



FEMA

June 5, 2026

Brigadier General Jason Mahfouz, Director
Louisiana Governor's Office of Homeland Security and Emergency Preparedness
7667 Independence Boulevard
Baton Rouge, LA 70806

RE: FEMA-1603-DR-LA
Louisiana Time Extension Request for Public Assistance

Dear Brigadier General Mahfouz:

In a December 31, 2025, letter from my office, I informed you that FEMA approved a limited, conditional, extension of the prime grant period of performance (POP) for FEMA-1603-DR-1603-LA (Hurricane Katrina) and project completion deadlines for project worksheets (PWs) 21031, 21032, and 20947, through July 1, 2026. That extension required the City of New Orleans and New Orleans Sewerage and Water Board (subgrantees) to provide the Louisiana Governor's Office of Homeland Security and Emergency Preparedness (Grantee) and FEMA with substantial evidence they are progressing toward completing work. I also indicated FEMA would not approve project completion deadline extensions beyond December 31, 2025, for any other PWs under FEMA-1603-DR-LA, denied the Grantee's management costs period of availability (POA) extension request, and would not provide any further federal funds for management costs. This letter provides a follow-up to that letter.

Based on the information provided by the Grantee and the subgrantees on February 11, 2026, and April 29, 2026, regarding the status of ongoing work and remaining project execution, FEMA is now approving a conditional extension of the project completion deadlines for projects 21031, 21032, and 20947 to June 2, 2028, and correspondingly extending the prime grant period of performance to August 31, 2028.

Conditions required to be met:

- **Independent Financial Audit:** Immediately, FEMA will begin an independent financial audit of federal funds expended for JIRR projects 21031, 21032, and 20947 to ensure compliance with applicable federal laws and regulations. If, in the opinion of the independent auditor, the Grantee and the subgrantees are not providing timely cooperation and responses to auditors' requests, the extension will be revoked. If the results of the independent audit indicate evidence that the subgrantees did not follow applicable federal laws and regulations, FEMA will deobligate federal funding and seek debt collection on all previously disbursed funding for these projects, and/or pursue any other remedy that may be available under federal law and regulation.

- **Grantee Management Plan:** Within 30 days of this letter, the Grantee must provide a detailed management plan for how it plans to close its Hurricane Katrina Public Assistance grant by November 30, 2028. At a minimum, the plan must detail schedules on all outstanding projects, as well as the Grantee's efforts to ensure all construction is completed on time and all documentation is submitted to FEMA on time without additional time extensions. It may include the Grantee's proposal to use the minimal amount of management costs necessary to adequately oversee these activities. It must also include a template for enhanced Grantee quarterly programmatic reporting that will begin in quarter 4 of Fiscal Year 2026. At a minimum, these enhanced reports must provide:
 - Project-specific construction schedules with measurable quarterly milestones;
 - Evidence, from that quarter, that each project is under active construction;
 - The exact status of work against the project milestones. If milestones are missed, the subgrantee must explain the extenuating circumstances that caused the delay and provide an updated milestone schedule; and
 - The projected completion date of the project.
- **Timely Closeout:** By September 30, 2026, the Grantee must submit for closeout all projects for which FEMA has not extended the project completion deadline. Within 180 days of work completion deadlines, the Grantee must submit projects to FEMA for closeout. By November 30, 2028, the Grantee must complete and submit to FEMA all remaining actions necessary to close out the prime award.

Based on the Grantee's plan, due 30 days from the date of this letter, FEMA may reopen the management cost POA and allow additional management costs. FEMA may also extend work completion deadlines on projects other than the JIRR projects under the following conditions: (1) construction commenced—with a signed contract and notice to proceed—before December 31, 2025; (2) the project has a schedule that demonstrates it will be completed by June 2, 2028, and submitted to the Grantee for closeout by August 31, 2028; and (3) the subgrantee does not require additional federal funding beyond what FEMA has already obligated in order to complete the project.

FEMA will hold monthly meetings with the Grantee to discuss progress, and any issues or delays to timely project completion and reconciliation. If any of the above conditions are not met, FEMA will rescind approved time extensions and pursue all available remedies under Federal law and regulations.

If you have any questions regarding this matter, please contact Eddie Williams, Louisiana Public Assistance Lead at (225) 389-7282.

Sincerely,

Arsany Thomas
Acting Regional Administrator

cc: Lynne Browning, Director, Recovery Division, GOHSEP