

## Section 6 – Financial Plan

### 6.1 Financing Plan Executive Summary

#### 6.1.1 The Financial Planning Process

The financing element of the UNOP Plan incorporated three main efforts: (1) constructing a recovery budget, (2) developing recovery funding principles and strategies to obtain required funding, and (3) outlining possible funding sources and sketching an illustrative funding scenario.

##### *6.1.1.1 Recovery Budget*

Constructing a recovery budget was a three-part process. First, the Citywide Team researched the sources and amounts of funding which had already been either expended or earmarked for recovery in Orleans Parish. Such research also examined the requirements, restrictions and the fundraising process associated with the various sources of funding. For example with respect to federal disaster recovery funding, the Citywide Team determined the various types of funding available, the allowable use of proceeds for the various federal funding programs, and the application process for accessing such federal funding. This type of examination was conducted for a wide range of public and private funding sources. In short, the first step of constructing the recovery budget involved understanding what monies had already been expended/committed and what were the “rules” for obtaining additional funding from these and other sources.

The second step in constructing a recovery budget required a detailed costing of all the recovery projects recommended in the UNOP Plan. Total cost estimates for these projects were developed by various technical experts. An abbreviated list of such experts includes Citywide Planning Team members, Sewage & Water Board, various City of New Orleans departments (e.g. Department of Public Works), Regional Planning Commission, Port of New Orleans, local universities, New Orleans Redevelopment Authority, Louisiana Cancer Research Consortium, Bring New Orleans Back Commission, Lambert Advisory Team, Orleans Parish Criminal Sheriff’s Office, New Orleans Police Department, and NOLA Cultural Roundtable.

In the final step in preparing a recovery budget, the Citywide Planning Team subtracted identified funding<sup>34</sup> from the gross cost estimates to obtain the net or “Incremental Required Funding” (also commonly referred to as “gap” funding) to execute each project. The Project Summary Sheets in Appendix A, which give details of each recovery project, provide the Incremental Required Funding estimates and the source of such cost estimates.

##### *6.1.1.2 Recovery Financing Principles and Strategies*

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<sup>34</sup> Identified funding refers to funding which has been (a) formally committed to specific projects, or (b) judged by the Citywide Team to be highly likely of being formally committed in a less than one year timeframe.

Like the process of crafting the framework for the UNOP Plan itself, the second step in developing the UNOP Financing Plan involved developing guiding principles and strategies for executing an effective recovery. As discussed in greater later in this Section 6, the financing principles emphasize strong support for individual choice in decision-making, comprehensiveness of funding, and diversity of financing sources so that a solid balance can be achieved in funding New Orleans’ recovery. The strategies for executing the Financing Plan were developed from (a) the research regarding the sources of funding which has already been expended/committed to New Orleans’ recovery and (b) the professional experience of various disaster financing and corporate financing experts on the Citywide Planning Team.

### ***6.1.1.3. Possible Funding Sources / Illustrative Funding Scenario***

The final task in developing the UNOP Financing Plan involved identifying additional potential funding sources and constructing a general funding scenario which may illustrate how the UNOP Plan may be financed. Consistent with the financing principle of diversity of funding, the Citywide Planning Team identified a host of public and private sources that may be tapped to underwrite the City’s recovery.

## **6.1.2 The Recovery Budget**

A large-scale investment will be required to carry out the comprehensive recovery program detailed in the Citywide Plan. Specifically, the Citywide Plan contemplates expenditures of approximately \$14.4 billion over a 10-year period to execute the 95 Recovery Projects outlined in Section 4 and detailed in Appendix A. The following table summarizes the total expenditure for the UNOP Plan by sector over the 10-year planning horizon:

**Table 6.1 Citywide Plan Cost Summary**

Citywide Recovery Projects				
Sector	Phased Budget			
	Total Budget	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
Hurricane/Flood Protection	4,441,450,000	970,480,000	2,394,370,000	1,076,600,000
Infrastructure	2,185,560,000	960,483,250	903,736,750	321,340,000
Transportation	3,049,181,848	227,015,478	1,409,566,370	1,412,600,000
Housing	826,000,000	344,800,000	481,200,000	-
Economic Development	971,000,000	549,500,000	333,500,000	88,000,000
Healthcare	36,150,000	26,150,000	10,000,000	-
Education	1,004,500,000	511,255,000	478,970,000	14,275,000
Historic Preservation and Urban Design	252,300,000	48,680,000	77,145,000	126,475,000
Environmental	134,418,000	46,104,500	78,313,500	10,000,000
Community Service: Public Safety	313,812,000	105,439,500	204,032,500	4,340,000
Community Service: Recreation/Library	404,850,000	91,062,500	184,362,500	129,425,000
Community Service: Other Municipal and Cultural	267,800,000	54,360,000	80,040,000	133,400,000
Staff Implementation	473,750,000	142,125,000	189,500,000	142,125,000
<b>Total of All Sectors</b>	<b>\$14,360,771,848</b>	<b>\$4,077,455,228</b>	<b>\$6,824,736,620</b>	<b>\$3,458,580,000</b>

### 6.1.3 Illustrative Funding Scenario

Funding the required investment to complete the recovery of New Orleans will present significant challenges. All sources, public and private must be tapped to successfully complete the recovery. The table below displays one potential scenario for funding the recovery. This scenario is merely meant as a discussion piece to illustrate certain points with regard to the potential future funding of the recovery. ***This scenario is not an official plan, and actual funding of the recovery is like to vary substantially from the scenario given below. Accordingly, no reliance should be placed on this scenario:***

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**Table 6.2 Potential Financing Sources**

*Potential Financing Sources*

Sector Name	Total	Total Public Sources	Total Private Sources
Hurricane/Flood Protection	4,441,450,000	4,441,450,000	-
Infrastructure	2,185,560,000	2,148,485,000	37,075,000
Transportation	3,049,181,848	2,749,181,848	300,000,000
Housing	826,000,000	310,000,000	516,000,000
Economic Development	971,000,000	476,000,000	495,000,000
Healthcare	36,150,000	36,150,000	-
Education	1,004,500,000	506,900,000	497,600,000
Historic Preservation and Urban Design	252,300,000	120,600,000	131,700,000
Environmental	134,418,000	74,418,000	60,000,000
Community Service: Public Safety	313,812,000	235,359,000	78,453,000
Community Service: Recreation/Library	404,850,000	277,350,000	127,500,000
Community Service: Other Municipal and Cultural	267,800,000	134,400,000	133,400,000
Staff Implementation	473,750,000	284,250,000	189,500,000
<b>Total</b>	<b>\$14,360,771,848</b>	<b>\$11,794,543,848</b>	<b>\$2,566,228,000</b>
<b>% of Total Required Investment</b>	<b>100.0%</b>	<b>82.1%</b>	<b>17.9%</b>

## 6.2 Recovery Funding To Date

The Citywide Team worked with officials from FEMA, the LRA, the City, and other agencies to construct a comprehensive assessment of the funding to date in Orleans Parish. During the first 15 months of recovery, nearly \$50 billion has been expended or allocated for recovery and rebuilding in Orleans Parish.

The majority of this funding has been directed towards individuals and property owners, including residential, commercial, and government property holders. Insurance proceeds account for over \$20 billion or 50% of the current recovery funds. According to the Insurance Information Institute, 95% of private claims have been settled for homes and businesses totaling \$13.75 billion, with another \$300 million still pending. In addition, there has been \$2 billion of vehicle insurance settled accounting for 99% of the related claims.

According to the FEMA NFIP Section of LA, as of December 12, the National Flood Insurance Program has paid \$6.46 billion on 60,000 of the 71,199 claims filed. These claims are further classified as \$5.3 billion for building and structural damage, while \$1.1 billion has been paid for

damage to building contents. Of the over 11,000 claims still pending, the average claim thus far has been just over \$107,000, meaning that over \$1.1 billion of claims could be still outstanding. Homeowners and small business owners have taken out more than \$2.83 billion in Small Business Administration loans. Despite these large settlements and loans, the Orleans permitting authority has only registered \$4.3 billion of residential and commercial permits to date. The disparity between payments made to owners and permit value to date suggests that the level of recovery funds obligated or available is not indicative of the level of cash resources that are being reinvested into real estate or communities at this time by homeowners or businesses.

Since only 67% of homes had flood insurance, there is a large population that did not have any coverage. There is another segment of owners who had some coverage but certainly not adequate to fully cover such devastating losses. The LRA has allocated Housing and Urban Development CDBG funds of approximately \$4.2 billion to provide property owners with additional resources through the Road Home program. Unfortunately, the Road Home Program has been slow to distribute committed funds. As of the first week of December, of the over 85,256 applications received, only 10,465 had benefit calculations with an average of \$65,000 per claim. Against the \$4.2 billion Road Home commitment, only \$651 million of benefits had been calculated. Little more than a handful of actual benefits had been distributed. Orleans incurred major or severe damage to over 70% of the rental units. The LRA has also allocated an additional \$1.8 billion CDBG funds to mixed income and affordable rental housing. It is unknown how much of these commitments have actually been distributed.

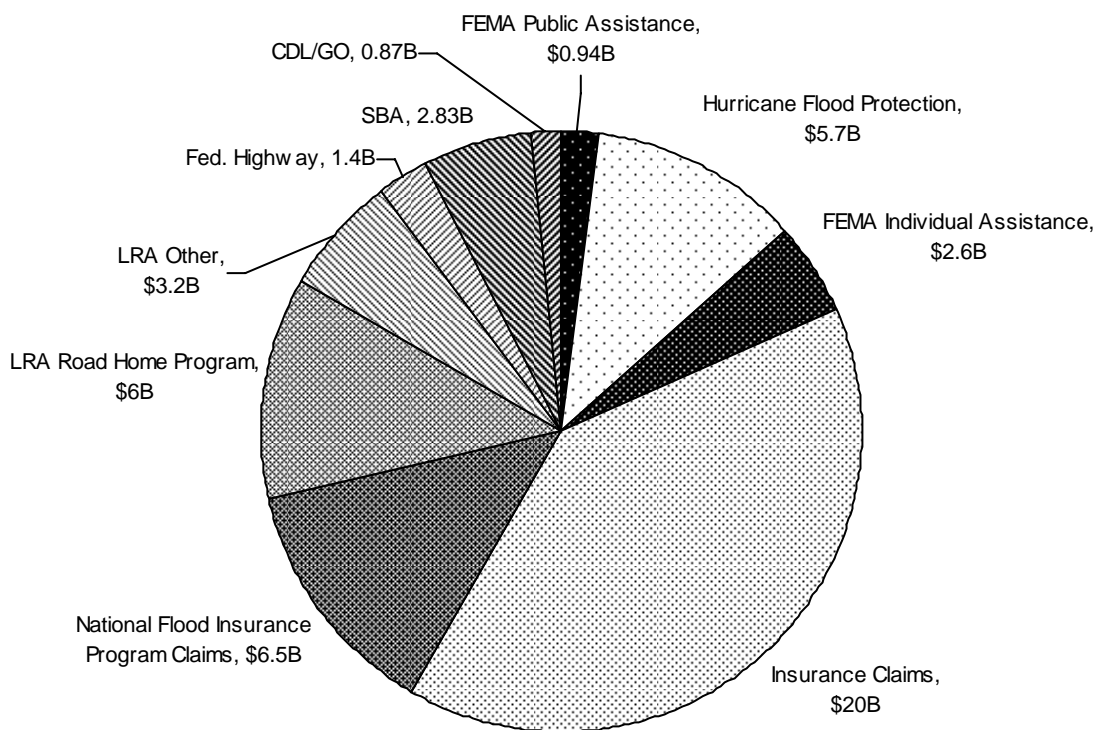
In addition to the Road Home program, the LRA has designated additional CDBG money to Infrastructure and Economic Development. These funds become extremely valuable as a resource because of the flexibility governing their investment. At a state level, the allocations were almost \$2 billion for infrastructure and an additional \$350 million for Economic Development. As initial allocations, the LRA obligated approximately \$380 million to Orleans for infrastructure and an additional \$140 million for public school repairs. A total of almost \$4 billion of additional requests have been made since the fund was established. Since the initial infrastructure allocation an additional consideration of \$300 million has been granted to the Medical Center LA in NO, \$200 million to Entergy New Orleans, and \$40 million to private and nonprofit schools. An additional \$400 million was recently voted on by the LRA infrastructure committee reportedly leaving only \$20-40 million of the initial amount available for future projects, assuming all else remains constant.

Of the \$350 million in Economic Development appropriations, the following amounts have been announced or are in the approval process: \$38 million for small business loans and grants; \$10 million for small company training and technical assistance; \$95 million for long-term recovery loans; \$28.5 million for tourism and marketing programs; \$38 million for workforce training and placement; and, \$28.5 million for a recently issued RFP for research and education. An additional \$90 million is reportedly being contemplated for bridge loans to SBA/insurance proceeds. The City's Economic Development group is aggressively pursuing unallocated funds available for Economic Development activities. In addition, the LRA recently approved the reallocation of \$105 million from other disaster recovery programs (although the specifics are not known) to increase money available in a loan and grant program for small businesses. The

initiative will provide grants up to \$20,000 and zero-interest loans up to \$250,000 to businesses that can document negative economic impact from the storms.

The LRA has also allocated \$800 million for the 10% match that FEMA does not cover as part of the PA (please see below for definition) reimbursement process. The state has agreed to make the payment but is actively seeking from FEMA a waiver of payment which is similar to what the agency enacted in disasters in New York and Florida. It is unknown at this time whether the

**Figure 6.1 Orleans Parish Recovery Funding Allocation**



\$800 million will be available for other recovery needs in lieu of the match payment.

FEMA has also provided \$2.61 billion in Individual Assistance funding. Approximately 65% has been paid for housing assistance including temporary housing, repair, and replacement construction. Over 345,000 individuals have been funded for other needs including vouchers, personal property, transportation, medical, and storage expense reimbursement.

For public and non-profit agencies, one of the major sources of post-disaster funds is FEMA’s Public Assistance (PA). The PA Program provides federal funds towards repairing public

property, including schools, roads, pipes, sewers, and public space such as parks and open spaces. The PA Program funds up to 90% of the costs for eligible projects that are restored to pre-storm condition. However, it is important to note that PA obligated amounts that are quoted by FEMA, include 100% of the eligible costs and do not deduct the 10% match for reporting purposes. If the eligible project is an improvement from pre-storm conditions or is an alternative project, then PA funds will cover only 66.5% of the total project cost.

One-hundred sixty-four public or non-profit agencies in Orleans have filed more than 5,000 claims for FEMA PA. PA covers emergency response and clean-up costs of agencies as well as the repair of damaged structures and contents. As of early November 2006, FEMA had paid or obligated more than \$924 million for public and non-profit agencies in Orleans Parish. Of this, more than \$635 million has been obligated for facility and infrastructure repairs, and many more applications are still under review.

The City of New Orleans is the largest PA applicant in Orleans Parish with more than 819 project worksheets with an estimated value of \$398 million in PA funds. Of the 819, only 760 worksheets have been deemed eligible for reimbursement with an obligated value of \$274 million to date. Another 103 worksheets have been deemed eligible but have been assigned a value of \$0. The City has hired Adjustor's International to appeal the PW amounts and methodology of calculation. Reportedly, there are over 70 different points relating to the PW process that are being contested. FEMA has paid on 308 of the project worksheets for a value of \$135.5 million. However, the vast majority of the funds paid to date have been for the emergency response and clean-up initiatives. Another \$92 million has been obligated by FEMA for facility and infrastructure repairs. Since this is a reimbursable amount, none of the obligations have been paid pending the City initiating the projects and submitting receipts for work completed. This has created a cash flow constraint to beginning a significant recovery and rebuilding program. On the upside, PA amounts could increase if the work performed in the same scope of the PW's obligated actually cost more to complete than was estimated. FEMA has agreed to cover the actual cost of repair work performed.

According to the CAO's summary dated 12/14/06, the City has approximately 108 more project worksheets that are still to be written and submitted. Although the values are not known, the incremental worksheets are estimated to be in excess of \$400 million, including \$300 million for street related damage in process through Public Works. According to Robert Mendoza, even this estimate for road repair is designated to "flooded" streets only. The actual damage and repair need should include the 20% of streets not flooded but needing work. Mendoza still expects the \$168 million of Bond proceeds, when issued, to be targeted to roads as prioritized in the 2004 CIP.

The streets and roads have several different classifications and are funded from different entities. According to the Regional Planning Commission ("RPC"), the state-owned roads in Orleans are eligible for federal funding which allocated roughly \$12.5 million per year before the storm to the region, roughly 50% of that amount to Orleans. After the storm, the Federal Highway Emergency Relief program allocated \$1.1 billion for statewide highways. However, \$800 million of this amount was targeted for the I-10 twin span bridge, with only \$300 million left for

the entire state road system. Reportedly, the state is expecting another \$300 million to be allocated to roads as part of a more recent funding initiative. The RPC has recently approved \$150 million of immediate roadway capital projects in Orleans. Annual sources of funding to the RPC include the National Highway System (Federal), Interstate Maintenance (90/10 Federal/State), Federal Bridge Replacement, Surface Transportation Enhancement Program (Federal), STPFLEX (80/20 Federal/State), and DEMO (Congressional Earmarks).

The RPC has 142 Damage Inventory Reports (DIRs) submitted to the DOTD. Initial indications are the Federal Highway Administration is estimating the damage to be approximately \$35 million versus internal RPC estimates of \$190 million. Other revenue for repairs is expected from Economic Development Grants (Main Street Initiative, but proceeds are unknown), Florida Avenue Bridge Project for \$210 million which is 100% state funded and approved prior to the storm, Transportation Infrastructure Model for Economic Development (TIMED) which is a 4 cent per gallon tax, and tolls from the various bridge collections.

The City and other public agencies are still conducting due diligence and either reassessing damages or filing new claims for PA and insurance reimbursements. These efforts will continue for months, even years, and more funding will continue to flow into the Parish to cover the repair and rebuilding costs over time.

The Federal and state governments also approved approximately \$409 million in a GO Zone bond program and an additional \$465 million in a Community Disaster Loans (“CDL” program). The GO Zone program is available to government entities to use to repay principal and interest that is due on existing obligations to prevent the default on payments due to disaster related curtailment in tax and other revenues. The GO bonds are typically low interest loans, which are interest only for the five years, and provide immediate debt relief by extending maturities to longer term obligations.

The CDL program provides government entities with loans that can be used to subsidize operating budgets, once again giving agencies the ability to continue to fund payroll and expenses during a time of decreased revenues. Both programs are considered debt obligations and can constrain debt capacity of the agencies going forward. As a side note, reportedly in other disaster scenarios, similar relief obligations have been converted to grant status or forgiven as indebtedness obligations. In the past, the President had to make such a declaration. The power of conversion has recently been extended to the Congress as well.

Also, Orleans Parish will be a major beneficiary of the \$5.7 billion that the U.S. Congress has allocated for hurricane flood protection upgrades and planning. However, only \$748 million has been obligated for these repairs, and less than this has actually been spent in the initial phases of levee rebuilding and repair. The balance of the work will be performed over time, and is mainly controlled by the Army Corps.

The City’ near-term recovery funding will continue to be driven by the FEMA PA reimbursements. As noted, there is a wide discrepancy between the currently obligated amount of \$92 million for reimbursement for equipment, building and other assets, and the additional

\$100 million that the City and its contractors feel is eligible for reimbursement. Negotiations and discussions are ongoing as it relates to obligated PW amounts, obligated PW's that are \$0, and other PW's that have been deemed ineligible. There is also the \$300 million for Public Works to repair and rebuild roads, which is not reflected in the obligated total. In order to spur the actual recovery and rebuilding, the City is currently negotiating a \$150 million bridge facility with a bank group. The proceeds of the loan will be used to begin the repair construction, and once reimbursed by FEMA, the loans will be repaid.

Additional proceeds will be available and need to be maximized for the FEMA Hazard Mitigation funding. The City has completed its comprehensive Hazard Mitigation plan and has submitted the plan for consideration. The plan details procedures and priorities for mitigating risk to property within the City. Projects submitted pursuant to the plan are then competitively ranked by the State against projects submitted by other eligible Parishes. A total of approximately \$75 million is being requested in conjunction with the City plan.

The LRA has also committed to fund the 10% match that FEMA reimbursement does not cover. Based upon the damage assessments and the current level of FEMA commitment, the City hopes to receive approximately \$50-100 million in additional proceeds from the LRA. Negotiations are currently taking place between the City and the LRA.

A majority of the almost \$40 billion in recovery funds thus far obligated target individuals for rebuilding residential, rental, and commercial sectors with promised flood protection in the future (\$15 billion insurance, \$10.8 billion IA/CDBG and SBA loans, and \$5.7 billion for Flood Protection). Although obligated or paid on claims, very little "cash" investment has reached the communities and the streets. The remaining identified and somewhat quantified recovery funds, PA, CDBG Match, and Hazard Mitigation will be paid over a longer period of time and are projected to be inadequate to cover the City's billion dollar infrastructure recovery needs.

## 6.3 Financing Plan Principles and Strategies

### 6.3.1 Financing Principles and Priorities

Several principles and priorities guided the development of the UNOP financing plan. Specifically, the following objectives shaped the design of the financing plan:

1. Comprehensiveness – All sectors and all citizens were accounted for in the determination of the financing need.
2. Support for Individual Choice – Emphasis was placed on supporting individual choice, regardless from which district a citizen hailed, and regardless of the resettlement area to which an individual might choose to return. Importantly, the financing plan does not pit one neighborhood against another.
3. Effective Incentives – In order to encourage citizen choices in favor of flood protection and neighborhood stability, sufficient resources should be available to citizens/small businesses

such that those individuals/businesses would not be financially disadvantaged by their choice to act in the best interest of the city's future development.

4. Diversity of Funding Sources – Funding should tap both local and external sources as well as private and public sources. Such diversity in funding increases the chances for success in obtaining enough resources to execute the full recovery plan. Also, diversifying the funding of the recovery plan gives a variety of parties a stake in our city's future and spreads the financial risk and responsibility among a larger group of investors, which investors include citizens and businesses of New Orleans.

### 6.3.2 General Financing Strategies

Funding for the recovery plan will come from three general sources – a) public disaster related funds, b) public non-disaster related funds and c) private funds.

#### Public Disaster Related Sources

Public disaster related funds in this category might generally be expected to be used primarily in the first two years of the recovery period. Types of funding in the public disaster related category include:

- ◆ FEMA Public Assistance (PA) funds
- ◆ FEMA Incremental Cost of Compliance (ICOC) funds
- ◆ Community Development Block Grants (CDBG)
- ◆ Hazard Mitigation Grant Program (HMGP) funds

Strategies for maximizing the yield from these funding categories include:

1. Process PA Applications Better and Faster – Professional consultants may be used to augment staff in the submittal of new PA applications and to review already submitted applications to speed the processing of those applications and to make sure that the maximum yield is achieved from those applications.
2. Employ Strategies for Use of CDBG and HMGP Funds – Judicious use of CDBG and HMGP monies may stretch the amount funding amounts received and achieve other recovery goals, simultaneously. For example, HMGP monies may be used to help fund neighborhood stabilization programs like clustering instead of merely buying out properties which must then be held as unused “green space”. In this case, using the HMGP funding would support an important initiative and preserve land made available through the clustering program for further resettlement or for economic development purposes. Also CDBG funding may be made more productive by using such funds in private/public economic development projects such that income earned from such projects may be used to replenish previous expenditures of CDBG monies. In that way, CDBG funds may be recycled, producing a “multiplier effect” from such funds.
3. Seek Certain Waivers to Use PA and HMGP Funds for Strategic Purposes – Current rules for PA and HMGP funds were developed to respond to smaller scale disasters than the one which affected New Orleans. Because of the scale of the disaster in New Orleans and

because of the slow pace of repopulation and recovery, the city must not merely put itself back together, but it must do so in a smarter fashion. As an example, certain rules penalize PA applicants who would use funding for strategic rather than simple repair purposes, thus reducing the amount of funding available.

### Public Non-Disaster Related Sources

In the public non-disaster related category, funding and other assistance for economic development may be obtained from federal, state and local resources. The following is a non-exhaustive list of various departments, agencies and potential initiatives from which the city may draw actual funding or other economic development assistance:

#### *Federal Sources*

- ◆ Housing and Urban Development (non-disaster CDBG funding)
- ◆ Department of Energy
- ◆ Department of Transportation
- ◆ Department of Commerce
- ◆ Department of Education
- ◆ Environmental Protection Agency
- ◆ Department of Health and Human Services
- ◆ U.S. Congress (through special tax legislation or appropriations)

#### *State of Louisiana*

- ◆ Department of Culture, Recreation and Tourism
- ◆ Department of Economic Development
- ◆ Department of Environmental Quality
- ◆ Department of Health & Hospitals
- ◆ Department of Insurance
- ◆ Department of Education K-12
- ◆ Housing Finance Agency
- ◆ Office of Financial Institutions

#### *City of New Orleans/Orleans Parish*

- ◆ Short-term public financings
- ◆ Long-term public financings
- ◆ Restructuring of existing debt
- ◆ Asset disposition programs (to find alternate uses/value for idle facilities)
- ◆ Improved revenue collection techniques
- ◆ Property tax assessment rationalization

### Private Funding Sources

The private sector holds tremendous promise for financing the recovery of New Orleans. It is a very deep and diverse source of financing. Additionally, it is one which offers the most creative options. Private funds can take the form of foundation grants, corporate gifts, equity investments, loans, public/private partnerships, training services, individual wealth, private insurance proceeds, etc.

With regard to philanthropic organizations, the following is a brief list of potential benefactors, some of which have already provided assistance toward the rebuilding of New Orleans (including in the UNOP planning effort):

*Private Foundations*

- ◆ Rockefeller Foundation
- ◆ Greater New Orleans Foundation
- ◆ Clinton Foundation
- ◆ Clinton Climate Initiative
- ◆ Bush-Clinton Katrina Fund
- ◆ Entergy Foundation
- ◆ W.K. Kellogg Foundation
- ◆ Bill & Melinda Gates Foundation
- ◆ Ford Foundation
- ◆ Bank of America Foundation
- ◆ The Build Initiative
- ◆ The Lucent Technologies Foundation
- ◆ Lilly Endowment
- ◆ Community Reinvestment Act (CRA) funds of various financial institutions

Many large corporations have already become partners in the recovery effort in New Orleans. They include hardware giants The Home Depot and Lowe's, Chrysler Corporation, Ford Motor Company, British Petroleum, Entergy Corporation, General Electric Corporation, and Wal-Mart to name only a few corporate givers. According to the U.S. Chamber of Commerce, over 350 companies have pledged over \$500 million to the Katrina recovery effort.

## 6.4 Sector Funding Requirements

The following tables show the detailed Incremental Required Funding by Sector:

**Table 6.3 Incremental Required Funding by Sector (following 13 pages)**

### Citywide Recovery Projects

Project #	Sector: Hurricane / Flood Protection	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
N/A	Hurricane/Flood Protection	USACE provide 1-in-100 year hurricane flood protection	●				20%	30%	50%	-	-	-	-
1	Hurricane/Flood Protection	Harden Key Facilities	●				10%	60%	30%	90,000,000	9,000,000	54,000,000	27,000,000
2	Hurricane/Flood Protection	Elevate New Orleans	●				45%	55%	0%	1,200,000,000	540,000,000	660,000,000	-
3	Hurricane/Flood Protection	Slab-on-Grade Remediation	●				10%	60%	30%	2,100,000,000	210,000,000	1,260,000,000	630,000,000
4	Hurricane/Flood Protection	Neighborhood Cluster Program	●				20%	40%	40%	1,049,000,000	209,800,000	419,600,000	419,600,000
5	Hurricane/Flood Protection	Small Area Adaptive Re-Use Studies		●			100%	0%	0%	250,000	250,000	-	-
6	Hurricane/Flood Protection	Streamline Purchase Process for Blighted Housing & Lot-Next-Door		●			30%	70%	0%	1,100,000	330,000	770,000	-
7	Hurricane/Flood Protection	Study: Internal Flood Protection for Selected East NO Neighborhoods			●		100%	0%	0%	500,000	500,000	-	-
8	Hurricane/Flood Protection	Study: Hurricane Protection Levee System for Algiers			●		100%	0%	0%	200,000	200,000	-	-
9	Hurricane/Flood Protection	Study: Hurricane Protection Levee System for Algiers Lower Coast			●		100%	0%	0%	200,000	200,000	-	-
10	Hurricane/Flood Protection	Study: Flood Protection between Orleans and Jefferson Parish			●		100%	0%	0%	200,000	200,000	-	-
	<b>Hurricane/Flood Protection</b>	<b>Total</b>								<b>\$4,441,450,000</b>	<b>\$970,480,000</b>	<b>\$2,394,370,000</b>	<b>\$1,076,600,000</b>

### Citywide Recovery Projects

Project #	Sector: Infrastructure	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
11	Infrastructure	Carrollton Drinking Water Plant—Short-Term Projects	●				80%	20%	0%	73,610,000	58,888,000	14,722,000	-
12	Infrastructure	Drainage Improvements – Short-Term Projects	●				80%	20%	0%	20,830,000	16,664,000	4,166,000	-
13	Infrastructure	Wastewater Collection System-Short Term Improvements	●				75%	25%	0%	361,000,000	270,750,000	90,250,000	-
14	Infrastructure	Water Distribution System—Asset Management Plan And Short-Term System Replacement Program	●				75%	25%	0%	208,000,000	156,000,000	52,000,000	-
15	Infrastructure	Carrollton Drinking Water Plant—Additional Flocculation and Sedimentation Capacity	●				25%	55%	20%	26,000,000	6,500,000	14,300,000	5,200,000
16	Infrastructure	East Bank Wastewater Treatment Plant-Levee Improvement Mitigation and Wetlands Project	●				25%	25%	50%	67,000,000	16,750,000	16,750,000	33,500,000
17	Infrastructure	Power Plant	●				40%	40%	20%	125,000,000	50,000,000	50,000,000	25,000,000
18	Infrastructure	S&WB Technical Staff	●				40%	40%	20%	200,000	80,000	80,000	40,000
19	Infrastructure	Algiers Drinking Water Plant – Emergency Fuel Storage		●			100%	0%	0%	3,845,000	3,845,000	-	-
20	Infrastructure	Wastewater Collection System—Medium-Term Improvements		●			40%	40%	20%	333,000,000	133,200,000	133,200,000	66,600,000
21	Infrastructure	Water Distribution System—Medium-Term System Replacement Program and High-Lift Facility		●			25%	55%	20%	955,000,000	238,750,000	525,250,000	191,000,000
22	Infrastructure	Citywide Wireless Network			●		75%	25%	0%	12,075,000	9,056,250	3,018,750	-
	<b>Infrastructure</b>	<b>Total</b>								<b>\$2,185,560,000</b>	<b>\$960,483,250</b>	<b>\$903,736,750</b>	<b>\$321,340,000</b>

### Citywide Recovery Projects

Project #	Sector: Transportation	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
23	Transportation	Repair/Restoration of High Priority Major Roads	●				80%	20%	0%	83,763,458	67,010,766	16,752,692	-
24	Transportation	Repair/Restoration of High Priority Minor Arterial Roads	●				80%	20%	0%	82,946,261	66,357,009	16,589,252	-
25	Transportation	Repair/Restoration of High Priority Collector Roads	●				80%	20%	0%	24,277,859	19,422,287	4,855,572	-
26	Transportation	Evacuation and Disaster Response Plan	●				100%	0%	0%	750,000	750,000	-	-
27	Transportation	Repair/Restoration of High Priority Local Roads		●			80%	20%	0%	3,844,270	3,075,416	768,854	-
28	Transportation	Ongoing Replacement Program of all Major and Minor City Streets			●		0%	50%	50%	2,200,000,000	-	1,100,000,000	1,100,000,000
29	Transportation	East-West Corridor / Downtown Loop			●		10%	40%	50%	600,000,000	60,000,000	240,000,000	300,000,000
30	Transportation	Traffic and Parking Management Study			●		100%	0%	0%	450,000	450,000	-	-
31	Transportation	Study Expanding Streetcar and Light Rail Routes				●	100%	0%	0%	650,000	650,000	-	-
32	Transportation	Streetcar Travel Time Study				●	100%	0%	0%	150,000	150,000	-	-
33	Transportation	Extension of Riverfront Streetcar				●	10%	60%	30%	42,000,000	4,200,000	25,200,000	12,600,000
34	Transportation	Implement City Bike Path Master Plan				●	40%	60%	0%	9,000,000	3,600,000	5,400,000	-
35	Transportation	Study Removal of I-10 Over Claiborne Ave.				●	100%	0%	0%	500,000	500,000	-	-
36	Transportation	Sound wall Study Along I-10 and I-610				●	100%	0%	0%	850,000	850,000	-	-
	<b>Transportation</b>	<b>Total</b>								<b>\$3,049,181,848</b>	<b>\$227,015,478</b>	<b>\$1,409,566,370</b>	<b>\$1,412,600,000</b>

### Citywide Recovery Projects

Project #	Sector: Housing	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
37	Housing	Implement Permanent Housing Development Strategy for All Displaced Residents	●				40%	60%	0%	10,000,000	4,000,000	6,000,000	-
38	Housing	Home Buyer Assistance for Low to Moderate Income Residents		●			50%	50%	0%	50,000,000	25,000,000	25,000,000	-
39	Housing	Rehabilitate and Rebuild Low Income Housing		●			40%	60%	0%	650,000,000	260,000,000	390,000,000	-
40	Housing	Home Rehab Program for Low and Moderate Income Homeowners		●			40%	60%	0%	50,000,000	20,000,000	30,000,000	-
41	Housing	Transient Worker Housing Program			●		60%	40%	0%	10,000,000	6,000,000	4,000,000	-
42	Housing	Establish "Singles and Doubles" Loan Program			●		50%	50%	0%	50,000,000	25,000,000	25,000,000	-
43	Housing	Neighborhood Recovery Resource Center			●		80%	20%	0%	6,000,000	4,800,000	1,200,000	-
	<b>Housing</b>	<b>Total</b>								<b>\$826,000,000</b>	<b>\$344,800,000</b>	<b>\$481,200,000</b>	<b>\$0</b>

### Citywide Recovery Projects

Project #	Sector: Economic Development	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
44	Economic Development	LSU/VA/University Hospital	●				50%	50%	0%	300,000,000	150,000,000	150,000,000	-
45	Economic Development	Relocate New Orleans Cold Storage	●				100%	0%	0%	49,000,000	49,000,000	-	-
46	Economic Development	Replace Port Container Capacity	●				50%	50%	0%	100,000,000	50,000,000	50,000,000	-
47	Economic Development	Implement Bio-Innovation Center		●			50%	50%	0%	55,000,000	27,500,000	27,500,000	-
48	Economic Development	Cruise Ship Terminal Expansion		●			100%	0%	0%	50,000,000	50,000,000	-	-
49	Economic Development	Develop Louisiana Cancer Research and Treatment center		●			50%	50%	0%	55,000,000	27,500,000	27,500,000	-
50	Economic Development	Seed and Early Stage Equity Capital Fund		●			100%	0%	0%	100,000,000	100,000,000	-	-
51	Economic Development	Commercial Corridor Revitalization Program		●			50%	50%	0%	15,000,000	7,500,000	7,500,000	-
52	Economic Development	Canal Street Revitalization		●			100%	0%	0%	1,000,000	1,000,000	-	-
53	Economic Development	Expansion of Louis Armstrong International Airport			●		30%	30%	40%	220,000,000	66,000,000	66,000,000	88,000,000
54	Economic Development	Small Business Incubator and Assistance Program			●		100%	0%	0%	15,000,000	15,000,000	-	-
55	Economic Development	Study Adaptive Re-Use of Publicly-Owned Property			●		100%	0%	0%	1,000,000	1,000,000	-	-
56	Economic Development	Neighborhood Workforce Training Program				●	50%	50%	0%	10,000,000	5,000,000	5,000,000	-
	<b>Economic Development</b>	<b>Total</b>								<b>\$971,000,000</b>	<b>\$549,500,000</b>	<b>\$333,500,000</b>	<b>\$88,000,000</b>

### Citywide Recovery Projects

Project #	Sector: Healthcare	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
57	Healthcare	Redevelop Neighborhood-Based Health Centers/Clinics	●				100%	0%	0%	16,150,000	16,150,000	-	-
58	Healthcare	Restore Comprehensive Medical Services to New Orleans East	●				50%	50%	0%	20,000,000	10,000,000	10,000,000	-
	Healthcare	<b>Total</b>								<b>\$36,150,000</b>	<b>\$26,150,000</b>	<b>\$10,000,000</b>	<b>\$0</b>

Citywide Recovery Projects													
Project #	Sector: Education	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
59	Education	Repair and Renovate Existing School Sites or Construct New Facilities	●				50%	50%	0%	831,000,000	415,500,000	415,500,000	-
60	Education	Temporary Modular School Facilities	●				70%	30%	0%	116,400,000	81,480,000	34,920,000	-
61	Education	Neighborhood Community Center		●			25%	50%	25%	57,000,000	14,250,000	28,500,000	14,250,000
62	Education	Restore Vo-Tech Campuses / Study Need for New Ones		●			25%	50%	25%	100,000	25,000	50,000	25,000
	Education	<b>Total</b>								<b>\$1,004,500,000</b>	<b>\$511,255,000</b>	<b>\$478,970,000</b>	<b>\$14,275,000</b>

### Citywide Recovery Projects

Project #	Sector: Historic Preservation and Urban Design	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
63	Historic Preservation and Urban Design	Update Codes for Land Use, Planning & Zoning	●				100%	0%	0%	-	-	-	-
64	Historic Preservation and Urban Design	Technical/Financial Assistance Program for Owners of Historic Properties		●			50%	50%	0%	300,000	150,000	150,000	-
65	Historic Preservation and Urban Design	Sidewalk, Streetscape, and Neutral Ground Improvements		●			20%	30%	50%	240,400,000	48,080,000	72,120,000	120,200,000
66	Historic Preservation and Urban Design	Develop a New Orleans Pattern Book of Architectural Styles			●		100%	0%	0%	100,000	100,000	-	-
67	Historic Preservation and Urban Design	Restoration of Historic Forts			●		0%	50%	50%	8,000,000	-	4,000,000	4,000,000
68	Historic Preservation and Urban Design	Katrina Recovery Monument				●	10%	25%	65%	3,500,000	350,000	875,000	2,275,000
	Historic Preservation and Urban Design	<b>Total</b>								<b>\$252,300,000</b>	<b>\$48,680,000</b>	<b>\$77,145,000</b>	<b>\$126,475,000</b>

### Citywide Recovery Projects

Project #	Sector: Environmental	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
69	Environmental	Implement Sustainable Environmental Strategies	●				30%	60%	10%	100,000,000	30,000,000	60,000,000	10,000,000
70	Environmental	Reinstitute Citywide Recycling Program and Build a Recycling Center	●				25%	75%	0%	4,418,000	1,104,500	3,313,500	-
71	Environmental	Develop a Hurricane-related Soil Contamination Survey and Brownfield Remediation Program		●			50%	50%	0%	30,000,000	15,000,000	15,000,000	-
	Environmental	<b>Total</b>								<b>\$134,418,000</b>	<b>\$46,104,500</b>	<b>\$78,313,500</b>	<b>\$10,000,000</b>

### Citywide Recovery Projects

Project #	Sector: Public Safety	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
72	Community Service: Public Safety	Develop and integrate Crime Lab and Central Evidence and Property Storage Function	●				25%	75%	0%	7,000,000	1,750,000	5,250,000	-
73	Community Service: Public Safety	Repair, Renovate, and Replace the Orleans Parish Detention Facility	●				25%	75%	0%	90,000,000	22,500,000	67,500,000	-
74	Community Service: Public Safety	Replace or Repair All NOPD Equipment	●				100%	0%	0%	30,000,000	30,000,000	-	-
75	Community Service: Public Safety	Renovate the NOPD Headquarters	●				100%	0%	0%	10,262,000	10,262,000	-	-
76	Community Service: Public Safety	Permanent Emergency Communications Center	●				10%	80%	10%	32,000,000	3,200,000	25,600,000	3,200,000
77	Community Service: Public Safety	Renovate the NOPD Special Operations Unit	●				100%	0%	0%	4,400,000	4,400,000	-	-
78	Community Service: Public Safety	Renovate and/or Repair 7 District Headquarters Buildings	●				25%	75%	0%	6,500,000	1,625,000	4,875,000	-
79	Community Service: Public Safety	Build a Central Power Plant for the Prison Complex		●			25%	75%	0%	107,000,000	26,750,000	80,250,000	-
80	Community Service: Public Safety	Emergency Operations Center for the Criminal Sheriff's Office			●		10%	80%	10%	2,400,000	240,000	1,920,000	240,000
81	Community Service: Public Safety	Provide Raised Walkways between Criminal Justice Facilities			●		10%	80%	10%	9,000,000	900,000	7,200,000	900,000
82	Community Service: Public Safety	Provide a Citywide Criminal Surveillance System			●		25%	75%	0%	5,600,000	1,400,000	4,200,000	-
83	Community Service: Public Safety	Develop a Citywide Network of State-of-the-Art Police Substations			●		25%	75%	0%	9,650,000	2,412,500	7,237,500	-
	<b>Community Service: Public Safety</b>	<b>Total</b>								<b>\$313,812,000</b>	<b>\$105,439,500</b>	<b>\$204,032,500</b>	<b>\$4,340,000</b>

### Citywide Recovery Projects

Project #	Sector: Recreation/Library	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
84	Community Service: Recreation/Library	Renovate Main Library and Safeguard City Archives Phases I and II	●				10%	40%	50%	36,000,000	3,600,000	14,400,000	18,000,000
85	Community Service: Recreation/Library	Repair, renovate or build new regional libraries.		●			25%	25%	50%	19,850,000	4,962,500	4,962,500	9,925,000
86	Community Service: Recreation/Library	Repair and renovate public marinas		●			25%	75%	0%	150,000,000	37,500,000	112,500,000	-
87	Community Service: Recreation/Library	Implement the City Park Master Plan		●			25%	25%	50%	115,000,000	28,750,000	28,750,000	57,500,000
88	Community Service: Recreation/Library	Repair and renovate regional parks		●			25%	25%	50%	24,000,000	6,000,000	6,000,000	12,000,000
89	Community Service: Recreation/Library	Repair, renovate, or build new neighborhood libraries			●		25%	25%	50%	35,000,000	8,750,000	8,750,000	17,500,000
90	Community Service: Recreation/Library	Repair and renovate neighborhood parks			●		10%	40%	50%	5,000,000	500,000	2,000,000	2,500,000
91	Community Service: Recreation/Library	Create new parks and greenways as needed...				●	5%	35%	60%	20,000,000	1,000,000	7,000,000	12,000,000
	Community Service: Recreation/Library	<b>Total</b>								<b>\$404,850,000</b>	<b>\$91,062,500</b>	<b>\$184,362,500</b>	<b>\$129,425,000</b>

Citywide Recovery Projects													
Project #	Sector: Other Municipal and Cultural	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
92	Community Service: Other Municipal and Cultural	Invest in New Orleans Culture		●			20%	30%	50%	266,800,000	53,360,000	80,040,000	133,400,000
93	Community Service: Other Municipal and Cultural	Expansion of Existing Arts District			●		100%	0%	0%	500,000	500,000	-	-
94	Community Service: Other Municipal and Cultural	Create a Downtown Theater District			●		100%	0%	0%	500,000	500,000	-	-
	Community Service: Other Municipal and Cultural	<b>Total</b>								<b>\$267,800,000</b>	<b>\$54,360,000</b>	<b>\$80,040,000</b>	<b>\$133,400,000</b>

Citywide Recovery Projects													
Project #	Sector: Staff Implementation	Project Name	Priority				Implementation Timeline			Total Budget	Phased Budget		
			High	Med	Low	CI	Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)		Short-Term (Years 1-2)	Mid-Term (Years 3-5)	Long-Term (Years 6-10)
95	Staff Implementation		●				30%	40%	30%	473,750,000	142,125,000	189,500,000	142,125,000
	Staff Implementation	Total								<b>\$473,750,000</b>	<b>\$142,125,000</b>	<b>\$189,500,000</b>	<b>\$142,125,000</b>



## 6.5 Illustrative Funding Scenario

Funding the required investment to complete the recovery of New Orleans will present significant challenges. All sources, public and private must be tapped to successfully complete the recovery. The table below displays one potential scenario for funding the recovery. This scenario is merely meant as a discussion piece to illustrate certain points with regard to the potential future funding of the recovery. **This scenario is not an official plan, and actual funding of the recovery is like to vary substantially from the scenario given below. Accordingly, no reliance should be placed on this scenario:**

**Table 6.4 Illustrative Funding Scenario**

*Potential Financing Sources*

Sector Name	Total	Total Public Sources	Total Private Sources
Hurricane/Flood Protection	4,441,450,000	4,441,450,000	-
Infrastructure	2,185,560,000	2,148,485,000	37,075,000
Transportation	3,049,181,848	2,749,181,848	300,000,000
Housing	826,000,000	310,000,000	516,000,000
Economic Development	971,000,000	476,000,000	495,000,000
Healthcare	36,150,000	36,150,000	-
Education	1,004,500,000	506,900,000	497,600,000
Historic Preservation and Urban Design	252,300,000	120,600,000	131,700,000
Environmental	134,418,000	74,418,000	60,000,000
Community Service: Public Safety	313,812,000	235,359,000	78,453,000
Community Service: Recreation/Library	404,850,000	277,350,000	127,500,000
Community Service: Other Municipal and Cultural	267,800,000	134,400,000	133,400,000
Staff Implementation	473,750,000	284,250,000	189,500,000
<b>Total</b>	<b>\$14,360,771,848</b>	<b>\$11,794,543,848</b>	<b>\$2,566,228,000</b>
<b>% of Total Required Investment</b>	<b>100.0%</b>	<b>82.1%</b>	<b>17.9%</b>

The first point to be made regarding the funding of the recovery is that any such funding would occur over many years, and would require a concerted and sustained effort among recovery officials to execute. It may be envisioned that the Hurricane/Flood Protection programs may be candidates for federal funding. This initiative is a central component of this recovery plan and is the foundation for generating confidence among individuals and businesses to live and invest in New Orleans going forward. Under certain circumstances, investments in Infrastructure, Transportation and Education may also draw meaningful federal funding. This scenario also anticipates that significant state and local funding will also fuel New

Orleans' recovery. Regardless of what scenario may be envisioned, it is clear that a substantial portion of the recovery investment required will have to come from private sources such as foundation grants, corporate gifts, equity investments, loans, public/private partnerships, training services, individual wealth, and private insurance proceeds. In the scenario shown above, approximately 18% of the total funding or approximately \$2.6 billion is targeted to come from private sources.

## 6.6 Conclusion

Financing the recovery of New Orleans will be a long-term and complicated task. Although the gross amount of the financing is quite large, the financing is expected to be completed in stages such that it may be easier to build momentum for the recovery. Staging the recovery and the financing of the recovery is an important strategy to realizing an effective and equitable recovery for the citizens of New Orleans. Diversity of funding is also a key to achieving success in funding. The New Orleans recovery team outlined in Section 4: Implementation of this document will have to carefully construct specifics of the financing in order to attract a sufficient amount of financing that best serves the recovery process at the lowest cost to the city and its residents and businesses.