approval of the January 12, 2018, meeting minutes.

Mr. Bradberry: Motion.

Mr. Olivier: Seconded.

Mr. Durbin: All in favor signify by saying aye.

All members: Aye.

Mr. Durbin: Any opposition? There being none, it's unanimous.

IX. LA OFFICE OF COMMUNITY DEVELOPMENT UPDATE ~ Patrick Forbes, Executive Director, LA Office of Community Development

Mr. Durbin: Moving to tab eight, Mr. Forbes, your presentation is next.

Mr. Forbes immediately began his PowerPoint presentation.

Mr. Durbin allowed questions during the presentation, therefore the floor was never officially opened for questions.

Mr. Reilly: As we make our case, and I'm thinking about the next disaster, cuz we're slugging through this one. But It just appears to me that as we make the case that clearly, if you applied for a SBA loan and didn't accept that Duplication of Benefits, is an oxymoron, okay? I mean, on the face of it, that's pretty clear. But I think we ought to also make the case, that if you apply for an SBA loan and take it, you still ought to qualify. And my reasoning is basically this, number one, it's a loan, number two, those dollars flow quickly. So by definition, you're helping pioneers. You're helping the people that are saying, I'm going back in and I'm going to rebuild fast. And what happens then? Then the neighbor knows that the neighborhood's coming back. And they go back in with confidence and rebuild. And it just seems to me, that as a matter of public policy, we want to encourage the pioneers, not discourage them. As you think about making the case, let's make the next leap, which is, as a matter of public policy, the right thing to do is to allow even the acceptance of an SBA loan, not to hinder what would be a longer tail, post disaster grant.

Mr. Forbes: You heard the Governor say earlier that he has said that all along, a loan isn't a grant. We have said that all along, and in fact, one of the initial legislative fixes that ultimately didn't make it into law, explicitly stated that a loan cannot be considered as a Duplication of Benefits for a grant. Unfortunately, that didn't make it in but we will continue to-

Mr. Reilly: But again, there's something else in the case to be made, in that, those dollars come quickly. People can get back in their houses faster. Neighborhoods can come back faster.

Mr. Forbes: Ultimately, it will be a decision by Congresses to whether they think that people who can afford to get approved by a loan, by SBA should get a grant.

Commissioner Strain: Yes, and I'd like to tag on Mr. Riley says, if you look at the issue and say, it is a basic issue of fundamental fairness and equity is also, but again, we should have a system where we encourage, and again, that rapid response. And if the money's there to borrow, borrow the money knowing how long this process takes, and then when the grants are available, you can use that to pay that loan back, or whatever. But you're exactly right, by this particular inequity, we markedly slow down the entire process of what we're trying to do. And whether or not, if that becomes, if that does not become possible through the federal government, I think that's something that we as a state should discuss, where we can have a rapid homeowner loan program in the case of impending disasters. Because certainly, you and I are going to see another one, we're all going to see another one. We're going to be here for whatever storm and that benefit is not considered a Duplication of Benefits and then, have a situation to where, when there are grants through OCD and HUD and this entire program, it can be used and directly assigned to that loan. I mean, so if you think about what we as a government and what we're supposed to do, Mr. Riley, you're exactly right. We need to think about this for the next storm coming, and how we

do that? And I think, we have the capacity to do that, and I think that would markedly speed up our overall ability to recover, thank you.

Mr. Forbes: I would add that you even add the risk of people, people who are not applying for FEMA individual assistance because they would be forced to apply, because we have these programs that are going to come down the river.

Mr. Olivier: I think we can use some of the experience from the Road Home program, based on that premise right there. Sean, you're part of that, so I want to digress into another area, which you hear from me a lot about, and that's the inspections. Last meeting, I know we talked about there are now going to be three firms, and it was still open that you could take other firms. How are you doing? Because that's the chokepoint. HUD inspections. And when you look at the graphs, you see, okay, these are the applicants. And then suddenly, then the awards, and there's a gap there, so the inspections are the choke point. What about that production efficiency, and have you taken some best practices from, because you told me one of them was doing really, really well, but they hadn't done a lot yet. You could transfer some of that same process if you would to the other ones.

Mr. Forbes: I would say that both of those things have occurred, that one firm's volume has gone up dramatically and the quality of the inspections from all the inspectors has gone up as well. And in fact, I'm not sure. I could ask Jeff to come up. I'm not sure that it's even the choke point at this point with the current population. We are still planning to finish all inspections likely by the end of May. But certainly in early summer. And so what we work at every day is making sure that there's not a choke point, that the pipeline is exactly the same diameter from the beginning to the end. And so that's impossible to do perfectly, but that's what we strive for, to make sure that we don't have wasted resources. That we get everybody through as quickly as possible. But both of those pieces have started to come to fruition.

Dr. Richardson: Back to the issue of the duplication benefits. The governor said and I think you also said, Pat, that it's in the appropriations bill that was recently passed. But it's subject to HUD's interpretation. Exactly what were the words used? Because you seem to think it will permit them to overlook this duplication. But it's also they could interpret a different way. Is it that vague?

Mr. Forbes: It uses the word declined. Loans that were declined will not be counted as a duplication of benefits. And so the definition of the word declined is at the crux of the matter. Whether they determine that declined means that they never closed on the loan, which is our current interpretation. Or they declined to draw the funds, which is what we have proposed, it should be the interpretation.

Dr. Richardson: But if they accepted the funds, then that's not an issue?

Mr. Forbes: This language does not assist for funds that were drawn by a homeowner.

Dr. Richardson: Is that fair?

Mr. Forbes: Not in my opinion. But again, the original language for this SBA fix said exactly what you said. That it's not fair and it doesn't make sense to call a loan a grant. That language ultimately didn't get into the bill.

Dr. Richardson: Okay, this is an improvement, it's still only partway.

Mr. Forbes: Yes sir, there are still families out there that were about to retire, or had already retired, and now have a 30-year mortgage to SBA to get their house fixed up.

Dr. Richardson: Okay, and that seems to be a real problem to me. Also, is this specific only to these past storms, or does it have future implications as well if there are other storms, for other states even?

Mr. Forbes: They have interpreted it differently across different storms. And Dan, correct me if I'm wrong, but after Katrina and Rita, they actually changed the law post-disaster to allow Road Home grants to repay the SBA loan, so that they did not consider them a duplication of benefits. That's the only occurrence that I'm aware of where they didn't count the loan as a duplication of benefits to the grant.

Dr. Richardson: And I'm assuming that that's the best language they could get in the appropriations bill.

Mr. Forbes: That's what the congressional delegation, that was their assessment, was that what wound up in there was the strongest thing they thought they could get past.

Mr. Rees: Dr. Richardson, Dan Rees. And I've spent time both working on proposed language, studying what has been proposed by various sources. In the current resolution again, declined is one of the big interpretations, not what does SBA mean by decline, what does HUD mean by decline, what did Congress mean by the word declined when they used it here. So that's one issue. As to your question about to what storms it applies, that's another thing where HUD might come interpreting things, because it talks in terms of the 2017 events. But it does have language talking about reaching backwards. As far as 2014, it doesn't fix what's going to happen in 2018, 2019. So one of the proposals that Pat talked about earlier actually was a legislative amendment separate from the CRs, to the Stafford Act. When it talks about duplication of benefits, to say, a loan will not be considered a duplication of benefits. That would fix it across the board, okay, that hasn't gotten the traction yet that it needs to fix it in perpetuity.

Dr. Richardson: In DC, is it the OMB that is having questions about it or is it a committee or exactly where?

Mr. Rees: I think that there's different spheres of influence, OMB certainly does have some question there. There's some influence there. I think that they're within HUD. There are groups and there are philosophies in each of the groups which is what is their mission. If you look back to a committee hearing in 2016 that Senator Cassidy directly questioning the administrator of SBA. She said, we've got it fixed. It's not going to be a duplication. And the unfortunately that was not correct. So, it depends, you know. It's not one person or group.

Dr. Richardson: But it seems to me OMB is very important, though.

Mr. Rees: I think you're correct.

Dr. Richardson: If you get on OMB, you can carry the ball a lot further.

Mr. Forbes: I think we've heard that from members of the congressional delegation as well.

Commissioner Strain: Yes sir, what's the ballpark for the amount of money that we have that was small business loans to the homeowners? How much money are we talking about if and I'm talking about for a future event. If we have to find a way that we as a state do it versus the Feds doing it in order to protect our people. Are we talking 50 million so far, 100?

Mr. Forbes: I'm sorry, I do not have the numbers right on the tip of my tongue but for the broadest interpretation that we can hope for from the current language, I think it's in the \$75M range. I think that when we go to all SBA loans, regardless of whether they're drawn or not, we move into the \$400M range.

Commissioner Strain: Okay, thank you.

Dr. Richardson: I don't disagree with the Commissioner. The problem is there will be some grants down the line to repay the state, so we have to have real money behind it.

Mr. Forbes: It's important to note that even work done by nonprofits To help people get back into their home, it's counted as a duplication of benefits. So we would even have to be careful to make sure that any loan that the state made wouldn't just equally be considered a duplication. I'm sure there's a way for us to do that, as long as it has standard commercial terms, but still a potential pitfall.

During his presentation, Mr. Forbes asked Mr. Rene Simon with the Louisiana Department of Agriculture and Forestry to approach the witness table.

Commissioner Strain: Rene, I would like to publicly commend you and your staff, who work diligently. When we look at the timetable, since we are only have about 12 to 14% of the amount of money that we need to meet the uninsured losses from the farmers, what we've had to do is basically process all of the applications and then we're gonna prorate the money that we have according to need, and then we start to have those closings. And of course, if we can find additional funds, we will be able to disperse them much more rapidly because we'll already have the amount of awards. And also, I wanna thank our friends in the federal government, USDA, NRCS, and FSA for loaning us additional personnel to come in and work with us. And finally, I really wanna commend our Governor John Bel Edwards who made this a priority from day one. He said that, we would have these funds, and so the discussion is why do we have these farm programs? It's simply because the disaster provisions of the farm bill are woefully inadequate, as we see. And so and again, I wanna thank you for your work, and if we can find any additional funds, they would certainly be warranted. And of course, our farmers would surely appreciate that.

Mr. Simon: Thank you, Commissioner and thank you, Committee for your work. We do have, I know you've been speaking about Duplication of Benefits, we are having to go through those same hurdles that Pat has mentioned before. We have to check to make sure that if a farmer received crop insurance, we have to check, so we have to deduct that from his award amount. If he received a disaster loan, same thing as Pat was talking about, small business administration loans. We have the same thing at USDA, that they have disaster loans. So we do have those hurdles to overcome also, but I want to publicly thank Pat for all the work, and the staff at OCD, for all of the work they did, they're doing for us. We certainly appreciate the cooperation and thank Commissioner Strain for him, allowing us to do this work and having faith in us to fulfill this. Unfortunately, we're getting pretty good at this. Is our fourth program to manage like this. So thank you, we appreciate it.

Mr. Reilly: Doing a quick arithmetic, you are going to come up a little short on that public assistance match from the numbers that I saw up there. Is there a place to find that?

Mr. Forbes: Again, this feeds into the whole SBA question. The extension to the floodway properties. The increase of potential increase of reimbursement amounts. It also goes to whether, ultimately we continue to reduce admin costs. All those pieces, of course, there's gonna be interplay but we will absolutely make sure that adequate funds are there for public assistance match for everybody.

Mr. Reilly: Didn't we take some of the \$1.2B?

Mr. Forbes: That is certainly under consideration if the PA projects within the eligibility of the \$1.2B. We could pull the match for that from the \$1.2B.

Mr. Reilly: Just if you could also refresh my memory, if we win our case on the definition of duplication of benefits, in other words decide what decline means, do we have enough money to complete the homeowner program?

Mr. Forbes: Yes.

Mr. Reilly: We are not going to run out there?

Mr. Forbes: We may have to make choices about it. It would reduce the chances that we could increase reimbursement percentage. Reduce the opportunity to do floodway buyout. But again, we will continue to look at the eligibility of those, once we get the federal register notice for the \$1.2B, but the SBA would be the priority over those other changes.

Mr. Durbin closed the floor for questions.

X. PUBLIC COMMENT

Mr. Durbin: Moving to our public comment period. I'm looking to Portia, will you stand, she has the cards for public comment, anyone wishing to speak please fill out the card and give it back to Portia. Okay, we call up to the microphone Ms. Monique Robinson.

Ms. Robinson: Good afternoon, my name is Monique Robinson and I'm representing Vital Resource Solutions. We're a local non-profit here in Baton Rouge, assisting flood survivors with case management, as well as community rebuild. I just wanted to touch on the comments made in regards to the bottlenecks in the program. We discussed duplication of benefits being a major issue and that's what we are seeing with several of our clients. But also the issue in regards to the amount of work when the restore contractor comes out. And they assess the amount of work that's been completed in comparison to the funds that they've received from FEMA. If they detect a lag or not enough work has been done, then the home owners are being asked to come to the table with thousands of dollars. Several of our clients have been asked to come to the table with 10, 15, \$20,000, in order to receive their restore award. And if they don't have those funds, which many of them do not, several of the homeowners have made repairs. But some of them had to live off those funds, while they were in homes with other family and friends, or. Staying at another resident's while, before they could get back home, they don't necessarily have those funds left over. So if they are not able to bring the 11,000, 15,000, \$20,000 to the table, they cannot get their \$40,000 restore grant. So we have several, maybe 50 to 60 clients right now that are stuck in homes, subpar homes, no flooring, no kitchen cabinetry. They're stuck right now, because they can not bring \$11,000 to the table, or 15,000. Or whatever they're being asked to provide to receive their restore Louisiana grant. So that's a really significant issue and that's what prompted us to kick off our community rebuild where we are getting partners such as Home Depot, Lowe's, volunteers from the community to go in and assist those home owners. That don't have flooring right now, almost 18, 19 months later after the flood. No kitchen cabinetry. No sufficient bathrooms. I mean it's pretty bad out here, and I think that a lot of the real issues just need to be brought to the table. Another issue is several of the homeowners have closed. We have several that close in January maybe February on their grant. Their contractors have not come out to do the work. They are being told that, the contractors have payment issues or whatever, some other issues that are pretty much out of the contractors' control. But if they've closed and they're awaiting the work to begin on their home, that leaves them again. They're just stuck in the homes, That are sub-par and I have pictures in my phone, I can show you evidence. I'm willing to meet, and I can take you all to maybe 30, 40 homes of survivors, that do not have flooring. That do not have kitchen cabinetry. That, I mean, it's pretty rough and we've only like I said we've assisted maybe 250 clients. But there's more out there, there's other parishes. So, I'm sure that's a small representation of the devastation that's still out there.

Mr. Forbes: I want to thank Ms. Robinson for bringing this up. I should have had it in our presentation. It is one of the biggest challenges we have right now is closing the duplication of benefits gap. Mostly as you've said, from FEMA individual assistance where folks got a \$13,000 grant, or \$30,000 grant from FEMA. And if it says for repair on that grant, then we have to count it as a duplication of benefits. So, consequently we go out, we do an inspection, try to assess how much money has been spent there that we can write off of that duplication. But lots of folks had to spend their money on a car to get to work, or rent, or food, or what have you, and it remains a homeowner responsibility. Both Office of Community Development, and IEM have been working with banks, credit unions, the capital area finance authority, St Bernard Project SBP, looking for solutions to this, because it is clearly one of the bigger challenges that we have now is folks, we can't go get started and put those things in without knowing that we can finish the project and that means closing that DOB gap.

Mr. Reilly: Okay, let me make sure I understand, because in my head when you subtract the duplication of benefit from the grant award, you get the grant. The reason you can't do that is because you cannot start a house you cannot finish?

Mr. Forbes: Correct. If they have a \$50,000 job and a \$20,000 DOB, and we can give them \$30,000, we cannot go demonstrate to HUD that we have completed, we have delivered, a decent, safe and sanitary home, and consequently our \$30,000 grant is void and we would have to pay that back.

Mr. Reilly: Would your clients just accept a grand and get about their business?

Ms. Robinson: Yes, and we have a network. We are in the process of becoming a licensed contractor. We also have a network of licensed and insured contractors. We are willing and ready to do the work. If they can get whatever's due to them, we will make it happen to get those homeowners, and with children. We deal with the elderly, it's just all across the board and we wanna see the children especially, they're young in school, they're growing up. The elderly, the disabled, they all deserve somewhere safe, clean, and just adequate living conditions.

Mr. Reilly: Pat, if you didn't have to report back to HUD, would you cut the check and just say you all get back into your house? I would love to be able to cut the check for people so they can just get going.

Mr. Forbes: We've looked at ways to have a non-profit work with them. The non-profits can do the work for less because they have volunteer labor. All those things. We continue to go back to HUD and make different proposals, that continue to not give us the solution. But we're continuing to look for solutions. And one of those solutions is loans, one of them is working with non-profits who can come get the work done before we get there and help them.

Ms. Robinson: We would love to get the work done.

Mr. Forbes: We are looking at every possibility but it continues to be a huge challenge for us.

Ms. Robinson: I guess just, if we could just get some closure to that. I guess I don't, I would hate to see homeowners going into year two, and year three and they're waiting on just an answer, what can be done to mitigate the issue and get a definitive answers in regards to, how do we get the clients that have been approved for a grant, eliminate that duplication of benefits issue in regards to what they have already spent? And we mentioned loans but many of them were denied for SBA. So if they were denied by SBA nine times out of ten, I don't think any other lender is gonna approve them for any funding as well. So how do we get a definitive answer, make a decision? Because fortunately I'm back in my home. I moved back home April of 2017. I don't know if any of you all are flood survivors but, It was very stressful and I had two children so I had to get the SBA loan, I had to move back home for my children. But if someone did not qualify for SBA, they don't qualify for the other loan program Mr Forbes, mention what do they do. Do they wait until January of 2019? What do we do?

Mr. Forbes: So I would love to say that we could give you a quick answer right now, but unfortunately the quickest answer is not going to be an answer that helps many people, and so all I can commit to you is that we're gonna continue to turn over every rock, to find a way to get as many of these people back in their homes as we possibly can and we're continuing to do that. I mean we could say now, yes, we're making a definitive decision so everybody knows, but if we did that today that decision would be I'm sorry, we don't have anything for you. So, we're gonna continue to work, it's gonna continue to be ambiguous and messy. And that is the way we will get the most people assistance that we can.

Ms. Robinson: Could we work with you to make it less messy? I'm all about less messy.

Mr. Forbes: Absolutely.

Mr. Durbin: What neighborhoods to you assist?

Ms. Robinson: All across EBR, we have clients in Livingston. We have clients in Point Coupee. East and West Feliciana, we travel and we go wherever they call us, we go.

Mr. Durbin: Okay, I think the best advice is to continue to work with Mr. Forbes and his group so that he can continue to relay your concerns and your issues through HUD, see if there can be some modification.

Ms. Robinson: I did have another question. I heard that there was going to possibly be some left over funds but I didn't hear how much was spent to date.

Mr. Forbes: I would say that number is unknown and will remain unknown until we can get the SBA interpretation language, and then set a deadline for the program and bring all the applicants in and then we'll know.

Ms. Robinson: My last question was in regards to the watershed funding that, the watershed language that Mr. Knapp presented. I can't remember if it was Mr. Pearson or Mr. Olivier that kind of read off the universities. We said LSU. We said Tulane. I guess I like what Mr. Bradbury said. I didn't hear Southern University. I didn't hear Southeastern and I was just wondering why have any other universities been approached in regards to water science? I mean, I'm sure at this time, that's a pretty serious field that should be studied at many universities, and could probably bring something to the table, but I didn't hear any other universities other than LSU and maybe Tulane.

Mr. Forbes: I want to be clear that none of those entities have been engaged at this point. We are very early in this planning process but absolutely, I can't speak to Mr. Knapp's resolution, but the point of the working group at the state level is to bring in every skill and talent and knowledge from within the state to make us as good as we can be at doing this.

Mr. Pierson: And I'll respond to that, certainly those were just examples. And those examples were highlighted in that Tulane is a private industry, Institution, and LSU has already made a significant investment on the water campus. But you can be assured that both, in terms of water management, information technology, all the elements that we're working with

and for, particularly as they relate to companies are very inclusive of all our university systems, to include our community college systems as well. So, Southern is certainly at the table for all of our efforts that reach out and focus the very important higher education and workforce development piece that they bring to this. But thank you for making sure we get the opportunity to underscore the fact that we are working with all of our systems.

Ms. Robinson: Thank you, Mr. Pierson. Thank you task force and thank you Mr. Forbes, I look forward to working with you.

Mr. Durbin closed the floor for public comment.

XI. OTHER BUSINESS

Mr. Durbin: Other business, tabs 10 and 11 are the AMI Tiers and a glossary of terms. Finally, Lori will be sending out details regarding our next meeting in the coming weeks.

XII. ADJOURNMENT

Meeting was adjourned at 11:44 AM.

Respectfully Submitted,
Jimmy Durbin
Co-Chair of the Restore Louisiana Task Force

Date Approved:



RESOLUTION

Overview: A resolution by the Restore Louisiana Task Force recommending to Louisiana Governor John Bel Edwards that the Restore Louisiana Homeowner Assistance Program ("Program") be formally modified as follows: (1) increase the percentage from 50% to 100% of the eligible reimbursement award amount for repairs or reconstruction, partially complete or fully complete prior to the time of application to the program or within HUD approved guidelines, to include homeowners in phases III, IV, V and VI. And also recommending that Governor Edwards instruct the Office of Community Development to immediately include the details of this change to the homeowner program into an Action Plan Amendment for submission to the United States Department of Housing and Urban Development.

WHEREAS, on September 2, 2016, Governor John Bel Edwards established by Executive Order Number JBE 2016-65, the Restore Louisiana Task Force, directing the members of the Task Force to establish both short and long-term priorities in developing plans for recovery and redevelopment from the effects of the flooding disasters of March and August 2016; and

WHEREAS, to date, the U.S. Department of Housing and Urban Development has allocated \$1,708,407,020 in Community Development Block Grant disaster recovery (CDBG-DR) grants, funded through four separate congressional appropriations, to the State of Louisiana as a resource to recover from the catastrophic and destructive floods that impacted the state in both March and August 2016; and

WHEREAS, the State continues to vigilantly analyze methods in which to appropriately distribute funds to address unmet needs; and

WHEREAS, based upon current rate of surveys in the Homeowner Rehabilitation and Reconstruction Program, and in light of the survey deadline of July 20, 2018, adjustments in the distribution of funds may be made to further address unmet needs of homeowners;

NOW, THEREFORE, BE IT RESOLVED BY THE RESTORE LOUISIANA TASK FORCE, THAT:

Section 1: The Restore Louisiana Task Force recommends to the Governor the following changes for the Homeowner Rehabilitation and Reconstruction Program. To better fill the financial gaps of homeowner who used their own resources to get their homes rebuilt, the following modification to the Homeowner Program is recommended:

- Increase the percentage from 50% to 100% of the eligible reimbursement award amount for repairs or reconstruction partially complete or fully complete, prior to the time of application to the program or within HUD approved guidelines, for homeowners in phases III, IV, V and VI.

Section 2: In order to continue expediting the process of federal funds approval, the Restore Louisiana Task Force recommends to the Governor that the State of Louisiana, Office of Community Development incorporate and provide appropriate details on the above recommended changes to the Homeowner Rehabilitation and Reconstruction Program into an Action Plan Amendment for submission to HUD as soon as possible, for its review.

PASSED AND UNANIMOUSLY ADOPTED on this the 13TH day of July 2018.

APPROVED

Jimmy Durbin, Co-Chair

Jacqui Vines Wyatt, Co-Chair



Restore Louisiana Task Force Meeting

Friday, July 13, 2018

9:30 a.m.

Louisiana State Capitol

House Committee Room 5

900 North 3rd Street

Baton Rouge, Louisiana 70802

AGENDA

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF APRIL 13, 2018 MEETING MINUTES**
~ Jimmy Durbin, Restore Louisiana Task Force Co-Chair
- IV. CHAIRPERSON OPENING REMARKS**
- V. GOVERNOR'S OFFICE UPDATE**
~ Erin Monroe Wesley, Special Counsel, Office of the Governor
- VI. LA OFFICE OF COMMUNITY DEVELOPMENT UPDATE**
~ Patrick Forbes, Executive Director, LA Office of Community Development
- VII. ACTION ITEM**
 - i. Homeowner Program Reimbursement Expansion Recommendation**
~ Patrick Forbes, Executive Director, LA Office of Community Development
- VIII. FEMA DIRECT HOUSING PRESENTATION**
~ Casey Tingle, Chief of Staff, Governor's Office of Homeland Security & Emergency Preparedness
- IX. WATERSHED PRESENTATION**
~ Casey Tingle, Chief of Staff, Governor's Office of Homeland Security & Emergency Preparedness
~ Danica Adams, Watershed Planner, Office of Community Development-Disaster Recovery Unit
~ Sam Martin, Executive Management Officer, Coastal Protection and Restoration Authority
- X. PUBLIC COMMENT**
- XI. OTHER BUSINESS**
- XII. ADJOURNMENT**