

October 19, 2016

The Honorable John Bel Edwards
Governor, State of Louisiana
PO Box 94004
Baton Rouge, LA 70804

Dear Governor Edwards:

In August 2016, Louisiana experienced a flooding event of historic proportions. Your administration has estimated 109,000 housing units were damaged, 20,000 businesses were interrupted, and property damages are estimated at \$8.7 billion.

Two months after the event, Louisiana families and employers are at the beginning of a long and challenging road to recovery. This is especially true of small businesses across south Louisiana, the majority of which did not have comprehensive flood insurance, are not eligible for FEMA assistance, and whose only recourse is a federal Small Business Administration (SBA) loan between four and eight percent. More than 6,000 businesses flooded in 22 parishes, and Congressional testimony has woefully noted that nearly half of businesses would likely never re-open after this disaster.

In response to this gap in federal and state support, the Louisiana Association of Business and Industry (LABI) and the Baton Rouge Area Chamber (BRAC) joined forces with Greater New Orleans Inc., the Louisiana Association of Chambers of Commerce Executives, the National Federation of Independent Business, and One Acadiana to create **the Louisiana Small Business Rebirth Fund** to provide triage grants to small businesses to help them get restarted.

In just three weeks, the Rebirth Fund received 800 applications from flooded small businesses seeking to rebuild, demonstrating significant unmet needs. Donors from Louisiana and across the nation contributed more than \$650,000, which is being swiftly distributed to more than 100 Louisiana small businesses based on decisions of an independent review committee with technical, accounting, and legal expertise.

Even still, the needs of flooded businesses far outweigh available public or private support. Private grants will likely only be available for roughly one in five of these small businesses, which includes daycares, doctor's offices, restaurants, cabinet shops, grocery stores, retail, and more – services and products that make up the fabric of area communities. Each one has a compelling story and wants to rebuild.

As the state makes plans for long-term recovery, **the organizers of the Rebirth Fund urge you and the newly appointed Restore Louisiana Task Force to consider devoting a portion of Community Development Block Grant (CDBG) dollars to the recovery of Louisiana's small businesses after urgent housing needs are addressed.** Following Superstorm Sandy, New Jersey created the Stronger NJ

Business program with grants and forgivable loans for small businesses of up to \$50,000 for working capital, inventory, equipment, machinery, furnishings and prospective construction. A similar program for Louisiana could mean the difference between complete community recovery and smaller towns that look dramatically different in the future than before the flood.

Many of the jobs, services, and products of Louisiana's small businesses are critical to the future recovery of flooded communities. We urge you and the Task Force to make decisions quickly, to minimize red tape, and to ensure affected homeowners and businesses have a voice in resource allocation to ensure the programs truly address the needs.

Thank you for your support of the Rebirth Fund. Louisiana truly is a unique state with a strong and resilient population. While it is a long road, the efforts of Louisiana's hard-working, committed people must be supported in a way that brings our communities back even stronger. We stand with you and other federal and state officials to support a complete recovery for Louisiana's homeowners and businesses.

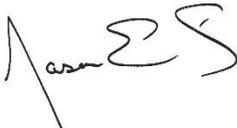
Sincerely,



Stephen Waguespack
President and CEO, LABI



Adam Knapp
President and CEO, BRAC



Jason El Koubi
President, One Acadiana



Michael Hecht
President, GNO Inc.



Dawn Starns
State Director, NFIB-Louisiana

April Wehrs (*digital signature*)
President,
Louisiana Chambers Association - LACCE

cc: Members of the Restore Louisiana Task Force
Members of the Louisiana Congressional Delegation