



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

OFFICE OF THE ASSISTANT SECRETARY  
FOR COMMUNITY PLANNING AND DEVELOPMENT

FEB 14 2017

Mr. Jay Dardenne  
Commissioner  
Department of Administration  
State of Louisiana  
1201 N. Third Street, Suite 7-210  
Baton Rouge, LA 70802

Dear Mr. Dardenne:

The Department has approved the State of Louisiana's Action Plan for Community Development Block Grant disaster recovery (CDBG-DR) funds appropriated under the Continuing Appropriations Act, 2017 (Public Law 114-223), which provided \$437,800,000 to the State for long-term recovery from major storms and flooding events that occurred in 2016. Of this amount, the State has allocated \$385,510,000 to an owner-occupied housing rehabilitation program, \$19,000,000 to affordable rental housing programs, \$11,400,000 to economic revitalization programs, and the remaining \$21,890,000 for administration and planning activities. As a reminder, at least 80% of the total award amount must be spent within the six "most impacted" areas (East Baton Rouge, Livingston, Ascension, Tangipahoa, Ouachita, and Lafayette Parishes) which HUD identified in the November 21, 2016, *Federal Register* Notice (81 FR 83254).

Additionally, the November 21, 2016, *Federal Register* Notice requires grantees to primarily consider and address unmet housing needs; however, the Notice allows grantees to allocate funds to address unmet economic revitalization and infrastructure needs. In doing so, grantees must identify how any remaining unmet housing needs will be addressed or how its economic revitalization or infrastructure activities will contribute to the long-term recovery and restoration of housing in the most impacted and distressed areas. The State has allocated the majority of funds to housing programs and sufficiently described in the Action Plan how proposed economic revitalization activities will support the housing recovery, as required by the Notice.

The State identified significant remaining unmet needs related to renters and individuals experiencing homelessness in the most impacted areas. While some funds have been allocated to address the needs of renters, the State has made a programmatic decision in this Action Plan to not allocate resources in proportion to the unmet needs of these vulnerable populations. The Department acknowledges the State's intention with this initial allocation of funding is to provide the most immediate assistance to homeowners; however, there is a concern that the needs of renters and individuals experiencing homelessness may remain unaddressed.

The Department would like to commend the State for its commitment to increasing the speed of recovery. This is evidenced by the historically fast Action Plan submission, whereby the State submitted the Action Plan for HUD review 45 days in advance of the 90-day deadline set forth in the Notice. The Department shares this commitment and was able to expedite the publication of the *Federal Register* Notice in less than two months from the enactment of the Public Law. While the Department has up to 60 days to review CDBG-DR Action Plans, this review and approval was completed in less than 45 days. The Department believes that early engagement with technical assistance and regular staff-level communication enabled both the State and HUD to expedite these milestones. Therefore, it is the Department's expectation that the State will address the remaining unmet needs of renters and individuals experiencing homelessness in the forthcoming Action Plan amendment related to additional funding provided under Public Law 114-254. The Department's review of the amendment will focus on the State's updated analysis of unmet needs and accompanying program proposals to ensure funds are distributed to address the needs of renters and individuals experiencing homelessness.

Upon final approval of the State's certifications and risk assessment documentation packages, the Department will provide the grant agreement to obligate these funds. If you have any questions, please contact Jessie Handforth Kome, Director, Office of Block Grant Assistance (Acting), at (202) 708-3587.

Sincerely,



Clifford Taffet  
General Deputy Assistant Secretary