

Office of Community Development
Disaster Recovery Unit
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR



JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

January 31, 2017

Mr. Stanley Gimont
Director
Office of Block Grant Assistance
U.S. Department of Housing and Urban Development
451 7th Street, S.W., Room 7178
Washington, D.C. 20410-7000

Dear Mr. Gimont:

The purpose of this letter is to request a written extension to the one year limitation of eligible pre-application costs of individuals and private entities related to single- and multi-family residential structures and nonresidential structures, per HUD guidance in CPD Notice 2015-07.

By this letter, the state is formally requesting a written 12-month extension to the one year limitation of eligible pre-applications costs of individuals and private entities related to single- and multi-family residential structures and nonresidential structures.

HUD CPD Notice 2015-07 states, "Grantees may charge to CDBG-DR grants the eligible pre-application costs of individuals and private entities related to single- and multi-family residential structures and nonresidential structures, only if the person or private entity incurred the expenses within one year after the date of the disaster and before the date on which the person or entity applies for CDBG-DR assistance. HUD, at the request of a grantee, may provide that grantee with a written extension to this one year limitation, for an amount of time established by HUD. Extensions will be provided on a case-by case basis after the Department has made a determination of good cause based on its examination of the reasons for the request."

Because Louisiana suffered severe flooding in March 2016 – flooding that resulted in Presidential Declarations in 45 of the state's 64 parishes – and because Louisiana's two appropriations to address both the March and August flooding events were appropriated in October and December 2016, the state believes there is sound cause to make this request for a 12-month extension of the one-year limitation.

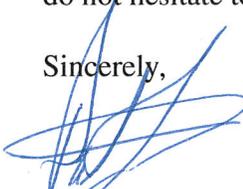
As an example, it would be difficult to explain the practical rationale to a homeowner or business owner who flooded in March 2016 that any work they completed prior to application would only be eligible for reimbursement up to March 8, 2017 (one year after the start date of the flood event), but that any work performed after March 8, 2017 would be ineligible for reimbursement, when CDBG-DR funding was not appropriated by Congress until October 2016 and programs were not available to homeowners or businesses until after March 2017. Clearly, homeowners and business owners making decisions to rebuild are basing those decisions on their actual moment-in-time financial situations, rather than the date of the storm. The one-year limitation could have the unintended consequence of encouraging those in the process of rebuilding to put their efforts on hold until program funds become available.

Further support for this request is the fact that because of the extraordinary nature of the August 2016 floods, many people and private entities affected by the March 2016 floods have not had adequate opportunity for even short-term recovery. In effect, the impact of floods on top of floods has caused such disruption and delay for everyone in the state that it would be both equitable and reflective of the practical realities of consecutive floods to allow an extension of time in our case.

Pursuant to the good cause set forth above, the state respectfully asks HUD to grant a 12-month extension of the one year limitation of CPD Notice 2015-07, such that the time limitation is extended through March 2018 (one full additional year), applicable to both those recovering from the March 2016 and the August 2016 floods. Should application be made to the program prior to March 2018, the limitation would be from the date of application to the state's program.

As always, we appreciate the partnership and guidance provided by HUD as Louisiana continues to recover from the Great Floods of 2016. I trust that you will give this one-year limitation extension every appropriate consideration. Should you need any additional information in support of this request, do not hesitate to contact me.

Sincerely,



Patrick W. Forbes, P.E.
Executive Director