

Dear FoCHAT Members (more than 850),

### 1. CHAT meetings

**Time: Meetings on Wed. at 6:30 PM at UNO, usually every other week**

**Place: Room 179, UNO Milneburg Hall**, on Milneburg Rd. (the road where the brand new dorms are, past the stop sign and the University Center and opposite the Fitness Center.

Building #24: [Directions to the Business Bldg are given on the Campus Map for UNO](#)

**NEXT MEETING Wed., Jan. 21. Newcomers are welcome.**

Ø **We thank George Blow and COX10 for their dedication to getting the facts about Road Home to applicants and UNO for providing facilities for our mostly biweekly meetings!**

Ø **The 2-hour CHAT meeting on Dec. 10, 2008 about Road Home Contradictions has been/will be shown on:**

**Tues., Dec. 16, 4 PM; Wed., Dec. 17, noon; Thurs., Dec. 18, 8 AM; Tues., Dec. 23, noon; Thurs., Dec. 25, noon; Fri., Dec. 26, 8 AM; Sat., Dec. 27, 4:30 PM; Sun., Dec. 28, 1 PM; Mon., Dec. 29, noon; Wed., Dec. 31, 2 PM; Thurs., Jan. 1, 1 PM; Fri., Jan. 2, 8 AM & 6 PM; Sat., Jan. 3, 3 PM; Mon., Jan. 5, 1:30 PM; Tues., Jan. 6, 3 PM; Wed., Jan. 7, noon; Thurs., Jan. 8, 4 PM; Fri., Jan. 9, 1:30 PM; Sat., Jan., 10, 3 PM; Mon., Jan. 12, 4 PM; Tues., Jan. 13, noon; Wed., Jan. 14, 2 PM; Thurs., Jan. 15, 2 PM; Fri., Jan. 16, noon; Sat., Jan. 17, 3 PM; Mon., Jan. 19, noon; Tues., Jan. 20, 3 PM; Wed., Jan. 21, 3 PM; Thurs., Jan. 22, noon; Sat., Jan. 24, 3:30 PM.**

### 2. "Surplus" Road Home funds and the LRA Board Resolution about them (which was not previously sent to the Housing Task Force of the LRA Board; the HTF has not met since June, despite requests for meetings)

Here is an interchange by email this last week that you may find to be informative.

(See <http://chatushome.com> for a copy of the resolution mentioned in the emails below)

Dear Ms. Stephens:

Thank you for your extensive answer and for a copy of the resolution.

Key words in your answer are "excess Program funds" and "Road Home commitments."

Those commitments should include following the LRA Road Home Statement of Principles as much as possible, including the following.

**"The calculation of *Road Home* program benefits should be consistent, fair, and accurate."**

**"Every applicant should have access to a fair and swift resolution of errors, disputes, and appeals."**

*The Road Home* program should have a timeline for dispute resolution and appeals. The resolution and appeals process should be mandated in the program rules to provide a written, point-by-point response to applicants for all questions raised in their appeal."

"Homeowners must be given timely, accurate information about their files at every stage through closing and appeals."

At CHAT we have read and heard hundreds of detailed descriptions from applicants who have been left stuck with shortchanging mistakes in their grant calculation that they could not get fixed for example for the following reasons:

they had to abandon their appeal so that they could get their elevation grant;

they were erroneously told at their grant closing that they could not appeal;

they checked off a box to appeal at closing on an official form but did not realize that they also had to send in a letter;

their dispute resolution was left in limbo and they were told that they could not appeal until their dispute resolution was finished; we know that some never had resolution nor follow-up by RH;

they had an appeal without being allowed to see a copy of their file or even their damage report (CAD report) or pre-storm home values so that they could not know the nature of the mistakes they were appealing;

their appeal was denied by phone with no letter or with a letter containing only a vague phrase in explanation with no meaningful responses to the substance of their complaint;

their Type 1 or 2 designation or their estimated cost of damage was clearly wrong and often differed from neighboring homes of similar size but, during the appeal, there was no redetermination on site or by an individual different from the first Home Evaluation Team member who delivered the erroneous determination;

they were not allowed to submit their certified appraisal to correct a very erroneous pre-storm value or otherwise refute clearly incorrect comparables;

they were not allowed to submit independent documentation to correct mistakes in CAD determinations.

The number of applicants who approach us with mistakes in Road Home calculations is certainly a tiny fraction of the total. Moreover, with professional advocate help, clear-cut mistakes by appealing applicants are usually found and corrected. In contrast, the vast majority of applicants who have disputed their grant amount had no such help and, as a result, many are suffering with severe debt, loss of their home or use of their home, or living under unsafe conditions as a result.

We were told by OCD officials that the ongoing audit is conducted by ICF and a representative sample by the Legislative Auditor. Neither affords applicants the chance to have input to correct mistakes in pre-storm value, estimated cost of damage, Type 1 or Type 2 damage, insurance benefits subtracted for personal items instead of structural damage.

Please tell us how any somewhat accurate calculation of excess Program funds can be made under these conditions. In addition, there have been many restrictive CCBs that decreased grant amounts and that could be reversed to help the most needy of applicants, such as those changed policies that constricted additional compensation grants for low-income applicants.

There is no point approving use of this "excess" money for some future possible homeowner use (but more likely use for non-homeowner projects esp. a new hospital) when there is a program in place to do that (Road Home) but which needs to correct its many shortchanging mistakes.

There is no point in hoping that this rerouting of funds gets corrected downstream at the public comments stage.

For example, many CHAT members, including myself, made public comments about LRA Action Plan Amendments 27 and 28. I have been asking Jessie Kome for HUD's decision about the Plans, which is overdue by a month and have not gotten an answer.

Would you please tell me if those Action Plan Amendments (27 and 28) have been approved by HUD?

Thank you again for your answer.

Melanie Ehrlich

Co-Chairman, Citizens' Road Home Action Team (CHAT)

Member, LRA Housing Task Force

--- On **Wed, 1/14/09, Christina Stephens <Christina.Stephens@LA.GOV>** wrote:

From: Christina Stephens <Christina.Stephens@LA.GOV>

Subject: LRA November Resolution on disaster recovery appropriations

To: "'mehrlich8@yahoo.com'" <mehrlich8@yahoo.com>

Date: Wednesday, January 14, 2009, 12:11 PM

Dr. Ehrlich –

I am writing to offer clarification of the LRA's resolution from November 2008, which asks Congress for flexibility in using Road Home funds. Based on some of your emails, there seems to be some confusion and misunderstanding about our intent. To be 100 percent clear – the resolution was NOT to divert funds from Road Home applicants. It was to allow us to use any EXCESS program funds for purposes not outlined in the strict Congressional language governing the \$3 billion awarded to the state in the fall of 2007, including filling additional potential housing gaps.

I believe the confusion stems from an unrelated discussion at the LRA board meeting where the flexibility resolution was considered. As you know, rebuilding the Charity hospital in downtown New Orleans is a top priority for the state. We have been in seemingly endless negotiations with FEMA over how much the state will receive for this project. As our board members are concerned with the future of the hospital, they of course asked questions about if any excess Road Home funds could be used for this purpose, AFTER our Road Home commitments have been met. This was merely a point of discussion.

Nothing in the resolution (which is attached) committed funds to the hospital or any other project in particular. As Charity hospital is a hot topic of conversation, the Advocate in Baton Rouge reported on the possibility. I advised the reporter of a number of caveats that would exist before we could use the funding for anything other than the Road Home program, most importantly that we would meet our Road Home obligations first, and that we had not committed to anything. While I don't control how stories are written, it is my job to answer questions of the press. I was being truthful – yes, we COULD technically use funding, if it were freed up by Congress, for a hospital. We also could use funding, if it were freed up by Congress, for unmet housing needs.

We do not intend to divert money from those Road Home applicants who are eligible for grant awards. As you are aware, each day that we move forward in the program, we get more certainty about our budget and we feel that there is a likelihood that we will have funds remaining in the program. Based on Congressional language about our allocation, we cannot expand the Road Home program beyond our original action plan to enhance homeowner awards (meaning we can serve Sold Homes applicants and launch the Individual Mitigation Measures program). So to do any new programs, including those to meet housing gaps in our communities, we need flexibility.

As it stands right now, if we have remaining funds in the Road Home, we will not be able to use them for anything – not for housing programs and projects, not for repairing infrastructure, not for constructing buildings. We must ask Congress to allow us to use these funds. We simply cannot leave federal funds on the table unspent when we have so many unmet needs in our recovery.

In order to use any remaining Road Home funds after we meet our Road Home obligations we would have to first get a Congressional waiver of regulations governing the last \$3 billion of CDBG funds for the Road Home program. Then, we would have to dissect the budget to determine that, in fact, we had funds remaining in the program. Then, after discussion at the board level, we would publish an action plan amendment to suggest programming for the funds and outline our priorities. This would be published for public comment, then voted on by the LRA board, presented to the Joint Legislative Committee on the Budget and then voted on by the full Legislature before going to HUD for final approval.

As you can see, we are many, many steps away from reprogramming any dollars and any such reprogramming would go through multiple approval steps and public vetting.

I hope this clarifies our action.

Thanks, Christina

Christina Stephens  
Press Secretary  
Louisiana Recovery Authority

<http://www.lra.louisiana.gov/assets/docs/searchable/meetings/2008/11/111808AppropriationResolution.pdf>

#### v **Excerpts of Draft Minutes, LRA Board Meeting Nov. 18, 2008**

##### **Monthly Budget Presentation**

Mr. Paul Rainwater said we had asked HUD for an Action Plan Amendment to eliminate the \$150,000 cap on the Road Home program. We are not sure how much will be spent on elevations, but \$650 million has been drawn down in individual mitigation funds. It is not known how much LLT will spend on demolitions and slab removals, but it could range between \$300 and \$450 million. Adjustments are being made to the Small Rental program, but there could be between \$300 and \$500 million in unallocated funds. We do not want to return these funds to the Treasury because we want homeowners to have this funding. Mr. Sean Reilly asked if these are just Road Home figures. Mr. Rainwater explained that the figures encompass all recovery programs. If we are allowed some flexibility by Congress, then we may be able to help Charity Hospital, the New Orleans Sewerage and Water Board and others in need.

Mr. Sean Reilly offered a motion to approve a resolution to petition Congress for reallocation of the appropriations to cover other obligations. The motion was seconded by Ms. Pat LeBlanc

##### **Final Approval of the Resolution to Petition Congress for Reallocation of the Appropriations to Cover Other Obligations.**

**RESOLVED, that the Board hereby accepts and approves the resolution to petition Congress for reallocation of the appropriations to cover other obligations.**

*Voting: Rep. Karen Carter-Peterson, Dupre, Jas Gill, Lasseigne, Pat LeBlanc, Walter Leger Jr., Roy O. Martin III, Sen. Edward Murray, Sean Reilly, and John E. Smith.*

### **3. Imagine this!**

**(Actually, unfortunately it is reality and is indicative of the LRA, OCD, & ICF squeezing grants smaller by 2008 rule changes and unpublicized procedures)**

**In July 2008 mold and mildew were added to Protocols for CADs (Damage Estimate Reports) as items NOT covered.**

Do OCD and LRA officials understand the damage done by sewage, sea water, flood water mixtures standing for weeks in homes with applicants often unable to return to clean up for months?

5. *Appendix A: Added damages related to mold and mildew to the list items not covered by Road Home Program*

#### **Protocols for Estimating Replacement Housing Costs, v16**

**47 The following repairs and replacements ARE NOT covered under The Road Home Program:**

##### **Exterior**

- *Detached garages and outbuildings*
- *Boat ramps, docks*
- *BBQ grills*

- Landscaping, including tree removal for aesthetic purposes
- Aluminum patio covers, not to include carport covers
- Pools, pool houses, jetted tubs
- Exterior showers
- Decks and patios
- Aluminum or wooden awning
- Solar heating and power systems
- Skylights (not for replacement; skylight repair is eligible)
- **Window shutters**
- Security bars on windows
- Specialty roofing (minimum allowance only)

**Interior**

- 2nd kitchens (in single family homes)
- Crown molding, wainscoting
- Entertainment systems (in-wall speakers, wiring, etc.)
- All special construction not found in moderate-cost housing
- Cabinets in excess of 22 linear feet in any room
- Custom shelving in walk-in closets
- Wallpaper
- Countertop appliances
- Jacuzzi-style tubs
- Washers and dryers
- **Wood floors (repair only)**
- **Damages related to mold and mildew**

**4. Applicants with Grave Road Home Problems Continue to Write to Us for Help**

See our website for specific information that may help with appeals and other Road Home matters.

<http://chatushome.com>

Best wishes,

Melanie Ehrlich  
Co-Chairman, Citizens' Road Home Action Team (CHAT)