




ISLE DE JEAN CHARLES RESETTLEMENT



FREQUENTLY ASKED QUESTIONS

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OFFICE HOURS & LOCATION

MONDAY – THURSDAY
8:30 a.m. – 4:30 p.m.

Catholic Charities Building
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Houma, LA 70360



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Information subject to change. Revised June 9, 2020

OVERVIEW

Q1 WHO IS FUNDING THE ISLE DE JEAN CHARLES RESETTLEMENT?

The state of Louisiana received \$48.3 million in Community Development Block Grant funds from the U.S. Department of Housing and Urban Development through the National Disaster Resilience Competition for the Resettlement of Isle de Jean Charles.

Q2 DOES THIS GRANT FUNDING HAVE RESTRICTIONS OR LIMITS?

Yes. Since the state is using federal grant money to fund the program, the state and anyone who chooses to participate must follow a series of guidelines and rules.

The policy manual and several guidance documents are available at IsleDeJeanCharles.La.Gov/Program-Materials to further explain the rules and regulations of the Resettlement. You are encouraged to work with your case manager or a Resettlement team member on any specific questions you may have.

Q3 WILL HUD TAKE THE MONEY BACK IF ALL ISLAND RESIDENTS DO NOT PARTICIPATE IN THE RESETTLEMENT?

No, HUD will not take back grant funding for the Resettlement based on who does or does not decide to participate in the Resettlement. Participation in the Resettlement is an individual decision.

Q4 WILL THERE BE ASSISTANCE FOR MOVING EXPENSES?

Yes. Depending on how many furnished rooms are being packed and moved, eligible moving expenses will be paid for Options A and D participants as detailed in the chart below:

<u>NUMBER OF FURNISHED ROOMS</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
<u>MAXIMUM AMOUNT</u>	<u>\$600</u>	<u>\$800</u>	<u>\$1,000</u>	<u>\$1,200</u>	<u>\$1,300</u>	<u>\$1,550</u>	<u>\$1,700</u>	<u>\$1,900</u>

Q5 WHY WILL THERE BE A NONPROFIT AND WHAT WILL ITS PURPOSE BE IN RELATION TO THE NEW ISLE?

The state will partner with a local nonprofit to engage in housing, community and economic development activities, as well as to improve and/or maintain the physical, social or economic environment of the community and space in The New Isle.

Q6 HOW WILL THE NONPROFIT BOARD MEMBERS BE SELECTED?

This is not yet decided. The state will create guidelines or rules affecting the new community in conjunction with extensive discussion and guidance from future residents.

OPTIONS, ELIGIBILITY AND REQUIREMENTS

Q7 WHO IS ELIGIBLE TO PARTICIPATE IN THE ISLE DE JEAN CHARLES RESETTLEMENT?

See below for eligibility criteria and ownership options.

A NEW HOME IN THE NEW ISLE	AN EXISTING HOME IN LOUISIANA	AN IMPROVED LOT IN THE NEW ISLE
<p>AVAILABLE BENEFIT</p> <p>Eligible households will receive a new home built at the resettlement site.</p>	<p>AVAILABLE BENEFIT</p> <p>Eligible households will receive funding toward an existing home within Louisiana that meets program standards, is located outside the currently recognized 100-year floodplain and is separate from the resettlement site.</p>	<p>AVAILABLE BENEFIT</p> <p>Eligible households will receive an improved lot within the resettlement site that is ready for construction. The program will support residents in identifying potential financing options—as needed—to build a home on the resettlement site.</p>
<p>ELIGIBILITY CRITERIA</p> <p>Current permanent, primary residents on the island.</p> <p>— or —</p> <p>Past permanent, primary residents who lived on the island on Aug. 28, 2012 (Hurricane Isaac), have been displaced since that time and do not currently own an off-island home.</p> <p style="text-align: center;">A</p>	<p>ELIGIBILITY CRITERIA</p> <p>Current permanent, primary residents on the island.</p> <p>— or —</p> <p>Past permanent, primary residents who lived on the island on Aug. 28, 2012 (Hurricane Isaac), have been displaced since that time and do not currently own an off-island home.</p> <p style="text-align: center;">D</p>	<p>ELIGIBILITY CRITERIA</p> <p>Past permanent, primary residents who:</p> <ul style="list-style-type: none"> • Were displaced from the island before Aug. 28, 2012 (Hurricane Isaac), and lived in a program eligible parish at the time of the storm. • Were displaced on or after Aug. 28, 2012, and currently owns an off-island home. • Lived in a program eligible parish on Aug. 28, 2012, and lived on the island after that time. <p>In addition, Option B participants:</p> <ul style="list-style-type: none"> • Must demonstrate financial ability to build a new home at the resettlement site. The program will support participants in identifying potential financing options. • Will be prioritized based on when they lived on the island. <p style="text-align: center;">B</p>

PROGRAM-ELIGIBLE PARISHES: Jefferson, Lafourche, Plaquemines, St. John the Baptist, St. Tammany and Terrebonne

Q8 ARE THERE OPTIONS FOR CURRENT ISLAND RESIDENTS WHO DO NOT WANT TO LIVE IN THE NEW ISLE?

Yes. The Resettlement offers all current, eligible island residents the opportunity to relocate to a safer, more sustainable home—either in The New Isle, or in an existing home in Louisiana located outside the new community and outside the currently recognized 100-year floodplain.

Current island residents who do not wish to relocate from the island are free to stay. The state will not force anyone to leave the island and residents are encouraged to make their own independent decisions.

OPTIONS, ELIGIBILITY AND REQUIREMENTS

Q9 HOW WILL THE LOUISIANA OFFICE OF COMMUNITY DEVELOPMENT FIND PAST, PERMANENT ISLE DE JEAN CHARLES RESIDENTS?

The state is working with current applicants and using available resources to reach as many past, permanent Isle de Jean Charles residents as possible. If you know someone who lived on the island, please share Resettlement information with him or her and let us know, because they may be eligible for Resettlement assistance. Those who have previously lived on the island can contact a Resettlement team member for more information on resettlement options, eligibility, the application process or any other questions they may have.

Expressing interest in and/or completing an application does not commit an individual to participate in the Resettlement.

Q10 WILL I BE REQUIRED TO HAVE INSURANCE ON MY NEW HOME?

Yes. You will be required to have both homeowners and flood insurance on your new home, either in the new community (Option A or B) or outside of the new community (Option D).

Q11 WHAT DOCUMENTS WILL I BE REQUIRED TO SIGN?

Depending upon your chosen Resettlement option, you will be required to sign some of the following legal documents:

- Act of Mortgage (Home Property) for Existing Home in Louisiana (Option D)
- Act of Mortgage (New Home Property) for New Home in The New Isle (Option A)
- Act of Transfer (New Home Property) (Option A)
- Homeowner Assistance Agreement (Options A and D)
- Act of Transfer (New Community Lot) (Option B)
- Lot Mortgage (Option B)

You can request to review all documents prior to signing by contacting a member of the Resettlement team or downloading them at IsleDeJeanCharles.La.Gov/How-To-Apply.

APPLICATION PROCESS

Q12 HOW CAN I APPLY FOR THE RESETTLEMENT?

Individuals interested in learning more about the Resettlement and completing an application can do so in one of the following ways:

- **Current island residents** may schedule an appointment or complete an application by visiting the program office or requesting a program representative visit their island property to complete an application.
- **Past island residents** may schedule an appointment or complete an application by visiting the program office.

To schedule an appointment call **833.632.2976** or email IsleDeJeanCharles@La.Gov.

You are encouraged to review the Application Document Checklist to gather any required documentation. The application is also available online for review prior to scheduling an appointment at IsleDeJeanCharles.La.Gov/How-To-Apply.

Q13 WHAT DOCUMENTS WILL BE REQUIRED TO APPLY FOR THE RESETTLEMENT?

Documentation of occupancy is the main requirement to apply. Your case manager can provide and review the Application Document Checklist to help you collect necessary documentation and complete your application.

APPLICATION PROCESS

Q14 ARE THERE ANY DEADLINES THAT I SHOULD BE AWARE OF?

The deadline to apply for Option A and Option D was Jan. 31, 2020. The application period for Option B opened on Feb. 10, 2020 and the deadline to apply is Dec. 31, 2020. However, all past island residents interested in participating in the Resettlement are encouraged to contact the Resettlement team as soon as possible, as lots are selected on a first-come, first-served basis.

There are several program deadlines regarding selecting a program option, relocation, construction, appeals, etc. You are encouraged to work with your case manager or the Resettlement team with any questions or to discuss any extenuating circumstances you may have.

ISLAND PROPERTIES

Q15 WILL I BE REQUIRED TO SIGN A MORTGAGE AGREEMENT RELATED TO MY ISLAND PROPERTY?

No. Based on feedback from Isle de Jean Charles residents, the state has worked with HUD to update participation requirements to better reflect the wishes of community residents. Resettlement participants WILL NOT be required to sign a mortgage document or deed restriction related to their island property. Rather, all participants will be required to sign a Homeowner Assistance Agreement that defines use restrictions for island properties.

Q16 WHAT WILL HAPPEN TO ISLAND HOMES AFTER THE RESETTLEMENT?

The state has worked out a solution with HUD that allows Resettlement participants' existing island structures to remain intact, while making sure they are not used for residential purposes or redevelopment. This solution is different from traditional HUD-funded relocation programs, where vacated properties are returned to permanent open space. The restrictions for use of island properties are only related to the homes/homeowners that participate in the Resettlement and will not be enforced for island residents and/or owners who do not participate.

Please review your program documents before agreeing and signing and work with your case manager or a Resettlement team member to answer any case-specific questions you may have.

Q17 WHO WILL PAY TO MAINTAIN MY ISLAND HOME?

Maintenance and upkeep of island properties will continue to be the responsibility of the property owner. As defined in the Homeowner Assistance Agreement, only minor repairs that cost less than either \$2,500 or two percent of the assessed value of the improvement (whichever is greater) will be allowed.

Q18 WILL I BE REQUIRED TO HAVE INSURANCE ON MY ISLAND HOME?

No. The Resettlement does not require you to have insurance on your island property.

Q19 IF I CHOOSE TO PARTICIPATE IN THE RESETTLEMENT, WILL MY ISLAND HOME BE CONDEMNED?

No. OCD cannot condemn an island property. The guidelines of the Resettlement allow existing structures to remain intact while ensuring the properties are not used for residential or redevelopment purposes.

ISLAND PROPERTIES

Q20 WHO IS RESPONSIBLE FOR MAKING SURE USE RESTRICTIONS FOR ISLAND PROPERTIES ARE NOT VIOLATED?

Resettlement participants who sign the Homeowner Assistance Agreement will be asked to review, acknowledge and comply with the terms of the Homeowner Assistance Agreement and the mortgage related to their new home. The state will monitor the program to ensure compliance with the federal requirements associated with Resettlement funding.

Q21 CAN I RENT OR LEASE MY ISLAND HOME?

No. If you choose to participate in the Resettlement, you cannot rent or lease your island property.

Q22 IF A HURRICANE (OR OTHER DISASTER) DESTROYS MY ISLAND HOME, CAN I REBUILD A PERMANENT STRUCTURE ON THE ISLAND IF I PAY FOR IT?

No. Resettlement participants must agree to certain terms contained in the Homeowner Assistance Agreement, including that participants will not use personal funds to make or allow for substantial repairs to an island property.

Q23 WHAT WILL HAPPEN TO THE ISLAND CEMETERY?

The Resettlement will not impact the cemetery.

Q24 WHO WILL OWN THE MINERAL RIGHTS OF THE ISLAND PROPERTIES?

The owner of the island property will retain mineral rights.

THE NEW ISLE

Q25 IF I CHOOSE TO MOVE TO THE NEW ISLE, HOW WILL THE LOTS AND HOUSING LOCATIONS BE DETERMINED?

As much as possible, housing locations will be determined based on the following:

- Personal preferences, such as water- or woodland-facing, stage in construction and potential neighbors
- Accessibility and physical needs of family members
- Proven need to be close to community features
- Physical housing space needs based on family size
- Design considerations based on unit size

Q26 HOW MANY HOUSES WILL BE BUILT IN THE NEW ISLE? WHEN WILL THE FIRST HOUSES BE FINISHED?

The state anticipates up to 120 houses in The New Isle once it has been fully developed. The first houses are anticipated to be complete in 2021.

Q27 IF I HAVE A FOUR-BEDROOM HOME ON THE ISLAND, CAN I GET A FOUR-BEDROOM HOME IN THE NEW ISLE?

Unit size in the new community will correspond to HUD Housing Quality Standard rules:

UNIT SIZE	MINIMUM OCCUPANCY	MAXIMUM OCCUPANCY
2 BEDROOM	2	4
3 BEDROOM	4	6
4 BEDROOM	6	8

You may request a larger unit than specified in the chart above if your household composition requires a different approach.

Q28 WILL THERE BE A COMMUNITY CENTER?

Yes. Plans include a community center and additional shared areas.

Q29 WHO WILL MAINTAIN THE COMMUNITY CENTER AND OTHER SHARED AREAS?

A nonprofit organization will manage operations, maintenance and upkeep of nonresidential facilities and grounds.

Q30 WILL RESIDENTS PAY CLOSING COSTS ON NEW HOMES?

No. Households receiving a new home through Option A or D will not pay any closing costs.

Q31 WHAT HAPPENS TO ANY REMAINING LOTS AFTER THE DEADLINE FOR PAST AND CURRENT ISLAND RESIDENTS TO APPLY FOR THE RESETTLEMENT HAS PASSED?

If properties remain after earlier portions of the Resettlement conclude, those properties will be processed in a manner consistent with CDBG requirements while taking community needs into consideration. Any lots distributed in this manner will be subject to the same Homeowners' Association requirements.

Q32 WILL I OWN THE NEW INDIVIDUAL LOT AND/OR HOME AND WILL THERE BE OWNERSHIP CONDITIONS?

Yes. If you choose to participate, you will own the lot and/or home. You will be required to agree to and sign a forgivable mortgage that will be forgiven at a rate of 20 percent (one-fifth) per year until the occupancy requirement is met. After five years, the lot and house will be 100 percent yours.

Should you choose to leave your new home before the five-year occupancy requirement is met, you are free to sell the home, keep any profit from the portion that you own and move.

Q33 UNDER WHAT CIRCUMSTANCES CAN THE STATE FORECLOSE ON MY NEW HOME IN THE NEW ISLE?

Foreclosable events include:

- Not living in the new home as a primary resident
- Failure to keep homeowners and/or flood insurance on the new home
- Failure to keep property taxes current on the new home
- Conveyance or sale of an island property to any person or entity other than OCD or its designee
- Use of personal, local, state or federal funds to make or allow for substantial repairs to an island property
- Applying for subsequent disaster assistance for an island property
- Renting or leasing of an island property
- Mortgaging or granting a security interest or lien on an island property

This is only a summary. We encourage you to review the Homeowner Assistance Agreement and mortgage documents for all details.

Q34 IF I CHOOSE TO LIVE IN THE NEW ISLE, HOW WILL LOTS AND SPECIFIC HOUSING LOCATIONS BE CHOSEN?

The New Isle master plan includes 14 total “blocks” that will be developed in phases. The two northwest blocks will be developed first and lots will be distributed on a first-come, first-served basis to eligible Option A participants, then opened to Option B participants. Infrastructure will continue to be built southwards and lots in these blocks will be distributed in the same manner.

To view the site plan for The New Isle, visit IsleDeJeanCharles.la.gov.

Q35 CAN I BUILD A DETACHED UNIT AND/OR ANOTHER STRUCTURE APART FROM MY HOUSE BUT ON MY PROPERTY?

Detached auxiliary cottages may be permitted with approval from the Resettlement team (or the HOA’s architectural design committee, if established at the time designs are submitted).

Q36 WILL MANUFACTURED HOUSING UNITS OR MOBILE HOMES BE ALLOWED?

No. MHUs will not be allowed.

Q37 WILL THE ROAD INTO THE NEW ISLE BE FINISHED BEFORE MY NEW HOUSE IS BUILT?

While construction of The New Isle will occur simultaneously with residential construction, the Resettlement team will make sure homes are accessible to residents as they are completed.

Q38 WILL PEOPLE WITH NO RELATIONSHIP TO THE ISLAND BE ALLOWED TO MOVE TO THE NEW ISLE? IF SO, WHEN?

The state will give priority to and exhaust every effort to populate The New Isle with individuals and families who have previously lived on Isle de Jean Charles. If properties remain available after closing Options A, B and D, those properties will be handled in a manner consistent with community needs and federal grant requirements. Therefore, as more people with a relationship to the island choose to live in the new community, fewer properties will be available to outside parties.

Q39 WHO IS ELIGIBLE FOR AN IMPROVED LOT IN THE NEW COMMUNITY?

Past permanent, primary residents who:

- Were displaced from the island before Aug. 28, 2012 (Hurricane Isaac), and lived in a program eligible parish at the time of the storm.
- Were displaced on or after Aug. 28, 2012, and currently owns an off-island home.
- Lived in a program eligible parish on Aug. 28, 2012, and lived on the island after that time.

Option B participants must demonstrate financial ability to build a new home at the resettlement site. The program will support participants in identifying potential financing options.

Q40 WHEN IS THE DEADLINE TO APPLY FOR AN IMPROVED LOT IN THE NEW COMMUNITY?

The deadline to apply for an improved lot in the New Isle is Dec. 31, 2020.

Q41 WHAT ARE THE ARCHITECTURAL STANDARDS FOR HOME CONSTRUCTION IN THE NEW ISLE?

Option B participants are strongly encouraged, but not required, to use housing unit floor plans and blueprints developed for Option A, which will be available to all Option B participants at no cost.

Should Option B participants choose to use their own housing designs, they will be reviewed by the Resettlement team (or the HOA's architectural design committee, if established at the time designs are submitted) and approved on a case-by-case basis. Submitted designs should be contextually consistent with the overall character, look and feel of the other homes in The New Isle and comply with baseline resilience standards.

Q42 WHAT REQUIREMENTS WILL I HAVE TO MEET REGARDING HOW I BUILD MY HOUSE?

All Option B housing must comply with baseline resilience standards, which include:

- Pitches for primary roofs should not be less than 1:12 or greater than 1:2
- Overhangs should not be less than one foot
- Flat roofs are not allowed
- Foundations are to be pier and beam
- Piers should be concrete or plastered and painted concrete blocks

Unless noted otherwise and approved by the parish, design guidelines should comply with applicable Terrebonne Parish Planning and Zoning Department regulations.

Q43 WHAT IS THE EXPECTED COST OF A NEW HOME THAT WILL MEET THE RESETTLEMENT DESIGN AND CONSTRUCTION REQUIREMENTS?

We encourage you to work with your contractor to get an appropriate estimate that both meets the Resettlement design criteria and is to your liking and within your budget.

Q44 DO I HAVE TO SELL MY OFF-ISLAND HOME TO PARTICIPATE IN OPTION B?

Yes. The Resettlement requires Option B participants who own an off-island home to sell it prior to or within 30 days of issuance of a Certificate of Occupancy for The New Isle home.

Q45 WHAT IF MY CURRENT OFF-ISLAND HOME IS NOT SOLD WITHIN THE ALLOTTED TIME FRAME?

Failure to comply with the requirement to sell your previous off-island home or the primary residence requirement may result in an event of default defined within the terms of the Act of Transfer or Mortgage signed by the participant. However, the Resettlement may grant an extension in time to sell the previous home on a case-by-case basis.

Q46 WHAT IF I WANT TO LIVE IN THE NEW ISLE AND AM ELIGIBLE FOR OPTION B, BUT MAY NOT BE ABLE TO DEMONSTRATE THAT I CAN FINANCIALLY BEAR THE COSTS OF CONSTRUCTING A NEW HOME?

The Resettlement team will provide resources to assist applicants in need of finding additional financial assistance on a case-by-case basis.

Q47 HOW LONG WILL I HAVE TO FINISH BUILDING MY HOUSE?

Option B participants must meet the following deadlines around home construction in The New Isle:

- The participant must submit proof of funds or construction lender financing within 90 days of signing the Act of Transfer. The Resettlement team will review the documentation provided to ensure both the funding source and construction design plans meet program requirements.
- The participant must begin construction on the home within 60 days of approval of funding source and contractor selection.
- Construction on the home must be complete within 180 days of the construction start date.

Q48 WHEN IS THE FINAL DATE FOR A LOT IN THE NEW ISLE TO BE TRANSFERRED TO A PARTICIPANT?

The last day for a lot transfer will be Jan. 31, 2021.

Q49 WILL THERE BE ASSISTANCE FOR MOVING EXPENSES FOR OPTION B PARTICIPANTS?

The Resettlement is unable to offer moving assistance to Option B participants.

Q50 ARE THERE RESTRICTIONS ON CHOOSING MY CONTRACTOR?

Option B participants must select a Louisiana licensed, bonded and insured residential contractor to build their home in The New Isle. Applicants or their Louisiana licensed residential contractor must obtain all necessary permits, which must be submitted to the Resettlement team.

However, these procedures do not create a contractual relationship between the Resettlement and the applicant's contractor, and the applicant's contractor is not a third-party beneficiary of the applicant's grant agreement between the applicant and the Resettlement.

Q51 IS THERE A RESIDENCY REQUIREMENT FOR OPTION B PARTICIPANTS?

Yes. Participants will be required to occupy their home in The New Isle as their primary residence for a minimum of one year from the date of initial occupancy. The homeowner(s) will be required to provide a homestead exemption for The New Isle property for a minimum of one year, regardless of the point during the year at which they first occupied the property. Failure to comply with the primary residence requirement may result in an event of default defined within the terms of the Act of Transfer signed by the homeowner(s).

Q52 WHEN IS THE LAST OPPORTUNITY FOR AN ELIGIBLE APPLICANT TO MOVE INTO THE NEW ISLE?

Option B participants must complete construction and occupy their home in The New Isle by Dec. 31, 2021.