

Dear FoCHAT Members,

We have a meeting tonight and newcomers are welcome.

- 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**

http://www.nola.com/news/index.ssf/2009/02/road_home_may.html

I have been re-appointed to the LRA Housing Task Force and there is supposed to be a meeting of the Task Force soon. I will tell you as soon as I know.

Road Home may end with cash left over

by David Hammer, Staff writer, The Times-Picayune
Sunday February 01, 2009, 7:44 PM

John McCusker / The Times-Picayune

Lines like these in June 2007 in Metairie are now a distant memory, with the Road Home program having paid almost 90 percent of its rebuilding grant money to homeowners.

With fewer than six months before the state parts with the company that runs its Road Home program, budget estimates paint a promising picture: the program has paid almost 90 percent of the money to help homeowners rebuild and could end up with a surplus of at least \$228 million.

It is yet to be seen whether the state's projections jibe with reality. Thousands of applicants either have not been paid or are still waiting for decisions about their appeals for higher grants. The three-year contract with administrator ICF International expires June 11, but the state vows to continue the Road Home, relying on in-house staff and a few additional contractors, until every deserving applicant is compensated.

Based on the Louisiana Recovery Authority's estimates, the program is close to meeting its obligations for three primary segments of homeowner aid: compensation for uninsured losses resulting from Hurricanes Katrina and Rita, money for elevating rebuilt homes and additional compensation grants for low-income families.

That would be no small feat for a program plagued by grant delays, budget deficits and questions about missing files and wayward appeals.

Under then-Gov. Kathleen Blanco, the Road Home program received more than \$10 billion from the federal government from 2005 through the end of 2007. After its first year at the helm, Gov. Bobby Jindal's administration now believes the Road Home will end up with a surplus.

Keeping the money

The LRA has begun lobbying Congress for the right to move leftover Road Home money into other projects, rather than having to pay it back to the U.S. Department of Housing and Urban Development. **LRA board members have expressed interest in using the surplus to help finance Louisiana State University's proposed hospital near downtown New Orleans.**

That worries some Road Home watchers who see persisting problems with grants and question how the state can talk about surpluses after everything the program has been through since it began in June 2006.

"This money came to assist homeowners with rebuilding," said Davida Finger, an attorney with Loyola University's Katrina Law Clinic. "With what we know about how badly designed and implemented the Road Home was, it doesn't make sense to think there's money left over for the state to send back to itself, especially when people still have significant rebuilding needs."

LRA's budget documents as of Jan. 12 show 121,290 homeowners have collected \$7.4 billion in grants, for an average of \$60,811 per family. According to LRA estimates, that is 89 percent of all compensation and elevation grants that must be paid by the end of the program.

At the same time, ICF has been paid \$780 million, or 90 percent of its anticipated management fees, for the homeowner program.

A third party and the legislative auditor will scrub ICF's files to try to ensure applicants were fairly compensated.

Grants pile up

The state's estimate of total grants to be paid by the end of the program includes \$300 million for additional disbursements, mostly for appeals. About half of that has been paid so far, meaning the LRA budget can still support another \$140 million in grants for appeal cases without tapping into its anticipated surplus. That number includes \$60 million set aside for appeals by low-income homeowners, a key group Finger believes has been particularly underpaid.

The LRA also budgeted \$906 million for elevation grants, a portion of the program that was frozen for most of 2007 and struggled to restart payments in significant numbers until the second half of 2008. The number of grants paid more than tripled in the past five months. With about 31,000 applicants eligible for as much as \$30,000 each to raise their new or renovated homes, more than 19,000 families have been paid \$540 million, state reports show.

A supplemental FEMA program to reimburse homeowners for up to another \$30,000 in home-raising expenses, which is not part of the Road Home budget, has not taken off so well. In October, a top FEMA official questioned the state's sluggish work distributing money from the fund. The LRA now says its staff is working on the first 690 files, but only three applicants have received partial payments, totaling \$39,430.

The largest unspent balance in the state's Road Home budget is \$750 million dedicated to two Road Home spinoff programs that have yet to begin. One is the \$100 million "sold homes" program, which federal overseers just approved for applicants who ended up dumping their storm-damaged homes in private sales before Aug. 29, 2007.

The other \$650 million is set aside to reimburse applicants for storm-proofing measures, such as installing protective shutters and lifting water heaters above flood level, but the state did not want to start paying the \$7,500 grants until it worked out some implementation details. LRA spokeswoman Christina Stephens said the authority will seek bids soon for a contractor to run the individual mitigation measures program.

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<http://www.nola.com/news/index.ssf/2009/02/ tempers flare over.html>

Tempers flare over new LSU medical complex by Bill Barrow, Staff writer, The Times-Picayune Sunday February 01, 2009, 7:23 PM

After months of relatively quiet planning for a new academic medical complex in New Orleans, the temperature is rising between Louisiana State University System officials and opponents of the school's proposed site in lower Mid-City.

LSU leaders say they are reacting to what they characterize as misinformation and cheap shots by preservationists and other opponents of the proposed complex.

"It's going to be tough to get this project built; it's always been tough," LSU spokesman Charlie Zewe said. "And we are frankly sick and tired of people trying to define us as secretive, mean-spirited and focused only on the aggrandizement of the institution. . . . We're simply not going to stand for it any more."

Walter Gallas, the New Orleans field director for the National Trust for Historic Preservation, said LSU officials have earned the criticism, and he said the university is to blame for any rhetorical escalation.

"Their attitude has been, 'If we get any opposition, we'll just attack the opposition,'" Gallas said.

LSU is proposing a \$1.2 billion academic medical complex that would be built alongside a new U.S. Department of Veterans Affairs hospital campus. The adjoining hospitals would cover a 70-acre footprint bound by Claiborne Avenue, Tulane Avenue, Rocheblave Street and Canal Street.

Historical preservation groups are pushing the VA to build on the lower nine blocks of the larger footprint, with LSU rebuilding a new hospital from within the shell of Charity Hospital, which has been closed since Hurricane Katrina. The

preservationists' plan calls for LSU also to assume custody of the old VA campus, which sits across Gravier Street from Charity.

Behind the back-and-forth are reams of competing architectural and building analyses, federal environmental reviews, transcripts of review sessions convened under federal historic preservation law and letters from both sides making their cases to state and federal lawmakers.

Stating their cases

Dr. Fred Cerise, who leads the LSU System medical division, told Louisiana's congressional delegation in a Jan. 22 letter that the preservationists "exaggerate the new hospital's effect on the Mid-City Historic District." State facilities chief Jerry Jones made the same arguments in a recent presentation to a legislative committee discussing Charity's viability as a future hospital.

Each man also reprised the system's arguments against the idea that Charity could be gutted and rebuilt in less time and for less money than a new hospital, insisting that architects and builders who say so are underestimating the ease of rehabilitating a 70-year-old building. Zewe said the idea of a refurbished Charity "fanciful nonsense."

LSU System President John Lombardi added his voice in a recent newspaper column, reminding readers that Gov. Bobby Jindal's administration is firmly behind the LSU proposal.

When preservationists invited LSU and Veterans Affairs officials to speak alongside them at a series of neighborhood meetings to discuss the project, LSU Health Sciences Center Chancellor Dr. Larry Hollier declined, saying that attending the meeting "would be a disservice to the people of New Orleans" because any further debate would delay LSU's plans.

A top Veterans Affairs official declined to attend as well. But, Gallas said, "he had the good sense just to tell us he had a scheduling conflict."

Some of the town-hall-style gatherings have featured the kind of sentiments, from presenters and attendees, that cause LSU officials to bristle.

New Orleans lawyer Bill Borah, a board member of Smart Growth Louisiana, penned a letter to New Orleans City Council members saying the LSU proposal is "fraught with problems." Characterizing the planning process as secretive, he urged the council's involvement in the project, though legally the state and federal government are not subject to municipal zoning and planning laws.

E-mail stirs the pot

Yet perhaps none of those exchanges have illuminated the new level of animosity as well as what came after a routine news advisory last week from LSU's opponents.

The e-mail from Jacques Morial, co-director the Louisiana Justice Institute, notified recipients about the latest public forum to discuss preservationists' alternative to LSU's plan. Near the bottom, it read: "The meeting will be dedicated to the memory of Ms. Cayne Miceli and Mr. John Sanchez -- two individuals who wouldn't have recently died had Charity been opened."

Miceli, who suffered from asthma, died at LSU Interim Hospital on Jan. 6 after being taken there from Orleans Parish Prison. Sanchez was found dead in his Orleans Parish Prison cell on Jan. 12. Advocates for both prisoners said they would have been better served in Charity's mental health facilities.

"These groups have gone from historical to hysterical," Zewe said. "They out and out accused LSU of the deaths of two people. That calls into question the very competence of our doctors and nurses and medical professionals working 24 hours a day at Interim Hospital."

Morial said members of the Committee to Reopen Charity Hospital wrote the sentence, though Morial said he does not necessarily disagree with its conclusion after discussing the matter with health care providers.

Zewe said LSU "does not question the motives of the preservationists." But he said the school will continue to "question their judgment (and) expertise" about the best way for LSU to meet its "responsibility to treat patients, to deliver health care and to train medical professionals."

And absent any unforeseen consensus among the parties, Zewe said LSU will continue to play its trump card: the final site selection announcement that LSU and the VA made in November after a federally required process reviewing several options.

"It's time to move on with this," he said. "We don't want to see Charity Hospital torn down or blown up. But the discussion about what happens next to Charity is not something LSU is going to be involved with. We are concentrating on building a new hospital."

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Best wishes,

Melanie Ehrlich
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