PREFACE

The State of Alabama has been allocated $74,388,000 in CDBG Hurricane Katrina disaster funds to be distributed through the Alabama Department of Economic and Community Affairs for the purposes of disaster relief, long-term recovery, and restoration of infrastructure directly related to the consequences of the disaster. This Action Plan provides for the distribution of $20,000,000 of the State’s allocation through a competitive process for the following reasons:

1. The appropriations statute requires disaster funds be distributed to the most impacted and distressed areas related to the consequences of Hurricane Katrina.

2. The application process for initial funding will allow the State to fund critical projects that can most expeditiously be carried out.

3. The subsequent round of funding will target areas that suffered heavy and concentrated damage, which requires special efforts and flexibility to help alleviate distress and bring normalcy to everyday life. Public comments received during the comment period for the first round of funding will factor heavily into the determination of the distribution method for the remaining $54,388,000 (see attached amendment).

The Katrina Action Plan for Disaster Recovery will be amended one or more times as necessary and submitted to HUD for approval. An amendment to allow the State to access the remaining $54,388,000 is currently available for public comment. The ultimate purpose in pursuing this course is to be flexible, responsive, and deliberate in using and targeting disaster funds to maximize impact in addressing the disaster needs of affected areas.
Impact of Storm and Recovery Needs

The State of Alabama, along with large areas in the States of Mississippi and Louisiana, was hit by the strong force of Hurricane Katrina and resultant flooding during the month of August 2005. The western portion of Alabama felt the strongest impact with the most devastating damage occurring in the coastal counties (Mobile and Baldwin) and adjacent counties immediately to the north. A total of twenty-two counties in Alabama were declared as major disaster areas by the President. These counties are: Baldwin, Bibb, Choctaw, Clarke, Colbert, Cullman, Greene, Hale, Jefferson, Lamar, Lauderdale, Marengo, Marion, Mobile, Monroe, Perry, Pickens, Sumter, Tuscaloosa, Washington, Wilcox, and Winston.

In Mobile County, over 1,000 housing units were severely damaged or destroyed. Several hundred housing units were damaged or destroyed in Baldwin, Clarke and Washington Counties. A large percentage of homeowners in the areas affected by the storm either lack full or sufficient insurance coverage to repair or rebuild their homes. Many residents of rental units damaged or destroyed by the storm are displaced with no place to go. After six months, a visit through the affected areas reveals many residents are living in FEMA trailers while others live in tents adjacent to the remains of their destroyed or heavily damaged homes.

Along with housing, parts of Alabama experienced severe job losses. Alabama’s shrimping industry, already experiencing strong competition from foreign imports, suffered a crippling blow. Even as the storm occurred, the State was administering a NOAA grant to revitalize the shrimping industry through marketing efforts. In the City of Bayou La Batre, every single processing plant was destroyed or damaged and there are strong indications that many will elect not to reopen. Many of the boats owned by the shrimpers remain aground or partially submerged, and in spite of the best efforts of FEMA and the Coast Guard, no immediate solution is available for their removal.

While FEMA has addressed many immediate needs, the restoration of infrastructure, including repair or replacement of water and sewer systems, repair of damaged roads, and repair of drainage systems will require large sums of money and will take time to complete. In Bayou La Batre and other parts of Mobile County, coordinating efforts to undertake rebuilding and restoration of infrastructure and provision of housing presents major challenges.
Promotion of Short-and Long-Term Recovery Planning

Immediately after the storm, the Governor’s Office established a Long-Term Recovery Team which meets with local public and private officials in Mobile County on a weekly basis to devise a long-term recovery strategy that will help to restore and rebuild the disaster areas. The State has also secured funds from the Economic Development Administration to support a planning initiative to provide a statewide economic recovery strategy. At the core of this effort is coordination at the local, regional and state levels to conduct damage assessments, undertake review of local hazard mitigation plans, prioritize redevelopment strategies, and develop mitigation strategies that encourage the development of disaster resistant communities, infrastructures, and the capacity to support business continuity and economic security. As a first step in this process, the State has contracted with a local group (Smart Coast) in the coastal area to create a communication network to aid communities in the long-term recovery planning process, facilitate town meetings to prioritize long-term recovery projects, and assist in the development of long-term recovery strategies.

The ultimate goal of this effort is to subscribe to a smart growth concept that seeks to promote and accommodate growth and development in a manner that is efficient, environmentally friendly, and takes into account unique local characteristics such as exposure to storms and flooding. In that regard, the State recognizes and respects the need for flood plain management and construction techniques that will effectively mitigate and/or minimize damage from flooding and storms. While the ultimate outcome cannot be predicted in terms of necessary legislation to foster mitigation and sound development, the use of Katrina disaster recovery funds will promulgate the necessary safeguards and restrictions to ensure that FEMA flood plain management techniques are adhered to and the construction of disaster assisted housing incorporates proven construction techniques for high quality, durable, energy efficient, and mold resistant housing.

The State’s plan to immediately allocate $20,000,000 will encourage short-term planning on the part of grantees by requiring the submission of applications for urgent need projects to restore basic infrastructure in the affected areas. One of the requirements of these applications will be a detailed assessment explaining the long-term residual needs to be addressed with the remaining funds and how the applicant will conform to land use decisions that reflect responsible flood plain management, removal of barriers to construction, and prior coordination with the planning requirements of other State and federal programs and entities.
Provision of Suitable and Affordable Housing

A necessary component of the recovery efforts will be to ensure that residents who lived in the disaster impacted areas prior to the occurrence of Katrina have access to affordable housing in those areas, subject to limitations caused by flood plain management requirements, lack of appropriate infrastructure, or other unforeseen limiting conditions. The State will consult and partner, if necessary, with the Alabama Housing Finance Authority (the State agency for managing HUD HOME funds), Habitat for Humanity, Community Housing Development Organizations (CHDOs), public housing authorities, entitlement communities, and other interested parties to evaluate the housing needs of residents including the needs of low-and moderate-income individuals and families.

All applicants for housing construction will be asked to describe methods to be used to emphasize high quality, durability, energy efficiency, and mold resistance including the enactment and enforcement of modern building codes and mitigation of flood risk where applicable. Applicants will be asked to explain how the provision of adequate, flood-resistant housing for all income groups that lived in the disaster impacted area prior to the disaster date will be encouraged, including a description of activities the community plans to undertake to address emergency shelter and transitional housing needs of homeless individuals and families (including subpopulations), to prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless, to help homeless persons transition to permanent housing and independent living, and to address the special needs of persons who are not homeless identified in accordance with 24 CFR 91.315(d).

Responsible Entity

The Alabama Department of Economic and Community Affairs (ADECA) has been designated by the Governor to administer the Katrina Disaster Recovery Fund.

Monitoring Procedures

ADECA has successfully administered Alabama’s Community Development Block Grant program since its inception in 1982, as well as previous disaster grants. The ADECA CDBG staff will oversee all activities and expenditure of funds to ensure full accountability and will independently report to the Director of ADECA. ADECA’s Management and Implementation Manual for its regular CDBG program will be used throughout the implementation process and the existing monitoring procedure will be utilized. Copies of the current compliance monitoring checklists are located on the ADECA webpage under Current Forms and Sample Documents at the following: http://adeca.state.al.us/C10/FORMS%20and%20sample%20documents/default.aspx
Sufficient monitoring standards and procedures are in place to ensure program requirements including non-duplication of benefits are met, and provide for continual quality assurance, and investigation and internal audit functions. In addition, the CDBG staff will remain adaptable to potential changes in its monitoring procedures, if necessary, due to the types of activities and their resulting implementation procedure.

Mitigation Against Fraud, Abuse and Mismanagement

In order to avoid or mitigate occurrences of fraud, abuse, and mismanagement, especially with respect to accounting, procurement, and accountability, ADECA will rely on its experience complying with the regulations of the U.S. Departments of HUD, Justice, Labor, HHS, and others based on a yearly budget of approximately $150,000,000. Currently, all funds are received by Alabama’s Finance Department and are not received by ADECA. Further, all payments are made through the Comptroller’s office, not ADECA. Therefore, ADECA does not directly handle any of the funds related to this program. Additionally, within ADECA, there is a separate Audit and Compliance Section, Legal Office, and Administrative Section that provide necessary checks and balances to mitigate against fraud, abuse, and mismanagement. Should any indication of fraud, abuse, or mismanagement be detected by any of these departments, the ADECA Legal and Audit Departments will report their findings to the Governor’s office, Attorney General’s office and/or the Examiners of Public Accounts as may be appropriate for determination of necessary actions. The Attorney General’s office will be the responsible party for investigation of any claims of fraud or abuse and will be responsible for pursuing any criminal actions.

ADECA will provide necessary technical assistance and afford necessary expertise to provide for increasing the capacity for implementation and compliance of local governments, sub-recipients, sub-grantees, contractors, and any other entity responsible for administering activities under this grant. Monitoring steps as discussed above will be utilized to mitigate fraud, abuse, and mismanagement. Findings that cannot be resolved by ADECA’s CDBG staff will be reported to ADECA’s Legal and/or Audit Departments for determination regarding further action.

Program Objectives

Public Law 109-148 providing the supplemental disaster appropriation requires that funds be used only for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas …

In addition, in accordance with the Housing and Community Development Act of 1974, as amended, the proposed activities must meet at least one of the following national objectives:
1. To benefit at least 51 percent low and moderate-income persons,

2. Aid in the prevention or elimination of slum and blight, or

3. Meet other urgent community development needs posing a serious and immediate threat to the health or welfare of the community, where other financial resources are not available.

Thresholds

Thresholds related to other CDBG programs and not mandated by law or regulation will not apply to local governments or Indian tribes seeking disaster recovery funds. The following thresholds will be applicable to jurisdictions applying for these funds:

1. There must be a clear and compelling need related directly to post hurricane disaster relief, long-term recovery and/or restoration of infrastructure.

2. No disaster recovery assistance will be considered with respect to any part of a disaster loss that is reimbursable by the Federal Emergency Management Administration (FEMA), the Army Corps of Engineers, insurance, or other source (restriction against duplication of benefits).

3. An activity underway prior to a Presidential disaster declaration will not qualify unless the disaster directly impacted the project.

Fund Availability

Under this initial Action Plan, $20,000,000 of the $74,388,000 disaster funds awarded to the State of Alabama, less administration, will be distributed to municipalities and counties, including entitlement communities and Indian tribes, most affected by Hurricane Katrina in the counties declared disaster areas by the President. These funds are proposed to be awarded according to the criteria described under “Method of Fund Distribution”. The State may directly carry-out one or more activities from the funds set-aside in this plan, outside the competition, in case of extenuating circumstances subject to the approval of the waiver requested from HUD.

The availability of the total $20,000,000 under this Plan is subject to the receipt of a sufficient number of fundable projects based upon the “Method of Fund Distribution”. If the total of fundable projects received add up to less than $20,000,000, then the balance will be added to the remaining portion of the $74,388,000 allocated to the State. An amendment for the distribution of the remaining portion of the allocation is currently available for public comment.
**Grant Ceiling**

The grant ceiling is $1,000,000. A provision of a waiver for severe extenuating circumstances will be provided. No jurisdiction will be allowed to submit more than one application for these funds; however, an application may contain two or more unrelated activities, which together do not exceed the grant ceiling, and each activity separately meets all applicable requirements. The State may also exercise discretion to fund only portions of requested projects for strong disaster recovery and infrastructure restoration related activities.

**Method of Fund Distribution**

The State will invite applications from eligible jurisdictions and Indian tribes (without regard to their status under any other CDBG program) and review applications for documented need in relation to compliance with the requirements of Public Law 109-148 and the Housing and Community Development Act, subject to approved HUD waivers.

In addition, all applicants will be asked to provide a detailed analysis of the community’s short-and long-term recovery plans for restoring and rebuilding housing and infrastructure, including plans for responsible flood plain management, removal of regulatory barriers to reconstruction and adoption and enforcement of modern building codes to produce high quality, durable, energy efficient, and mold resistant housing. The short-and long-term recovery plans will also include an analysis of post-Katrina housing needs for all income groups that lived in the disaster impacted areas as well as a description of the activities the community plans to undertake to address these needs including emergency shelter and transitional housing needs of homeless individuals and families to prevent low-income individuals and families with children from becoming homeless, to help homeless persons and families transition to permanent housing, and to address priority housing and supportive services needs of persons who are not homeless such as elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents (24 CFR 91.315(d)).

Applicants whose activities meet the statutory requirements and who have developed plans to address short-and long-term recovery needs will be scored based on the following criteria:

- **Extent of Damage**: 75 points
- **Unmet Need**: 50 points
- **Cost Reasonableness**: 50 points
- **Project Impact**: 75 points
- **Local Efforts/Capacity**: 50 points
Extent of Damage – This will be a qualitative and quantitative assessment of damage to the community’s infrastructure, housing and economic base, and the effect this damage had on the lives of local residents.

Unmet Need – Points under this category will be awarded based on the recovery needs that remain after taking into consideration the full extent of the damage experienced by the community and the activities completed and/or underway toward bringing normalcy to the quality of life in the community.

Cost Reasonableness – Points under this category will be awarded based on the cost effectiveness of the proposed activities. This factor will consider all funding sources involved to address specific needs with the intent to bring cost efficiencies to projects and prevent duplication of assistance and instances of fraud and abuse.

Project Impact – This category will allow the State to judge the impact proposed activities will have toward meeting disaster recovery and restoration needs as well as mitigation against damage and destruction from future disasters. The proposed activities should employ smart growth techniques and incorporate durable, storm proof, energy efficient construction.

Local Efforts/Capacity – This category will allow the State to reward communities for local efforts consisting of cash, in-kind work, donations, or other inputs already contributed or proposed toward addressing disaster related needs. The State will also take into consideration local capacity to carry out the proposed activities expeditiously and in compliance with applicable rules.

Using this method of distribution, the State CDBG staff will be able to determine which projects will result in eligible uses of grant funds, among all funding categories, related to short- and long-term recovery from the specific effects of the disaster or the restoration of infrastructure.

As much as the process will be driven by the point scoring system, the State may find it necessary to exercise some discretion in scoring and awarding of these activities. The purpose in seeking a level of discretion is not to be arbitrary but to ensure that the State’s actions lead to carrying out the Congressional intent to provide assistance for disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005.
Funding Categories

Alabama’s Action Plan for Disaster Recovery is based on addressing local short- and long-term recovery, infrastructure restoration and housing needs. ADECA recognizes that the damage to housing in Alabama was significantly less than the neighboring states to the west. Therefore, a single funding category of $19,000,000 (plus $1,000,000 for administration) is created for distribution through a point scoring system that allows local jurisdictions to address their specific local needs (infrastructure, housing or both).

Budget

The budget provided here addresses $20,000,000 of the $74,388,000 allocated to the State for disaster relief, long-term recovery, and restoration of infrastructure. A revised budget will be provided at such time the State amends the Action Plan proposed here to provide for distribution of the balance of the allocation.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disaster Relief, Recovery and</td>
<td>$19,000,000</td>
</tr>
<tr>
<td>Restoration of Infrastructure</td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>1,000,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$20,000,000</strong></td>
</tr>
</tbody>
</table>

The amount budgeted for administration will allow the State to allocate necessary staffing to ensure compliance with the U.S. Department of Housing and Urban Development requirements related to plan development, environmental rules, labor standards, bidding and contracting requirements, reporting and record keeping requirements, acquisition and relocation laws, fair housing and equal opportunity requirements, etc. Typically, these grants last several years and require continued oversight. Any budgeted but unexpended amounts for administration will go toward relief, recovery, and restoration projects.

Eligible Activities

Eligible activities under the State CDBG Disaster Program are all activities listed as eligible under the Housing and Community Development Act of 1974, as amended, including public service activities proposed separately or jointly with other non-service type activities and all activities for which the State applies for and receives a waiver from HUD. It is the intent of the State to request a waiver to allow the construction of new housing in the most impacted areas and, upon approval by HUD, proceed as soon as possible with this activity pending submission of an eligible application.
No disaster recovery assistance will be considered with respect to any part of a disaster loss that is reimbursable by FEMA, the Army Corps of Engineers, insurance, or other sources (restriction against duplication of benefits).

**Minimizing Displacement From Use Of CDBG Funds**

The Housing and Community Development Act requires that the State furnish citizens with its "plans for minimizing displacement of persons as a result of activities assisted with such funds and to assist persons actually displaced."

1. **Minimizing Displacement**: The State will discourage applicants from designing programs that involve extensive displacement. Applicants should displace persons and businesses only when there is no reasonable alternative to accomplishing the purposes of their program.

2. **Persons Actually Displaced**: Applicants shall plan for the probability of displacement in program design by requesting sufficient funds to accommodate the costs of displacement. Grantees shall provide from CDBG disaster funds, or their own resources, for the reasonable costs associated with all displacement necessary to carry out the purposes of the grantee's program.

**Substantial Amendments**

The State’s Action Plan for Disaster Recovery will be amended one or more times as the program progresses. A *substantial amendment* to the Disaster Program will require ADECA to provide for reasonable public notice, appraisal, examination, and comment on the change(s) proposed before submission to HUD. ADECA reserves the right to notify only HUD when amendments are not substantial.

In general, ADECA will follow the substantial amendment procedures if proposed changes to the Action Plan are related to the method of fund distribution, including rating and evaluation factors, to funding categories, to budget change in excess of 10 percent, or to eligible activities. Additionally, while the State does not anticipate any program income, should program income be generated as a result of the Katrina Disaster Recovery Fund, substantial amendment procedures would be followed.

Localities will be allowed to amend projects through a “local amendment” if the proposed changes are minor and do not materially change the project, if the project location is not changed, if the budget is not changed by more than 10 percent, and if the beneficiaries are not changed by more than 10 percent. However, even local amendments must be reported to ADECA and must be approved by the local governing body. Substantial amendments proposing a material change, a change in location, or a change of more than 10 percent in beneficiaries or budget will require a “Formal Amendment.” A Formal Amendment requires a public hearing and a resolution from the local governing body. Additionally, the local governing body must request and receive
ADECA’s approval before implementing the amendment. Alabama CDBG Intergovernmental Policy Letter 2 (revision 6) regarding program changes, amendments, and cost underruns for our regular CDBG program will be the guide.

Citizen Participation

1. Outreach to Non-English Speaking and Disabled Residents: A Notice of Public Hearing was announced in the four major State newspapers on December 26, 2005, posted on the ADECA website, and interested parties were notified through the U.S. Postal Service. Persons with disabilities or special needs who required special materials, services, or assistance were provided with the address and telephone number necessary to obtain assistance. No requests for special materials were requested, therefore, ADECA did not develop them. However, ADECA staff has identified a substantial Vietnamese population in the gulf area and has identified a Vietnamese translator if translated materials are requested. The ADECA mailing went to approximately 250 addresses and included a notice for posting, a copy of which is attached.

In addition to the State’s efforts to open the citizen participation process to non-English speaking and disabled citizens, the State also requires that the localities do the same. Specifically, all applicants are required to submit a Citizen Participation Certification executed by the Chief Elected Official. Additionally, our regular CDBG program Implementation Manual includes a sample Citizen Participation Plan. All participating communities are required to adopt a Citizen Participation Plan. The existence of an adopted plan and compliance with the plan are verified by ADECA through our monitoring process. The certification requires that all applicants identify the needs of non-English speaking and disabled residents regarding citizen participation and certifies that those needs will be addressed. Additionally, the sample Citizen Participation Plan also identifies the outreach requirements for non-English speaking and disabled residents.

2. Consultation with all Disaster-Affected Units of Local Government: The hearing was held January 10, 2006, and the comment period ran until February 9, 2006. Public comments were accepted at the public hearing and by mail throughout the comment period. The State’s proposed Disaster Action Plan was adjusted based on the February 13, 2006, HUD Disaster Rule. A revised plan was mailed on March 7, 2006, to all mayors, chairpersons of county commissions, entitlements, Indian tribes, libraries, public housing authorities, and community action agencies in the declared disaster areas for further comment and was made available on the ADECA website on that date for public review and comment. Several comment letters were received prior to the end of the comment period. These were forwarded as part of the Action Plan submission to HUD. The pending substantial amendment is a direct result of the comments/consultation received.
In addition to the formal consultation received through the Public Hearing and public comment period, ADECA consulted informally with numerous entities. ADECA has a contract with Smart Coast to undertake a portion of an EDA funded Economic Recovery Strategic Plan. Through ADECA’s Long Range Recovery Team and the Smart Coast consultant, there have been numerous community meetings in the two Gulf Coast counties and many of the preliminary needs and priorities from this area have been identified. Further, a meeting was held with Alabama Housing Finance Authority (AHFA) representatives to determine how much of the post-Katrina housing needs would be addressed by that agency and how the special CDBG allocation might be used in partnership with the additional funds available to AHFA. Additionally, the Governor has established the Housing Recovery Advisory Committee. Through this committee a meeting was held with representatives from USDA, AHFA, and HUD. A subsequent meeting is scheduled with the City of Bayou La Batre officials to discuss the City’s long-term recovery plans. In addition to these meetings, directors of the Regional Planning and Development Commissions in the impacted counties, as well as several private consultants working in the area were contacted directly for input on the Action Plan development. Finally, numerous elected officials and interested groups (Habitat for Humanity, etc.) contacted ADECA or were contacted by ADECA for informal discussions regarding the development of the Action Plan.

Following the submission of this Action Plan for approval by the U. S. Department of Housing and Urban Development, the State will hold a Disaster Recovery Fund Workshop. All interested parties will be notified of the workshop date, at which time the application schedule will be announced. The applications will be reviewed and awards made in a timely fashion. All activities will be completed and the program closed-out in a timely manner.
AMENDMENT TO HURRICANE KATRINA
ACTION PLAN FOR DISASTER RECOVERY

COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM

STATE OF ALABAMA
March 2006

Alabama Department of Economic and Community Affairs
401 Adams Avenue, Post Office Box 5690
Montgomery, Alabama 36103-5690
(334) 242-0492 ● Fax (334) 353-3527 ● www.adeca.alabama.gov
The State of Alabama has been allocated $74,388,000 in CDBG Hurricane Katrina disaster funds to be distributed through the Alabama Department of Economic and Community Affairs for the purposes of disaster relief, long-term recovery, and restoration of infrastructure directly related to the consequences of the disaster. The State submitted the Disaster Recovery Action Plan to HUD for approval on March 21, 2006. The Action Plan submitted to HUD provided a framework for distribution of $20,000,000 of the State’s allocation. Even as HUD is reviewing Alabama’s Action Plan for distribution of $20,000,000, the State is proceeding with an amendment to distribute the remaining $54,388,000 of the State’s allocation. All elements of the Action Plan will remain the same with the following exceptions. The exceptions listed below will apply only to the remaining $54,388,000 of the State’s allocation.

Grant Ceiling

There will be no single-project grant ceiling established for the remaining $54,388,000. No jurisdiction (city, county or Indian Tribe) will be allowed to submit more than one application for these funds; however, an application may contain two or more activities with each activity meeting all regulatory requirements. The State may also exercise discretion to fund only portions of requested projects for strong disaster recovery and infrastructure restoration related activities.

Method of Fund Distribution

Applicants whose activities meet the statutory requirements and who have developed plans to address short- and long-term recovery needs will be evaluated based on the extent of damage, unmet need, cost reasonableness, project impact, and local efforts/capacity. Upon review of all applications requesting assistance from the $54,388,000, if the State perceives that the full range of activities including restoration of infrastructure and housing are not adequately addressed, the State will retain a portion of the $54,388,000 to accommodate such deficiencies. The State will take such action only after following a reasonable amendment process.
**Budget**

The budget provided here addresses the remaining $54,388,000 of the $74,388,000 allocated to the State for disaster relief, long-term recovery, and restoration of infrastructure.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disaster Relief, Recovery and Restoration of Infrastructure</td>
<td>$51,668,600</td>
</tr>
<tr>
<td>Administration</td>
<td>2,719,400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$54,388,000</strong></td>
</tr>
</tbody>
</table>

The amount budgeted for administration will allow the State to allocate necessary staffing to ensure compliance with the U.S. Department of Housing and Urban Development requirements related to plan development, environmental rules, labor standards, bidding and contracting requirements, reporting and record keeping requirements, acquisition and relocation laws, fair housing and equal opportunity requirements, etc. Typically, these grants last several years and require continued oversight. Any budgeted but unexpended amounts for administration will go toward relief, recovery, and restoration projects.

**Citizen Participation**

An **amendment** to the Hurricane Katrina Action Plan for Disaster Recovery was mailed on March 17, 2006, to all mayors, chairpersons of county commissions, entitlements, Indian tribes, libraries, public housing authorities, and community action agencies in the declared disaster areas for further comment and was made available on the ADECA website on that date for public review and comment. A public hearing for this Substantial Amendment will be held on March 29, 2006 at 11:30 a.m. The public hearing will be held in conjunction with the State’s Disaster Recovery Fund Application Workshop on the campus of the University of South Alabama in Mobile, Alabama. The comment period on the amendment will expire on March 31, 2006, and the amendment will be submitted to HUD for approval on or about April 3, 2006.