

Action Plan

Grantee: Louisiana

Grant: B-11-DN-22-0001

LOCCS Authorized Amount:	\$ 5,000,000.00
Grant Award Amount:	\$ 5,000,000.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 0.00
Total Budget:	\$ 5,000,000.00

Funding Sources

Funding Source	Funding Type
CDBG-NSP3	Other Federal Funds
CDBG-Disaster Recovery	Other Federal Funds

Narratives

Summary of Distribution and Uses of NSP Funds:

Given that the intent of this program is to stabilize neighborhoods, coupled with the fact that available resources are scarce, the State has decided to designate a small area of concentrated need as the area of "Greatest Need". By selecting this approach over one that would produce a larger area, the State believes that it will be better able to make a noticeable and significant impact on the ongoing stability of the selected neighborhood. The "Greatest Need" designation was determined by using HUD's mapping tool to assess potential target areas and the working knowledge (on the ground in neighborhoods statewide) where the greatest need for affordable rental housing has been identified. The Lower Ninth Ward within the boundaries of St. Claude, Andry, Egan, Uguart, Forstall, N. Prieur and Avenue F shall be designated as such. The target area is adjacent to the headquarters of the Louisiana National Guard at Jackson Barracks, completing a \$300 million rebuilding project. The area includes a restored Martin Luther King Charter School, a new Sanchez Community Center and a new community center at St. David's Parish. In addition to the Small Rental properties, the state's investments in housing include homes rebuilt through the Road Home Program, the Nonprofit Rebuilding Pilot Program and the Alternative Housing Pilot Program. Working Knowledge: Prior to hurricane Katrina, many low to moderate income working families in Louisiana lived in single-family homes, duplexes and small multi-family dwellings that were owned and operated by small-scale rental property owners. More specifically, fifty-five percent of the housing units in New Orleans were rental units. Because of the increasing demand for affordable rental property, the NSP3 program will work in partnership with the Louisiana Small Rental Property program (SRPP) to address the housing needs of low to moderate income people in the most heavily damaged areas. The program seeks to rebuild one to four units' rental property structures. NSP3 will provide gap financing in the form of forgivable loans to property owners to help restore their damaged units and offer them at affordable rents to income eligible tenants (50% AMI but not < than 80% AMI). The Objectives of the NSP3 Rental program include:

- Providing gap financing to small-scale property owners who do not have the credit to obtain a loan but have an eligible rental units score
- Ensuring affordable rents for low- to moderate-income working families
- Supporting and leveraging other CDBG funds to achieve a more powerful impact while redeveloping small rental properties
- Restoring blighted properties that will not be restored without NSP3 Through the SRPP, participating property owners are required to accept limits on the rents charged and the incomes of the tenants selected. The amount of financing is provided in three tiers based upon the income level of the tenants to be served. The highest amount of funding per unit is available to property owners who agree to offer the lowest rents. Awards are offered as no interest, no payment, forgivable loans, awarded once the units are repaired and income eligible tenants are identified. The loan is due only upon resale of the property or failure to comply with the rent restrictions and household income limitations. NSP3 will provide the gap financing to property owners who do not have enough funds to complete the units and/or owners who do not have the capacity to obtain a loan. In addition, NSP3 will incorporate the green standard to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances with Energy Star-46 labeled products. Although NSP3 and SRPP, Rental program, will not have



sufficient resources to provide every small-scale property owner with an award to repair their dama

How Fund Use Addresses Market Conditions:

The local market condition in the Lower Ninth Ward is still in the recovery phase. There are thousands of blighted and vacant units waiting to be rehabilitated. The NSP3 goal is to provide gap financing to 56 rental units. Of this funding, half will be targeted to families at 50% AMI.

Ensuring Continued Affordability:

Rental Housing Activity
Minimum Period of Affordability
Total NSP Investment per unit
Rehab Projects
Under \$15,000 - 5 Years
Total NSP Investment per unit
Rehab Projects
\$15,000 to \$40,000 - 10 Years
Total NSP Investment per unit
Rehab Projects

Over \$40,000 - 15 Years

New Construction Rental Housing - 20 Years

Funding will consist of a no interest, no payment, forgivable loan requiring property owners to maintain affordable rent levels for up to 15 years. The loan is due only upon resale of the property or failure to comply with the rent restrictions and household incomes.

Definition of Blighted Structure:

1. Under Louisiana law "blighted housing property" means

(a) any residential housing property for which environmental remediation is required by State law, rule, or regulation and the condition of which is found or declared by the public officer to be harmful to the health or welfare, including the economic welfare, of the residents of the local governmental subdivision wherein the residential property is located,

(b) any residential housing property that, as of the effective date of this Chapter, had been determined to be a blighted property or an adjudicated property by the local governmental subdivision,

(c) any residential housing property that

(i) is offered by a party in interest for inclusion on a blighted housing properties list and

(ii) the current condition of which is declared by the local governmental subdivision to be below minimum habitability standards and unfit for human habitation, occupancy, or use, or

(d) any residential housing property that has not been legally occupied for eighteen months prior to the time a public officer makes a determination that the property has been vacant for such eighteen]month period and

(ii) has been determined to be a public nuisance by the local governmental subdivision, except no residential housing property in an area impacted by Hurricane Katrina or Hurricane Rita which was occupied as of August 28, 2005, shall be included if the owner is eligible for and receives assistance under the Road Home Housing Program

Definition of Affordable Rents:

For any rental activity undertaken pursuant to the Neighborhood Stabilization Program, "affordable rent" is defined as: the fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or a rent that does not exceed 30 percent of the adjusted income of the eligible household occupying the unit. Fair Market Rent (FMR) will be determined according to the applicable FMR for the community in which the NSP]assisted activity takes place.

Affordable rents will be required to be in effect for each rental property for no less than the affordability period of 10 years for that property.

Housing Rehabilitation/New Construction Standards:

All projects will have to comply with following:

State Code - International Building Code, HUD's Section 8 Housing Quality Standards (HQS) as noted in 24CFR 982.40.

All applicable local codes, rehabilitation standards, ordinances, and zoning ordinances; Handicapped accessibility requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act

Participants in SRPP and NSP3 Program who elected to rebuild their affordable units to a nationally recognized Green Building Standard will be required to meet one of the following standards to pass their final SRPP and NSP program inspection. The acceptable standards are:

1. The Louisiana Rebuilds Standard;
2. The Leadership in Energy and Environmental Design (LEED) standard; or
3. The National Association of Home Builders (NAHB) Gold/Silver Standards

Vicinity Hiring:

NSP3 will comply with Section 3 of the Housing and Urban Development Act of 1968 (12U.S.C. §1701u, Section3) (24CFR Part 135), as amended, requiring that to the greatest extent feasible, opportunities for training and employment be given to low and very lower-income residents of the project area and contracts for work in connection with the project be awarded to eligible Section 3 business concerns.



Procedures for Preferences for Affordable Rental Dev.:

The "Greatest Need" designation was determined by using HUD's mapping tool to assess potential target areas and the working knowledge (on the ground in neighborhoods statewide) where the greatest need for affordable rental housing has been identified. The Lower Ninth Ward within the boundaries of St. Claude, Andry, Eganias, Uguart, Forstall, N. Prieur and Avenue F shall be designated as such.

The target area is adjacent to the headquarters of the Louisiana National Guard at Jackson Barracks, completing a \$300 million rebuilding project. The area includes a restored Martin Luther King Charter School, a new Sanchez Community Center and a new community center at St. David's Parish. In addition to the Small Rental properties, the state's investments in housing include homes rebuilt through the Road Home Program, the Nonprofit Rebuilding Pilot Program and the Alternative Housing Pilot Program.

Prior to hurricane Katrina, many low to moderate income working families in Louisiana lived in single-family homes, duplexes and small multi-family dwellings that were owned and operated by small-scale rental property owners. More specifically, fifty-five percent of the housing units in New Orleans were rental units. Because of the increasing demand for affordable rental property, the NSP3 program will work in partnership with the Louisiana Small Rental Property program (SRPP) to address the housing needs of low to moderate income people in the most heavily damaged areas. The program seeks to rebuild one to four units' rental property structures. NSP3 will provide gap financing in the form of forgivable loans to property owners to help restore their damaged units and offer them at affordable rents to income eligible tenants (50% AMI but not < than 80% AMI).

Grantee Contact Information:

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Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
100	OCD Administrative	OCD Administration	NSP 3
200	Rental L9	LH 25-	Eligible Use D
		LH25	Eligible Use E
		LMMI	
		LMMI-	Eligible D
9999	Restricted Balance		<i>No activities in this project</i>



Activities

Project # / 100 / OCD Administrative

Grantee Activity Number: OCD Administration
Activity Title: NSP 3

Activity Type:

Administration

Project Number:

100

Projected Start Date:

03/10/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Activity Status:

Completed

Project Title:

OCD Administrative

Projected End Date:

12/30/2019

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 500,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 500,000.00

Total Funds: \$ 1,000,000.00

Benefit Report Type:

NA

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Organization Type

State Agency

Proposed Budget

\$ 500,000.00

Funding Source Name

CDBG-NSP3

Matching Funds

No

Funding Amount

\$ 500,000.00



Location Description:

Lower 9th Ward within the boudaries of St. Claude, Andry, Eganias, Uguart, Forstall, N. Prieur and Avenue F.

Activity Description:

The Louisiana Office of Community Development will administer NSP3 in conjunction with the City of New Orleans. NSP3 will allow 10% of grant funds to be applied for program planning, management and administration and related activities. While the use of NSP3 funds for program administration and related activities has a projected start date of April 15, 2011, we may incur NSP3 eligible pre-award costs related to the preparation of this Substantial Amendment and may obligate those costs to this activity.

The City of New Orleans is no longer working on the NSP3 project effective October 25, 2011.

March 2012 Reporting:

Shaw Environmental & Infrastructure will implement and administer the NSP3 services. The staff is hired and we are now working on the program setup, pre-implementation: legal documents, draw and payment approval process, project underwriting and creation of tools and templates to support program tracking and monitoring. No expenditure.

Jan-March 2013

Expended \$16,677.70 this quarter.

Environmental Assessment: COMPLETED

Environmental None

Project # / 200 / Rental L9

Grantee Activity Number: LH 25-
Activity Title: Eligible Use D

Activity Type:
Clearance and Demolition

Project Number:
200

Projected Start Date:
03/10/2011

Project Draw Block by HUD:
Not Blocked

Activity Draw Block by HUD:
Not Blocked

Block Drawdown By Grantee:
Not Blocked

National Objective:

Activity Status:
Under Way

Project Title:
Rental L9

Projected End Date:
12/31/2019

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00



LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Other Funds: \$ 0.00
Total Funds: \$ 0.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	22			0.00
# of Households	22			0.00

Proposed Accomplishments

	Total
# of Singlefamily Units	
# of Housing Units	
# of Properties	

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Organization Type

State Agency

Proposed Budget

\$ 0.00

Location Description:

Lower 9th Ward
New Orleans, Louisiana

Activity Description:

Eligible Use "D" is not required and will not be used with these NSP3 projects

Environmental Assessment: UNDERWAY

Environmental None



Grantee Activity Number: LH25
Activity Title: Eligible Use E

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

200

Projected Start Date:

03/10/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Completed

Project Title:

Rental L9

Projected End Date:

03/09/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 3,803,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 3,803,000.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	29	29		100.00
# of Households	29	29		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	29
# of Housing Units	29
#Sites re-used	29
#Low flow showerheads	29
#Low flow toilets	29
#Dishwashers replaced	29
#Clothes washers replaced	29
#Refrigerators replaced	29
#Light fixtures (outdoors) replaced	29
#Light Fixtures (indoors) replaced	29
#Replaced hot water heaters	29
#Replaced thermostats	29
#Efficient AC added/replaced	29
#Additional Attic/Roof Insulation	29
#Energy Star Replacement Windows	29
# of Properties	29



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of New Orleans - NSP	Local Government	\$ 0.00
Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin	State Agency	\$ 3,803,000.00

Location Description:

Lower 9th Ward
within the boundaries of St. Claude, Andry, Eganias, Uguart, Forstall, N. Prieur and Avenue F

Activity Description:

Eligible Uses: (E) Redevelop demolished or vacant properties as housing.

- 24 CFR 570.202 Eligible rehabilitation and preservation activities for demolished or vacant properties. As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.
- Clearance for blighted structure only 24 CFR 570.201(d)

The state proposes to rehabilitate and redevelop a total of 42 properties which is a total of 82 affordable units. 25% Set Aside-Changed accomplishments & beneficiaries performance measures from 48 to 41. Budget change from \$2.5M to \$3.8M. The actual number of units as of 10/7/2011-22 properties.

For the quarter ending March 2012, the unit count changed from 41 to 29 due to foreclosures, land owners decided not to participate in the program and/or units were completed by land owners. With the reduction in the unit count, this allows the state to rebuild unit for unit up to a 4-plex, before we were replacing one unit in the new construction activity.

The City of New Orleans is no longer working on the NSP3 project effective October 25, 2011. Shaw Environmental & Infrastructure will implement and administer the NSP3 services. The staff is hired and we are now working on the program setup, pre-implementation: legal documents, draw and payment approval process, project underwriting and creation of tools and templates to support program tracking and monitoring. No expenditure.

The budget amount changed from \$3.8M to \$3.9M
Jan-March 2013

The activity budget change from \$3,566,000 to \$3,430,539. Expended this quarter \$616,258.57.

- 99% of applicant funds have been legally obligated by issuing Commitment Letters to the applicants once eligibility criteria has been met.
- 38% of all funds have been drawn down and expended. 36% of applicant funds have been drawn down and expended.
- 21 out of 22 properties have closed with funds legally obligated and committed to be paid out over the next 3 months in the form of construction draws.
- 68% of the properties are at 75% construction complete or greater.
- The average construction complete percentage of all 22 properties is 65%.

Environmental Assessment: COMPLETED

Environmental None





Grantee Activity Number: LMMI
Activity Title: Eligible Use E

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

200

Projected Start Date:

03/10/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Completed

Project Title:

Rental L9

Projected End Date:

03/09/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 697,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 697,000.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	7		7	100.00
# of Households	7		7	100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	7
# of Housing Units	7
#Sites re-used	7
#Low flow showerheads	7
#Low flow toilets	7
#Dishwashers replaced	7
#Clothes washers replaced	7
#Refrigerators replaced	7
#Light fixtures (outdoors) replaced	7
#Light Fixtures (indoors) replaced	7
#Replaced hot water heaters	7
#Replaced thermostats	7
#Efficient AC added/replaced	7
#Additional Attic/Roof Insulation	7
#Energy Star Replacement Windows	7
# of Properties	7



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin	State Agency	\$ 697,000.00

Location Description:

Lower 9th Ward: within the boundaries of St. Claude, Andry, Eganias, Urguarts, Forstall, N. Prieur and Avenue F.

Activity Description:

Eligible Uses: (E) Redevelop demolished or vacant properties as housing.

- 24 CFR 570.202 Eligible rehabilitation and preservation activities for demolished or vacant properties.
- As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.

Clearance for blighted structure only 24 CFR 570.201(d)

The state proposes to rehabilitate and redevelop a total of 42 properties which is a total of 82 affordable units. 80% AMI & Below-Changed accomplishments & beneficiaries performance measures from 34 to 4, budget change from 2,000,000 to 700,000. The actual number of units as of 10/7/2011-2 properties

For the quarter ending March 2012, the activity number name changed from 80% AMI to Rental LMMI and the budget changed from \$700K to \$600K. No change in unit count.

The City of New Orleans is no longer working on the NSP3 project effective October 25, 2011.

Shaw Environmental & Infrastructure will implement and administer the NSP3 services. The staff is hired and we are now working on the program setup, pre-implementation: legal documents, draw and payment approval process, project underwriting and creation of tools and templates to support program tracking and monitoring. No expenditure.

Jan-March 2013

The activity budget change from \$934,000 to \$921,946. Expended this quarter was \$108,789.87.

Reduce other funds and will adjust when DRGR glitch is fix in September.

- 99% of applicant funds have been legally obligated by issuing Commitment Letters to the applicants once eligibility criteria has been met.
- 38% of all funds have been drawn down and expended. 36% of applicant funds have been drawn down and expended.
- 21 out of 22 properties have closed with funds legally obligated and committed to be paid out over the next 3 months in the form of construction draws.
- 68% of the properties are at 75% construction complete or greater.
- The average construction complete percentage of all 22 properties is 65%.

Environmental Assessment: COMPLETED

Environmental None



Grantee Activity Number: LMMI-
Activity Title: Eligible D

Activity Type:

Clearance and Demolition

Project Number:

200

Projected Start Date:

03/10/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Completed

Project Title:

Rental L9

Projected End Date:

03/09/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 0.00

Benefit Report Type:

Direct (Person)

Proposed Beneficiaries

of Persons

Total	Low	Mod	Low/Mod%
			0.0

Proposed Accomplishments

of Singlefamily Units

of Housing Units

of Properties

Total

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Office of Community Development (OCD), Disaster Recovery Unit (DRU) - Admin

Organization Type

State Agency

Proposed Budget

\$ 0.00

Location Description:



Lower 9th Ward
New Orleans Louisiana

Activity Description:

Eligible Use "D" is not required and will not be used with these NSP3 projects

Environmental Assessment: COMPLETED

Environmental None

Action Plan Comments:

Reviewer - ¶ Add the information that you provided below into the L9 LH25 activity narrative.
i. The change is due to foreclosures, land owners decided not to participate in the program and/or units were completed by land owners
4. With the reduction in unit count, this allows us to rebuild unit for unit up to a 4-plex. Before we were replacing one unit for new construction.
¶ Narrative for L9 LH25 Activity p.5 needs to reflect current number of units
¶ Narrative for Admin Activity p.8 still states in conjunction with the City of NO; is this still correct and if so what is their role; please clarify

Although minor, these changes helps to paint an accurate picture for each activity given that others pull reports and do not necessarily know the background or history of the program. We can reject the AP to let you make those changes.

Reviewer - Action plan is substantially the same. The grantee better described the work being performed in the New Orleans area.

Reviewer - Rejected to enable grantee to correct some errors.

Reviewer - Rejected to enable grantee to correct some errors. The Grantee made minor changes to clean up Action Plan.

Reviewer - Grantee cleaned up a typo in a completion of an activity.

Reviewer - The Grantee updated formation showing the Environmental as completed. After approval of this Plan the Grantee will record the address completion screen.



Action Plan History

Version	Date
B-11-DN-22-0001 AP#1	10/27/2011
B-11-DN-22-0001 AP#2	01/13/2012
B-11-DN-22-0001 AP#3	03/30/2012
B-11-DN-22-0001 AP#4	06/03/2013
B-11-DN-22-0001 AP#5	08/05/2013
B-11-DN-22-0001 AP#6	11/15/2013
B-11-DN-22-0001 AP#7	06/22/2018
B-11-DN-22-0001 AP#8	07/13/2018
B-11-DN-22-0001 AP#9	08/13/2019
B-11-DN-22-0001 AP#10	08/30/2019

