

Office of the Governor
State of Louisiana

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September 2, 2016

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear Mr. President:

First, I want to thank you again for personally visiting flood impacted areas of Louisiana on August 23, 2016, and for sending a number of your cabinet-level secretaries to our state in response to the August floods. I am confident that it was beneficial for you and members of your cabinet to witness first-hand some of the severe impacts the floods had on Louisiana's families and businesses, and in particular visiting with Louisianans who were literally in the process of gutting their homes and trying to determine a clear path towards their recovery.

During your visit, and in my August 23rd letter to you, I requested both a supplemental appropriation of Disaster Recovery Community Development Block Grant (CDBG-DR) funds and an allocation to the Army Corps of Engineers for the Comite River Diversion project, in order to assist Louisiana in its recovery from the severe storms and flooding occurring in both March and August 2016. The combination of these two storm events has had a devastating impact on our state and our citizens. While short-term relief for immediate needs available through FEMA for items such as temporary rental assistance, essential home repairs, and other serious disaster-related needs are greatly needed and greatly appreciated, our full recovery will not be realized without additional help. This is particularly true for the large number of residents who experienced flooding outside of the designated high-risk flood zones. The majority of these citizens did not carry flood insurance, and I impress upon you that they will not be able to make critical decisions on rebuilding their homes and their lives without the availability of CDBG-DR funds. This additional assistance is critical to Louisiana's full recovery from these floods.

Because of this, I am reiterating to you my call for a Congressional appropriation of CDBG-DR funds for Louisiana, and that this appropriation take place during Congress' September session. Based on the information we have thus far, I believe \$2 billion of CDBG-DR funds for additional public investments in housing, economic development, and resilient infrastructure will be necessary for the recovery of our state. With FEMA verified unmet needs in housing repairs, which are typically well below what is actually required to repair a home, estimated at over \$900 million, and taking into account that as many as 15% of households may never register for FEMA Individual Assistance, and understanding that over 80% of the flooded homes did not have flood insurance at the time, the funds required to bring these communities back could well exceed \$1.2 billion in housing alone. Considering

these losses, in combination with the economic impacts of over \$3 billion and the as yet unknown public infrastructure damages, I believe \$2 billion in CDBG-DR funds is a very reasonable request.

I have discussed the importance of a CDBG-DR appropriation with all of the members of Louisiana's Congressional Delegation, seeking their full backing and asking that they secure the endorsement of their Congressional colleagues. In support of this request, I offer just some of the damage data and estimates of the substantial and long-term impacts of both the August and March flood events:

As a result of the August floods, preliminary data show:

- Damage to over 55,000 homes has been documented by FEMA so far, with the number expected to rise to over 110,000 as individual assistance (IA) registrations and inspections continue;
- Based on current registration numbers and historic trends, we estimate that over 150,000 households will apply for individual assistance, with an estimated housing unmet need of \$750 million to over \$1 billion;
- Over 80% of flooded households did not have flood insurance, as most were not in the 100-year floodplain;
- Initial indications are that the majority of the flooded households are low-to-moderate income and 20% are renters;
- Thousands of miles of state and local roads remained under water for extended periods. Estimates are that 30 state roads washed out and 1,400 bridges will need to be inspected;
- Along with over 200 highways closed statewide during the event, sections of Interstates 10 and 12 were closed for multiple days due to floodwaters. Some areas of I-10 remained closed for nearly a week, significantly interrupting interstate commerce;
- An estimated 31% of the homes in the impacted parishes are in areas affected by flooding, and only 11% of households in the flood impacted areas carry flood insurance;
- Conservative estimates for the economic impact to the agricultural sector currently stand at over \$110 million;
- Estimates of economic loss in labor productivity stand at over \$300 million, with an estimated \$836 million loss in value added during the period immediately surrounding the storm;
- Current estimates indicate that over 6,000 businesses experienced flooding, with structural, inventory and equipment damages of over \$2.2 billion;
- Operations at 19,900 (20%) of Louisiana businesses were disrupted, with a total workforce disruption of 278,500 workers, or 14% of the Louisiana workforce;
- 5,447 disaster-related unemployment claims have been filed as of August 18, 2016;
- Estimates of public infrastructure damage are under way, but will take considerably more time to compile and analyze;
- Total estimated losses from this disaster, not including public infrastructure, are over \$8.7 billion.

As a result of the March storms and flooding:

- More than 29,000 homes were damaged;
- A total of 6,143 non-housing structures were damaged;
- Along with numerous road closures during the event, estimates of \$20 million in road and bridge damage;
- Agricultural losses of approximately \$15 million, with long-term impacts to farmers of \$80 million;
- 521 disaster-related unemployment claims have been filed;
- Over 40,000 citizens registered for individual assistance.

I am confident that with the local, state, and federal resources already being applied to this disaster, along with the resources I'm requesting here, Louisiana will recover from this disaster stronger than before. With smart investments in housing, economic development, infrastructure and planning, we can make our state more resilient in the face of future disasters, whatever they may be. It is also worth noting that because Louisiana has been the recipient of CDBG-DR funds for previous disasters, our state already has the necessary infrastructure in place to appropriately and compliantly administer these funds. Be assured that we will continue to be good stewards of these taxpayer dollars, and that they will go towards the recovery of our state and its citizens.

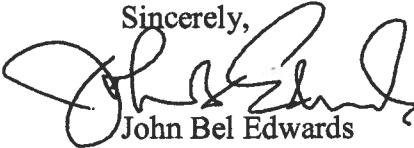
In spite of the fact that this was a 1,000 year flood event, we know that we can expect more extreme weather events in the future. Because of this, we also feel it is critical that we take steps to make our communities safer in the future. The Comite River Diversion project has been in the works for nearly 20 years, and, if completed, would have reduced some of the impacts of this flood event. We believe it is critical to fully fund this project, as well as complete studies of the Amite River Basin to guide our future investments in resilient infrastructure in this watershed. Understanding how to reduce flood levels in the basin and taking steps to do so is a far superior option to simply trying to elevate all the homes out of the floodplain. As such, I am also including a request for funding for these efforts through the Army Corps of Engineers to complete the work that has been started, including \$125 million to complete the Comite River Diversion project.

Mr. President, in the face of the adversity our state is experiencing, I have been so proud to have witnessed how Louisiana and her citizens have remained "Louisiana Strong." In response to both disasters, neighbors, school and church groups, and non-profit organizations immediately stepped up to provide needed food, shelter and care for those who lost homes and possessions. And since the storms we have seen a tremendous outpouring of support from our fellow Americans across the entire country, lending their love and support to our state. The generous hearts and spirit of resilience of the American citizen continues to be an inspiration.

I am confident that with your continued support, our state will be provided with the necessary appropriation of CDBG-DR funds to work towards a full recovery.

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Thank you for your partnership in this effort, and for your attention to this request.

Sincerely,

John Bel Edwards
Governor

cc: FEMA Administrator W. Craig Fugate
HUD Secretary Julián Castro
USACE Chief of Engineers and Commanding General Lt. General Todd T. Semonite
Senator David B. Vitter
Senator William G. "Bill" Cassidy
Congressman Stephen J. Scalise
Congressman Cedric L. Richmond
Congressman Charles W. Boustany, Jr.
Congressman John C. Fleming, Jr.
Congressman Ralph L. Abraham, Jr.
Congressman Garret N. Graves