FEMA backs off refund demand

Agency still won’t pay for lost dome revenue

BY RICHARD BURGESS
Acadiana bureau

LAFAYETTE — The Federal Emergency Management Agency has ended its bid to recoup $1.1 million paid to the Cajundome for sheltering evacuees during hurricanes Katrina and Rita.

FEMA paid the money in 2005 but later determined the Cajundome, as a publicly owned facility, wasn’t entitled to rental payments for sheltering.

The Cajundome appealed that decision, and in a letter released Thursday, FEMA changed course.

The federal agency has approved reimbursement at $17,700 a day for the 60 days the Cajundome was used as a shelter, according to a letter addressed to state officials that coordinate disaster payments.

Cajundome officials are still seeking another $1.2 million in rental payments for the two months the facility was closed for cleaning and repairs after sheltering about 18,000 hurricane evacuees.

FEMA refused to pay for rent while repairs were made. The letter issued by the agency this week maintains that stance.

"You can’t separate the two. The recovery period is a direct consequence of the sheltering period," said Cajundome Director Greg Davis. "To me, that is an inconsistency in my mind."

FEMA states in the letter that rental payments are allowed only for the time the Cajundome operated as a shelter and not for downtime afterward.

FEMA paid the Cajundome for utilities and other expenses directly related to the sheltering operation, but the dispute has been over usage fees to make up for revenue lost because of canceled events.

Federal guidelines dictate that government-owned facilities aren’t eligible for lost revenue or usage fees.

FEMA had initially determined the Cajundome was a government-owned facility that was ineligible for rental payments.

On appeal, FEMA found that the rental payments for the Cajundome are allowable, because the facility is owned by the University of Louisiana at Lafayette rather than Lafayette Consolidated Government.

FEMA technically paid the rental reimbursement to Lafayette Consolidated Government, which contracted with the Cajundome to operate the shelter.

Davis said he will present FEMA’s recent decision to the Cajundome Commission at its next meeting for guidance on any further appeals.

---

The Advocate Acadiana
Oct. 17, 2008
SecB, P9, Co1.4