COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
GRANTEE HANDBOOK

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A. PROGRAM ADMINISTRATION

INTRODUCTION

The administrative requirements of the Louisiana Community Development Block Grant Program (LCDBG) are presented in this section. It describes each task that must be completed from the grant award date to project close out. Careful attention to these administrative tasks will assist grantees in avoiding or minimizing many of the problems experienced during implementation and audit. The text describes the steps required to complete each task and references required forms and examples contained in the exhibits.

Task A-1: The Performance Schedule

A project performance schedule was developed as part of the application that shows each activity's major milestones and estimated expenditures. The performance schedule is referenced in the LCDBG contract and is used to monitor the program's progress. Grantees must adhere to this schedule. The schedule shows twelve quarters, as the contract allows thirty-six months for contract completion.

If a program amendment is approved or if the performance schedule changes significantly, a revised schedule must be prepared and submitted to the Office of Community Development's (OCD) Local Government Representative (LGR) assigned to the grant. A significant change is one that delays milestone accomplishments by more than one quarter (three months). Changes should be reported so that the OCD remains aware of the program's progress and can monitor performance against realistic goals. If the project is behind schedule, the OCD will request a revised schedule.

Task A-2: Completing Environmental Review Requirements

The purpose of the Environmental Review Record (ERR) is to document the environmental review process and all actions taken by the grant recipient during the course of the environmental review.

Each grantee must implement its program in compliance with the National Environmental Policy Act of 1969 (NEPA) and the environmental requirements of other federal laws covering the following areas: Noise, Air Quality, Historic Properties, Floodplains, Wetlands, Coastal Zones, Water Quality, Sole Source Aquifers, Toxic and Radioactive Materials, Explosive and Flammable Operations, Airport Clear Zones, Coastal Barriers, Farmlands Protection, Endangered Species, Environmental Justice, and Wild and Scenic Rivers. Copies of 24 CFR Part 58, and other handouts which contain environmental regulations are provided. The current regulations became effective October 29, 2003. Please refer to 24 CFR Part 58.5 for the laws and authorities pertaining to the above areas.

Certain environmental forms can be found on the internet at www.hudclips.org.

The LCDBG contract will indicate that an Environmental Review of the project must be conducted and submitted, whether the project is for public facilities, economic development, or housing. The LCDBG contract and the letter of authorization to incur costs state that all contract conditions must be cleared within six months of the letter of authorization to incur costs. To ensure that the State has sufficient time to review the Environmental Review Record for completeness and to allow adequate time for revisions, the ERR must be received by the State within four calendar months of the date of the authorization to incur costs letter. If at the end of the six-month calendar period all administrative conditions of the contract are not cleared, $250 per working day will be deducted from the administrative line item budget and disallowed. The monies shall be deducted from the amount of LCDBG administrative funds allowed to pay an administrative consultant. If the grantee has chosen to administer the grant using its own staff, the penalty will be assessed against the LCDBG administrative funds, and disallowed. If the grantee is not using LCDBG administrative funds, the penalty will be assessed against awarded construction funds and disallowed. The State reserves the right to grant an extension where the reasons for not meeting the required timeframe were clearly beyond the control of the grantee. Part of this determination will be based on how quickly the grantee began the ERR process after receiving the authorization to incur costs. All grantees should begin the ERR process (including mailing letters to appropriate agencies requesting determinations) within four weeks of the authorization to incur costs date.

Please note, if the grantee fails to complete the Eight Step Process during the completion of the ERR and it is determined that this is required for the project, then the Notice of Intent to Request Release of Funds or the Combined Notice must be republished after the Eight Step Process is complete. This may result in the grantee not meeting the required timeframe for clearance of all contract conditions. This situation will not warrant an extension to the deadline as discussed in the previous paragraph. If you are not sure about whether the Eight Step Process should be completed during the ERR process, please contact OCD for assistance.

For all projects, especially economic development projects involving loans and/or infrastructure grants, particular attention must be given to 24 CFR Part 58.32 - Project Aggregation. All activities must be environmentally cleared <u>including</u> those funded by private funds.

For Economic Development projects, close attention must be given to 24 CFR Part 58.22. Neither a grant recipient or any participant, including public or private nonprofit or for-profit entities or any of their contractors may commit LCDBG/HUD funds or non-LCDBG/HUD (private funds) funds or undertake an activity or project until the State has approved the recipient's Request of Release of Funds. HUD has determined that this regulation regarding private funds is triggered at the time of the grantee's application being submitted to the State. In other words, the restriction does not apply to undertakings or commitments of non-federal funds before the grant application is submitted.

The Request for Release of Funds and Certification form and the ERR must be submitted to the State before a Release of Funds can be obtained. Project funds cannot be obligated or expended until the State clears all contract conditions. There are some exceptions. If the LCDBG grant budget

includes administration and project design costs, these may be incurred prior to receiving a Notice of Release of Funds.

The grantee's Chief Elected Official will be the Environmental Certifying Official. He/She will assume overall responsibility for the environmental review process. All certifications and findings must be signed by him/her, particularly the Request for Release of Funds and Certification, (HUD Form 7015.15), the Certification of Exemption for HUD funded projects, the Certification of Categorical Exclusion (not subject to 58.5), the Certification of Categorical Exclusion (subject to 58.5), the Statutory Checklist, and the Environmental Assessment Checklist.

There are **five** levels of clearance available for the environmental review. A determination must be made concerning which of the five levels will apply to the project being cleared. There are specific requirements for each category of activities.

A project that clearly will have little negative impact on the environment is either exempt or categorically excluded from most environmental requirements. There are two levels of categorically excluded activities. In these cases, the ERR must document the recipient's determination that the project is free from either all environmental requirements or from the requirements of NEPA. Projects that are neither exempt nor categorically excluded will require a full environmental assessment. The results of the environmental assessment will determine if an environmental impact statement is required.

Exempt Activities - 58.34(a)

Certain activities are "exempt" from environmental review requirements of NEPA and the environmental requirements of other applicable federal laws. These activities include:

- environmental studies;
- project planning;
- administrative costs;
- project engineering and design costs for a proposed eligible activity;
- public services which will not result in any physical changes;
- assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair or restoration activities necessary only to control or arrest the effects from disasters, imminent threats or physical deterioration.

Activities correcting imminent threats to health and safety may be undertaken only to the extent necessary to alleviate emergency conditions as certified by the chief executive officer. The chief executive officer must notify the State within ten days of determining that a situation exists which poses an imminent threat to the public health and safety. The Office of Community Development must agree that the situation qualifies to be considered exempt under this regulation before LCDBG funds can be used to alleviate the emergency conditions.

To complete environmental requirements for exempt activities, the grantee must make and document a certification that such activities are exempt. This involves completing the Certification of Exemption for HUD Funded Projects (**Exhibit A-1**) which identifies the activity and states the statutory authority for the exemption. The grantee must also comply with Part 58.6, and complete the 24 CFR 58.6 Compliance Documentation Checklist shown as **Exhibit A-2**.

The grantee does not have to submit the Request for Release of Funds and Certification form; however, all other contract conditions listed in the LCDBG contract must be cleared prior to the release of funds.

Categorical Exclusions Not Subject to 58.5 - 58.35 (b)

HUD has determined that certain categorically excluded activities would not alter any conditions that would require a review under 58.5. The grantee does not have to publish a Notice of Intent to Request Release of Funds, or submit a Request for Release of Funds and Certification form. A Certification of Categorical Exclusion (not Subject to 58.5) shown in **Exhibit A-3** must be completed. The grantee does have to comply with Part 58.6, and complete the 24 CFR 58.6 Compliance Documentation Checklist shown as **Exhibit A-2**. Also, the grantee must clear all other contract conditions listed in the LCDBG contract prior to the release of funds. These activities include:

supportive services;

equipment (such as fire trucks);

economic development activities not associated with construction;

activities to assist homebuyers that result in the transfer of title.

Categorically Excluded Activities Subject to 58.5 - 58.35 (a)

These activities are "categorically excluded" from the environmental review requirements of NEPA, but must comply with the environmental requirements of other federal laws listed in 58.5. These activities include:

acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent. See part 58.35 (a) (1). (Water and sewer line replacement will most likely not be categorically excluded. Hard surfacing of a gravel street is not categorically excluded.)

special projects for removal of material and architectural barriers. See part 58.35 (a) (2).

an individual action (rehab) on a one-to-four family dwelling or on a project of five or more units developed on scattered sites when the sites are more than 2,000 feet apart and there are

not more than four units on any one site. See Part 58.35 (a) (4).

Acquisition or disposition of an existing structure or acquisition of vacant land provided that the structure or land will be retained for the same use. See Part 58.35 (a) (5).

The activity of demolition alone is categorically excluded, only if the property is to be retained for the same use. The combined activities of demolition and replacement will require an assessment unless the replacement is to take place on the exact same foundation as the original structure.

The Certification of Categorical Exclusion (subject to 58.5), shown in **Exhibit A-4**, identifies the activity and states the statutory authority for the exclusion. **The OCD's environmental staff should be contacted before making a finding of exemption or categorical exclusion in order to avoid incorrect findings.**

The following items must be included in the ERR for categorically excluded projects:

Certification of Categorical Exclusion (subject to 58.5), **Exhibit A-4**;

Documentation of compliance with other federal laws through the Statutory Checklist (**Exhibit A-5**);

Documentation of compliance with Part 58.6 (**Exhibit A-2**);

A detailed description of the project, including location;

Evidence of publication or posting of the Notice of Intent to Request Release of Funds (**Exhibit A-6**);

Request for Release of Funds and Certification (**Exhibit A-7**);

A map of the entire jurisdiction showing the specific location of the project area. Also, a floodplain map delineating the target area is required.

Activities Requiring an Environmental Assessment - 58.36

For activities which are neither exempt nor categorically excluded, an environmental assessment is required which documents compliance with NEPA and with the environmental requirements of other federal laws. The Environmental Review Record must contain the following documentation:

Environmental Assessment Checklist (**Exhibit A-8**);

Documentation of compliance with the requirements of other federal environmental laws through the Statutory Checklist (**Exhibit A-5**);

Documentation of compliance with Part 58.6 (**Exhibit A-2**);

A detailed description of the project, including location;

Evidence of publication (or posting) and distribution of the Combined Notice (**Exhibits A-9 and A-10**);

Request for Release of Funds and Certification (**Exhibit A-7**);

Map of the entire jurisdiction showing the specific location of the project area. Also, a floodplain map delineating the target area is required.

Environmental Impact Statement (EIS) – 58.37

In most instances the environmental assessment will result in a finding that the proposed activity will not significantly affect the quality of the environment and therefore not require the preparation of an Environmental Impact Statement. However, if the proposed project is determined to have a potentially significant impact on the environment, an Environmental Impact Statement must be prepared. **This office should be contacted it is determined that an EIS is required.**

The remainder of this section discusses information and procedures in completing the requirements of the Environmental Review Record.

Project Description – The description must identify in detail the project type, area served, location, etc. The target area must be described by street name, highway name, or numbers for each street serving as a boundary for the project area being environmentally cleared. A legal description of the area being cleared may be included, but is not required. The description should include the project's dollar amount, especially for economic development projects. For these projects, the description should identify the items for which the LCDBG funds will be expended, and the items for which private funds will be expended. Housing rehabilitation/replacement projects should specify the number of housing units involved, the number of demolitions that will take place, etc. The description must indicate whether the rehabilitation/replacement funds are a loan or a grant, who is eligible to receive the funds, the income limitations and the cost for each activity, i.e., rehabilitation, demolition or replacement. If the project includes replacement, state whether other property will be acquired or if the replacement will take place on the same property. A map clearly delineating the project area must be included also.

The project description must indicate whether the ERR is site specific for public facilities projects. For example, if the project involves the installation of a water well and the location of the well site is known, it should be indicated on the ERR map. The ERR map must also be sent to the agencies used as data sources, as they will be commenting on that particular site. However, if the exact location of the project has not been determined, but the well will be drilled somewhere within the project area, it is necessary to clear the entire project area. It must be clear to the data source, either by letter or verbally, whether the ERR is site specific. **If the ERR is site specific and the project site changes from what was originally cleared, an amendment to the ERR is required and must**

be submitted to the OCD for review. If this is necessary, please contact the OCD to ensure that proper measures are taken to amend the original ERR.

Completing the Statutory Checklist - For Categorically Excluded (subject to 58.5) and Environmental Assessment Activities

For categorically excluded (subject to 58.5) activities and activities requiring an environmental assessment, the Statutory Checklist, **Exhibit A-5**, must be completed in order to document compliance with other federal laws. Particular attention must be given to the review requirements of floodplains and wetlands, historic preservation, farmlands protection, and noise. Also, special attention should be made to Executive Order 12898 issued February 11, 1994 concerning environmental justice.

Additional instructions for completing the Statutory Checklist and each area of compliance are included in **Exhibit A-5**, following the checklist itself.

All areas of compliance requires either contact with a qualified individual from a cognizant local, state, or federal agency, or other qualified information for the compliance documentation. If an individual is a data source for the compliance documentation, the person's name, title, State or Federal agency, and the date of correspondence or verbal contact must be indicated. State whether the contact was verbal or written and the degree of impact the project will have on the environment. If a contact is made verbally, a telephone log should be kept documenting the call, and included in the ERR. If a plan or publication is cited, the title, date and page number must be shown. If the preparer of the checklist will be making a statement of explanation concerning an area of compliance, it is imperative that the preparer is knowledgeable of the area of compliance in the event that the validity of the ERR is ever questioned. All letters pertaining to the ERR must be included in the record.

If any compliance area of the Statutory Checklist involves a permit that is necessary in order to comply with the other federal laws and authorities listed under Section 58.5, or other requirements listed under 58.6, the permit must be included in the ERR's documentation. This includes permits such as Coastal Zone permits. In the past, it was required that if the U.S. Army Corps of Engineers required a permit under Section 404 of the Clean Water Act, the State required this permit to be obtained prior to the completion of the ERR. However, HUD has determined that since the Clean Water Act is not listed under the requirements of Sections of 58.5 and 58.6, this permit is not required prior to the completion of the ERR. Please keep in mind, however, that if the Section 404 permit is required by the Corps of Engineers for the project, the permit must be obtained prior to commencement of project construction.

Public facility rehabilitation activities, (such as hook-ups), will NOT require that they be environmentally cleared in the same manner as a regular housing rehabilitation project. This activity should be cleared in conjunction with the regular public facility activity.

Housing rehabilitation/replacement and economic development projects can be cleared on an area-wide basis depending on the size of the target area. Most of the housing projects under the LCDBG program will be able to do this, as those target areas are generally small, usually two or three streets, etc. However, the compliance areas of Noise and Manmade Hazards require special individual assessment as selection of specific sites are made during the course of the grant implementation process. The Statutory Checklist Completion form for small target areas (**Exhibit A-11**) will assist in addressing these areas of compliance as the specific site selections are made. This form must be completed for each unit and filed in the ERR file. A copy must also be maintained in the individual file for each housing unit. In addition, a copy must be sent to the OCD. These areas of compliance are discussed in further detail on the following pages.

For housing rehabilitation/replacement projects which include large target areas, (in some cases, the entire jurisdiction) and the specific sites are not known, it may be necessary to complete a tiered review. This is necessary because when the specific sites are not known, certain areas of compliance (Floodplains, Noise, Historic Properties, and Manmade Hazards, or others that could not be cleared programmatically) within the Statutory Checklist cannot be addressed. If a tiered review is conducted, these four (or more) areas of compliance can be addressed as the specific sites are determined. The Statutory Checklist Completion form for large target areas (**Exhibit A-11**) must be completed for each unit. A copy of this form must be sent to the OCD. A copy must be retained in the ERR file and in the individual file for each housing unit.

Historic Preservation requirements are met by consulting with the Louisiana Historic Preservation Officer to determine if the project will impact an historic or culturally significant structure or site. This consultation is made by preparing a letter to the Historic Preservation Officer describing the project and the area in which it is located (**Exhibit A-12**). If the project involves residential rehabilitation, the Historic Preservation Housing Rehabilitation Certification provided as **Exhibit A-13** is also required. The letter to and the response from the Historic Preservation Officer must be included in the ERR.

The area of Floodplain Management must comply with federal Executive Order No. 11988 and is covered in HUD regulations 24 CFR Part 55. Any physical action taken in a 100 year floodplain is subject to Part 55, including structures, roads, pipelines, anything except minor clearing and grubbing. Part 55.12(b)(2) states that minor rehabilitation that does not meet the threshold for substantial improvements is not subject to Part 55. However, the definition of substantial rehabilitation is given in Part 55.2(b)(8). As described in this definition, the rehabilitation activities normally funded under the LCDBG Program are substantial.

On the checklist, indicate as to whether the project is located within a 100 year floodplain (Zones A or V) identified by FEMA maps, and whether it involves a critical action (emergency facilities or facilities for mobility impaired persons) within a 500 year floodplain, (Zone X-500). **It has been determined by HUD that water and sewer treatment plants are considered critical actions and must complete the Eight Step Process if located in the 500 year floodplain.**

The data source to show for the compliance documentation would be the floodplain map panel

number and date, or contact with another source if there is no FEMA map. If FEMA has not published flood maps of the area, the grantee must make a finding based on best available data, such as the municipality/parish engineer, or local Flood Control Agency.

If the activity is located in the 100-year floodplain, and/or it involves a critical action (emergency facilities, facilities for mobility impaired persons, or water or sewer treatment plants) within a 500 year floodplain, Part 55.20 applies, and the grantee must complete an **Eight Step Process** shown below. Documentation must be provided in the ERR for each of the following steps:

1. Determine if the project is located in a 100-year floodplain by locating the project on a floodplain map. Record the results and date of this examination in the ERR.

2. Involve the public in the decision making process by publishing an Early Public Review Notice (**Exhibit A-14**) in a local newspaper to make the public aware of the grantee's intention of conducting a project within the floodplain. This notice requires a fifteen (15) day comment period.

3. Determine if there is a practical alternative to locating the project in a floodplain through: alternative sighting, an alternative action which would minimize damage to or within the flood plain, or no action.

4. Identify adverse impacts on the base flood plain, whether it will directly or indirectly support flood plain development, whether the impact is concentrated or dispersed, and short or long lived.

5. Identify methods to be used to minimize, restore, and preserve the floodplain.

6. Re-evaluate alternatives taking into account identified impacts and minimization measures. Is it possible to modify or relocate the project to eliminate or reduce these effects, or should no action be taken?

7. Announce and explain decision to the public by publishing a Notice of Explanation (**Exhibit A-15**) in a local newspaper. This notice requires a seven (7) day comment period. *This notice can be published simultaneously with the Notice of Intent to Request Release of Funds (This notice can only be published simultaneously if the project is categorically excluded subject to 58.5,* ***not*** *if the project requires a full environmental assessment)..*

8. Implement the project with appropriate mitigation.

If an *incidental* portion of a project site is in the floodplain, then Part 55 does not apply.

The ERR must include a copy of the floodplain map indicating the area being cleared, even if the project is not within the floodplain.

The area of Wetlands Protection must comply with federal Executive Order 11990. The Executive Order only applies to **new construction**. Housing replacement activities are considered to be new construction. Although HUD regulations found at 24 CFR Part 55 only cover floodplain management, it is to be used as a guide for wetlands protection as well. In the future, the regulation will be revised to include wetlands. **Therefore, if the project is for new construction and is located within a designated wetland, the Eight Step Process as described in 24 CFR Part 55.20 is required.** The Eight Step Process can be conducted jointly if the project is also located in a floodplain. The grantee must contact the USDI Fish and Wildlife Service **and** the US Army Corps of Engineers to make the determination. The U.S. Corps of Engineer' designated wetland areas are not all inclusive, as their information only covers wetlands within their jurisdiction. The National Wetland Inventory defines wetland areas more broadly and is maintained by the USDI Fish and Wildlife Service. The maps are available on a website located at http://wetlands.fws.gov. The grantee must check this website for information; however, all areas of the State have not been added to the website map at this time. If the project area is not included in the information on the website, then the grantee must make a determination if there are any wetlands in the project area. Executive Order 11990 (section 7(c)) defines wetlands as follows: "Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mud flats, and natural ponds." If it is obvious to the ERR preparer and Certifying Official and the determination is made that no wetlands exist in the project area, then this determination is acceptable. However, if the grantee is unable to make this determination themselves, then a wetlands specialist should be hired to make a determination or the grantee can complete the Eight Step Process as if there are wetlands present in the project area.

For Coastal Areas, review **Exhibit A-16** to determine if the project is within the nineteen coastal zone parishes. If it is, the grantee must contact the Louisiana Department of Natural Resources, Coastal Zone Management for comment. If the project is not within the coastal zone, the grantee may use as a reference the Coastal Zone Act, Louisiana Legislation Act 361, Revised, from which this map originated.

The area of Sole-Source Aquifers requires contact with the EPA for comment for projects located in the Southern Hills or Chicot Aquifer systems which involve any facility which disposes its waste water into dry wells, retention ponds, or methods other than a treatment plant. A map designating the location of these aquifers is shown as **Exhibit A-17**.

The grantee must contact sources such as the Louisiana Department of Wildlife and Fisheries, or the U.S. Department of the Interior-Fish and Wildlife Service for the area of Endangered Species. There will be a fee involved when you contact DWF. If the local government makes the request, the charges are reimbursable from the grant.

For Wild and Scenic Rivers, check with the USDI National Park Service to determine if the project is within one mile of a river in the National Wild and Scenic Rivers System. According to their website located at http://www.nps.gov/rivers, the Saline Bayou is the only river in Louisiana listed in the National Wild and Scenic Rivers System.

For the area of Air Quality, (Clean Air Act), it must be determined if the community meets the National Ambient Air Quality Standards. The compliance documentation should state if the community is attainment or non-attainment, and whether the project will affect the air quality.

To minimize the extent to which federally-assisted actions and projects convert farmland to nonagricultural uses, the Farmlands Protection Policy Act (FPPA) was enacted in 1981. On July 5, 1984, the Department of Agriculture (USDA) issued final regulations implementing the Act. The FPPA (7 USC Sec. 4201 et seq.) defines prime farmland, unique farmland, and farmland of state or local importance.

When a proposed project converts farmlands to nonagricultural uses, the Farmland Conversion Impact Rating Form AD-1006 must be completed. Form AD-1006 can be obtained from the USDA Natural Resources Conservation Service (NCRS). A copy of the form is included as **Exhibit A-18**. Before undertaking the farmland conversion impact rating process, a determination of farmland type must be made. This determination should be made using the Natural Resource Inventory (NRI) or county-wide maps available from the NCRS District Conservationists.

If neither the entire site nor any part of the site is located on farmland subject to the Act, the Act will not apply. The OCD suggests that the local soil conservationist be contacted for comment, and reference the contact indicated on the Checklist. If any part of the proposed project site includes farmland subject to the Act, the Act and implementing regulation will apply, and the grantee must initiate the impact rating process using Form AD-1006 as follows:

1. Complete Parts I, III, and VI of Form AD-1006 and send the form (keep copy) and project site map to the NCRS.

2. The NCRS has a maximum of 45 days to evaluate the land type, complete Parts II, IV, and V, and return the form to the grantee.

The Act encourages Federal agencies to consider the effects of the project on farmland conversion. The final decision rests with the agency or, in this case, the LCDBG recipient.

For housing rehabilitation/replacement projects, the area of Noise Abatement and Control should receive special attention. This area is covered by 24 CFR Part 51. The compliance documentation must contain a statement that noise assessments will be prepared for any property located within 1000 feet of a street having four (4) lanes of traffic, 3000 feet of railroad, five (5) miles of a civil airport, or fifteen (15) miles of a military airfield. When selected, if the unit requires the noise assessment, this will be indicated on the Statutory Checklist Completion form (**Exhibit A-11**), and a noise assessment must be conducted for each site within these areas. If the noise assessment for a rehabilitation only project indicates that the site is in an area above the acceptable decibel range, (acceptable being 65 decibels or less), noise attenuation measures should be recommended, such as double-paned windows, insulation, et cetera. If the project includes replacement housing, this is considered to be "new" construction, and noise attenuation measures must be implemented to achieve interior noise levels at 45 decibels or less. A noise handbook is available upon request from

the OCD. It includes detailed instructions for the noise assessment. The noise assessment is ONLY required for projects that are noise sensitive, such as places where people sleep or congregate.

The area of Explosive and Flammable Operations for housing rehabilitation, (where there is an increase in density) economic development projects, (where a building will be changing in use or an increase in density), or new construction such as fire stations and community centers requires that an Acceptable Separation Distance (ASD) be determined for properties within one mile of above-ground storage facilities containing explosive materials. This area is also covered in 24 CDR Part 51. The Checklist should indicate under compliance documentation that this will be accomplished for each property selected. For housing projects it will be indicated on the Statutory Checklist Completion form for each property if the calculation is required. If so, the calculation should also be attached. If the property is not within the ASD, the grantee must provide mitigating measures unless they are already in place. A copy of the guidebook for calculating the ASD is available from the OCD.

Notice of Intent to Request Release of Funds

When the Statutory Checklist is COMPLETE, which means all comments have been received and floodplain notices' comment periods have expired, the grantee can request a release of grant funds. For categorically excluded projects, it is ONLY necessary to publish or post the "Notice of Intent to Request Release of Funds" (**Exhibit A-6**). Do NOT use the "Combined Notice" discussed later. The "Combined Notice" is necessary for environmental assessment activities.

The "Notice of Intent to Request Release of Funds" informs interested parties that the grantee intends to submit to the State a "Request for Release of Funds and Certification" (**Exhibit A-7**) no sooner than seven full days after publication or ten days after posting. The comment period begins the day AFTER the notice is published or posted. For publication, the actual day to submit the request for funds would be day eight. For posting it would be day eleven. The notice must give a projected date of not less than fifteen days from receipt of the ERR by the State as the State's last day to receive objections to the request for release of funds. If the projected date for the State's fifteen-day comment period should fall on a holiday or a weekend, the projected date given in the notice should be the next working day. After the seven or ten-day period has elapsed, the grantee must prepare and submit the "Request for Release of Funds and Certification" to the State. The stated comment period should be extended two days to allow for mailing, as the State's comment period does not begin until the day following receipt of the "Request for Release of Funds and Certification". Copies of the Notice of Intent, "Request for Release of Funds and Certification", and public comments received must be included in the Environmental Review Record.

The following is an example of dates for the "Notice of Intent to Request Release of Funds":

	Publication	Posted
Notice of Intent Date	6/4/xx	6/4/xx
	(7 days)	*(10 days)*
Date of "Request for Release of Funds and Certification"	6/12/xx	6/15/xx

Date ERR and request for funds mailed to State	6/12/xx	6/15/xx
ERR received by State	6/14/xx	6/17/xx
State's 15-day Public Comment Period	6/15/xx to 6/29/xx	6/18/xx to 7/1/xx

Completing the Environmental Assessment Checklist

The environmental assessment must be prepared on the format provided as **Exhibit A-8**. The grantee will determine and indicate whether the request for release of funds IS an action which will significantly affect the quality of the environment and therefore will require the preparation of an Environmental Impact Statement (EIS), or whether the request for release of funds IS NOT an action that will significantly affect the environment and therefore will not require the preparation of an Environmental Impact Statement (EIS).

Combined or Concurrent Notice

This notice (**Exhibit A-9**) is necessary for projects requiring an environmental assessment. The notice combines the "Notice of Finding of No Significant Impact" (FONSI), and the "Notice of Intent to Request Release of Funds" (NOIRRF). The notice can be published or posted. The "Combined Notice" identifies the project, gives the reason for the decision of no significant impact to the environment, invites public comment for a fifteen or eighteen-day review period, notifies the public of the community's intent to request a release of funds, and includes a fifteen-day period for the State to receive comments. After the first local comment period (FONSI) has elapsed, the "Request for Release of Funds and Certification" and the environmental review record (ERR) and any comments received may be submitted. The dates at the beginning of this notice should indicate the date of publication or posting, and the FINAL date of the State's comment period, not the final date of the FONSI's comment period.

The State's fifteen-day comment period begins the day after the State receives the request for release of funds and the ERR. If the projected date for the State's fifteen-day comment period should fall on a holiday or a weekend, the projected date given in the notice should be the next working day. The following is an example of dates and comment periods for the "Combined Notice":

	Publication	Posted
"Combined Notice" Date	6/4/xx *(15 days)*	6/4/xx *(18 days)*
Date of "Request for Release of Funds and Certification"	6/20/xx	6/23/xx
Date ERR and request for funds mailed to State	6/20/xx	6/23/xx
ERR received by State	6/22/xx	6/25/xx
State's 15-day Public Comment Period	6/23/xx to 7/6/xx	6/26/xx to 7/11/xx

If published, the "Combined Notice" must be published in a general circulation newspaper and proof of publication must be included in the ERR. Proof of publication means that either the actual dated newspaper article or an original notarized copy of the published notice is provided. If posted, send a copy of the posted notice with documentation signed by the chief elected official stating where the notice was posted and the dates of posting. The "Combined Notice" must also be distributed to appropriate tribal, State and federal agencies and, particularly, to the national and regional offices of the Environmental Protection Agency and FEMA. Do not send a copy of the notice to the HUD Area Office in New Orleans. **Exhibit A-10** is a sample distribution list. Any written comments received in response to the notices must be addressed and filed in the ERR.

Request for Release of Funds and Certification

This form shown as **Exhibit A-7** must be completed and submitted to the State following the final publications discussed above.

Once the State receives and reviews the ERR documentation and Request for Release of Funds and Certification form, the OCD will notify the grantee for any necessary revisions, or inform the grantee that no objections to the release of grant funds were received by the OCD.

*For a summary of environmental review requirements, see **Exhibit A-19**.

Task A-3: Establishing the LCDBG Funds Account, Requesting Payments, Three-Day Expenditure Rule, and Disbursement of Funds

Establishing the LCDBG Funds Account

Receiving Contract. One copy of the LCDBG contract will be provided that identifies the activities funded, budgeted cost, general terms and conditions, and identification of any activities with conditional approval and the conditions that must be met before the State will release funds for those conditional activities. Read the contract carefully before signing it. One copy will be returned to the grantee for its records when the contract has been signed by the appropriate State officials. The contract is fully executed only after all State signatures have been obtained.

Necessary Forms. The following forms are necessary before the State will proceed to establish your LCDBG account in the State accounting system. No funds can be drawn until this account is established.

Authorized Signature Card. To establish your LCDBG account with the State, an Authorized Signature Card (**Exhibit A-26**) must be completed. This card must be completed carefully with no erasures or corrections. Signatures must match the typed or printed names. The certifying officer

must apply a date to the card by his or her signature. The card designates who is authorized to sign the community's Requests for Payment. One card with original signatures must be submitted to the State. Detailed line by line instructions are included on the back of the card. If a change is needed to the names of the persons authorized to sign Requests for Payment at any time during the project, a new Authorized Signature Card must be submitted to the State. (See, also, section on Signatures on Checks and Signatures on Request for Payment (RFP) Form.)

Designation of Depositary Card. Two Designation of Depositary Cards (**Exhibit A-27**) must be prepared and submitted. It identifies the federally insured financial institution into which the funds are deposited.

Electronic Funds Transfer Enrollment Form. An Electronic Funds Transfer (EFT) Enrollment Form is located at www.doa.louisiana.gov/osrap/EFTforWebSite.pdf (**Exhibit A-28**). This form tells the

State where your LCDBG funds should be deposited. This form is sent to the Office of Statewide Reporting and Accounting Policy (OSRAP).

Change of Form If these forms need to be changed at any time during the project, the information can be changed by providing the State with two revised depositary cards with original signatures and a revised Electronic Funds Transfer Enrollment Form. It will take approximately fourteen days to process a change so please allow at least fourteen days for processing before submitting a Request for Payment. These cards are available from the Office of Community Development.

Rules of Account

Non-Interest Bearing Account Funds are to be deposited into a separate non-interest bearing account which is to be balanced on a monthly basis. Use pre-printed, pre-numbered checks, not counter checks. After the grant is closed, the same account can be used for subsequent grants by voiding three to four checks. If the grantee uses computer generated checks, appropriate safeguards must be in place.

Central Bank Account or Clearing Account If the grantee is interested in using its general bank account, it must obtain prior written approval from this office. You must be able to produce separate financial statements for the LCDBG grant. If utilizing this procedure, all invoices for which payment is requested must be paid in advance, and the checks must be cleared before reimbursement by LCDBG. Please contact Laurie Durnin at (225) 342-7412 to discuss this matter. If interest is accrued on LCDBG funds, the State must collect it from the grantee.

When Funds Can Be Drawn Funds can be drawn when the Notice of Removal of Contract Conditions and a Release of Funds form and executed contract are received from the State.

Signatures on Checks Checks must be signed by two authorized persons. The use of a signature stamp for one of the names is allowed as long as the other signature is an original. The other signature must be of someone who is not in control of the signature stamp. If the checks are

computer generated, there must be adequate controls with at least two authorized persons approving checks.

Requesting Payment

Request for Payment Form (RFP). Funds are requested using the LCDBG RFP form, **Exhibit A-29**. The RFP form can be completed in Excel and printed, or printed and filled in. The form and instructions for completing this form are on the Office of Community Development website (**http://www.doa.louisiana.gov/cdbg/cdbgHome.htm**). The form must be completed accurately or it cannot be processed. Requests should be made only in amounts necessary to meet current disbursement needs and approved invoices must be attached.

Always assign the next sequential number for each separate request that is submitted. If the request is a resubmission of a previous request that was rejected or returned for errors, the resubmission

would have the same request number as the original submission with an A or sequential letter, after it, i.e., 2.A. When dollar amounts are indicated, always show a decimal and cents (do not round off).

Show the exact amount of cash on hand at the time you are making the request if all previously requested project funds have not been distributed. Funds disbursed to date on RFP Line 1D should include all invoices paid with LCDBG money since the beginning of the grant.

Request Frequency Funds may be requested a maximum of three times per month for housing rehabilitation grants and twice a month for other grants.

Signatures on Request for Payment Form (RFP) Two of the people listed on the authorized signature card must sign the RFP. Signatures on the request form must be **identical** in every way to those on the Authorized Signature Card. This includes middle initials. If you have any questions regarding the RFP Form, please call your Local Government Representative (LGR) in this office.

Invoices Invoices must be submitted with all Requests for Payment. The date the goods or services were received must be marked on the invoices. If services are rendered, the vendor must state the time period covered by the invoice, from XX-XX-20XX to XX-XX-20XX. Invoices included with the RFP must be signed by the chief elected official or other designated party showing approval of the invoice amount.

Submitting a Request for Payment (RFP) Send an original and two copies to the State. The State will then process the request. The State will return one copy when the request is processed.

Receipt of Requested Funds Requests for funds should be received at the Office of Community Development with appropriate signatures and invoices by Friday at noon for payment on Friday of the following week. The grantee should check with its financial institution when expecting LCDBG funds on Friday to see that the funds were deposited in its account. Contact your LGR if funds are not received. If there is a holiday during the request period, an extra day may need to be added to

the anticipated receipt date.

Three Day Expenditure Rule The State has defined current disbursement needs as the funds you will expend in three days. This procedure minimizes the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees (24 CFR 85.20 (b) (7)). This "three-day-rule" means that all draws will be expended within three working days of the deposit. If LCDBG funds are deposited on a Friday, checks totaling the entire amount must be written by close of business the following Wednesday. In order to comply with the "three-day-rule," the grantee should arrange to be notified the day an LCDBG deposit is received by the bank or check to verify the deposit as discussed previously. If for any reason you receive LCDBG funds and are not able to disburse them within three days, contact your LGR to discuss the situation and determine whether funds should be retained or returned to the State.

Task A-4: Establishing Procedures for Financial Administration

This task presents an overview of the accounting procedures that must be followed in order to comply with State and federal requirements under the LCDBG program.

Documenting Use of Funds
All funds must be documented appropriately to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes (24 CFR 85.20 (a)).

Financial Management System Adequacy
The grantee will receive a Financial Management Questionnaire, which must be completed and return to this office. The office will review this and other information to determine the adequacy of your financial management system subsequent to the award of your grant (24 CFR 85.20)). A copy of your bonding certificate or fidelity policy, and proof of payment or renewal will be required. This should accompany the grantee's audit.

Accounting Records
Accounting records must be maintained which adequately identify the source and application of funds provided for grant-assisted activities. These records must contain information found in a complete General Ledger including assets, liabilities**,** expenditures, and revenue (24 CFR 85.20 (b)(2)). Accounting should be conducted on the double entry basis. Because this program operates on a cost reimbursement basis, Expenditures and Revenue can be measured before the receipt and disbursement of cash, and therefore are subjected to accrual. Whether to account for a particular governmental activity on a cash or an accrual basis is not a matter of local government preference but rather dictated by generally accepted accounting principles as it applies to that particular activity. The accounting for the LCDBG program has to be on a modified accrual basis. If you need assistance in complying with this requirement, please contact the LCDBG staff.

The appropriate type of Governmental Fund for the LCDBG Program is a **Capital Projects Fund or Special Fund**, and as such the fund should be accounted for using a modified accrual basis of accounting. All LCDBG monies should be accounted for in that fund. This would include all revenue identified in the LCDBG contract such as local match, other funds, and program income. Each source should be identified in the accounting records and in the annual audit or financial report. When reported in the grantee's audit, the LCDBG funds utilized for each project should be separately identified.

Support Documents. Accounting records must be supported by such source documentation as cancelled checks, paid bills, invoices, purchase vouchers, payrolls**,** deposit slips, time and attendance records, contract and sub-grant award documents, etc**.** (24 CFR 85.20 (b)(6)). Never make payment without invoices and vouchers physically in hand. All vouchers/invoices should be on vendors' letterhead.

Books of Entry. 24 CFR 85.20 (b)(2), and OMB Circular A-87 (Cost Principles for State and Local Government (Revised 5/10/2004)) require that you establish certain accounting records for documenting LCDBG related transactions. These books of original and final entry are an integral part of your required system. Books of original entry are the Cash Receipts Journal and the Cash Disbursements Journal. Books of final entry are the General Ledger and the Property Register. Each is briefly described below.

1. Cash Receipts Journal -- All receipts of cash which are deposited into the LCDBG fund are recorded in this journal. Receipts may include contract payments from the State, receipts from the disposition of land, etc. The general procedure for using this journal is to record every LCDBG receipt in the date order that it was received, entering from whom the money was received, the account, the receipt number, and the date. A suggested format for this journal is presented in **Exhibit A-20**.

2. Cash Disbursements Journal -- All expenditures are entered into this journal. A suggested format for this journal is shown in **Exhibit A-21**.

3. LCDBG Property Register -- This is a listing of all fixed assets acquired using LCDBG funds. Examples of fixed assets which would be recorded using this subsidiary ledger are machinery and equipment. See **Exhibit A-22**.

4. General Ledger -- This is a book of final entry which summarizes the status of each account in the LCDBG accounting system. The General Ledger may be maintained for the LCDBG program as for other municipal funds, however, the Chart of Accounts (**Exhibit A-23)** must be utilized**.** Supporting documentation should be maintained to summarize expenditures and revenues by the following categories:

a. Expenditure Accounts – These accounts should correspond to those activities identified in the Cost Summary in the application. At a minimum, the grantee should utilize the following Expenditure Accounts: Administration, Acquisition, Engineering, and Construction. All administrative costs must be assigned to the administrative account and not to other accounts such as rehabilitation, sewer, etc. Every invoice should be recorded as an expenditure the day it is received or on the day it is approved for payment.

b. Revenue Accounts – These accounts should be used to identify all revenues earned by the LCDBG program such as the LCDBG revenue, program income, and local contributions.

Monthly Financial Report

At month's end, the grant recipient should prepare financial statements that provide accurate, current, and complete disclosure of the financial results of financially assisted activities (24 CFR 85.20 (b)(1)). Additionally it is the responsibility of each grant recipient to prepare general purpose financial statements presented in conformity with generally accepted accounting principles at the conclusion of each fiscal year. Therefore, one month after the close of your fiscal year you must have the general purpose financial statements consisting of a STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE and a BALANCE SHEET prepared and ready for examination by the auditor. Examples of these general purpose financial statements are shown in **Exhibit A-24**. Costs incurred for the bookkeeping, accounting, and preparing of the general purpose financial statements related to the LCDBG program may be considered as administrative costs and should not be charged as part of the Audit expense.

Recordkeeping

Financial records are to be retained for a period of four years after program closeout, with access guaranteed to State officials, their representatives, or HUD representatives. Audit requirements are discussed later in this chapter.

System of Internal Controls. Effective control and accountability must be maintained for all grant and sub-grant cash, real and personal property, and other assets. The concept of internal control refers to those policies and procedures of the jurisdiction designed primarily to adequately safeguard all such property (24 CFR 85.20 (b)(3)). The State requires that each LCDBG recipient establish a system of internal controls that meet the following six minimum requirements:

1. No individual shall have complete control over all phases of any significant transaction. This means, for example, that the same person cannot authorize payment, record transactions, and sign checks.
2. Record keeping must be separate from operations and the handling and custody of assets.
3. Monthly reconciliation and verifications of cash balances with bank statements shall be made by employees who do not handle or record cash, or sign checks.
4. Actual lines of responsibility shall be clearly established and then adhered to as closely as

possible.

5. The person who prepares payrolls should not handle the related paychecks.
6. All persons who handle financial transactions shall be bonded in accordance with State law. **All persons who handle financial transactions for LCDBG shall have a current bond or fidelity policy.**

Those communities whose limited personnel preclude them from complying with steps 2 through 5 should contact the state for further guidance. An adequate system of internal controls combined with specific program and financial management responsibilities will permit jurisdictions to maintain the books and records presented above and will facilitate compliance with State and federal requirements.

Rules of Expenditure (Other Program-Related Expenditures)

Office Equipment. Office equipment is considered a capital expenditure and is not allowed as direct charges except where approved in advance by LCDBG. When purchasing or leasing equipment, grantees must take care to act in compliance with 24 CFR 85.36, "Procurement." In addition, any LCDBG funds expended to lease or purchase equipment will result in disallowed costs unless the grantee can establish - and has fully documented in the grant files - that the expenditure(s) was reasonable, necessary, and allowable for the grant, and was not a general expense required to carry out the overall responsibilities of local government as required by OMB Circular A-87. Prior to lease or purchase of any equipment with LCDBG funds, grantees should carry out an analysis of lease versus purchase alternatives, and any other appropriate analysis to determine which approach would be the most economical. This analysis must be fully documented in the grant files.

Items in Excess of $1,000.00. If the expected total cost of any single leased or purchased item or the total cost of the aggregate of items exceeds one thousand dollars ($1,000.00) during the course of the grant, prior approval from the State is required.

Miscellaneous Items (LaSTEP). During the construction of a LaSTEP project, there are times when it is necessary to purchase certain miscellaneous items in addition to those that were listed in the materials bid, such as gasoline, tools, etc. There must; however, be a financial tracking system for the purchase of these items. Any individual item to be purchased which is valued at $150.00 or more must use the small purchase procedure as described in **Task A-9** of this LCDBG Grantee Handbook. The grant recipient must appoint two individuals who are each authorized to make these purchases. Each invoice must be signed by one of the appointed individuals, and have an indication on the invoice that the item(s) purchased is for the LaSTEP project. Also, as a final verification, the project engineer must sign the invoices when paid by the grant recipient to ensure that these are costs associated with the project. For smaller items valued less than $150.00 per item, the small purchase procedure is not necessary; however, the same documentation as described above shall be indicated on the invoices, along with the final approval by the engineer.

Employees Paid From LCDBG Funds. All employees paid in whole or in part from LCDBG funds should prepare a timesheet indicating the hours worked and detailed duties performed on LCDBG

projects for each pay period. Account for the total of the employees' activities in accordance with A-87. A contemporaneous journal entry in the grant recipient's General (or appropriate) Fund should be made indicating "Due from LCDBG" for the amount allocated of the employee's payroll to be reimbursed from LCDBG. Each time the grant recipient submits a RFP all of the "Due from LCDBG" amounts accumulated to that point should be added to that RFP. The appropriate journal entry for your LCDBG Capital Projects Fund will be a debit to Administration expenditure and a credit to Due to General (or appropriate) fund. A sample timesheet is shown in **Exhibit A-25**. The grant recipient may use their own timesheet providing it contains the equivalent information including the distribution of payroll costs and is signed by a knowledgeable supervisor.

Real Property vs. Rent. Real property or trailers cannot be purchased with LCDBG funds to accommodate administrative staff. Office space may be leased or rented if necessary. Rent paid shall not exceed average office rental costs in the community. Further, rental of administrative space for three years is substantially less expensive than purchase of property. It is more cost effective and insures that the maximum amount of LCDBG funds is spent for activities that benefit low-to-moderate income residents.

Indirect Costs. In order for indirect costs to be charged to the grant, a Cost Allocation Plan that has been approved by our office must be on file.

Program Income

Program income (OMB Circular A-110, Subpart C.24) is defined as gross income generated from the use of CDBG funds that were received by the State, a unit of general local government or a subrecipient of a unit of general local government. Generally, program income is returned to the State and is re-awarded following guidelines established in our current Action Plan, which is available on our website. However, there are some circumstances where the general local government would be allowed to retain the income. The OCD should be contacted for instructions.

Task A-5: Changes in the Grant; Preparing Budget Reconciliations, Budget Revisions and Program Amendments

The State approved your application based upon the specific purpose of, and items included in your project description and cost estimate. Deviations from those items require written approval from our office; failure to receive that approval could result in disallowed costs. This approval must be obtained prior to putting the project out for bid.

Budget Reconciliation Report **Exhibit A-30** – This report will need to be sent only when there is a change in the category of expenditure which was requested in the RFP. In this report actual expenditures must be compared with budgeted amounts and amounts requested on the RFP's (24CFR 85.2(b)(4)). This report needs to be sent if there are errors or changes in invoices after submittal for reimbursement. If amounts on the Certificate of Completion differ from the LCDBG records, a budget reconciliation report will be required prior to closeout.

Budget Revision Report **Exhibit A-31** – This report must be sent to the Office of Community Development if you wish to revise your program budget or move money allocated from one category to another. Prior approval is not required if the dollar amount of the change plus any prior changes is less than 10 percent of the grant amount. This report must be sent within 10 days of the change and 14 days prior to any RFP involving the change.

Program Amendment**.** Single changes or cumulative changes in the program budget greater than ten percent of the grant award amount or smaller changes that result in the deletion or addition of an activity or item, require prior State approval. This approval must be requested through the submittal of a Request for Program Amendment, **Exhibit A-32**. Detailed instructions are included in the exhibit. A public hearing regarding the proposed amendment must be held prior to submitting the request to the State. Documentation of the hearing (notice of hearing and minutes) must be submitted to the State with the Request for Program Amendment.

Reductions in Scope of Work

Major reductions in the scope of proposed work could result in adverse state action -- grant reduction, termination, or a finding of ineligibility for future funding. Grantees were selected for funding based on their proposed program and are expected to carry it out as proposed. **We strongly urge you to contact the Office of Community Development if problems emerge which might lead to program modifications.** We recognize that unanticipated problems can arise which can

throw the best laid plans awry. Early notification of potential problems will permit all parties to resolve them. Our objective is to resolve problems whenever humanly possible.

Left-over Money

If all of the approved activities and items in the approved cost estimate have been completed and there are funds remaining due to cost under-runs, the use of those funds is subject to prior approval from the Office of Community Development following the previously described procedure for requesting a program amendment. **Amendments to the approved program can neither be requested nor approved through the submittal of engineering change orders.**

The Office of Community Development will review all requests for an amendment very carefully to determine how the proposed change relates to the approved project. In making that determination, the Office of Community Development will ascertain as to whether or not the proposed change is an integral part of the originally approved project and is necessary to complete the project as originally approved. The Office of Community Development will also review the site location of the proposed change in relation to the originally approved target area. If there is a budget under-run and an expansion of the target area is requested, expansions will have to be contiguous to the original target area. The overall project will still have to primarily benefit low-to-moderate income persons; after making any adjustments to the score of the original application, the revised application will still have to remain above the funding line. The scope and intent of expansion will have to be in keeping with the scope and intent of the originally funded application. You will be notified in writing whether your request for a program amendment has been approved or disapproved.

Any LCDBG funds remaining in the program following issuance of a conditional closeout will revert to the State for use in other communities.

Task A-6: Audit Process

When an Audit is Required

Simple Audit. Under the provisions of the Single Audit Act Amendments of 1996, an audit under OMB Circular A-133 is required whenever the amount of federal expenditures (LCDBG program funds plus all other federal expenditures) in a year exceeds $500,000. This type of audit, which includes a full set of financial statements and other detailed information, is often referred to as a "single audit." The single audit will meet federal accountability requirements and will also be sufficient to meet state accountability requirements.

Other Types of Financial Reports. If less than $500,000 in total federal funds is expended in an entity's fiscal year, a single audit is not required, but other requirements called for by state law and LCDBG policies must be met. If a grantee determines that a single audit is not required, state law and the LCDBG contract require the submission of one of the following type of reports, based on revenues received from all sources during a fiscal year: (1) annual sworn financial statements if revenue received was $50,000 or less, (2) an annual compilation if revenue received was more than $50,000 but less than $350,000, (3) a biennial audit if revenue received was $350,000 or more but less than $3,500,000, or (4) an annual audit if revenue received was $3,500,000 or more.
Audit Requirement. An audit or financial report is required from each grantee annually within six months (180 days) after the grantee's fiscal year end. Audits that are not received within this six months time period will be placed by the Legislative Auditor on a "Delinquent Audit List." Once on this list the entity will be barred from receiving funds from any source including LCDBG. This list is posted on the Legislative Auditor website (www.lla.state.la.us) and is updated daily as audits are sent in.

Parish Requirement. Parishes must submit single audits to the Department of Social Services, Office of Management and Finance, attention Mr. Joe Green, Post Office Box 3927, Baton Rouge, LA 70821.

Audit Scope
When a grantee engages an independent CPA to prepare an audit or compilation, a copy of the written engagement agreement must be furnished to the Legislative Auditor of the State of Louisiana for approval of the engagement terms and conditions. The Legislative Auditor will forward to the independent CPA a copy of the approved engagement agreement. Approval is now available via fax or e-mail.

Upon completion of the financial report, in addition to the copies filed with the Legislative Auditor, a copy of the audit or financial statement, together with all written communications between the

CPA and the grantee, must be furnished to the Office of Community Development, P. O. Box 94095, Baton Rouge, LA 70804.

Grantee management may be expected to respond in writing to LCDBG regarding any findings of noncompliance, control structure comments or recommendations cited by the independent CPA in his or her reports or in a report issued by the Legislative Auditor. Such response should identify each finding or comment and the action(s) that has been taken or is planned to be taken. If an action has not been taken, provide the approximate date the action will be completed, or explain why no action is believed to be required.

Audit Costs

The only costs allowable under the LCDBG Program for financial report preparation are single audit costs. If single audit costs are to be charged to the LCDBG program, the grantee must follow the "Procurement" guidelines established under the Common Rule. A written procurement policy must be prepared and adopted by the governing body. Such policy should clearly prohibit elected officials, staff, or their agents from obtaining any benefit from procurement contracts. Specific guidance is presented in Section H of this handbook. However, due to the importance of the audit process, grantees are reminded that not all CPAs are qualified to perform audits of governmental entities and in particular, under the Single Audit Act. Care should be exercised to select an experienced, qualified firm, rather than simply selecting the firm offering to perform the audit at the lowest price.

The portion of the total single audit cost which can be charged to the LCDBG program may be determined by multiplying the total single audit cost times a fraction, the numerator of which is the LCDBG program expenditures for the period, and the denominator of which is the government entity's total expenditures for the period, including the LCDBG program expenditures. A calculation of the allowable portion of the single audit cost should be included in the supporting documentation presented with the request for payment.

Under the latest revisions to OMB Circular A-87, if appropriate documentation of the single audit costs provides a higher amount than the formula, the higher single audit costs may be charged to the program. Supporting documentation should be available for review by LCDBG staff.

Task A-7: Removing Contract Conditions/Release of Funds

Your contract will contain contract conditions which must be met before your contract will be released. These contract conditions include:

1. Completion of an environmental review record.

2. Preparation of a three-year Community Development Plan.

3. Section 504 Assurance.

4. Residential Antidisplacement and Relocation Plan and Certification.

5. Submittal of application revisions, if requested.

6. Project Plans and Specifications, and Final Cost Estimate.*

7. Previous audits and financial questionnaire, if requested.

8. Certification from engineer that plans and specifications are complete and if applicable, submitted to DHH.

9. Firm commitments from other project funds, if applicable.

10. Any other documentation, if requested.

*Prior to receiving your executed contract and a release of the FY 2009 LCDBG funds, we must receive a signed certification from your engineer stating that the plans and specifications for your public facilities project have been completed and submitted to DHH for their approval, (if applicable). **A copy of those plans and specifications plus a final cost estimate must also be submitted to this office for review.** If at the end of the six-month calendar period the plans and specifications have not been submitted to both DHH, (if applicable), and this office, $250 per working day will be deducted from the construction line item budget and disallowed. The monies will be deducted from the amount of LCDBG funds allowed to pay an engineer for basic services. If you are not using LCDBG funds to pay an engineer the penalty will be assessed against the construction budget and disallowed. The state reserves the right to grant an extension where the reasons for not meeting the required time frame were clearly beyond the control of the engineer.

Until you receive a release of funds from the State, you cannot obligate or expend funds except those items identified in your "authorization to incur costs" letter from the State. At the completion of the environmental process, you will sign the "Request for Release of Funds and Certification" form (**Exhibit A-7**). Item 1 on the form requires the OMB Catalog Number. The correct number is 14.228. Item 2 requests the HUD/State Identification Number. This number is B-02-DC-22-0001. At this time, you should review the contract conditions set forth in your contract and determine that you have met them. The State will review the "Request for Release of Funds and Certification" and send a letter informing you whether grant conditions have been met and funds are being released, or specifying additional steps to be taken. You may obligate and expend construction funds and request project funds on your LCDBG account <u>only</u> after you receive the letter removing contract conditions for the project (**Exhibit A-33**), and your executed contract with the State. It is possible that at the time we release funds, our review of the plans and specifications may not be complete. In that case, we will state in the letter releasing grant funds that you are not authorized to advertise for bids or the project. When our review of the plans and specifications is complete, we will notify you that you are authorized to advertise for bids.

Community Development Plan

It is not the intention of this office to require that Grantees write a lengthy document approaching the size of a small book. For most grantees, a three or four page CD Plan is often long enough to contain all the required information. Grantees with large populations may take more pages. It is desirable to write a CD Plan that will be approved on the first submittal. To do this it is helpful to understand the four shortcomings that account for 95% of CD Plan rejections:

- Failure to mention a population group experiencing high unemployment under the "Economic Development Needs" section (Item 2-D in **Exhibit A-34**).
- Failure to match listed strategy in Item 4 with identified needs in Item 2.
- Failure to adequately explain strategy by not including objectives, activities, timing and monetary amounts in Item 4.
- Failure to follow the general outline structure as shown in **Exhibit A-34**.

PRACTICAL STEPS TO WRITING A CD PLAN

- Determine the needs.
- Determine the appropriate strategy (Item 4) to meet the needs (Item 2). Include strategy objectives, activities, timing, monetary amounts and potential sources of funds, both LCDBG as well as other funds.
- Note if there are any population group or groups experiencing high rates of unemployment. **If there are no particular unemployed group or groups that can be identified, note that fact.**
- Use the information you have gathered to write the CD Plan, being careful to adhere to the outline structure detailed in the visual layout as well as the official instructions contained in

  Exhibit A-34. Check the CD Plan for any of the four common shortcomings and modify if necessary.

Task A-8: Procurement Requirements

IF A GRANTEE PLANS TO USE LCDBG FUNDS TO PAY FOR CONTRACT SERVICES, THE FEDERAL AND STATE PROCUREMENT REQUIREMENTS MUST BE MET TO AVOID PENALTIES.

The **federal requirements** (24 CFR 85.36) applicable in securing contract services [engineering, consulting and other professional services, and construction and supplier services] are included as **Exhibit A-35**.

A **procurement policy** must be written and adopted prior to securing contract services. If a procurement policy is already in place, the grantee must determine whether it includes all federal requirements contained in 24 CFR 85.36. If the policy does not contain all federal requirements (and the grantee intends to use LCDBG funds to pay for such services), the policy must be

amended accordingly. A sample procurement policy is included as **Exhibit A-36**.

The Grantee's procurement policy must address the following:

1. A code of conduct that prohibits elected officials, staff, or agents from personally benefiting from LCDBG procurement must be included. The policy should prohibit the solicitation or acceptance of favors or gratuities from contractors or potential contractors. Sanctions or penalties for violations of the code of conduct by either grantee officials, staff or agents, or by contractors or their agents must be identified [24 CFR 85.36 (b)(3)].
2. Proposed procurements should be reviewed by staff to avoid unnecessary and duplicative purchases and to insure costs are "reasonable" [24 CFR 85.36 (b)(4)].
3. Affirmative efforts must be undertaken to hire women's business enterprises, minority firms and labor surplus firms, both by the grantee and the project's prime contractor [24 CFR 85.36 (e)].
4. The method of contracting outlined in the policy should be acceptable (fixed price, cost plus fixed fee, purchase orders, etc.). Cost plus a percentage of cost contracts must be specifically prohibited if LCDBG funds are involved [24 CFR 85.36 (f)(4)].
5. Procedures to handle and resolve disputes relating to procurement actions of the Grantee must be included [24 CFR 85.36 (b)(12)].
6. All procurement transactions, regardless of dollar amount, must be conducted so as to provide "maximum open and free competition" [24 CFR 85.36 (c)]. Some of the situations considered to be restrictive of competition include, but are not limited to:
    a. Placing unreasonable requirements on firms in order for them to qualify to do business;
    b. Requiring unnecessary experience and excessive bonding;
    c. Noncompetitive pricing practices between firms or between affiliated companies;
    d. Noncompetitive awards to consultants that are on retainer contracts;
    e. Organizational conflicts of interest;
    f. Specifying only a "brand name" product instead of allowing an "equal" product to be offered and describing the performance of other relevant requirements of the procurement; and
    g. Any arbitrary action in the procurement process.
7. Methods of procurement to be followed when purchasing materials and supplies or contracting for services must be included [24 CFR 85.36 (d)].

Conflicts of interest in the award and/or administration of contracts must be avoided. "No employee … of the grantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when…the employee, any member of his (her) immediate family, his or her partner…has a financial or other interest in the firm selected for award." (24 CFR 85.36(b)(3)) Other federal regulations with which the grantee must comply are the conflict of

interest requirements in 24 CFR 570.611 which are included as **Exhibit A-37**.

Conflicts of interest may be governed also by state law (*State's "Code of Governmental Ethics"*) or local law or ordinance.

Task A-9: Methods for Securing Materials, Supplies, and Construction Services

The procurement process must be in accordance with the federal requirements of 24 CFR 85.36 and Louisiana's Public Bid Law. One of the four methods below must be followed when procuring materials and supplies and construction services.

1. **SMALL PURCHASE** – A simple and informal method used to purchase items costing less than $20,000 and construction services costing less than $100,000.
    a. Obtain price or rate quotations from no less than three sources. They can be obtained by fax, telephone or in writing. Three quotes must be obtained and not merely requested. A response of "not interested" does not qualify as a quote.
    b. Maintain written documentation on the names of the businesses contacted and how they were contacted; the prices that were quoted; and the basis for selecting one firm over the other(s).
    c. Prepare and execute a formal contract that identifies the scope of work and the terms of compensation.

2. **COMPETITIVE SEALED BIDS** - Method used to purchase items costing more than $20,000 (or if the grantee chooses not to follow the small purchase procedure) and for construction exceeding $100,000. Used when the primary basis for award is cost.
    a. Initiated by publishing an advertisement for bids.
    b. Must hold a public bid opening at the time and place set in the advertisement for bids.
    c. Must have a written review and tabulation bids according to selection criteria.
    d. Contract must be awarded to the lowest responsive and responsible bidder. Must be a firm fixed-price contract (lump sum or unit price).
    e. Any or all bids may be rejected if there is a sound documented reason.
    f. A contract detailing a scope of work and the terms of compensation is executed.

3. **COMPETITIVE NEGOTIATION** - Not an effective method for procuring materials and supplies.

4. **NONCOMPETITIVE NEGOTIATION** – Use only under the following conditions:
    a. The grantee receives written approval from the Office of Community Development.
    b. The award of a contract is infeasible under small purchase, sealed bids or

competitive negotiation methods, and one of the following circumstances applies:

i. The item is available only from a single source;
ii. There is some public emergency; or
iii. The results of the competitive negotiation are inadequate.

c. Negotiation is conducted with the firm regarding a scope of work and price.

d. A contract detailing a scope of work and the terms of compensation is executed.

Task A-10: Methods for Securing Professional Services

Three methods described herein are applicable if the grantee intends to use LCDBG funds. (This is not applicable if local funds are to pay for professional services. In this case, the grantee may use local laws and procedures.)

1. **SMALL PURCHASE** – As discussed in **Task A-9**, this is a simple and informal method used to procure professional services costing less than $100,000. *Exception*: engineering/architectural services. Engineering/architectural services must be procured through Competitive Negotiation using "Qualification Statements".

   a. Obtain price or rate quotations from at least three sources. They can be obtained by fax, telephone, or in writing. Three quotes must be obtained and not just requested. Also, a response of "not interested" does not qualify as a quote.

   b. Maintain documentation of the businesses contacted; the way in which they were contacted; the prices that were quoted; and the reasons for the firm selected.

   c. Execute a contract that identifies the scope of work and the terms of compensation.

2. **COMPETITIVE NEGOTIATION** – Method used to procure professional services exceeding $100,000. Also, this procedure may be followed in lieu of the SMALL PURCHASE procedure.

   a. Begin by advertising for **Request for Proposals (RFP's)** and/or **Qualification Statements**. The RFP is used when price is a factor in the selection process and the qualification statement is used when price is considered after the firm has been selected.

   b. The advertisement must be in the grantees' nearest metropolitan statistical area newspaper. The advertisement should state:

      i. the city/parish has been awarded an LCDBG grant;
      ii. the type of professional service(s) that is being solicited;
      iii. the location and time where the scope of services, selection criteria, minimum requirements, etc., can be obtained; and
      iv. the deadline for the submittal of the proposal or qualification statements.

c. The advertisement cannot require one firm provide both administrative and engineering services. However, the same firm may be procured for both services.

d. To assure "proposals will be solicited from an adequate number of qualified sources" as required in the federal regulations at 24 CFR 85.36 (d)(3)(ii), a copy of the request for proposals as it will appear in the newspaper must be mailed to a minimum of 3 firms that provide administrative services.

e. The following information must be provided to all parties that responded to the advertisement (and/or mailing):

   i. a cover letter from the grantee signed by the chief elected official;
   ii. scope of services;
   iii. name and phone number of grantee's contact person;
   iv. deadline and location for submittal of proposal and/or qualification statements;
   v. selection criteria and corresponding point system that will be used to rate the proposals or qualification statements received; and
   (Criteria **must** be identified as a tiebreaker when using an "all or none" point system. The State recommends that a tiebreaker is identified for all point systems although it is not required except for the instance previously identified.)
   iv. a statement that the amount of funds available for the contract will be subject to LCDBG restrictions and approval.

f. An evaluation process of the proposals and/or qualification statements received is required to determine whether the selection criteria and requirements are met. *Please note* that receipt of just one proposal and/or qualification statement requires an evaluation. It is recommended that the grantee organize a committee of several people with knowledge of the LCDBG project, keeping in mind the Conflict of Interest rules.

Legal fees must be necessary, reasonable and allocable to a specific task if the grantee intends to use LCDBG funds. The grantee need not procure an attorney if an attorney is on staff or on retainer. For reimbursement, the attorney's rate of pay must be reasonable and consistent with their regular rate of pay and the grantee must keep the following documentation: date and method of hire (minutes of council/policy jury meeting, civil services procedures, etc.), rate of pay, hours worked on the LCDBG program (time sheets), and details of tasks undertaken.

If the grantee has an attorney on retainer the following information must be kept for reimbursement purposes: a list of specific services to be provided, a list of services completed and the normal monthly retainer and, if applicable, the retainer prorated accordingly. The LCDBG grant will not reimburse an amount that exceeds the usual monthly retainer.

The federal procurement procedures must be followed if there is neither a staff attorney nor an attorney on retainer and the grantee intends to use such services and use grant funds to pay for such services. Also, if the grantee intends to pay an attorney for an amount over the normal retainer, the

federal procurement procedures must be followed.

Request for Proposals (RFPs)

RFPs are used to procure professional services except for the services of an engineering firm or architectural firm when using the competitive negotiation method.

An RFP must be prepared detailing the type of services needed and listing the selection criteria against which all responding proposals will be evaluated. Cost must be one of the selection criteria used and must be a minimum of 10 percent of the total possible points identified. Geographical preference may not be a criterion in accordance with federal regulations.

One of two procedures can be used to review proposals. The procedure chosen must be identified in the advertisement, and the procedure cannot be changed once the procurement process is initiated.

a) Establish a predetermined competitive range of points for proposals that would be considered to qualify for the job. All firms whose proposals scored within that range would be invited to an oral interview and asked to submit a "best and final offer". The proposals would be re-evaluated and the highest scoring firm would be chosen.
b) Evaluate the proposal(s) according to the selection criteria and award the contract to the highest scoring firm.

Please note: A firm cannot include in their RFP the experience and background of other firms and will result in disallowed costs unless the following conditions are in place:

- ✓ a written contractual agreement between the two firms that lists the services that will be provided by the subcontractor; and
- ✓ the fees paid to the subcontractor must account for no less than 25 percent of the contract between the prime contractor and the grantee (excluding pre-agreement costs).

Qualification Statements

Qualification statements are used to procure the services of an engineering firm or architectural firm when using the competitive negotiation method. Qualification statements cannot be used to procure any other service. Engineering and architectural firms may be procured for administrative tasks, but the RFP procedure must be utilized to procure administrative services.

A selection is made based on the competitors' qualifications, subject to negotiation of fair and reasonable compensation.

The qualification statements must be evaluated by the selection criteria identified in the request. The grantee should negotiate costs with the top ranked firm.

Refer to the following exhibits for sample formats.

DOCUMENT EACH STEP OF THE PROCUREMENT PROCESS IN ORDER TO DEMONSTRATE COMPLIANCE WITH ALL THE PROCUREMENT REGULATIONS AND PROCEDURES.

Exhibit A-38 - advertisement requesting proposals
(Modify for requesting qualification statements.)
Exhibit A-39 - request for proposals for administrative services
Exhibit A-40 - request for qualification statements for engineering/architectural services
Exhibit A-41 - scope of services for a housing rehabilitation project to insert in a request for proposals package and contract

3. **NON-COMPETITIVE NEGOTIATION** – This method may be used when projects are declared an emergency by the Office of Community Development or when utilizing a regional planning district or area-wide planning agency. A grantee procuring services by this method must have prior written approval from the State. *Exception*: utilizing a regional planning district or area wide planning agency for administrative services. It is permitted for grantees to obtain administrative services through "non-competitive negotiation" with a state or area wide planning agency on a nonprofit basis. The contract between the grantee and the planning district or agency must provide for compensation on a "cost reimbursement" rather than a "fixed fee" basis.

Grantees using a planning agency for administrative services must document the following:

a. the rationale for the method of procurement used;
b. reasoning behind the selection of contract type; and
c. an analysis of costs (**Exhibit A-42**). The planning district or agency must provide the grantee with this information prior to the final negotiation of the contract in order for the grantee to determine reasonableness of costs.

Preparation of Contract

Cost Analysis. The grantee must analyze the costs of contracts when intending to use LCDBG funds. The Cost/Price Detail Summary Form in **Exhibit A-42** can be used for this purpose. Generally, administrative contracts are cost reimbursement contracts (cost plus fixed fee) where the firm is paid on the basis of costs incurred, overhead, other direct costs, and a fixed fee. Basic engineering and design contracts are generally lump sum contracts where the firm is paid on the basis of work completed. The cost plus a percentage of cost and percentage of construction cost method of contracting cannot be used.

Pre-agreement Costs. A maximum of $2,500 is allowed for housing projects; a maximum of $4,700 is allowed for public facilities, demonstrated needs, and LaSTEP projects; and a maximum of $4,000 is allowed for economic development projects. (*Refer to the Consolidated Annual Action Plan for a breakdown of these maximum amounts.*) Pre-agreement costs must be identified separately in administrative contracts and engineering/architectural contracts.

Administration Allowances. A maximum of $35,000 is allowed for housing projects; construction administration per unit for rehabilitation & reconstruction is up to $4,000; and, construction administration per unit for spot rehab is up to $1,000.

A maximum of $35,000 is allowed for public facilities and economic development projects.

A maximum of $25,000 and $30,000 is allowed for demonstrated needs and LaSTEP projects. If the grantee has more than one active LCDBG project (*one that has not been issued a conditional or final close out*) or if the demonstrated needs project is subsequently approved as an emergency project, the maximum amount allowed for administrative costs will be reduced to $20,000.

Local Government Costs. A grantee may be reimbursed with grant funds to cover general expenses such as attendance to project-related workshops, travel, staff time, legal fees, advertising fees, audit fees, and costs associated with Section 504 compliance.

Engineering/Architectural Fees. Such fees, even those provided under a lump sum contract, must be reasonable and justifiable. Sole justification that the fees are within the amount allowed by the Office of Community Development is not adequate. The funds allowed will not exceed those identified in the applicable LCDBG Application Package. If, after a project has been funded, the scope of the project changes significantly, the Office of Community Development will make a determination of an amount that will be allowed.

Administrative Contract Requirements

Exhibit A-43 is a sample contract. The following conditions must be included:

1. all services to be performed (including the submittal of close-out documents with the exception of the audits) will be completed within the 36 month period covered by the grantee's contract with the State;
2. the contract conditions will be cleared within six months of the date of the "authorization to incur costs" letter;
3. the amounts to be charged for pre-agreement and project administration should be separated; and
4. 10 percent of the contract amount will be retained until the grantee has received the State's approval of all close out documentation.

Engineering/Architectural Contract Requirements

Engineering and architectural firms may choose the Standard Form of Agreement between Owner and Engineer (or Architect) for Professional Services. The Terms and Conditions identified in Part II of **Exhibit A-43** must be made a part of the contract.

1. The following conditions must be included in the contract:
    a. plans and specifications will be completed within six months of the date of the "authorization to incur costs" letter;
    b. the advertisement to solicit bids for the construction contract will be published within 30 days of the State's "authorization to advertise for bids"; and
    c. the amounts for pre-agreement, basic and additional services should be identified separately.

2. Include in the contract:

a. a scope of services (*basic and additional*),
b. a timeframe for rendering services,
c. payment schedules,
d. opinions of cost,
e. the grantee's responsibilities,
f. general considerations,
g. definitions,
h. special provisions, and
i. related exhibits.

3. Any standard contract shall be modified to include LCDBG Program requirements. The program requirements are:

   a. Construction contracts shall not contain any cost plus or incentive savings provisions. Therefore, the contract shall not make reference to compensation adjustments for cost plus or incentive savings provisions.

   b. The basis of payment cannot be cost plus a percentage of cost or a percentage of construction cost.

   c. Payment is subject to the availability of LCDBG funds. It is understood that the amount of funds available for engineering/architectural services is contingent upon the amount of LCDBG funds the State allows. LCDBG funds will only be used for pre-agreement services and basic and additional services that are provided following the grantee's receipt of a grant award and an "Authorization to Incur Costs" letter from the State's Office of Community Development. If the firm charges for the preparation of the LCDBG application, the fees must be identified separately. The firm will not be compensated from the applicable LCDBG Program if the grantee does not receive funding.

   d. The final plans and specifications and cost estimate must be submitted to the Office of Community Development for review within six months of the grantee's receipt of an "Authorization to Incur Costs" letter. Also, the same information must be submitted to DHH for approval for those projects subject to DHH review (*sewer collection, sewage treatment, and potable/fire protection water systems*). If the plans, specifications, and cost estimate have not been submitted at the end of the six month calendar period, $250 per working day will be deducted from the amount of LCDBG funds allowed for basic services. The State reserves the right to grant a time extension where reasons for not meeting the time requirement were beyond the control of the engineer/architect.

   e. The first advertisement to solicit bids for construction must be published within 30 days of the State's "authorization to advertise for bids." This is required of all public facilities and demonstrated needs projects. Failure to comply will result in an assessment of $250.00 per working day. The $250 will be deducted from the amount of LCDBG funds allowed for basic services. The State reserves the right to grant a time extension where reasons for not meeting the time requirement were beyond the

control of the engineer/architect.

f. The Terms and Conditions in Part II of **Exhibit A-43** must be revised to refer to the engineer/architect and must be made a part of the contract.

Contract Requirements

A professional services contract must include the following provisions:

General Administrative Provisions

- Effective date of contract.
- Names and addresses of grantee and firm.
- Names of representatives of grantee and firm who will act as liaison for contract administration.
- Citation of the authority of the grantee under which the contract is entered into and source of funds.
- Conditions and terms under which the contract may be terminated by either party or remedies for violation/breach of contract.

Scope of Services

- Detailed description of extent and character of the work to be performed.
- Time for contract performance and completion including project milestones, if any.
- Specification of materials or other services to be provided by both parties, such as maps, reports, printing, etc.

Method of Compensation

Provisions for compensation for services including fee and/or payment schedules and specification of maximum amount payable under contract. *Never pay in advance of work.*

State and Federal Standard Provisions

- Executive Order 11246 clause (7 paragraphs if contract is above $10,000 or 3 paragraphs of equal opportunity provisions if $10,000 or under).
- Title VI clause pertaining to the Civil Rights Act of 1964.
- Access to records statement.
- Conflict of interest clause.
- Section 3 statement pertaining to the Housing and Urban Development Act of 1968, as amended.
- Section 109 clause pertaining to the Housing and Community Development Act of 1974, as amended.
- Rehabilitation Act of 1973, Section 504 Handicapped Clause (if contract is $2,500 or above).
- Age Discrimination Act of 1975 clause.

It is recommended that the grantee have its attorney review the contracts prior to execution.

Contractor Clearance

Contractor clearance must be obtained from the Office of Community Development on

administrative consulting, architectural, and engineering firms that have not provided services to grantees under the LCDBG Program within the previous five program years regardless of the source of funding. (**Exhibit A-44 -** Verification of Professional Services Eligibility form) Clearance must be obtained following grant award and before any costs are incurred other than pre-agreement costs. Firms that have participated in the Program within the previous five program years do not require clearance. Contractor clearance is not required for any other professional services.

Recordkeeping

The grantee should set up a file and maintain the following documentation in order to show compliance with the applicable State and federal requirements:

- Copy of the advertisements requesting RFP's or qualification statements.
- Copy of the package requesting RFP's or qualification statements; such package must identify the selection criteria that will be utilized in rating the RFP's or qualification statements received.
- Description of the method used to select consultants.
- The RFP's and qualification statements received.
- Written evaluation of the RFP's and qualification statements received.
- Written statement explaining the basis of selection.
- Cost and price detail summary sheets supporting fees and written evidence that costs were reviewed for reasonableness.
- Verification of clearance of firms.

Task A-11: Meeting Equal Opportunity Requirements

You are responsible for meeting equal opportunity requirements as follows:
Complying with Title VI of the Civil Rights Act of 1964 which provides that no person in the United States shall on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance.

Complying with Title VIII of the Civil Rights Act of 1968, as amended, which prohibits discrimination against any person in the sale or rental of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap, or familial status.

Complying with Section 109 of the Housing and Community Development Act of 1974 which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds provided under the Act. Section 109 further prohibits discrimination based on age under the Age Discrimination Act of 1975 and based on handicap under Section 504 of the Rehabilitation Act of 1973, as amended.

Complying with Section 3 of the Housing and Urban Development Act of 1968 which requires that,

to the greatest extent feasible, opportunities for training and employment generated as a result of Section 3 financial assistance be given to lower income residents of the project area and contracts for work in connection with this project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the project.

Complying with the provisions of the Age Discrimination Act of 1975 which prohibits discrimination on the basis of age in the delivery of services and benefits supported by federal funds.

Complying with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of handicap in any programs or activities receiving federal financial assistance.

Comply with the provisions of 24 CFR 570.506(g) by maintaining equal opportunity and other records.

To assure compliance you need a record keeping and reporting system which includes:

Section 3 Compliance.

Project Benefit to Population Groups.

Grantee Employment Records (See **Exhibit A-45** or utilize an EEO4 form).

Minority Business.

Fair Housing Activities.

Affirmative Action measures if applicable to past findings of discrimination.

Displacement Activities if applicable.

Minority Business Enterprise – 24 CFR 85.36(e), requires that you take affirmative action to contract with small and minority owned firms or women's business enterprises in the administration of your LCDBG project. Some affirmative action steps include, but are not limited to the following:

Adding qualified small and minority owned enterprises and women's business enterprises to solicitation lists.

Assuring that small and minority owned enterprises and women's business enterprises are solicited whenever they are potential sources.

When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum participation by small and minority owned enterprises and women's business enterprises.

Where the requirements permit, establishing delivery schedules which will encourage participation by small and minority owned businesses and women's business enterprises.

Using the services and assistance of the Small Business Administration and/or the Department of Economic Development's Division of Minority and Women's Business Enterprise, as necessary.

If any subcontracts are to be let, requiring the prime contractor to take the above affirmative steps.

One of the reporting requirements relative to minority contracting is the annual submission of the Contract and Subcontract Activity Form (formerly called the MBE - Minority Business Enterprise Report) for construction and non-construction contracts and subcontracts. This report is due by September 15 each year for the time your grant is ongoing. You will only report new contracts which have been let from October 1 through September 30 each year and that have not previously been reported. If your grant closes prior to the deadline, you must submit a report with your closeout documents **if and only if** you have a contract to report which **was not** previously reported. **Exhibit A-46** provides a copy of this required form.

When accepting bids for construction or requesting Qualification Statements for administration and planning, do not forget to encourage minority participation in newspaper advertisements for services you are procuring.

Meeting Section 3 Compliance

The purpose of Section 3 of the Housing and Urban Development Act of 1968 is to ensure that employment and other economic opportunities generated by HUD financial assistance shall, to the greatest extent feasible, be directed to low and very low income persons, and to business concerns which provide economic opportunities to low and very low income persons. The standards and procedures contained herein are to ensure that the objectives of Section 3 are met.

Section 3 compliance requirements are triggered when a recipient receives in **excess** of $200,000. If Section 3 is triggered for the grantee, then contractors/subcontractors whose contracts **exceed** $100,000 must also comply.

It is important that you document your efforts to comply with Section 3 through maintenance of a "good faith efforts" file. It should contain memoranda, correspondence, advertisements, etc., illustrating your attempts to reach eligible persons and businesses. Documentation should support your attempt to comply with Section 3.

As with the local grantee, all contractors on LCDBG projects must comply with Section 3 requirements in terms of hiring new employees or sub-contractors to work on the project. **Therefore, you should discuss these requirements as a separate item at the PRE-**

CONSTRUCTION CONFERENCE or whatever other means the grantee utilizes to notify the prime contractor(s) of his/her responsibilities.

The following definitions will apply for purposes of this section:

Contractor - any entity which contracts to perform work generated by the expenditure of Section 3 covered assistance, or for work in connection with Section 3 covered project.

Employment opportunities generated by Section 3 Covered Assistance – All employment opportunities arising in connection with Section 3 covered projects including management and administrative jobs such as architectural, engineering or related professional services, appraisers, CPA's, administrative consultants, or jobs directly related to administrative support of these jobs.

New hires - full-time employees for permanent, temporary or seasonal employment opportunities.

Low-income person – persons or families whose total household incomes do not exceed 80 percent of the median income for the area.

Very low-income person – persons or families whose total household incomes do not exceed 50 percent of the median income for the area.

Section 3 resident - a public housing resident or an individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and who meets the definition of low-income or very low-income person.

Section 3 business concern - a business

(1) That is 51 percent or more owned by Section 3 residents; or

(2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within 3 years of the date of first employment with the business were Section 3 residents; or

(3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualifications in Nos. 1 or 2 above.

Section 3 covered activity - any activity which is funded by Section 3 covered assistance.

Section 3 covered assistance - assistance provided under any CDBG program that is expended for work arising in connection with housing rehabilitation, housing construction, or other public construction projects.

Section 3 covered contract - a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project. This does not include contracts for the purchase of materials and supplies unless the contract includes purchasing of materials and installation of these materials and supplies. For example: a contract for the purchase and installation of a furnace would be a Section 3 covered contract because the contract is for work (i.e. the installation of the furnace) and thus is covered by Section 3.

Section 3 covered project - the construction, reconstruction, conversion or rehabilitation of housing and other public construction assisted with CDBG funds.

Service area - the geographical area in which the persons benefiting from the Section 3 covered project reside. This area shall not exceed beyond the unit of general local government.

The "greatest extent feasible" requirement of Section 3 for grantees and covered contractors may be demonstrated by meeting numerical goals established by HUD. These goals, when met, provide a "safe harbor" for compliance with the Section 3 preference requirements. The goals established apply to the entire amount of Section 3 covered assistance awarded to the grantee.

Grantees have the responsibility of ensuring that, to the greatest extent feasible, contractors will operate in compliance with the requirements of Section 3.

Employment

The **grantee** may demonstrate compliance with Section 3 by committing to employ **Section 3 residents** as **30** percent of the aggregate number of new hires **for the project**, for a one year period.

Contractors/subcontractors may demonstrate compliance with Section 3 by committing to employ **Section 3 residents** as **30** percent of the aggregate number of new hires **for the project**, for a one year period.

This requirement extends ONLY to full-time jobs which may be permanent, temporary or seasonal and contracts which are a direct result of this project. It does include any hiring by the local government or contractor for employees hired to work on the project.

Contracting

The **grantee** and **contractor** may demonstrate compliance with Section 3 by committing to award to **Section 3 business** concerns at least **10** percent of the total dollar amount of all Section 3 covered contracts for **construction**.

The **grantee** must also commit to award at least **3** percent of all other contracts to Section 3 business concerns; i.e., administration, engineering, etc.

A grantee or contractor/sub-contractor who has not met the goals set forth has the burden of demonstrating why it was not feasible to meet these goals. Documentation must be maintained as to the actions taken by each in order to attain the goals and any impediments encountered.

The following are examples of efforts which can be utilized to assist you in reaching the specified goals in employment and contracting (efforts must be documented):

Employment

1. Post advertisements of the employment opportunities, identifying the positions, qualification requirements, and where to obtain additional information about the application process, in housing developments and transitional housing in the neighborhood or **service area of the Section 3 covered project**.

2. Contact community organizations and resident organizations and request assistance in notifying residents of the employment positions to be filled.

3. Sponsor a job informational meeting in the service area of the project.

4. Arrange assistance in conducting job interviews and completing job applications for residents of the service area where the project is located.

5. Arrange for a location in the service area of the project where job applications may be collected by the grantee or contractor representative.

6. Consult with State and local agencies administering JTPA or JOBS, probation and parole agencies, unemployment compensation programs, etc., to assist with recruiting Section 3 residents for employment.

7. Advertise the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio.

8. Employ a job coordinator, or contract with a business concern that will undertake the efforts to match eligible and qualified Section 3 residents with the employment positions to be filled.

9. Where there are more qualified Section 3 residents than there are positions to be filled, maintain a file of eligible qualified Section 3 residents for future employment positions.

10. Undertake job counseling, education and related programs in association with local educational institutions.

11. After selection of bidders, but prior to execution of contracts, incorporate into the contract a negotiated provision for a specific number of Section 3 residents to be trained or employed on the Section 3 project.

Contracting

1. The use of small purchase procedures (contract may not exceed $100,000) such as soliciting quotations from a minimum of 3 qualified sources. At the time of solicitation, inform the parties of the Section 3 covered contract to be awarded with sufficient specificity; the time within which quotations must be submitted; and the information that must be submitted. A valid attempt to obtain 3 quotes from qualified sources must be made and documented.

2. In determining the responsibility of potential contractors, consider their past records of Section 3 compliance and their current plans for the pending contract.

3. Utilize minority contractors associations and community organizations to assist in identifying Section 3 businesses who may be potential bidders.

4. Advertise contracting opportunities by posting notices concerning the work to be contracted in common areas of housing developments.

5. Providing written notice to all known Section 3 business concerns of the contracting opportunities.

6. Follow up with Section 3 business concerns that have expressed interest in the contracting opportunities by personal contact to provide additional information.

7. Coordinating pre-bid meetings at which Section 3 business concerns could be informed of the upcoming contracting opportunities.

8. Provide workshops on contracting procedures and specific contract opportunities in a timely manner so that Section 3 business concerns can take advantage of upcoming contracting opportunities.

9. Advising Section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.

10. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 business concerns.

11. Where appropriate, break out contract work items into economically feasible units to facilitate participation of Section 3 business concerns.

12. Contacting agencies administering HUD Youthbuild programs and notifying these agencies of the contracting opportunities.

13. Advertising the contracting opportunities through trade association papers, local media, such as television, newspapers and radio.

14. Developing a list of eligible Section 3 business concerns.

15. Establishing numerical goals (dollar amounts, and number of awards) for contracts to Section 3 business concerns.

These examples of efforts which can be undertaken to assist in reaching Section 3 residents and businesses for employment and contracting opportunities should not be considered all inclusive.

Other Employment and Business Related Economic Opportunities

Other economic opportunities to train and employ Section 3 residents include, but need not be limited to, use of "upward mobility", "bridge" and trainee positions to fill vacancies, and hiring Section 3 residents in part-time positions.

A grantee or contractor may provide other economic opportunities to establish, stabilize or expand Section 3 business concerns.

These "other" opportunities, if provided, may be viewed by HUD as a defense as to why it was not feasible to meet the numerical goals should a challenge be issued by a Section 3 resident or business concern that either the grantee or contractor is not following Section 3 requirements.

General Information

Section 3 does not require the creation of economic opportunities for anyone, nor does the extension of employment opportunities to Section 3 residents preclude the necessity for that individual to be qualified for the job.

Section 3 does not mandate certification or evidence of a person's Section 3 status; however, you, as the grantee or the contractor, have the express right to request documentation which will support their claim to Section 3 preference. An example of evidence is the receipt of public assistance, or evidence of participation in a public assistance program, i.e., residency in a public housing development or evidence of a section 8 certificate or voucher assistance, or participation in JTPA, AFDC, or JOBS, or receipt of welfare assistance. **It does not have to be proof of income.** Remember, low to moderate income is determined by total household income.

You, as the grantee, will have to report to the State information on Section 3 new hires and contracts awarded to Section 3 business concerns. This report will be due at the time of closeout and will be included in the Program Completion Report. The reporting format is found in **Exhibit H-4**. **NOTE: This form has been changed and requires additional information from that of previous years.**

The following information is required for employment and training:
a) Job Category, b) Number of new hires, c) Number of New Hires that are Section 3 Residents, d) Percent of Aggregate number of staff hours of New Hires that are Section 3 Residents, e) Percent of Total Staff Hours for Section 3 Employees and Trainees, and f) Number of Section 3 Trainees.

For construction contracts awarded, the following will be reported:
a) the total **CDBG** dollar amount of all contracts awarded on the project, b) the total **CDBG** dollar amount of contracts awarded to Section 3 businesses, c) the percentage of the total dollar amount that was awarded to Section 3 businesses, and d) the total number of Section 3 businesses receiving contracts.

For non-construction contracts: (engineering, administration, attorneys, appraisers, CPA's, etc.) the following will be reported: a) the total **CDBG** dollar amount of all non-construction contracts awarded on the project, b) the total **CDBG** dollar amount of non-construction contracts awarded to Section 3 businesses, c) the percentage of the total dollar amount that was awarded to Section 3 businesses, and d) the total number of Section 3 businesses receiving non-construction contracts.

Additionally, a Section 3 complaint may be filed by an individual representing the interests of a small business, or by a Section 3 resident, alleging non-compliance with Section 3 by the grantee, contractor or subcontractor. The complaint must be filed within 180 days of the alleged violations. A Section 3 Complaint Form is included as **Exhibit A-47**. The form contains all of the necessary components of the complaint process. The information provided on this form is given voluntarily and provides the basis for HUD's investigation of the complaint to determine if the allegations of non-compliance are valid.

The following clause (referred to as the Section 3 clause) must be included in all Section 3 covered contracts: **NOTE: This clause has been changed from previous years.**

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract totaling $100,000 or more, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon finding that the sub-contractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The contractor certifies that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

Maintain Project Benefit Records

As part of your LCDBG application, you were required to submit statistical information on the proposed persons benefiting from your project. It is important that you continue to maintain and update this information throughout the implementation of your project as it is necessary both in proving compliance with civil rights laws relative to non-discrimination and in meeting closeout requirements of providing data on actual beneficiaries. **Exhibit A-48**, Project Benefit Profile, assists

you with maintaining this information. Please note that you must determine those who are directly benefiting from your project and those who are indirectly benefiting. Direct benefit is when a personal record (job application, rehab grant application) must be completed to receive the benefit. Indirect benefit is when the benefits are available to all residents in the area where the project is taking place (residential street improvements, water treatment plant, parks). A Project Benefit Profile must be maintained for each activity except administration, planning, contingency, and engineering. However, if additional staff is hired specifically to work on your LCDBG project, they would be counted as direct beneficiaries under administration.

Additionally, you are now required to keep a list of all applicants with their gender characteristics who apply to receive direct benefits from your LCDBG project, i.e., ED job applicants, housing rehab applicants, applicants for sewer hook-ups, applicants for employment on jobs resulting for this project (new hires). This information will be submitted as part of the close-out procedures of your program.

Maintain Local Government Employment Records

It is important that each local government participating in the LCDBG program maintain employment records which include the composition of their staff. **Exhibit A-45**, City/Parish Employment Form, is provided to assist you in keeping track of this information. Additionally, personnel policies should clearly outline hiring, training, and promotional procedures. The local government should develop an employment policy which contains a non-discrimination clause assuring that all persons will be treated equally in employment opportunities. An Equal Employment Opportunity poster must be displayed in a prominent place in your office. This poster may be obtained from your Local Government Representative.

Task A-12: Developing and Implementing a Fair Housing Program

The Federal Fair Housing Law provides that "…no person shall be subjected to discrimination because of race, color, religion, sex, handicap, familial status, or national origin in the sale, rental, or advertising of dwellings, in the provision of brokerage services, or in the availability of residential real estate-related transactions including lenders, builders and homeowners insurance companies" (24 CFR 100.5).

You, as a grantee, have agreed to administer all programs and activities related to housing and community development in a manner to affirmatively further the policies of the Fair Housing Act (42 U.S.C.3608(e)(5));(E.O.12259(1-202));(24 CFR 570.601). This basically takes the form of promoting and publicizing Fair Housing laws as explained below for **Exhibit A-49**. You also agreed to develop and maintain records of your efforts to assure fair housing.

The regulations require that you will assume the responsibility of fair housing planning by conducting an analysis to identify **impediments to fair housing choice** within your jurisdiction, taking appropriate actions to overcome the effects of any impediments identified through that

analysis, and maintaining records reflecting the analysis and actions in this regard (24 CFR 570.487(b)(1)).

> **Impediments** are defined as any actions, omissions, or decisions taken because of race, color, religion, sex, handicap, familial status, or national origin which restricts housing choices or the availability of housing choices.
>
> **Fair Housing Choice** is defined as the ability of persons - regardless of race, color, religion, sex, handicap, familial status, or national origin - of similar income levels - to have available to them the same housing choices.

A good analysis will reflect a comprehensive review of policies, practices and procedures that affect the location, availability and accessibility of housing choices. To assist you in meeting these requirements the State has developed a Fair Housing Assessment which identifies six areas that should be reviewed. This Assessment, complete with instructions and examples, is provided as **Exhibit A-50**. Upon completing the assessment you should address your Fair Housing efforts to the areas you determine that are most critical. The State will request a copy of the Fair Housing Assessment as part of clearing contract conditions from the grantee, who will also maintain a copy in their local records (24 CFR 570.601(a)(2)).

In addition, each Grantee must conduct at least one Fair Housing activity during the grant period and maintain documentation of that activity that was or will be conducted. This documentation must be available when our office conducts its on-site monitoring. The documentation must identify the type of Fair Housing activity that was or will be conducted (community seminar, brochure distribution, etc.), the target audience (the general public, real estate brokers etc.), and the category of Fair Housing information provided. **Exhibit A-49** offers suggestions of activities which can be undertaken which will be determined to "further Fair Housing" and includes a sample Utility Bill Stuffer and a Fair Housing flyer. As a prerequisite for performing various Fair Housing activities, grantees need to be aware of the different possible infractions that constitute discriminatory conduct. This list of regulations that categorize and explain the different types of discriminatory conduct under federal law and provides contact information in the event a person feels they have been discriminated against is also included in **Exhibit A-49**.

Task A-13: Developing a Citizen Participation Plan

All applicants and grantees should have **developed** and **adopted** a Citizen Participation Plan prior to application preparation in order to be in compliance with Section 508 of the Housing and Community Development Act of 1974, as amended. The Plan at a minimum should:

(a) provide for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used;

(b) provide citizens with reasonable and timely access to local meetings, information, and records relating to the unit of local government proposed method of distribution and relating to the actual use of funds under Title I of the Housing and Community Development Act of 1974, as amended;

(c) provide for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;

(d) provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance; which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodations for the handicapped;

(e) provide for a formal written procedure which will accommodate a timely written response to written complaints and grievances, within 15 days where practicable; and

(f) identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

Each applicant/grantee shall provide citizens with adequate opportunity to participate in the planning, implementation, and assessment of the CDBG program. The applicant/grantee shall provide adequate information to citizens, hold a public hearing at the initial stage of the planning process to obtain views and proposals of citizens, and provide opportunity to comment on the applicant's/grantee's community development performance. The Citizen Participation Plan must incorporate procedures for complying with the above regulations (a-f).

If you did not prepare, adopt and follow a Plan in the beginning, a sample plan is included as **Exhibit A-51**. For future grant applications, the plan must be made available to the public at the beginning of the planning stage, i.e., the first public hearing. The plan must include procedures that meet the following requirements:

Scheduling and Providing Notices of Public Hearings

Adequate notice must be given of the public hearing. A minimum of five calendar days notice shall be given. Public hearings must be scheduled early in the planning process to ensure adequate public participation and still have time to develop an application. In addition, the applicant/grantee must provide citizens with reasonable and timely access to the hearings. The location and times of these hearings must be scheduled in such a manner as to be convenient to potential or actual beneficiaries with accommodations for the handicapped and non-English speaking persons.

Citizens, with particular emphasis on persons of low and moderate income who are residents of slum and blighted areas, must be encouraged to submit their views and proposals regarding community development and housing needs. Citizens must be made aware of where they may submit their views and proposals should they be unable to attend the public hearing. Where a significant number of non-English speaking residents can be reasonably expected to participate in a public hearing, an interpreter must be present to accommodate the needs of the non-English speaking residents. Citizens must be provided with the following information at the public hearing prior to application submittal to the state. The following items must be included in the first public notice:

i. the amount of funds available for proposed community development.

ii. the range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income.

iii. the plans of the applicant for minimizing displacement of persons as a result of activities assisted with such funds and the benefits to be provided by persons actually displaced as a result of such activities.

iv. if applicable, the applicant must provide citizens with information regarding the applicant's performance in prior LCDBG programs funded by the State.

Written minutes of hearings and an attendance roster must be kept for review by State officials. Nothing in these requirements shall be construed to restrict the responsibility and authority of the applicant for the development of the application.

A second public notice must be published after the first public hearing has been held and prior to the application being submitted. This notice must be published a minimum of seven calendar days prior to application submittal. The second notice must inform citizens of the proposed objectives, proposed activities, the location of the proposed activities, and the amounts to be used for each activity. Citizens must be given the opportunity to review the application and comment on the proposed application. The notice must state the proposed submittal date of the application and must further provide the location at which, and hours when, the application is available for review. The application must be available for review when the notice is published in the newspaper.

In addition to the information required to be included in each public notice, you will find, in order to satisfy all the requirements of Citizen Participation, there is additional information which must be provided citizens and the most logical source for this provision is public notices. The sample Citizen Participation Plan, **Exhibit A-51**, incorporates all of the required elements. Review this document carefully.

Applicants must submit a notarized proof of publication of each public notice with the application.

Technical Assistance

The applicant must provide technical assistance to facilitate citizen participation where requested, particularly to groups representative of persons of low to moderate income. The level and type of technical assistance shall be determined by the applicant/grantee based upon the specific needs of the community's residents.

Amendments

The grantee must involve citizens in program amendments to the Community Development program. This shall be done by means of a public hearing prior to the submittal of the request for a program amendment to the State. Minutes of the hearing and a roster of those in attendance must be included with the program amendment request.

Complaint Procedures

Each applicant/grantee must have written citizen and administrative complaint procedures which provides the address, phone number and times for submitting complaints and provides for a maximum of fifteen (15) working days, where practicable, for a written response. The written Citizen Participation Plan must provide citizens with information relative to these procedures or, at a minimum, provide citizens with the information relative to the location and hours at which times they may obtain a copy of these written procedures. In **Exhibit A-51**, the complaint procedure has been included in the Citizen Participation Plan.

All written citizen complaints which identify deficiencies relative to the applicant/recipient's community development program merit full and prompt consideration and must be handled according to the grantee's written complaints procedure. Good faith attempts must be made to satisfactorily resolve the complaint at the local level. Complaints must be filed with the Chief Elected Official, or his/her designee, who will investigate and review the complaint. A written response from the Chief Elected Official to the complainant must be made within fifteen working days, where practicable. A copy must be forwarded to the Office of Community Development, Division of Administration. The complainant must be made aware that if he/she is not satisfied with the response, a written complaint may be filed with the Office of Community Development, Division of Administration.

All citizen complaints relative to Fair Housing/Equal Opportunity violations involving discrimination must be forwarded to the Louisiana Department of Justice (DOJ), Public Protection Division, Post Office Box 94095, Baton Rouge, Louisiana 70804-9095, for disposition. The complainant must be notified in writing within 10 days that, due to the nature of the complaint, it has been forwarded to Louisiana Department of Justice. Citizens must be made aware that they can forward a complaint alleging discrimination directly to the Department of Justice or may contact the Department of Justice by telephone 1-800-273-5718 or TDD 1-225-342-7900.

Persons wishing to object to approval of an application by the State may make such objection known to the Office of Community Development, Division of Administration. The State will consider objections made only on the following grounds:

a) the applicant's description of needs and objectives is plainly inconsistent with available facts and data;

b) the activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant; or

c) the application does not comply with the requirements set forth in the Final Statement or other applicable laws.

Such objections should include both an identification of the requirements not met and, in the case of objections relative to (a) above, must include the data upon which the objection is based.

Performance Hearings
Prior to close-out of the Community Development Program, the recipient must have a public hearing to obtain citizen views and to respond to questions relative to the recipient's performance. This hearing must be conducted after the construction has been completed. It may be conducted during or after the lien period. A copy of the public notice and minutes of the hearing must be submitted with the close-out documents.

Documentation must be kept at the local level to support compliance with the aforementioned requirements.

Task A-14: Meeting Section 504 Requirements

Local grantees and recipients of economic development loans are required to comply with Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 754). Section 504 provides that "No otherwise qualified individual with handicaps in the United States shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance". The local grantee is responsible for compliance with Section 504 by the developer in economic development programs.

Compliance with the provisions of Section 504 requires that local grantees shall operate each program or activity receiving Federal financial assistance so that the program or activity, when viewed in its entirety, is readily accessible to and usable by individuals with handicaps.

Minimum Requirements for All Grantees
In order to comply with Section 504, the following actions must be initiated:

1. Each grantee shall submit an assurance to the Office of Community Development that the LCDBG Program will be operated in compliance with Section 504 requirements (24 CFR 8.50(a)). This assurance obligates the grantee for the period during which federal financial assistance is extended. This assurance must be submitted prior to receipt of the executed

contract with the State. A sample assurance is attached as **Exhibit A-52**.

2. Each grantee shall have completed a self-evaluation of current policies and practices with respect to communications, employment, and program/physical accessibility to determine whether, in whole or in part, they do not or may not meet the requirements of being accessible to individuals with disabilities. The self evaluation will have been completed within six months of receipt of any grant award after July 1988.

3. The self evaluation shall designated all buildings and structures as "new" or "existing" depending on whether the building was constructed or altered after July 1988 (24 CFR 8.51(a)). The self evaluation shall determine whether buildings and structures that house programs and services for the public can be approached, entered, and used by persons with disabilities. At minimum the following items should be addressed in the self evaluation: Parking – Spaces, Curbs, Ramps, Routes and Pathways - Slopes, Levels, Ramps, Notices, Entrance Ways - Widths and Heights, Interiors - Door Grasp, Pressure, Pathways, Elevators, Service - Counter Heights, Notices, and Auxiliary Services - Telephones, Restrooms, Drinking Fountains.

4. Each grantee shall modify any policies and practices that do not meet the requirements for program accessibility (24 CFR 8.51). Because compliance with 504 does not necessarily require a recipient to make each of its existing facilities accessible to and usable by individuals with handicaps, or require a recipient to take any action that it can demonstrate would result in a fundamental alteration in the nature of its program or activity or in undue financial and administrative burdens, a recipient may comply with the requirements of this section in its programs and activities receiving Federal financial assistance through such means as relocation of programs, assignment of aids to beneficiaries, home visits, or any other method that results in making its program or activity accessible to individuals with handicaps. A recipient is not required to make structural changes in existing facilities where other methods are effective in achieving compliance with this section (24 CFR 8.21(i)).

5. Each grantee must ensure that members of the population eligible to be served or likely to be affected directly by a federally assisted program who have visual or hearing impairments are provided with the information necessary to understand and participate in the program. Methods for ensuring participation include, but are not limited to, qualified sign language and oral interpreters, readers, or the use of taped and Braille materials.

6. Each grantee must maintain data for the State showing the extent to which individuals with disabilities are beneficiaries of federally assisted programs.

Other Section 504 Requirements, as Applicable

1. If structural changes to non-housing facilities will be undertaken to achieve program accessibility (see notes below), a recipient shall develop a transition plan with the assistance of interested persons, including handicapped individuals or organizations representing handicapped individuals, for those areas which cannot be made accessible administratively

(24 CFR 8.21 (4)). The construction activities identified in the transition plan must have been/ must be completed within three years of completion of the self evaluation that was done within six months of the first grant award made after July 1988 (24 CFR 8.21(c) 3 -see 2 above). The transition plan must be made available for public inspection, and, at a minimum, it shall:

a. Identify all physical obstacles that limit the accessibility of programs and activities to individuals with disabilities;

b. Describe in detail the method to be used in making the facility accessible;

c. Set forth a schedule for completion of the modifications. If the schedule exceeds one (1) year, then you must identify the actions to be taken during each year of the transition period;

d. Identify the individual responsible for implementation of the plan; and

e. Identify the persons or groups with whose assistance the plan was prepared.

NOTE: Unless the grant recipient has recently acquired a facility that was constructed prior to 1988, that will house programs and services available to the public, and intends to make physical alterations to this facility, the three year construction period for meeting the accessibility requirement for existing facilities under this regulation will have expired.

NOTE: New non-housing facilities (designed, constructed or altered after July 11, 1988) shall be designed and constructed to be readily accessible to and usable by individuals with handicaps (24 CFR 8.32).

2. If the grantee employees fifteen or more persons:

a. A responsible employee must be designated to coordinate the community's efforts to comply with Section 504;

b. The community must adopt grievance procedures that incorporate appropriate due process standards and that provide for the prompt and equitable resolution of complaints alleging any action prohibited by this part. Such procedures need not be established with respect to complaints from applicants for employment or from applicants for admission to housing covered by this part.

c. The grantee shall take appropriate initial and continuing steps to notify participants, beneficiaries, applicants, and employees, including those with impaired vision or hearing, and unions or professional organizations holding collective bargaining or professional agreements with the grantee that it does not discriminate on the basis of handicap in violation of this part. The notification shall state, where appropriate, that the grantee does not discriminate in admission or access to, or treatment or

employment in, its federally assisted programs and activities. The notification shall also include an identification of the responsible employee designated above.

A grantee shall make the initial notification required by this paragraph within 90 days of receipt of the executed contract with the State. Methods of initial and continuing notification may include the posting of notices, publication in newspapers and magazines, placement of notices in recipients' publications, and distribution of memoranda or other written communications.

d. The grantee must maintain a file, make available for public inspection, and provide to the responsible civil rights official, upon request: (1) a list of the interested persons consulted; (2) a description of areas examined in the self-evaluation and any problems identified; and (3) a description of any modifications made and of any remedial steps taken.

In order to assist you with Section 504 compliance, a separate handbook was developed several years ago. An Update for Section 504 compliance was prepared in October, 2002. The Update provides examples of policies to be adopted for accessibility compliance.

The regulation requires that you must have available a TDD or equally effective method for communicating with hearing impaired persons. Louisiana has an approved relay service which may be utilized. In order to utilize the relay system, the grantee must have a policy indicating the use of the relay system by the grantee and publish the telephone numbers in the newspaper. The numbers are: TDD Users 1-800-846-5277, and Voice Users 1-800-947-5277. This service is free of charge. Recently the number "711" has been approved by the FCC for use in contacting the relay service. This number works from both TDD and voice telephones and while it is applicable in most states, you are still required to list the "800" numbers presented above.

If you have been the recipient of prior LCDBG funds and have a completed self-evaluation and if applicable, a transition plan, as mentioned above, the three year time period for completing the construction activities specified in a transition plan for most grantees has expired. For "existing" buildings and facilities that house programs and services for the public and are not accessible you must have adopted policies and/or modified practices to achieve accessibility. Prior grantees should prepare a summary of their past compliance activities and submit it to OCD prior to clearing their contract conditions. A sample can be found in **Exhibit A-53** of this handbook. **Note: The "Summary of Actions to Achieve Compliance with Section 504" must contain three sections: physical accessibility, communications, and employment.** Also, you must re-submit the required assurance previously disclosed to our office.

Task A-15: Anti-displacement

All grantees are required to adopt a Residential Anti-displacement and Relocation Assistance Plan and Certification before any funds can be dispersed to that grantee. Please refer to Section D, page

D-16 of this handbook for more information on this requirement.

Task A-16: Disclosure Reports

In accordance with the Housing and Urban Development Reform Act of 1989, all applicants for and recipients of LCDBG funds must prepare Disclosure Reports. The primary purpose of the Disclosure Report is to identify the sources and uses of all funds that will be used in conjunction with the LCDBG funds. The initial Disclosure Report will be submitted as part of the application for funds. Those applicants who are successful in receiving LCDBG funds must submit updated Disclosure Reports for those circumstances which require updated reports. Updated reports must be submitted to the Office of Community Development within thirty days of any change which addresses one of the circumstances requiring an updated report. The forms and instructions for completion of the initial and updated reports are included in **Exhibit A-54**.

Task A-17: Record Keeping and Reporting

You must be able to fully document compliance with all applicable regulations of the LCDBG program. This can be accomplished through careful attention in maintaining adequate records and submitting required reports. Your LCDBG records must be maintained for a period of four years after final closeout. The filing system you establish to keep these records should be easy to use while providing a historical account of your activities for examination and review by the State, auditors, and local staff. Your filing system should be established on a program year basis. This will result in a duplication of files, but it will make your use of the files much easier. Also, your files must be maintained in a central location. The checklist below is a sample of the major file categories you should maintain and a listing of materials that should be kept in each file. This list is not all inclusive. Although the consultant may maintain a set of files in his/her office, the local governing body is required to maintain the original files in the Town Hall/Courthouse.

Application

1) Application
2) Correspondence relating to the application
3) Requests for program amendments/program changes and State's response

Contract Agreement

1) Letter from the State awarding grant
2) Contract Agreement
3) Request for Removal of Contract Conditions and Release of Funds Form
4) Notice of Removal of Contract Conditions and Release of Funds Form or letter from the State stating that the contract conditions have been removed
5) Records of correspondence concerning other contract conditions

Environmental Review Record

1) Finding of Exemption
2) Finding of Categorical Exclusion (if applicable)
3) Statutory checklist
4) Project description
5) Environmental Assessment/Checklist (if applicable)
6) ERR Project Map with boundaries marked
7) Floodplain Map (if applicable)
8) Floodplain Notices/8-step documentation (if applicable)
9) US Corps of Engineers letters (to and from / if applicable)
10) State Historic Preservation letters (to and from)
11) Farmland Conversion Impact Rating form (if applicable)
12) Historic Preservation Housing Rehab Certifications (for housing activities only)
13) Statutory Checklist Completion Forms (for housing activities only)
14) Notice of Intent to Request Release of Funds **OR** Combined Notice of Finding of No Significant Impact and of Intent to Request a Release of Grant Funds
15) Notice of FONSI distribution list
16) Request for Release of Funds and Certification
17) All letters related to ERR
18) Any required permits

Financial Management

1) Designation of Depositary Card
2) Authorized Signature Card
3) Financial Management Questionnaire (mailed with "Application Revision Letter)
4) Requests for Payment
5) Accounting books of original and final entry (Cash Receipts Journal, Cash Disbursements Journal, Monthly Financial Statements, General Ledger, LCDBG Property Register, Cash Control Card)
6) Record of commitment of other funds
7) Source documentation (contracts, purchase orders, vouchers, invoices, requests for partial payment, etc.)
8) Canceled checks, deposit slips, monthly bank statements, etc.
9) City/Parish Code of Ethics
10) City/Parish audits

Procurement

1) Adopted procurement policy
2) All professional services contracts (technical assistance, engineering, administrative, legal, audit, appraisal, et cetera)
3) Methods and procedures for selection of professional services
4) Qualification statements and proposals received
5) Written review and evaluation of statements and proposals received
6) Negotiation methodologies
7) Cost and price detail summaries
8) Amendments to contracts (if applicable)

9) Evidence of City/Parish's attempt to identify and solicit minority contractors and vendors and documentation to support "good faith effort"

Fair Housing/Equal Opportunity

1) City/Parish Employment Affirmative Action Plan, if applicable
2) Evidence of efforts to affirmatively further fair housing
3) City/Parish employment profile
4) Project benefit profile documentation

5) Analysis of Impediments to Fair Housing/Fair Housing Assessment
6) M.B.E. Reports

Citizen Participation

1) Copy of all notices of public hearings held and proofs of publication relating to your LCDBG program
2) List of persons attending public hearings and minutes of the meetings
3) Citizen inquiries and complaints and correspondence responding to the inquiries and complaints
4) Copy of Citizen Participation Plan with adopting resolution. Records documenting implementation and compliance with the CP Plan
5) Citizen Complaint Procedures

Section 504

1) Self-evaluation with all areas examined
2) List of interested persons consulted
3) Transition Plan (if applicable)
4) Summary of Previous Actions Taken to Achieve Compliance with Section 504
5) Description of modifications made, or to be made, whether administratively or physically
6) Designation of responsible person to coordinate Section 504 (if 15 or more employed)
7) Grievance Procedure (if 15 or more persons are employed) - relating specifically to Section 504
8) Notices Required (if 15 or more persons are employed)
9) Statement of Policy to be used with published or recruitment materials or publications of general information
10) Method for ensuring participation by those likely to be affected by the CDBG Program who have visual or hearing impairments
11) Procedures which ensure that interested persons (including those with visual or hearing impairments) can obtain information on the existence and location of accessible services, activities, and facilities
12) Employment/Personnel Practices
13) Data which shows the extent to which handicapped individuals are benefitting from the LCDBG program
14) Section 504 Assurance

Public Facilities Projects

1) Special studies, surveys, investigations, tests results, et cetera
2) Preliminary design and cost estimates
3) Final design documents and cost estimates
4) Evidence that all land, rights-of-ways, and easements have been obtained prior to advertising project for bids; should include highway permits and railroad crossing permits as applicable
5) Advertisements for bids
6) Bid documents

7) Evidence of submittal to and/or review by cognizant State or Federal agency having jurisdiction over project
8) Conformance with Architectural Barriers Act, if applicable
9) List of proposed bidders and suppliers receiving copies of the bid documents
10) Minutes of public bid opening
11) Tabulation of bids with copy of the bid proposal and bid bond submitted by each bidder
12) Bidder qualification information; verification of contractor eligibility
13) Notice of award of the contract to the lowest responsible bidder
14) Evidence of contractor and subcontractor verification of eligibility and approval
15) Architect/engineer inspection reports or project status reports, field measurements and test results
16) Records of claims, disputes, et cetera
17) Change orders and field orders with supporting documentation and justification
18) Final inspection and acceptance of project
19) Clear lien certificate and final payment to contractor
20) As-built drawings
21) Correspondence, memoranda, and other records that may relate to construction contracts
22) Verification of contractors' compliance with Section 3 regulations

Comprehensive labor standards compliance files must be established for each construction job. **Exhibit B-27** is a COMPREHENSIVE CONSTRUCTION CONTRACT CHECKLIST which includes all required labor standard compliance documentation and provides a system for documenting compliance activities.

Labor Standards

1) Designation of a local Labor Standards Compliance Officer
2) Request for Wage Determination
3) Wage determinations, modifications, and additional classifications
4) Federal Labor Standards Provisions
5) Evidence of the 10-day call
6) Verification of contractor eligibility
7) Notice of Contract Award
8) Contractors License Forms

9) Contractor's and subcontractor's weekly payrolls and Statements of Compliance signed by an officer of the company
10) Evidence of apprenticeship/trainee registration and certification if apprentice or trainee rates were paid
11) Payroll deduction authorizations
12) Employee interviews
13) Evidence indicating that the federal wage determination and the Labor, E.O., and Safety posters were posted
14) Evidence of restitution, if any
15) Complaints from workers, if any, and actions taken

16) Labor Standards Compliance Report(s), if any
17) Final Wage Compliance Report

State Monitoring/Inspections

1) State letter(s) of findings
2) City/Parish response to letter of findings
3) State's response clearing findings
4) Other correspondence related to the State's monitoring visits

Audit

1) Method utilized to procure audit firm(s)
2) Professional Services Agreement with independent CPA
3) Financial Reports
4) Information relating to Financial Reports costs

Project Closeout

1) Program Completion Report
2) Certification of Completion
3) State’s letter Issuing a Conditional Closeout
4) State’s letter Issuing a Final Closeout

General Correspondence

Incoming and outgoing correspondence that does not fall into the above categories or into a specific project file category

Force Account

Contact the State's Office of Community Development for record keeping requirements with respect to force account.

Property Rehabilitation Case Files: (for each property Rehabilitated)

1) General file
   (a) Property Rehabilitation Plan and resolution of adoption
   (b) Project area rehabilitation survey
2) Application for property Rehabilitation assistance from property owner must include

the following:

(a) Identification of the person(s)
(b) Address and proof of ownership or occupancy exceeding six months
(c) Phone number
(d) Ethnic group classification
(e) Age and sex of all members of household
(f) Monthly gross income of all members of the household older than seventeen
(g) Monthly house note, if any
(h) Average utility cost
(i) Sex of head of household
(j) Head of household handicap status

3) Determination of eligibility for assistance and copies of all unfounded applicants
4) Property inspection(s), work write-up and cost estimates
5) Agreement to provide property Rehabilitation assistance
6) Method and procedures used for contractor selection
7) Construction contract documents
8) Notice to Proceed with construction
9) Inspection reports including final inspection reports and homeowners acceptance
10) Payments to contractor
11) Deferred loan lien agreement duly executed with the clerk of court
12) Clear lien certificates
13) Copies of all applicable warranties

Demolition (For each property demolished excluding Reconstruction)

1) A file for each unit demolished
2) Evidence that demolition was carried out in accordance with the requirements under La. R.S. 33:476/et.seq.
3) Proof that the unit was not able to be rehabilitated in a cost efficient manner. (Photos or written Section 8 checklists, other documentation)
4) Proof that the unit was vacant prior to demolition.

Land Acquisition: (for each parcel, easement, or right-of-way acquired or obtained)

1) Official determination to acquire; a citation of the action that constitutes the official determination to acquire, the date of the action, and the applicable LCDBG contract number.
2) Notice of Intent to acquire property; a copy of the notice, citation of the date of transmittal to owner, and evidence of receipt by the owner.
3) Notice of land acquisition procedures; a citation of the date of transmittal to the owner and evidence of receipt by owner. (NOTE: LCDBG reviewer shall assure himself that notice actually transmitted is adequate.)
4) Invitation to accompany appraiser; evidence that owner was invited to accompany each appraiser on his inspection of the property.
5) Appraisal reports; a copy of each appraisal report, including reviewer's report on which determination of just compensation was based.
6) Determination of just compensation; a copy of the resolution, certification, motion or

other document constituting the determination of just compensation.

7) Purchase offer; a copy of written purchase offer of just compensation, including all basic terms and conditions of such offer, and a citation of the date of delivery to the owner. This date is the initiation of negotiations.
8) Statement of the basis for the determination of just compensation; a copy of the statement and an indication it was delivered to owner with written purchase offer.
9) Purchase agreement, deed, declaration of taking, and tenant waivers; a copy of each such document and any similar or related document utilized in conveyance.
10) Settlement cost reporting statement; a copy of the statement.
11) Purchase price receipt; evidence of owner receipt of purchase price payment.
12) Ninety days notice to surrender possession of premises; a copy of the notice. As an alternative, a copy of this notice may be included in the relocation or property management file.
13) Copy of any appeal or complaint filed and recipient's response.
14) If voluntary acquisition procedures were used, a copy of the adopted Voluntary Acquisition Policy and a copy of the resolution.

Relocation Case Files: (for each relocation claim)

1) Identification of person, displacement property, racial/ethnic group classification, age and sex of all members of household, monthly rent and utility costs for displacement and replacement housing, type of enterprise, and relocation needs and preferences.
2) Evidence that the person received a timely statement describing available relocation payments and basic eligibility conditions, available advisory services, and right to comparable replacement housing (or suitable replacement housing under Section 104(j) policies).
3) Evidence that the person received a timely written notice informing him/her of eligibility for relocation assistance and the location and cost of the comparable replacement dwelling used to establish the upper limit of the replacement housing payment.
4) Evidence and dates of personal contacts; and description of services provided.
5) Identification of referrals to replacement properties, date of referral, sale price or rent/utility costs (if dwelling), date of availability, and reason(s) for declining referral.
6) Copy of 90-day notice and vacate notice, if issued.
7) Identification of actual replacement property, sale price or rent/utility costs (if dwelling), and date of relocation.
8) Replacement dwelling inspection report; and date of inspection.
9) A copy of each approved claim form and related documentation; evidence that the person received payment.
10) Copy of any appeal or complaint filed and recipient's response.
11) Copy of deferred loan lien agreement that has been filed with the clerk of courts office.

Certification of Exemption for HUD funded projects

A-1

Determination of activities listed at 24 CFR 58.34(a)
May be subject to provisions of Sec 58.6, as applicable

Grant Recipient: _____ Project Name: _____
Project Description (Include all actions which are either geographically or functionally related):
_____
_____
Location: _____
Funding Source: CDBG HOME ESG HOPWA EDI Capital Fund Operating Subsidy Hope VI Other
Funding Amount: _____ Grant Number: _____

	1. Environmental & other studies, resource identification & the development of plans & strategies;

I hereby certify that the abovementioned project has been reviewed and determined an Exempt activity per 24 CFR 58.34(a) as follows:

	2. Information and financial services;
	3. Administrative and management activities;
	4. Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, child care, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;
	5. Inspections and testing of properties for hazards or defects;
	6. Purchase of insurance;
	7. Purchase of tools;
	8. Engineering or design costs;
	9. Technical assistance and training;
	10. Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters or imminent threats to public safety including those resulting from physical deterioration;
	11. Payment of principal and interest on loans made or obligations guaranteed by HUD;
	12. Any of the categorical exclusions listed in Sec. 58.35(a) provided that there are no circumstances that require compliance with any other Federal laws and authorities cited in Sec. 58.5.

If your project falls into any of the above categories, no Request for Release of Funds (RROF) is required, and no further environmental approval from HUD will be needed by the recipient for the draw-down of funds to carry out exempt activities and projects. The responsible entity must maintain this document as a written record of the environmental review undertaken under this part for each project.

By signing below the Responsible Entity certifies in writing that each activity or project is exempt and meets the conditions specified for such exemption under section 24 CFR 58.34(a). Please keep a copy of this determination in your project files.

_____ _____
Responsible Entity Certifying Official Name Title (please print)

_____ _____
Responsible Entity Certifying Official Signature Date

Compliance Documentation Checklist
24 CFR 58.6

A-2

Grant Recipient: _____ Project Name: _____
Project Description (Include all actions which are either geographically or functionally related):
_____
_____

Level of Environmental Review Determination: (Select One: (1) Exempt per 24 CFR 58.34, or (2) Categorically Excluded not subject to statutes per § 58.35(b), or (3) Categorically Excluded subject to statutes per § 58.35(a), or (4) Environmental Assessment per § 58.36, or (5) EIS per 40 CFR 1500)

STATUTES and REGULATIONS listed at 24 CFR 58.6

FLOOD DISASTER PROTECTION ACT

1. Does the project involve acquisition, construction or rehabilitation of structures located in a FEMA-identified Special Flood Hazard? **Not applicable for federal formula grants made to a State, 58.6(a)(3).**
▒ No; Cite Source Document**:**
▒ Yes; Source Document:

2. Is the community participating in the National Insurance Program (or has less than one year passed since FEMA notification of Special Flood Hazards)? **Not applicable, see above.**
▒ Yes (Flood Insurance under the National Flood Insurance Program must be obtained and maintained for the economic life of the project, in the amount of the total project cost. A copy of the flood insurance policy declaration must be kept on file).
▒ No **(Federal assistance may not be used in the Special Flood Hazards Area).**

COASTAL BARRIERS RESOURCES ACT

1. Is the project located in a coastal barrier resource area?
☐ No; Cite Source Documentation:
☐ Yes - **Federal assistance may not be used in such an area.**

AIRPORT RUNWAY CLEAR ZONES AND CLEAR ZONES DISCLOSURES

1. Does the project involve the sale or acquisition of existing property within a Civil Airport's Runway Clear Zone or a Military Installation's Clear Zone?
☐ No; Source Documentation:
Project complies with 24 CFR 51.303(a)(3).
☐ Yes; **Disclosure statement must be provided** to buyer and a copy of the signed disclosure must be maintained in this Environmental Review Record

Prepared by (name and title, please print): _____
_____

Signature: _____

Date: _____

NOTICE TO PROSPECTIVE BUYERS OF PROPERTIES LOCATED IN RUNWAY CLEAR ZONES AND CLEAR ZONES/ACCIDENT POTENTIAL ZONES

(In accordance with 24 CFR Part 51, Section 51.303(a)(3), this notice must be given to anyone interested either in buying an existing HUD property, or using HUD assistance to buy an existing property, which is located in either a Runway Clear Zone at a civil airport or a Clear Zone/Accident Potential Zone at a military installation.)

The property which you are interested in purchasing at _____ is located in the Runway Clear Zone/Clear Zone/Accident Potential Zone for _____.

Studies have shown that if an accident were to occur it is more likely to occur within the Runway Clear Zone/Clear Zone/Accident Potential Zone than in other areas around the airport/airfield. Please note that we are not discussing the chances that an accident will occur, only where one is most likely to occur.

You should also be aware that the airport/airfield operator may wish to purchase the property at some point in the future as part of a Runway Clear Zone/Clear Zone/Accident Potential Zone acquisition program. Such programs have been underway for many years at airports and airfields across the country. We cannot predict if or when this might happen since it is a function of many factors, particularly the availability of funds, but it is a possibility.

We wanted to bring this information to your attention. Your signature on the space below indicates that you are now aware that the property you are interested in is located in a Runway Clear Zone/Clear Zone/Accident Potential Zone.

_____ _____

Signature of prospective buyer Date

_____

Type or print name of prospective buyer

(This notice must be maintained as part of the file on this action.)

Certification of Categorical Exclusion (not subject to 58.5)

Determination of activities listed at 24 CFR 58.35(b)
May be subject to provisions of Sec 58.6, as applicable

A-3

Grant Recipient: _____ Project Name: _____
Project Description (Include all actions which are either geographically or functionally related):

_____

_____

Location: _____
Funding Source: CDBG HOME ESG HOPWA EDI Capital Fund Operating Subsidy Hope VI Other
Funding Amount: _____ Grant Number: _____

	1. Tenant-based rental assistance;

I hereby certify that the abovementioned project has been reviewed and determined to be a Categorically Excluded activity (not subject to 58.5) per 24 CFR 58.35(b) as follows:

	2. Supportive services including, but not limited to, health care, housing services, permanent housing placement, day care, nutritional services, short-term payments for rent/mortgage/utility costs, and assistance in gaining access to local, State, and Federal government benefits and services;
	3. Operating costs including maintenance, security, operation, utilities, furnishings, equipment, supplies, staff training and recruitment and other incidental costs;
	4. Economic development activities, including but not limited to, equipment purchase, inventory financing, interest subsidy, operating expenses and similar costs not associated with construction or expansion of existing operations;
	5. Activities to assist homebuyers to purchase existing dwelling units or dwelling units under construction, including closing costs and down payment assistance, interest buy downs, and similar activities that result in the transfer of title.
	6. Affordable housing pre-development costs including legal, consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees for loan commitments, zoning approvals, and other related activities which do not have a physical impact.
	7. Approval of supplemental assistance (including insurance or guarantee) to a project previously approved under this part, if the approval is made by the same responsible entity that conducted the environmental review on the original project and re-evaluation of the environmental findings is not required under Sec. 58.47.

If your project falls into any of the above categories, **no** Request for Release of Funds (RROF) is required, and no further environmental approval from HUD will be needed by the recipient for the draw-down of funds to carry out exempt activities and projects. The responsible entity must maintain this document as a written record of the environmental review undertaken under this part for each project.

By signing below the Responsible Entity certifies in writing that each activity or project is Categorically Excluded (not subject to 58.5) and meets the conditions specified for such determination per section 24 CFR 58.35(b). Please keep a copy of this determination in your project files.

_____
Responsible Entity Certifying Official Name & Title (please print)

_____ _____
Responsible Entity Certifying Official Signature Date

Certification of Categorical Exclusion (subject to 58.5)

Determination of activities listed at 24 CFR 58.35(a)
May be subject to provisions of Sec 58.6, as applicable

A-4

Grant Recipient: _____ Project Name: _____
Project Description (Include all actions which are either geographically or functionally related):
_____
_____
Location: _____
Funding Source: CDBG HOME ESG HOPWA EDI Capital Fund Operating Subsidy Hope VI Other
Funding Amount: _____ Grant Number: _____

I hereby certify that the abovementioned project has been reviewed and determined to be a Categorically Excluded activity (subject to 58.5) per 24 CFR 58.35(a) as follows:

	1. Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent (e.g., replacement of water or sewer lines, reconstruction of curbs and sidewalks, repaving of streets);
	2. Special projects directed to the removal of material and architectural barriers that restrict the mobility of and accessibility to elderly and handicapped persons;
	3. Rehabilitation of buildings and improvements when the following conditions are met: i. In the case of a building for residential use (with one to four units), the density is not increased beyond four units, the land use is not changed, and the footprint of the building is not increased in a floodplain or in a wetland; ii. In the case of multifamily residential buildings: (A) Unit density is not changed more than 20 percent; (B) The project does not involve changes in land use from residential to non-residential; and (C) The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation. iii. In the case of non-residential structures, including commercial, industrial, and public buildings: (A) The facilities and improvements are in place and will not be changed in size or capacity by more than 20 percent; and (B) The activity does not involve a change in land use, such as from non-residential to residential, commercial to industrial, or from one industrial use to another.
	4. (i) An individual action on up to four dwelling units where there is a maximum of four units on any one site. The units can be four one-unit buildings or one four-unit building or any combination in between; or (ii) An individual action on a project of five or more housing units developed on scattered sites when the sites are more than 2,000 feet apart and there are not more than four housing units on any one site. (iii) Paragraphs (a)(4)(i) and (ii) of this section do not apply to rehabilitation of a building for residential use (with one to four units) (see paragraph (a)(3)(i) of this section).
	5. Acquisition (including leasing) or disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land provided that the structure or land acquired, financed, or disposed of will be retained for the same use.
	6. Combinations of the above activities.

The responsible entity must also complete and attach a **Statutory Check sheet**. By signing below the Responsible Entity certifies in writing that each activity or project is Categorically Excluded (subject to 58.5) and meets the conditions specified for such exemption under section 24 CFR 58.35(a). Please keep a copy of this determination in your project files.

_____ _____
Responsible Entity Certifying Official Name Title (please print)

_____ _____
Responsible Entity Certifying Official Signature Date

STATUTORY CHECKLIST

24 CFR §58.5 STATUTES, EXECUTIVE ORDERS & REGULATIONS

Grant Recipient: _____ Project Name: _____

Project Description (Include all actions which are either geographically or functionally related):

_____

_____

Location: _____

This project is determined to be categorically excluded according to: [Cite section(s)]_____

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5	N/A	Consultation, Review, Permits Required	Consistency Determination	Condition, Mitigation	**Compliance Documentation**
Historic Preservation [36 CFR Part 800]					
Floodplain Management [24 CFR 55, Executive Order 11988]					
Wetland Protection [Executive Order 11990]					
Coastal Zone Management Act [Sections 307(c), (d)]					
Safe Drinking Water Act (42 USC 201, 300(f) & 21 U.S.C. 349)					
Sole Source Aquifers [40 CFR 149]					
Endangered Species Act [50 CFR 402]					
Wild and Scenic Rivers Act [Sections 7(b), and (c)]					
Clean Air Act [Sections 176(c), (d), and 40 CFR 6, 51, 93]					

Compliance Factors: Statutes, Executive Orders, and Regulations listed at 24 CFR §58.5	N/A	Consultation, Review, Permits Required	Consistency Determination	Condition, Mitigation	**Compliance Documentation**
Farmland Protection Policy Act [7 CFR 658]					
Environmental Justice [Executive Order 12898]					
HUD ENVIRONMENTAL STANDARDS					
Noise Abatement and Control [24 CFR 51B]					
Explosive and Flammable Operations [24 CFR 51C]					
Toxic Chemicals and Radioactive Materials [24 CFR 58.5(i)]					
Airport Clear Zones and Accident Potential Zones [24 CFR 51D]					

DETERMINATION:

( ) This project converts to Exempt, per Section 58.34(a)(12), because it does not require any mitigation for compliance with any listed statutes or authorities, nor requires any formal permit or license (Status "A" has been determined in the status column for all authorities); **Funds may be drawn down** for this (now) EXEMPT project; OR

( ) This project cannot convert to Exempt because one or more statutes/authorities require consultation or mitigation. Complete consultation/mitigation requirements, publish NOI/RROF and obtain Authority to Use Grant Funds (HUD 7015.16) per Section 58.70 and 58.71 before drawing down funds; OR

( ) The unusual circumstances of this project may result in a significant environmental impact. This project requires preparation of an Environmental Assessment (EA). Prepare the EA according to 24 CFR Part 58 Subpart E.

PREPARER SIGNATURE: _____ DATE:_____

PREPARER NAME: _____

RESPONSIBLE ENTITY AGENCY

OFFICIAL SIGNATURE: _____

NAME, TITLE: _____

DATE: _____

CHECKLISTS

Compliance Documentation Checklist (24 CFR 58.6)
Statutory Checklist (24 CFR §58.5 Statutes, Executive Orders & Regulations)

Environmental Assessment Checklist

The Statutory Checklist covers statutes, regulations, and Executive Orders, other than NEPA to which every project subject to 24 CFR 58 review must respond, unless it is exempt or categorically excluded under 24 CFR 58.35(b). A listing of activities that a project can include to be exempt from the environmental requirements of NEPA and other related authorities, such as administrative actions, planning and environmental studies is found in 24 CFR 58.34.

If the project is categorically excluded from NEPA procedures under 24 CFR 58.35(a), this is the only checklist that applies. If the project is not exempt or categorically excluded, then the Statutory Checklist should be completed in conjunction with the Environmental Assessment Checklist. The Environmental Assessment Checklist helps to organize an early consideration of numerous environmental issues. Together they become companion documents, with the Environmental Assessment Checklist recording anticipated impacts and the Statutory Checklist documenting compliance with laws and regulations.

Statutory Checklist

This checklist covers Federal laws, regulations, and Executive Orders (see 24 CFR 58.5 and 58.6). In some cases, compliance means that the grant recipients must follow detailed procedures required by the particular law, regulations, or Executive Order.

Findings presented in the Statutory Checklist include:

Not Applicable to this Project – Check here, only when it is known that the project is located in an area where the environmental condition or resource is nonexistent (e.g., project is not located near a coastal zone or near a wild & scenic river).

Consultation/Review Procedures Required – This determination requires that there has been coordination with the appropriate individuals at Federal or federally authorized agencies and those interactions documented through attached notes and correspondence. (e.g., completion of the 106 procedure of the Advisory Council on Historic Preservation).

Determination of Consistency, Approvals and Permits Obtained – (e.g., consistency with state coastal zone management plan). In areas requiring consistency or where projects required Federal permits, licenses of other forms of approval, such requirements should be recorded here as having been met or required procedures followed. Any condition, temporary permit or partial approval is recorded in the next column to a document recorded in the ERR.

Conditions or Mitigation Actions Required – These should be listed and attached including any correspondence from reviewing agencies and a designation of responsibility for implementation.

For each Checklist category there may be more than one applicable law or regulation. For example, in the case of water it will be necessary to indicate that the project is in compliance with the Safe Drinking Water Act and that the various water acts and regulations have been considered. Check all applicable laws or regulations.

In addition, there is space provided on the Checklist form to document compliance with the applicable law, regulation, or Executive Order and to indicate sources of information and reference that support the finding. Notes, correspondence and documents (e.g., approval letters, permits) can also be attached to the Checklist.

It is recommended that state or local environmental laws or regulations be added to the Statutory Checklist as applicable to a particular community. Space has been provided to do so on this form. In addition, new federal statutes and regulations should be added when issued.

Grant recipients are reminded that they must certify that they have complied with the obligations and requirements of all other applicable laws and authorities.

Statutory Checklist

A. Are all the project's activities exempt under 58.34(a)(1)-(11) and/or Categorically Excluded (CE) from NEPA procedures under 58.35(b)? ☐ Yes ☐ No.

If "Yes" attach supporting documentation including citations to applicable subsection of 58.34(a)(1)-(11) or 58.35(b) and complete Other Requirements Checklist (58.6). Sign and date certification and keep in the project ERR. Remaining portions of the Checklist need not be completed. Do not initiate RROF procedures. Funds may be obligated for this project.
If "No" proceed to question B.

B. Perform all relevant compliance requirement reviews of the Statutory Checklist and complete all columns as appropriate, sign and date form.

1. **Is this a 58.35(a) CE Project? ☐ Yes ☐ No.**

If "Yes", document by specific reference(s) to Part 58.35(a) how this project qualifies as a 58.35(a) CE project and respond to question B2.
If "No" then go to question C.

2. **Does the project trigger a 58.5 Compliance Threshold? ☐ Yes ☐ No.**

If "Yes" then initiate RROF procedures, beginning with publication/posting of RROF Notice.
If "No"; project may be reclassified as exempt under 58.34(a)(12); do not initiate RROF procedures, and funds may be obligated after signing and dating this form and completing Compliance Documentation Checklist.

C. If <u>No</u> to B (1), then this project requires an Environmental Assessment (EA)

Fill out the Environmental Assessment Checklist and document all determinations as necessary and appropriate.

Sign and date.

Even if an EA has already been completed, 24 CFR Part 58, Subpart H procedures, beginning with publication/posting of FONSI/RROF Notice, cannot be initiated until all 58.5 and 58.6 determinations and compliance processes have been completed. Some CE projects may require an EA or an EIS because of their environmental effect.

COMPLIANCE THRESHOLDS

<u>Historic Properties</u> <u>(including archeology)</u>:

A) The RE and SHPO agree that there are No Historic Properties Affected per 36 CFR 800.4, no adverse effects on historic properties per §800.5(b), or SHPO has not objected within 30 days to such <u>fully documented</u> determinations.

B) The proposal has an adverse effect on historic properties. Consult with SHPO et al., per §800.5 et seq., to resolve or mitigate adverse effects.

* The National Historic Preservation Act of 1966 (16 U.S.C. 470f *et seq.*): as amended: particularly section 106 (16 U.S.C. 470f): except as provided in ɜ 58.17 of this part for section 17 projects.
* Executive Order 11593. Protection and Enhancement of the Cultural Environment, May 13, 1971 (36 FR 8921 *et seq.*): particularly section 2(c).
* The Reservoir Salvage Act of 1960 (16 U.S.C. 469 *et seq.*) particularly section 3 (16 U.S.C. 469a-1): as amended
* The Archeological Historic Preservation Act of 1974.

<u>Floodplain Management</u>:

A) The project does not involve property acquisition, management, construction or improvements within (or will impact**)** a 100 year floodplain (Zones A or V) identified by FEMA maps, and does not involve a "critical action" (e.g., emergency facilities, facility for mobility impaired persons, etc.) within a 500 year floodplain (Zone B). If FEMA has not published flood maps, the RE must make a finding based on best available data, e.g. from the City/County Engineer or local Flood Control Agency.

B) Complete the 8-step decision making process according to 24 CFR Part 55.20 to document that there are no practicable alternatives to the proposal and to mitigate effects of the project in a floodplain.

* Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 *et seq.*) as amended: particularly sections 102(a) (42 U.S.C. 4012a (a) and 4106 (a).
* Executive Order 11988. Floodplain Management, May 24, 1977 (42 FR28931 *et seq.*): particularly section 2(a).

Statutory Checklist

COMPLIANCE THRESHOLDS (continued)

Wetlands Protection:

A) The project does not involve new construction within or adjacent (or will affect) to wetlands, marshes, wet meadows, mud flats or natural ponds per field observation and maps issued by the USDI Fish & Wildlife Service or U.S. Corps of Engineers.

B) Complete the 8-step decision making process in 24 CFR 55.20 to document there are no practicable alternatives and to mitigate effects of the project on wetlands. Such action also requires obtaining a permit from the U.S. Corps of Engineers under Section 404 of the Clean Water Act.

* Executive Order 11990. Protection of Wetlands. May 24, 1977 (42 FR 28951 *et seq.*): particularly section 2 and 5.

Coastal Zone Management:

A) The project does not involve the placement, erection or removal of materials, nor an increase in the intensity of use in the Coastal Zone (CZ) per certified local coastal plan, California Coastal Commission, SF BCDC, etc.

B) Secure concurrence from he CZ Commission or delegated local planning commission with your determination of consistency with the applicable CZ Plan, or obtain coastal zone permit.

* The Coastal zone Management Act of 1972 (16 U.S.C. 1451 *et seq.*) as amended: particularly section 307 (c) and (d) (16 U.S.C. 1456 (c) and (d)).
* The Coastal Barrier Resources Act of 1982 (16 U.S.C. 3501 *et seq.* particularly sections 5 and 6 (16 U.S.C. 3504 and 3505.

Sole Source Aquifers (Safe Drinking Water Act):

A) The project is not located within a U.S. EPA-designated sole source aquifer watershed area per EPA Ground Water Office, **OR** the project need not be referred to EPA for evaluation according to the HUD-EPA (Region IX) Sole Source Aquifer Memorandum of Understanding of 1990.

B) Consult with the Water Management Division of EPA to design mitigation measures to avoid contaminating the aquifer and implement appropriate mitigation measures.

* The Safe Drinking Water Act of 1974 (42 U.S.C. 201.300 (f) *et seq,* and 21 U.S.C. 349) as amended: particularly section 1424(e) (42 U.S.C.300b-303(e).

Farmland Protection:

A) The project site does not include prime or unique farmland, or other farmland of statewide or local importance as identified by the U.S. Department of Agriculture, Natural Resources Conservation Service NRCS (formerly the Soil Conservation Service, **OR** the project site includes prime or unique farmland, but is located in an area committed to urban uses;

B) Request evaluation of land type from the NRCS using Form AD-1006, and consider the resulting rating in deciding whether to approve the proposal, as well as mitigation measures (including measures to prevent adverse effects on adjacent farmlands).

* Farmland Protection Policy Act of 1961 (7 U.S.C. 4201 *et seq.*) particularly section 1540(b) and 1541 (7U.S.C. 4201 and 4242).

Endangered Species:

A) The RE determines that the proposal will have "no effect" **or** "is not likely to adversely affect" any federally protected (listed or proposed) Threatened or Endangered Species (i.e., plants or animals, fish, or invertebrates), nor adversely modify critical habitats. This finding is to be based on contact made with the U.S. Fish and Wildlife Service and/or with State Department of Fish and Game, or by special study completed by a professional biologist or botanist and approved by the above agency. Only a determination of "no effect" does not require being sent to U.S. FWS for concurrence.

B) Consult with the U.S. FWS or with the National Marine Fisheries Service, in accordance with procedural regulations contained in 50 CFR Part 402. Formal consultation with FWS or NMFS is always required for federally funded "major construction" activities and anytime a "likely to adversely affect" determination is made.

* The Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.* as amended: particularly Section 7 (b) and (c) (16 U.S.C. 1278 (b) and (c)).

Wild and Scenic Rivers:

A) The project is not located within one mile of a listed Wild and Scenic River, **OR** the project will have no effects on the natural, free flowing or scenic qualities of a river in the National Wild and Scenic Rivers system.

B) Consult with the U.S. Department of Interior, National Park Service for impact resolution and mitigation.

* The Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 *et seq.*) as amended: particularly section 7 (b) and (c) (16 U.S.C. 1278 (c) and (d)).

Statutory Checklist

COMPLIANCE THRESHOLDS (continued)

Air Quality:

A) The project is located within an "attainment" area, **OR**, if within a "non-attainment" area, conforms with the EPA-approved State Implementation Plan (SIP), per contact with the State Air Quality Management District or Board, **AND** the project requires no individual NESHAP permit or notification;

B) Negotiate suitable mitigation measures with the Air Quality Management District or Board, obtain necessary permits, issue required notices. (For example, 40 CFR §61.145 requires 10-day prior notification to the Air Quality District Administrator whenever either 260 linear ft., 160 sq. ft., or 35 cubic ft., of asbestos containing material is to be disturbed).

* The Clean Air Act (42 U.S.C. 7401*et seq*.) as amended: particularly section 176 (c) and (d) (42 U.S.C. 7308 (c) and (d)

Noise Abatement and Control: **

A) The project does not involve development of noise sensitive uses, **OR** the project is not within 1,000 feet of a major or arterial roadway, 3,000 feet of a railroad, or 15 miles from a major (listed) airport **OR** ambient noise level is documented to be 65 LDN (CNEL) or less, based upon the HUD Noise Assessment Guidelines (NAG) for calculating noise levels and Airport Noise Contour map;

B) Apply the noise standard, per 24 CFR §51.101, to the decision whether to approve the proposal (see §51.104), and implement noise attenuation measures (NAG page 39-40) as applicable.

Explosive or Flammable Operations: **

A) The project is located at an Acceptable Separation Distance (ASD) from any above-ground explosive or flammable fuels or chemicals containers according to "Siting of HUD-Assisted Projects Near Hazardous Facilities" (Appendices F & G, pp. 51-52), **OR** the project will expose neither people nor buildings to such hazards;

B) mitigate the blast overpressure or thermal radiation hazard with the construction of a barrier of adequate size and strength to protect the project (per 24 CFR 51.205).

Airport Clear Zones and Accident Potential Zones: **

A) The project is not within an FAA-designated civilian airport Runway Clear Zone (RCZ) -or Runway Protection Zone, or within a military airfield Clear Zone (CZ) or Accident Potential Zone (APZ) -Approach Protection Zone, based upon information from the airport or military airfield administrator identifying the boundaries of such zones, **OR** the project involves only minor rehabilitation, **OR** the project involves only the sale or purchase of an existing property in the RCZ or CZ;

B) It is **HUD** policy not to provide any development assistance, subsidy or insurance in RCZs or CZs unless the project will not be frequently used or occupied by people and the airport operator provides written assurances that there are no plans to purchase the project site.

Toxic Chemicals and Radioactive Materials: **

A) The subject and adjacent properties are free of hazardous materials, contamination, toxic chemicals, gasses and radioactive substances which could affect the health or safety of occupants or conflict with the intended use of the subject property. Particular attention should be given to nearby dumps, landfills, industrial sites and other operations with hazardous wastes.

B) Mitigate the adverse environmental condition by removing, stabilizing or encapsulating the toxic substances in accordance with the requirements of the appropriate Federal, state or local oversight agency; **OR** reject the proposal.

Environmental Justice: **

A) The proposed site is suitable for its proposed use and will NOT be adversely impacted by adverse environmental conditions;

B) Site suitability is a concern; the proposal is adversely affected by environmental conditions impacting low income or minority populations. Avoid such impacts or mitigate them to the extent practicable. Address and mitigate the disproportional human health or environmental effects adversely affecting the low income or minority populations **OR** reject the proposal.

*** Executive Order 12898 Federal Actions to address environmental justice in minority populations and low-income populations. Revised 11/04**

**** From: Environmental Criteria and Standards (24 CFR Part 51) and Site Contamination.**

SAMPLE

NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

A-6

(Date of Notice)

(Name of Responsible Entity [RE])

(Address)

(City, State, Zip Code)

(Telephone Number of RE Preparer Agency)

On or about (at least one day after the end of the comment period) **the** (name of RE) **will** [if the re is not also the grantee insert the following language here--"authorize the (name of grantee) to"] **submit a request to the** (HUD/state administering agency) **for the release of** (name of grant program) **funds under** [title/section ( )] **of the** (name of the Act) **of** (date of Act)**, as amended, to undertake a project known as** (project title), **for the purpose of** (nature/scope of project, and project address/location if applicable).

The activities proposed [Alternative #1: are categorically excluded under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act requirements--Alternative #2: comprise a project for which a finding of no significant impact on the environment was (published/posted) on (date of finding publication or posting)]. **An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at** (name and address of RE office where ERR can be examined and name and address of other locations where the record is available for review) **and may be examined or copied weekdays ( ) A.M. to ( ) P.M.**

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the (RE designated office responsible for receiving and responding to comments). **All comments received by** (if notice is published: notice date plus seven days--if notice is posted: posting date plus ten days) **will be considered by the** (name of RE) **prior to authorizing submission of a request for release of funds.**

RELEASE OF FUNDS

The (name of RE) **certifies to** (HUD/state) **that** (name of certifying officer) **in** (his/her) **capacity as** (official title) **consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied.** (HUD's/state's) **approval of the certification satisfies its responsibilities under NEPA and related laws and authorities, and allows the** (name of grantee) **to use Program funds.**

OBJECTIONS TO RELEASE OF FUNDS

(HUD/state) **will consider objections to its release of funds and the** (RE's name) **certification received by** (anticipated date of HUD/state receipt of RROF/c plus fifteen days) **or for a period of fifteen days following its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the** (name of RE); **(b) the** (RE) **has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR Part 58; (c) the grant recipient or other participants in the project have committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by** (HUD/state)**; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of**

environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58) and shall be addressed to (HUD/state grant administration office) **at** (address of that office). **Potential objectors should contact** (HUD/state) **to verify the actual last day of the objection period.**

(name and title of re certifying officer)

Request for Release of Funds and Certification

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB No. 2506-0087
(exp. 11/30/2004)

A-7

This form is to be used by Responsible Entities and Recipients (as defined in 24 CFR 58.2) when requesting the release of funds, and requesting the authority to use such funds, for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of general local government and States. Public reporting burden for this collection of information is estimated to average 36 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Part 1. Program Description and Request for Release of Funds (to be completed by Responsible Entity)

1. Program Title(s) **FY 2009 Louisiana Community Development Block Grant Program**	2. HUD/State Identification Number (HUD GRANT NUMBER) **B-09-DC-22-0001**	3. Recipient Identification Number (optional)
4. OMB Catalog Number(s) **14.228**	5. Name and address of responsible entity	
6. For information about this request, contact (name, phone and fax number)		
8. HUD or State Agency and office unit to receive request **Louisiana Division of Administration** **Office of Community Development**	7. Name and address of recipient (if different than responsible entity) **Same as Item 5.**	

The recipient(s) of assistance under the program(s) listed above requests the release of funds and removal of environmental grant conditions governing the use of the assistance for the following

9. Program Activity(ies)/Project Name(s)	10. Location (Street address, city, county, State)

11. Program Activity/Project Description (including grant amount)

Part 2. Environmental Certification (to be completed by responsible entity)

With reference to the above Program Activity(ies)/Project(s), I, the undersigned officer of the responsible entity, certify that:

1. The responsible entity has fully carried out its responsibilities for environmental review, decision-making and action pertaining to the project(s) named above.

2. The responsible entity has assumed responsibility for and complied with and will continue to comply with, the National Environmental Policy Act of 1969, as amended, and the environmental procedures, permit requirements and statutory obligations of the laws cited in 24 CFR 58.5; and also agrees to comply with the authorities in 24 CFR 58.6 and applicable State and local laws.

3. After considering the type and degree of environmental effects identified by the environmental review completed for the proposed project described in Part 1 of this request, I have found that the proposal did ☐ did not ☐ require the preparation and dissemination of an environmental impact statement.

4. The responsible entity has disseminated and/or published in the manner prescribed by 24 CFR 58.43 and 58.55 a notice to the public in accordance with 24 CFR 58.70 and as evidenced by the attached copy (copies) or evidence of posting and mailing procedure.

5. The dates for all statutory and regulatory time periods for review, comment or other action are in compliance with procedures and requirements of 24 CFR Part 58.

6. In accordance with 24 CFR 58.71(b), the responsible entity will advise the recipient (if different from the responsible entity) of any special environmental conditions that must be adhered to in carrying out the project.

As the duly designated certifying official of the responsible entity, I also certify that:

7. I am authorized to and do consent to assume the status of Federal official under the National Environmental Policy Act of 1969 and each provision of law designated in the 24 CFR 58.5 list of NEPA-related authorities insofar as the provisions of these laws apply to the HUD responsibilities for environmental review, decision-making and action that have been assumed by the responsible entity.

8. I am authorized to and do accept, on behalf of the recipient personally, the jurisdiction of the Federal courts for the enforcement of all these responsibilities, in my capacity as certifying officer of the responsible entity.

Signature of Certifying Officer of the Responsible Entity	***Name & Title of Certifying Officer***
X	Date signed

Address of Certifying Officer

Part 3. To be completed when the Recipient is not the Responsible Entity

The recipient requests the release of funds for the programs and activities identified in Part 1 and agrees to abide by the special conditions, procedures and requirements of the environmental review and to advise the responsible entity of any proposed change in the scope of the project or any change in environmental conditions in accordance with 24 CFR 58.71(b).

Signature of Authorized Officer of the Recipient	Title of Authorized Officer
X	Date signed

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

A-8

Project Name and Identification No. _____

Impact Categories	IMPACT ANTICIPATED			REQUIRES MITIGATION OR MODIFICATION	NOTE CONDITIONS AND/OR SOURCE DOCUMENTATION THAT SUPPORTS FINDING REFERENCE NOTES
	NONE	MINOR	MAJOR		
Land Development					
Conformance with Comprehensive Plans and Zoning					
Compatibility and Urban Impact					
Slope					
Erosion					
Soil Suitability					
Hazards and Nuisances Including Site Safety					
Energy Consumption					
Noise					
Effects of Ambient Noise on Project and Contribution to Community Noise Levels					
Air Quality					
Effects of Ambient Air Quality on Project and Contribution to Community Pollution Levels					
Environmental Design, Historic Values and Urban Impact					
Visual Quality Coherence, Diversity, Compatible Use and Scale					
Historic, Cultural and Archaeological Resources					

Environmental Assessment Checklist

Impact Categories		**IMPACT ANTICIPATED**			**REQUIRES MITIGATION OR MODIFICATION**	**NOTE CONDITIONS AND/OR SOURCE DOCUMENTATION THAT SUPPORTS FINDING** **REFERENCE NOTES**
		NONE	**MINOR**	**MAJOR**		
Socioeconomic						
Demographic Character Changes						
Displacement						
Employment and Income Patterns						
Community Facilities and Services.						
Educational Facilities						
Commercial Facilities						
Health Care						
Social Services						
Solid Waste						
Waste Water						
Storm Water						
Water Supply						
Public Safety	Police					
	Fire					
	Emergency Medical					
Open Space and Recreation	Open Space					
	Recreation					
	Cultural Facilities					
Transportation						

Environmental Assessment Checklist

Impact Categories	IMPACT ANTICIPATED			REQUIRES MITIGATION OR MODIFICATION	NOTE CONDITIONS AND/OR SOURCE DOCUMENTATION THAT SUPPORTS FINDING REFERENCE NOTES
	NONE	MINOR	MAJOR		
Natural Features					
Water Resources					
Surface Water					
Floodplains					
Wetlands					
Coastal Zone					
Unique Natural Features and Agricultural Lands					
Vegetation and Wildlife					

Summary of Findings and Conclusions

Summary of Environmental Conditions

Environmental Assessment Checklist

ALTERNATIVES

Determine and describe possible alternatives to the proposed project, including the alternative of not implementing the project. The feasibility of each alternative and the reasons why each should be adopted or rejected should be discussed sufficiently to indicate that an adequate consideration of each alternative has occurred.

Alternative 1

Alternative 2

COMPARATIVE ANALYSIS: Local and area-wide plans that demonstrate environmental considerations can serve as the context within which a comparison of alternative sites is made (i.e. by a project's consistency with the environmental criteria for site selection as may be established with such plans).

Additional Studies Performed (Attach Study or Summary)

Mitigation Measures Needed:

Environmental Assessment Checklist

1. **Is project in compliance with applicable laws and regulations?** ☐**Yes** ☐**No**

2. **Is an EIS required?** ☐**Yes** ☐**No**

3. **Finding of No Significant Impact (FONSI) can be made. Project will not significantly affect the quality of the human environment.** ☐**Yes** ☐**No**

Prepared By: _____

Title: _____

Date: _____

Reviewed By: _____

Title: _____

Date: _____

CHECKLISTS

Environmental Assessment Checklist

For all CDBG projects subject to NEPA procedures, the Environmental Assessment Checklist is a valuable step in that analysis. Completion of this Checklist constitutes a quick, yet well documented review of environmental issues surrounding a specific project or group of projects and a decision as to how to proceed in further analysis.

Purpose

The major purpose of the Checklist is to allow a more detailed analysis to focus of those categories of potential significant impact. This can avoid a lot of wasted energy in data collection, analysis and report writing for these categories which have no potential for significant impacts and require no mitigation efforts or ones for which the analyst has already done the work on previous projects. Assuming there is a file of solid environmental information about the community, the Checklist is intended to be filled out in a few hours – no more than a day even for projects with many potential effects. More time may be needed later for thorough analysis where the Checklist review indicates either potential impacts or where insufficient data is readily available. Judgments at this stage should be based upon available data with perhaps the addition of a few well placed phone calls or a site visit if the area is unfamiliar to the analyst.

Organization

The Environmental Assessment Checklist covers seven major impact areas and 36 specific impact categories within those seven areas. The seven general areas represent categories with related and overlapping issues, shared data sources and similar requirements as to background for analysis. The presentation of a detailed list of 36 impact categories is provided to jog the memory of the reviewer, raise questions and assure that all potential impacts are considered. Note that some impact categories are also included on the Statutory Checklist. A project may be in compliance with the provisions of a specialized law, regulation or Executive Order and still have an impact. For example, a site for a residential use may not be subjected to unacceptable noise levels and, therefore, be in compliance. If, however, the site will be used for an activity which will produce high levels of noise (short or long term), this may have an impact on the surrounding area and should be considered when completing the Environmental Assessment Checklist. If, however, it is determined that the subject has been covered adequately on the Statutory Checklist, this should be noted in the space provided for documentation, and no further analysis is required for that environmental factor.

How to Complete

For each impact category the local environmental analyst is asked to check the appropriate box relating to potential impacts, needed study, and mitigation or modification. In many cases more than one box could be or should be checked. In each case a source should be cited which may be a report, phone contact, previous ERR, field observation, or general knowledge of the area. The determinations to be made for each impact category include:

No Impact Anticipated – A checkmark here indicates no more analysis or mitigation effort is needed. Clear and specific documentation is essential, referencing the factual conditions or specific circumstances that support the finding. Mere conclusions are not sufficient.

Minor Impact Anticipated – Beneficial or adverse impacts should be indicated here. Notations supporting that finding can be attached. A more detailed analysis is not necessary. In some cases, this quick review may be all that is needed to evaluate impacts. They may be so small as to require no more study; they may be construction effects only for which standard mitigation procedures have been established; or they may have been analyzed for previous assessments in a fully comparable situation.

CHECKLISTS

Major Impact Anticipated – Again, major impacts may be beneficial or adverse. Both need to be considered. Documentation here is particularly important and will require attached notes outlining sources explaining the factual basis of the imact finding and describing any mitigation efforts. If this is checked, the impact category in question will be subject to a detailed review (site visits, review of data, consultation with experts, etc.). The points to remember are that (1) only those categories with a check in this box need to be subject to a detailed assessment and (2) this is not a decision about EIS preparation but a decision to investigate further.

Needs Mitigation or Modification– This column should be used in combination with the prior columns indicating some type of potential adverse impact. In some cases specific measures to reduce adverse effects on a community cannot be discussed in full detail right away. Instead, such measures are subject to review and development and implementation responsibility as part of a more detailed analysis which follows. In other cases mitigation measures may be known and recorded. Mitigation measures or safeguards should be listed for easy reference on page 4 of the checklist. Early project review, affords a special opportunity to identify needed changes in the project itself before final applications are made or programs finalized. Often such changes can eliminate the need for further analysis by eliminating the source of the problem. It is also possible that changes (such as moving a project to a different site outside a high noise zone, or combining it with a new project to provide needed sewer or water lines) could be identified at this time.

In addition to these early decisions as to potential impact or mitigation needs, the Checklist calls for sources or contacts to be identified which have contributed to the decision in a specific impact category. This may be done in the space provided, or more likely by reference to attached notes which indicate sources or contacts and describe considerations made. On pages 3 and 4 of the Checklist, the analyst is asked to look back over the individual decisions made and draw some conclusions for further action. This includes a listing of project modifications, impact categories requiring more study and mitigation efforts needed.

Based on the conclusions of the environmental assessment, on the last page of the Checklist, the preparer will state his or her finding as to whether or not the request for release of funds for the project will constitute an action significantly affecting the quality of the human environment.

SAMPLE

COMBINED NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND INTENT TO REQUEST RELEASE OF FUNDS

A-9

(Date of Notice)
(Name of Responsible Entity [RE])
(Address)
(City, State, Zip Code)
(Telephone Number of RE Preparer Agency)

This Notice shall satisfy the above-cited two separate but related procedural notification requirements.

REQUEST FOR RELEASE OF FUNDS

On or about (at least one day after the end of the comment period) **the** (name of RE) **will** [if the RE is not also the grantee insert the following language here--"authorize the (name of grantee) to"] **submit a request to the** (HUD/state administering agency) **for the release of** (name of grant program) **funds under** [Title/Section ( )] **of the** (name of the Act) **of** (date of Act)**, as amended, to undertake a project known as** (project title), **for the purpose of** (nature/scope of project, and project address/location if applicable).

FINDING OF NO SIGNIFICANT IMPACT

The (name of RE) **has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at** (name and address of RE office where err can be examined and name and address of other locations where the record is available for review) **and may be examined or copied weekdays**
(__) **A.M. to** (__) **P.M.**

PUBLIC COMMENTS

Any individual, group, or agency disagreeing with this determination or wishing to comment on the project may submit written comments to the (RE designated office responsible for receiving and responding to comments). **All comments received by** (if notice published: notice date plus fifteen days--if notice posted: posting date plus eighteen days) **will be considered by the** (name of RE) **prior to authorizing submission of a request for release of funds. Commentors should specify which part of this Notice they are addressing.**

RELEASE OF FUNDS

The (name of RE) **certifies to** (HUD/state) **that** (name of certifying officer) **in** (his/her) **capacity as** (official title) **consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied.** (HUD's/state's) **approval of the certification satisfies its responsibilities under NEPA and related laws and authorities, and allows the** (name of grantee) **to use Program funds.**

OBJECTIONS TO RELEASE OF FUNDS

(HUD/state) **will consider objections to its release of funds and the** (RE's name) **certification received by** (anticipated date of HUD/state receipt of rrof/c plus fifteen days) **or a period of fifteen days from its receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer or other officer of the** (name of RE) **approved by** (HUD/state); **(b) the (RE) has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR Part 58; (c) the grant recipient or other participants in the project have committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by** (HUD/state)**; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58) and shall be addressed to** (HUD/state grant administration office) **at** (address of that office). **Potential objectors should contact** (HUD/state) **to verify the actual last day of the objection period.**

(name and title of RE certifying officer)

SAMPLE

NOTICE OF FINDING OF NO SIGNIFICANT IMPACT
DISTRIBUTION LIST

The Notice of Finding of no Significant Impact was sent to the following organizations and individuals as well as being published in the West Lynn Times:

Central Louisiana Regional Agency
100 Montgomery Street
Central City, Louisiana

Louisiana Sierra Club
222 Columbus
Central City, Louisiana

EPA
Regional Louisiana

EPA
National Headquarters

Indian Tribes, where appropriate

FEMA

* Please be aware that these addresses are not actual.

STATUTORY CHECKLIST COMPLETION FORM
FOR LARGE TARGET AREAS
PROGRAM YEAR _____

LCDBG HOUSING REHABILITATION

FOR PROPERTY LOCATED AT _____

	YES	NO
FLOODPLAIN		
Is any part of the property located in, or will any improvements affect, a designated 100-year floodplain?	___	___
If yes, the 8-step decision making process must be accomplished.		
NOISE		
Is the property located within 1,000 ft. of a roadway having 4 lanes of traffic, 3,000 ft. of a railroad, 5 miles of a civil airport, or 15 miles of a military airfield?	___	___
If yes, a Noise Analysis must be prepared, and where indicated, additional noise attenuation shall be recommended.		
HISTORIC PROPERTIES		
Is this property nominated for, or eligible for the Register of Historic Places?	___	___
Is the property more than 50 years old?	___	___
Is the property near an historic property?	___	___
Has the State Historic Preservation Officer been contacted in writing?	___	___
Attach the appropriate documentation.		
MANMADE HAZARDS		
Is the property located within one mile of above ground storage tanks containing chemicals or petrochemicals of an explosive or flammable nature?	___	___
If yes, the Acceptable Separation Distance must be calculated and attached.		
Was the property located within the ASD?	___	___
If not, and the grantee decides to proceed with rehabilitation, the owner should be advised of the extent of hazard to occupants of the structure.		

PREPARED BY: _____ TITLE: _____

SIGNATURE: _____ DATE: _____

STATUTORY CHECKLIST COMPLETION FORM
FOR SMALL TARGET AREAS
PROGRAM YEAR _____

LCDBG HOUSING REHABILITATION

FOR PROPERTY LOCATED AT _____

	YES	NO
NOISE		
Is the property located within 1,000 ft. of a roadway having 4 lanes of traffic, 3,000 ft. of a railroad, 5 miles of a civil airport, or 15 miles of a military airfield?	___	___
If yes, a Noise Analysis must be prepared, and where indicated, additional noise attenuation shall be recommended.		
MANMADE HAZARDS		
Is the property located within one mile of above ground storage tanks containing chemicals or petrochemicals of an explosive or flammable nature?	___	___
If yes, the Acceptable Separation Distance must be calculated and attached.		
Was the property located within the ASD?	___	___
If not, and the grantee decides to proceed with rehabilitation, the owner should be advised of the extent of hazard to occupants of the structure.		

PREPARED BY: _____ TITLE: _____

SIGNATURE: _____ DATE: _____

SAMPLE

A-12

HISTORIC PRESERVATION LETTER

Date

Ms. Pam Breaux
State Historic Preservation Officer
Department of Culture, Recreation and Tourism
P. O. Box 44247
Baton Rouge, Louisiana 70804

RE: Consultation under 36 CFR Part 800.4(a)
Community Development Block Grant Program
Anytown, Louisiana 70801

Dear Ms. Breaux:

The City of Anytown has been awarded a Community Development Block Grant (CDBG) of $620,000 from the Louisiana Division of Administration. This grant will provide funding of a 500,000 gallon elevated water storage facility. A map showing the proposed location of the storage facility and a project description are attached.

In accordance with the provisions of 36 CFR Part 800.4(a) and the State of Louisiana, the City has conducted an historical and cultural survey, reviewed the published lists of the National Register of Historic Places from January 1974 to present, reviewed the most recent publication of your office listing State Historic Places and consulted with Mr. James Best, President of the Anytown Preservation Society.

To the best of our knowledge, the site of the elevated water storage facility is of no historic significance. In accordance with 24 CFR Part 58, Environmental Review procedure for Title I Community Development Block Grant Programs, the City of Anytown is requesting comments from you relative to any impact the above described project may have on archeological or historic sites or properties listed in the National Register of Historic Places, or other significant cultural resources.

If you should have any questions or require additional information, please contact me.

Sincerely,

Mayor Deron Troy
Environmental Certifying Official

HISTORIC PRESERVATION
HOUSING REHABILITATION CERTIFICATION

(Mark only the one box that applies to the housing rehabilitation activity)

Certification:

( ) I certify that we have checked the listing of National Register properties and districts and that none of the building to be renovated are included in the National Register of Historic Places as an individual building or as part of a historic district. If any of the buildings to be renovated are more than 50 years old, the following conditions will be adhered to:

(1) Portland cement will not be used to repaint brick.
(2) There will be no sandblasting.
(3) Synthetic siding (aluminum, vinyl, asbestos, etc.) and brick veneer will not be used.
(4) Architectural features such as cornices, brackets, door or surrounds will not be removed.
(5) When a roof is to be replaced, its original shape will be retained.
(6) The shape and location of windows and doors will be retained.
(7) Historic porch trim will be retained whenever possible, and porches will not be enclosed.

or

( ) The buildings to be renovated are listed individually or as part of an historic district on the National Register of Historic Places. Therefore, we will consult with the State Historic Preservation Officer (SHPO) and the Advisory Counsel on Historic Preservation, if necessary, to assess the effect of the rehabilitation projects on the historic properties. Attached is the notification to the SHPO on this project and will be presented as part of the closeout documentation.

_____ _____

Date

Signature and Address of
Chief Elected Official

A-14

SAMPLE

FLOODPLAINS AND WETLANDS NOTICES
EARLY PUBLIC REVIEW NOTICE

The City of Anytown intends to carry out an action which may affect or be affected by the 100 year flood plain and seeks to involve the public in the decision making process. Anytown is considering housing rehabilitation improvements on Oak, Pine and Beech Streets as a Louisiana Community Development Block Grant Project. Pursuant to Executive Orders 11988 and 11990, the City has determined this area to be in the one hundred year floodplain.

The project file with the details available is located at City Hall and may be examined during the hours of 8:00 a.m. to 4:00 p.m. Monday through Friday, 100 Main Street, Anytown, Louisiana 70801. Comments may be submitted to the City until (a date no less than 15 days following the date of publication, beginning with the day after publication). No action will be taken before this date.

Mayor Deron Troy
Environmental Certifying Official
City of Anytown

A-15

SAMPLE

NOTICE OF EXPLANATION

The City of Anytown intends to carry out an action which may affect or be affected by the 100 year floodplain and seeks to involve the public in the decision making process. Anytown is considering housing rehabilitation improvements on Oak, Pine and Beech Streets as a Louisiana Community Development Block Grant Project. Pursuant to Executive Orders 11988 and 11990, the City has determined this area to be in the one hundred year floodplain.

The proposed improvements to the existing street conform to all applicable State and Federal floodplain protection standards. The other agency involved in this project is the U. S. Department of Housing and Urban Development.

The project file is located at City Hall and may be examined during the hours of 8:00 a.m. and 4:00 p.m. Monday through Friday, 100 Main Street, Anytown, Louisiana 70801. Comments may be submitted to the City until (a date no less than 7 days following the date of publication, beginning with the day after publication). No action will be taken before this date.

Mayor Deron Troy
Environmental Certifying Official
City of Anytown

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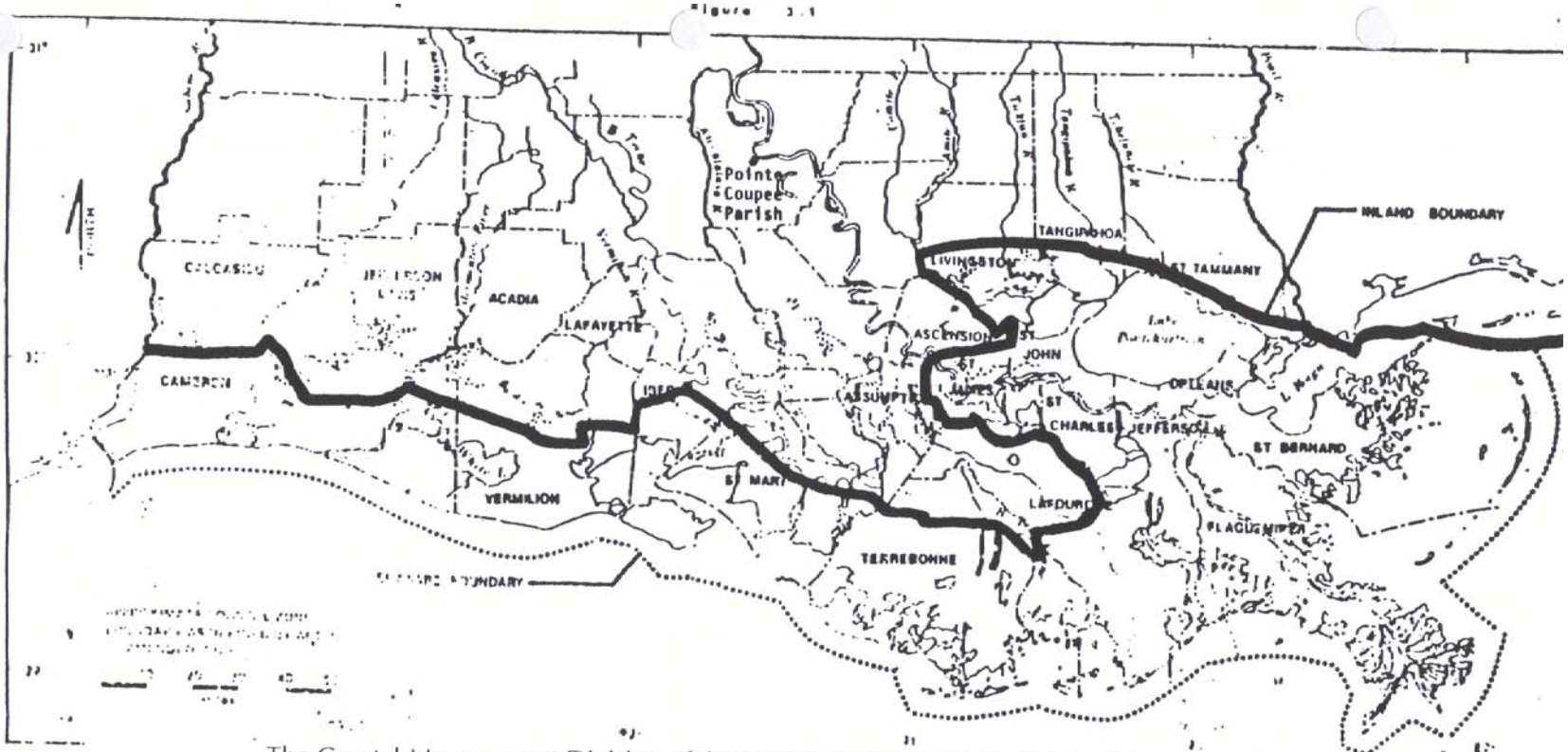
COASTAL ZONE BOUNDARY MAP



The Coastal Management Division of the Louisiana Department of Natural Resources has copies of the coastal zone boundary map, at a scale of 1:500,000, depicting the Louisiana coastal zone. The maps are accompanied by a legal description of the coastal zone boundary as found at LRS 49:214.24. The maps are intended for use as a planning tool only. If you have a proposed project which on the map appears to be located near the coastal zone, you should apply for a Coastal Use Permit (CUP) or contact the Coastal Management Division for more information. You will be informed as to whether or not a CUP is needed. This will avoid the possibility of performing work affecting coastal waters without proper authorization. For copies of the coastal zone map or to contact the Coastal Management Division, call (225) 342-7591 or 1-800-267-4019. The mailing address is Post Office Box 44487, Baton Rouge, Louisiana 70804. Also available are packets of materials containing information that will assist you in applying for a CUP.

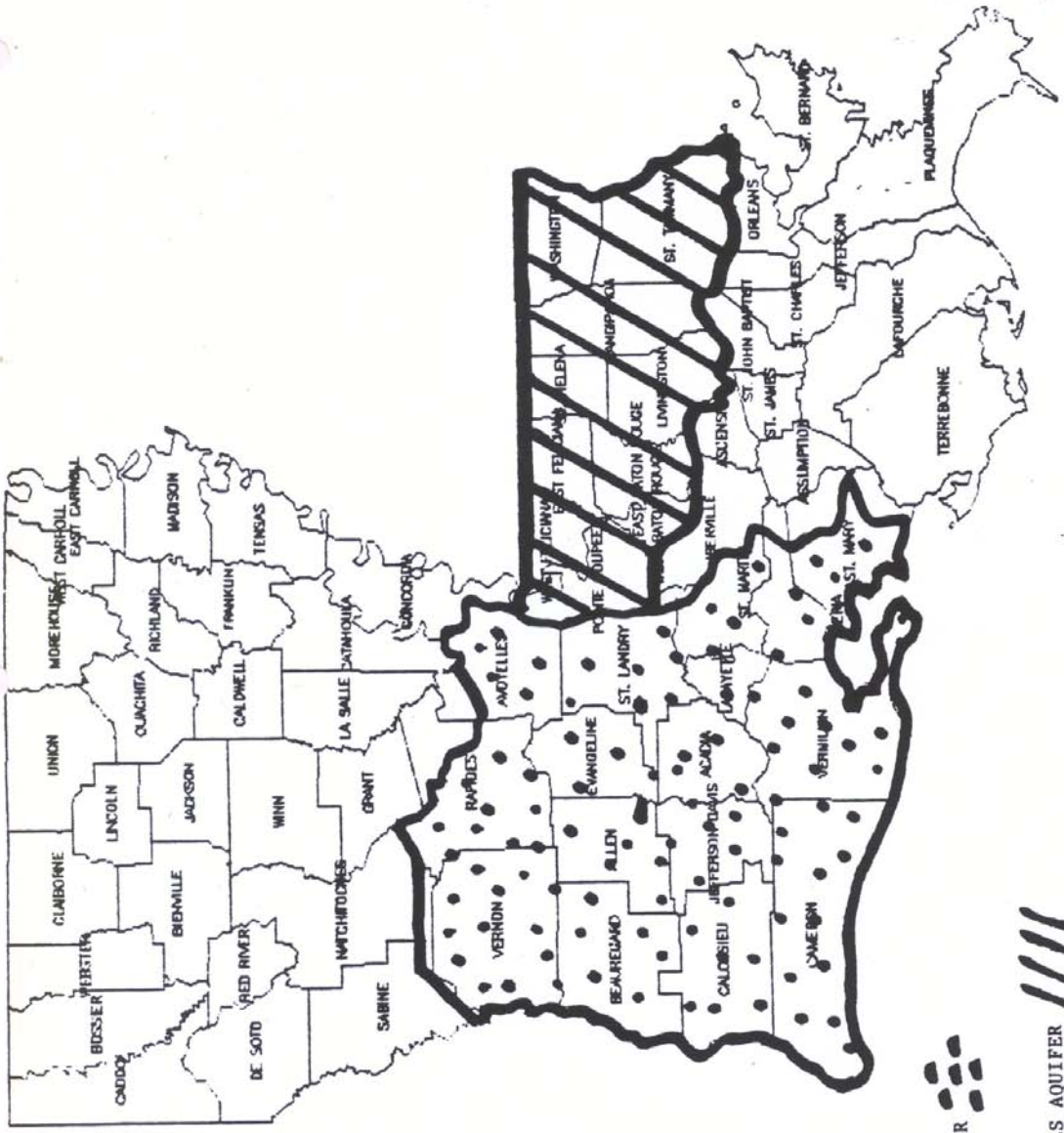
The internet address for the Department of Natural Resources is *www.dnr.state.la.us*

19 COASTAL PARISHES

Assumption
Calcasieu
Cameron
Iberia
Jefferson
Lafourche
Livingston
Orleans
Plaquemines
St. Bernard
St. Charles
St. James
St. John the Baptist
St. Martin
St. Mary
St. Tammany
Tangipahoa
Terrebonne
Vermilion

A-17

AQUIFER SYSTEMS



U.S. Department of Agriculture

FARMLAND CONVERSION IMPACT RATING

PART I *(To be completed by Federal Agency)*	Date Of Land Evaluation Request
Name Of Project	Federal Agency Involved
Proposed Land Use	County And State
PART II *(To be completed by SCS)*	Date Request Received By SCS

Does the site contain prime, unique, statewide or local important farmland? *(If no, the FPPA does not apply – do not complete additional parts of this form).* Yes ☐ No ☐		Acres Irrigated	Average Farm Size
Major Crop*(s)*	Farmable Land In Govt. Jurisdiction Acres: %	Amount Of Farmland As Defined in FPPA Acres: %	
Name Of Land Evaluation System Used	Name Of Local Site Assessment System	Date Land Evaluation Returned By SCS	

PART III *(To be completed by Federal Agency)*	Alternative Site Rating			
	Site A	Site B	Site C	Site D
A. Total Acres To Be Converted Directly				
B. Total Acres To Be Converted Indirectly				
C. Total Acres In Site				
PART IV *(To be completed by SCS)* Land Evaluation Information				
A. Total Acres Prime And Unique Farmland				
B. Total Acres Statewide And Local Important Farmland				
C. Percentage Of Farmland In County Or Local Govt. Unit To Be Converted				
D. Percentage Of Farmland In Govt. Jurisdiction With Same Or Higher Relative Value				
PART V *(To be completed by SCS)* Land Evaluation Criterion Relative Value Of Farmland To Be Converted *(Scale of 0 to 100 Points)*				

PART VI *(To be completed by Federal Agency)* Site Assessment Criteria *(These criteria are explained in 7 CFR 658.5(b)*	Maximum Points				
1. Area In Nonurban Use					
2. Perimeter In Nonurban Use					
3. Percent Of Site Being Farmed					
4. Protection Provided By State And Local Government					
5. Distance From Urban Builtup Area					
6. Distance To Urban Support Services					
7. Size Of Present Farm Unit Compared To Average					
8. Creation Of Nonfarmable Farmland					
9. Availability Of Farm Support Services					
10. On-Farm Investments					
11. Effects Of Conversion On Farm Support Services					
12. Compatibility With Existing Agricultural Use					
TOTAL SITE ASSESSMENT POINTS	160				
PART VII *(To be completed by Federal Agency)*					
Relative Value Of Farmland *(From Part V)*	100				
Total Site Assessment *(From Part VI above or a local site assessment)*	160				
TOTAL POINTS *(Total of above 2 lines)*	260				

Site Selected:	Date Of Selection	Was A Local Site Assessment Used? Yes ☐ No ☐

Reason For Selection:

STEPS IN THE PROCESSING THE FARMLAND AND CONVERSION IMPACT RATING FORM

Step 1 – Federal agencies involved in proposed projects that may convert farmland, as defined in the Farmland Protection Policy Act (FPPA) to nonagricultural uses, will initially complete Parts I and III of the form.

Step 2 – Originator will send copies A, B and C together with maps indicating locations of site(s), to the Soil Conservation Service (SCS) local field office and retain copy D for their files. (Note: SCS has a field office in most counties in the U.S. The field office is usually located in the county seat. A list of field office locations are available from the SCS State Conservationist in each state).

Step 3 – SCS will, within 45 calendar days after receipt of form, make a determination as to whether the site(s) of the proposed project contains prime, unique, statewide or local important farmland.

Step 4 – In cases where farmland covered by the FPPA will be converted by the proposed project, SCS field offices will complete Parts II, IV and V of the form.

Step 5 – SCS will return copy A and B of the form to the Federal agency involved in the project. (Copy C will be retained for SCS records).

Step 6 – The Federal agency involved in the proposed project will complete Parts VI and VII of the form.

Step 7 – The Federal agency involved in the proposed project will make a determination as to whether the proposed conversion is consistent with the FPPA and the agency's internal policies.

INSTRUCTIONS FOR COMPLETING THE FARMLAND CONVERSION IMPACT RATING FORM

Part I: In completing the "County And State" questions list all the local governments that are responsible for local land controls where site(s) are to be evaluated.

Part III: In completing item B (Total Acres To Be Converted Indirectly), include the following:

1. Acres not being directly converted but that would no longer be capable of being farmed after the conversion, because the conversion would restrict access to them.

2. Acres planned to receive services from an infrastructure project as indicated in the project justification (e.g. highways, utilities) that will cause a direct conversion.

Part VI: Do not complete Part VI if a local site assessment is used.

Assign the maximum points for each site assessment criterion as shown in §658.5(b) of CFR. In cases of corridor-type projects such as transportation, powerline and flood control, criteria #5 and #6 will not apply and will be weighed zero, however, criterion #8 will be weighed a maximum of 25 points, and criterion #11 a maximum of 25 points.

Individual Federal agencies at the national level, may assign relative weights among the 12 site assessment criteria other than those shown in the FPPA rule. In all cases where other weights are assigned, relative adjustments must be made to maintain the maximum total weight points at 160.

In rating alternative sites, Federal agencies shall consider each of the criteria and assign points within the limits established in the FPPA rule. Sites most suitable for protection under these criteria will receive the highest total scores, and sites least suitable, the lowest scores.

Part VII: In computing the "Total Site Assessment Points", where a State or local site assessment is used and the total maximum number of points is other than 160, adjust the site assessment points to a base of 160. Example: if the Site Assessment maximum is 200 points; and alternative Site "A" is rated 180 points:

$$\frac{\text{Total points assigned Site A}}{\text{Maximum points possible}} = \frac{180}{200} \times 160 = 144 \text{ points for Site "A."}$$

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SUMMARY OF ENVIRONMENTAL REVIEW REQUIREMENTS

Under 24 CFR Part 58

ENVIRONMENTAL REVIEW PROCEDURES FOR ENTITIES ASSUMING HUD ENVIRONMENTAL REVIEW REPSONSIBILITIES

October, 2004

Docname: summary.e.r.requirements.part.58.1

FEDERAL ENVIRONMENTAL LAWS AND AUTHORITIES

Applicable to Reviews by HUD Grant Recipients and Responsible Entities

National Environmental Policy Act of 1969 (NEPA)

- Created Council on Environmental Quality (CEQ)
- CEQ regulations at 24 CFR Part 1500-1508 establish general procedures, including Environmental Impact Statements, Environmental Assessments, and Categorical Exclusions

Housing and Community Development Act of 1974, as amended

- Decent housing in a suitable living environment
- Energy conservation
- Delegation of environmental responsibilities to local and state government
- Sec. 104(g) Request for Release of Funds (RROF)

Executive Orders 11988 and 11990 (1977) (Floodplain Management and Protection of Wetlands)

- Water Resources Council Floodplain Management Guidelines (1978) (8 Step Process)

Multifamily Housing Property Disposition Reform Act of 1994

- Permits states and general local governments to assume environmental review responsibilities for certain non-governmental or quasi-governmental recipients (non-profits, public housing agencies, housing finance agencies, etc.)

HUD Environmental Review Procedures at 24 CFR Part 58

- incorporates CEQ regulations
- applicable to many programs
- establishes thresholds and guidelines for EIS and Environmental Assessments
- defines Categorical Exclusions and Exemptions
- defines procedures for Request for Release of Funds
- defines assumption procedures for Responsible Entities

Sec. 58.5 Other Federal Laws and Authorities

- Historic Properties
- Floodplain Management* and Wetland Protection
- Coastal Zone Management
- Sole Source Aquifers
- Endangered Species
- Wild and Scenic Rivers
- Air Quality
- Farmlands Protection
- HUD Environmental Standards: 24 CFR Part 51
  - Noise Abatement and Control [51(B)]
  - Explosive or Flammable Hazards [51(C)]
  - Siting in Airport Clear Zones [51(D)]
  - Toxic or Radioactive Sites (HUD Notice 79-33)
- Environmental Justice (Executive Order 12898)

Sec. 58.6 Other Requirements

- Flood Insurance
- Coastal Barriers
- Runway Clear Zone Notification

* HUD implementing regulations published at 24 CFR Parts 50, 55, 58 & 200

Summary of Environmental Review Procedures

58.32 Define project considering aggregation, non-HUD funding, and cumulative effects
Conduct an appropriate level of review (including determination of exemptions)
Revise or mitigate project actions, if necessary
58.15 Consider tiering (i.e. multi-year community-wide housing rehabilitation project)

58.38 Document review in public Environmental Review Record (ERR)
If necessary, disseminate and post or publish public Notice (RROF or RROF and FONSI)
Submit a HUD-7015.15, Request for Release of Funds and Certification (RROF/C) (when required)

58.22 Do not commit or spend funds [except for exempt or 58.35(b) activities] until RROF/C is approved by HUD (or State). Do not commit non-HUD funds if activity would have adverse environmental impact or limit choice of alternatives.

58.47 & 58.32(d)(2) Revise or update review, if necessary
(New Public Notice, FONSI & RROF may be needed)

Level of Review Required

58.34(a) Exempt (i.e., administration, planning, public services)
- requires compliance with 58.6
(Request for Release of Funds not required)

58.35(b) Categorically Excluded, not subject to 58.5 (pre-determined by HUD)
- requires compliance with 58.6
(Request for Release of Funds not required)

58.34(a)(12) Categorically Excluded, determined to be Exempt
- no circumstances requiring compliance with 58.5 laws and authorities documented
- requires compliance with 58.6
(Request for Release of Funds not required)

58.35(a) Categorically Excluded (from NEPA requirement for Environmental Assessment or EIS)
- requires review of 58.5 Other Laws and Authorities
- requires compliance with 58.6
- requires Request for Release of Funds

58.36 Environmental Assessment (leads to FONSI or EIS)
- includes 58.5 review and 58.6 compliance
- requires FONSI & Request for Release of Funds
(FONSI & NOI/RROF may be combined)

58.37 Environmental Impact Statement
- high thresholds, e.g. construction of 2,500 or more housing units
- includes 58.5 review and 58.6 compliance
- requires publication of various notices, draft & final EIS, etc.
- requires Request for Release of Funds

Request for Release of Funds and Certification

58.22 HUD approval of RROF required before commitment of HUD or non-HUD funds
Exceptions: Exempt activities [58.34(a)]
Categorically Excluded activities not subject to 58.5 [58.35(b)]
Categorically Excluded activities determined to be exempt [58.34(a)(12)]
Non-HUD funds that would not have adverse environmental impact or limit choice of alternatives

58.43 Disseminate and post or publish NOI/RROF, FONSI, or combined FONSI/NOI/RROF

- Send notices to: interested individuals and groups
  local news media
  appropriate tribal, local, State & Federal agencies
  Regional Office of EPA
  HUD Field Office
- Newspaper publication optional
- If no publication, send Notices as above and display them:
  in public buildings
  in project area
  (or as determined by citizen participation process)

58.45 Minimum Public Comment Periods*

- FONSI: 15 days if published
  18 days if posted
- NOI/RROF 7 days if published
  10 days if posted
- Concurrent/combined FONSI and NOI/RROF: Same as FONSI Notice
  A FONSI and NOI/RROF are usually combined, with a 15 (if published) or 18 (if posted) day local comment period. If a FONSI is published before the NOI/RROF, a 15 or 18-day comment period is required, **and** the subsequent NOI/RROF then requires an **additional** 7 (if published) or 10 (if posted)-day comment period before submission of the RROF. Unless otherwise specified, the Responsible Entity is to use an RROF/C form (HUD-7015.15).

58.46 FONSI requires 30-day comment period for exceptional circumstances

58.43(c) Consider comments (and make modifications, if appropriate) before submission of RROF /C

58.71 Submit RROF/C signed by Certifying Officer along with a copy of the environmental Notice as published/posted (RROF package) to HUD (or State) at least one day after local comment period ends

58.73 Statutory Objection Period (HUD/State): The later of date in Notice, or 15 days after receipt of RROF*

58.32(d) Multi-Year projects: one submission of RROF/C

58.33 Emergencies (Presidentially-declared disasters): FONSI/NOI/RROF may be submitted to
HUD (or State) simultaneously with dissemination and posting or publishing public Notice

58.72- HUD Field Office (or State) issues Release of Funds to Recipient after end of the Objection
58.77 Period

*Per 58.21: the date of posting/publication in a newspaper is not counted as one of the days in the "comment"
period; and, the date an RROF/C is received by HUD (or State) is not counted in the 15-day "objection" period

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
CASH RECEIPTS JOURNAL

A-20

PROGRAM YEAR 20_____

DATE	CHECK NUMBER	SOURCE OF FUNDS	AMOUNT	CUMULATIVE AMOUNT

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
CASH DISBURSEMENTS JOURNAL

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PROGRAM YEAR 20_____

DATE	CHECK NUMBER	PAYEE	AMOUNT	CUMULATIVE AMOUNT

COMMUNITY DEVELOPMENT BLOCK GRANT
PROPERTY REGISTER

Description	Identification Number	Acquisition Date	Purchase Order # and/or Check #	Source of Funds	Cost		Percent of Federal Participation	Location		Condition		Disposition		
					Per Unit	Total		Date	Description	Date	Description	Date	Amount	Description

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LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
GENERAL LEDGER CHART OF ACCOUNTS

A-23

Account		Normal Balance
Assets		
01	Cash	Debit
13	Grant Revenue Receivable	Debit
14	Accounts Receivable	Debit
25	Other	Debit
Liabilities		
51	Accounts Payable	Credit
52	Contracts Payable	Credit
53	Accrued Salaries	Credit
54	Unearned Revenue	Credit
55	Other	Credit
56	Due to other Fund	Credit
Fund Balance		
69	Fund Balance	Credit
Budget, Expenditures, and Revenues		
80	EXPENDITURES	Debit
81	Administration	Debit
82	Acquisition	Debit
83	Engineering	Debit
84	Construction	Debit
90	REVENUE	Credit
91	Revenues -- LCDBG Program	Credit
92	Revenues -- LCDBG Program Income	Credit
93	Revenues -- Local Contribution	Credit
94	Revenues -- Other	Credit

****UNAUDITED****

A-24

CITY OF LIGHTS
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 20____

REVENUES:	
LCDBG Program	**$54,345**
City	**7,455**
TOTAL Revenues	**$61,800**
EXPENDITURES:	
Administrative Services	**$12,500**
Engineering Services	**25,700**
Project Construction	**23,800**
TOTAL Expenditures	**$61,800**
EXCESS (DEFICIENCY)OF REVENUES OVER EXPENDITURES	**- 0 –**
FUND BALANCE, BEGINNING	**- 0 –**
FUND BALANCE, ENDING	**- 0 –**

****UNAUDITED****

CITY OF LIGHTS
CAPITAL PROJECTS FUND
BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 20____

ASSETS:	
Cash	**$ 1,500**
Grant Revenues Receivable	**18,450**
TOTAL ASSETS	**$19,950**
LIABILITIES & FUND EQUITY:	
Accounts Payable	**$17,370**
Due to City	**2,480**
Unearned Revenue	**- 0 –**
TOTAL LIABILITIES	**$19,950**
FUND BALANCE	**- 0 –**
TOTAL LIABILITIES AND FUND EQUITY	**$19,950**

TOWN OF OAKBURG

TIME SHEET

SECTION: MAINTENANCE NAME: Joe Smith

UNIT: TITLE:

REPORTING PERIOD 10 / 13 / 03 TO 10 / 24 / 03

	13	14	15	16	17	18	19	20	21	22	23	24	25	26	
ACTIVITY	M	T	W	T	F	SA	SU	M	T	W	T	F	SA	SU	TOTAL
CDBG															
GRANT PAYMENTS															0.0
SETTING UP NEW GRANTS															0.0
INSPECTIONS															0.0
ENVIRONMENTAL															0.0
															0.0
															0.0
															0.0
OTHER TOWNWIDE/NON-PROGRAM SPECIFIC															0.0
															0.0
HOLIDAYS															0.0
SICK, ANNUAL, & OTHER LEAVE															0.0
K-TIME LEAVE															0.0
K-TIME EARNED - OTHER															0.0
															0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

SIGNATURE: DATE:

EMPLOYEE

SIGNATURE: TITLE: DATE:

SUPERVISOR

A-25

DA 6403
R 10/98

AUTHORIZED SIGNATURE CARD
for the
LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Authorized Signatures for Requests for Payment

Name/Address of Contractor Organization (1)	Contract Number (2)

SIGNATURES OF INDIVIDUALS AUTHORIZED TO DRAW ON THE CITED CONTRACT FUNDS

ANY TWO SIGNATURES REQUIRED TO SIGN OR COUNTERSIGN

Typed Name and Signature (3)	Typed Name and Signature (4)
Typed Name and Signature (5)	Typed Name and Signature (6)
I CERTIFY THAT THE SIGNATURES ABOVE ARE OF THE INDIVIDUALS AUTHORIZED TO DRAW PAYMENT VOUCHERS FOR THE CITED CONTRACT FUNDS. (7)	APPROVED: (8)
Date and Signature of Certifying Officer	Date and Signature of State Certifying Officer

—IMPORTANT—
NO ERASURES OR CORRECTIONS
MAY APPEAR ON THIS FORM

INSTRUCTIONS FOR AUTHORIZED SIGNATURE CARD

Line

1 Insert name and address, including zip code of the City/Parish receiving funds.

2 Leave blank, State staff will insert contract number here.

3-6 These blocks are for the typed name and signature of individuals who are authorized to sign the Community's Request for payments. Two signatures are required on each request, it is a good idea to have three or four people authorized to sign. Remember also that the individual who certifies the signatures on line 7 may not be one of the authorized persons on lines 3 through 6.

7 Signature and Date of Individual certifying the signatures in lines 3 through 6. This is normally the Chief Executive Office (Mayor or President of the Police Jury). If, however, the Mayor wishes to sign the Requests for Payment, he/she would sign once in lines 3 through 6 and somebody else can certify the signatures in line 7. If someone other than the Chief Executive Officer certifies the signatures in line 7, this form must be accompanied by a resolution of the governing body authorizing him/her to certify the signatures.

8 Leave blank.

Signature Card Samples

Incorrect Sample
(Signed name does not match typed name)

DA 6403
R 10/98

AUTHORIZED SIGNATURE CARD
for the
LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Authorized Signatures for Requests for Payment

Name/Address of Contractor Organization	Contract Number
City of Sampleville (1)	100-7005 (2)

SIGNATURES OF INDIVIDUALS AUTHORIZED TO DRAW ON THE CITED CONTRACT FUNDS — ANY TWO SIGNATURES REQUIRED TO SIGN OR COUNTERSIGN

Typed Name and Signature: John Doe (3) John D. Doe	Typed Name and Signature (4)
Typed Name and Signature (5)	Typed Name and Signature (6)
I CERTIFY THAT THE SIGNATURES ABOVE ARE OF THE INDIVIDUALS AUTHORIZED TO DRAW PAYMENT VOUCHERS FOR THE CITED CONTRACT FUNDS. 03/21/03 Jane Smith (7) Date and Signature of Certifying Officer	APPROVED: (8) Date and Signature of State Certifying Officer

—IMPORTANT—
NO ERASURES OR CORRECTIONS
MAY APPEAR ON THIS FORM

Correct Sample
(Signed name matches typed name)

DA 6403
R 10/98

AUTHORIZED SIGNATURE CARD
for the
LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Authorized Signatures for Requests for Payment

Name/Address of Contractor Organization	Contract Number
City of Sampleville (1)	100-7005 (2)

SIGNATURES OF INDIVIDUALS AUTHORIZED TO DRAW ON THE CITED CONTRACT FUNDS — ANY TWO SIGNATURES REQUIRED TO SIGN OR COUNTERSIGN

Typed Name and Signature: John Doe (3) John Doe	Typed Name and Signature (4)
Typed Name and Signature (5)	Typed Name and Signature (6)
I CERTIFY THAT THE SIGNATURES ABOVE ARE OF THE INDIVIDUALS AUTHORIZED TO DRAW PAYMENT VOUCHERS FOR THE CITED CONTRACT FUNDS. Jane Smith 03/21/03 (7) Date and Signature of Certifying Officer	APPROVED: (8) Date and Signature of State Certifying Officer

—IMPORTANT—
NO ERASURES OR CORRECTIONS
MAY APPEAR ON THIS FORM

DA 6404
R 10/98

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Designation of Depositary for Direct Deposit of LCDBG Contract Funds

SECTION I (To be Completed by Contractor)

NAME OF PROGRAM
Louisiana Community Development Block Grant Program

The First National Bank, 202 Main St., Sampleville, LA 70809 (1)
(Name, Address and ZIP Code of Bank)
has been designated as the depositary for all funds to be received directly from the State of Louisiana resulting from Contract Number 100-7005 (2)
(to be inserted by State) executed with the Division of Administration for deposit to Account Number 278-9908. (3)
The Account identified above is a non-interest bearing account.

City of Sampleville
(Name of City/Parish)

100 West Main St., Sampleville 70808 (4)
(Address and ZIP Code of City/Parish)

Mayor John Doe
(Title/Name of Executive Officer)
(Please Print or Type)

John Doe (5)
(Signature of Executive Officer)

3/21/03
(Date)

SECTION II (To be Completed by the Depositary)

The account identified in Section I has been established with this bank. All necessary documentation, including a power of attorney where necessary, the State of Louisiana for deposit to
First National Bank Account Number 278-9908 (6)
(Name of Bank and Account Number)
without the payee's endorsement have been received and are in this depositary's custody. The depositary's deposits are insured by FDIC. (7)
The Account identified above is a non-interest bearing Account.

First National Bank
(Name of Bank)

202 Main St., Sampleville 70809 (8)
(Address and ZIP Code where checks should be mailed)

The Depositary hereby agrees to immediately notify the Contractor Organization when a deposit is made in the above account.

Rich E. Rich, Vice President
(Name and Title of Authorized Bank Officer)
(Please Type or Print)

Rich E. Rich
(Signature of Authorized Bank Officer)

3/21/03 (9)
(Date)

INSTRUCTIONS FOR DESIGNATION OF DEPOSITARY FORM

Line **Section I: To be completed by Recipient Organization**

1. Insert name and address, including zip code, of the Bank into which you want your contract funds deposited.

2. Leave this line blank, State staff will insert your contract number.

3. Insert the account number into which your funds will be deposited. This account must be a non-interest bearing account.

4. Insert the name of the City or Parish receiving the funds and its mailing address, including zip code.

5. Type or print the Title and Name of the City/Parish Executive Officer, have him/her sign the form and date it.

Section II: To be completed by Bank Depositary

6. Insert Name of Bank and Account Number into which LCDBG funds will be deposited.

7. Indicate Agency which insures depository's deposits (FDIC or governmental entity insuring the first $100,000 of deposits). If deposits exceed $100,000, arrangements must be made for additional insurance coverage.

8. Insert Name of Bank and Mailing Address, including zip code, to which checks should be sent.

9. Type or print Name and Title of Authorized Bank Officer, have him/her sign the form and date it.

For your convenience, an enrollment form and the instructions are sent with your Community Development Block Grant contract. Completed forms and a copy of a voided check should be mailed or faxed directly to the address below. **For confidentiality reasons, do not return this form to any state agency other than the Office of Statewide Reporting and Accounting Policy (OSRAP).** Should you have any questions, please direct those inquiries to OSRAP:

Office of Statewide Reporting and Accounting Policy
P.O. Box 94095
Baton Rouge, LA 70804-9095
OSRAP Help Desk (225) 342-1097
FAX (225) 342-1053

COMPLETING THE ENROLLMENT FORM:

You are to complete the unshaded portions of the enrollment form. Please complete the fields with the following information:

Vendor Name - The name of your company or organization as it appears on the bank account referenced.

Please Check One – Select New Enrollment or Change.

Vendor Address - The mailing address of your organization to which all payments are sent.

Vendor FEIN/SSN - The Federal Tax Identification Number or Social Security Number of your organization.

ABA Number - The 9 digit routing code of the financial institution for the specified savings or checking account to which funds will be deposited. If funds are deposited into your checking account, the routing number usually precedes your checking account number on the bottom of your checks.

Check/Savings Ind - Circle the appropriate letter. "C" denotes a checking account and "S" denotes a savings account.

Bank Account Number - The bank account to which funds are to be deposited.

Bank ACCT DESCR - A general description of the bank account. For example, "Company XYX corporate checking account."

Bank Name - The name of the financial institution to which funds will be deposited.

Bank Address - (lines 1 - 3) The mailing address of the financial institution to which funds will be deposited.

City/State/Zip - The Bank's City/State/Zip for the mailing address listed.

Bank Telephone Number - The telephone number of the branch or bank office to contact for assistance with transmission problem resolution.

Vendor's Authorized Signature - The signature of the individual completing this form (Payee).

Print Name - Print or type the name of the individual completing this form.

Title - The title of the individual completing this form.

Date - The date the form is completed.

Phone Number - The telephone number of the individual completing the form.

NOTE: Please include a copy of a voided check or a letter from your financial institution for depository accounts as verification of account information. A representative from your financial institution must complete and sign the shaded area at the end of the form.

CDBG

ELECTRONIC FUNDS TRANSFER ENROLLMENT FORM	Please review instructions before completing this form. Please print or type.		
Vendor Name: _		Please Check One: [ ] New Enrollment [ ] Change	
Vendor Address: _____ _____		Vendor FEIN/SSN: _ _ _ _ _ _ _ _ _	For OSRAP use only. Location Code: _ _
ABA NUMBER:_ _ _ _ _ _ _ _ _	Circle C for Checking or S for Savings Check/Savings Ind: **C or S**	Bank Account Number: _ _ _ _ _ _ _ _ _ _ _ _ _ _ _	
Bank ACCT DESCR: _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

CDBG

ELECTRONIC FUNDS TRANSFER ENROLLMENT FORM	Please review instructions before completing this form. Please print or type.
Vendor Name: Town of Madison	Please Check One: [✓] New Enrollment [ ] Change
Vendor Address: P.O. Box 3297, Madison, La. 71477	Vendor FEIN/SSN: 726000343 — For OSRAP use only. Location Code: __
ABA NUMBER: 091000349 — Circle C for Checking or S for Savings Check/Savings Ind: (C) or S	Bank Account Number: 713243953
Bank ACCT DESCR: TOWN OF MADISON LCDBG ACCOUNT	
Bank Name: HANCOCK BANK	Bank Address: P.O. BOX 734
Bank Address:	Bank Address:
City: MADISON State: LA ZIP 71477	Bank Telephone Number: (225) 731-8509 Ext

By completing the information listed above, I hereby authorize the State of Louisiana, Division of Administration and their designees (*State*) to initiate ACH credit entries to the financial institution account listed as requested by the individual or organization above (Vendor) for payment of goods and services received. This authorization is to remain in full effect until such time as the *State* is notified in writing by the vendor. This notification must include such time and be in such a manner as to afford reasonable time for the *State* to act on it. I certify that I am authorized to complete the information listed above in the unshaded areas on behalf of the individual or organization named above and resolve issues related to enrollment. The information presented above is true and correct for the individual or organization named above. I understand that by utilizing the State's EFT payment process, I will no longer receive remittance advices from the State of Louisiana for payments issued. I am instead to contact my financial institution for remittance information and I am utilizing a financial institution which has the capability to receive such information. I am solely responsible for any fees assessed by my financial institution for their services. The *State* reserves the right to issue a check for payment when the situation warrants. **I agree to notify the *State* of changes to the information listed on this form immediately. Failure to provide the State with correct information or failure to notify the State of changes to bank and/or account information will result in the Vendor bearing sole liability for lost and/or misdirected payments.**

Vendor's Authorized Signature:	Joseph Mecalision	Print Name:	Joseph Mecalision		
Title:	Town Clerk	Date:	05/01/04	Phone #:	(225)695-3736 ext

FINANCIAL INSTITUTION:

I confirm that the routing and account information listed above is correct and our financial institution has the ability to receive ACH credit files and remittance information electronically.

Name:		**Date:**		**Title:** **Phone #:**	

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LOUISIANA CDBG REQUEST FOR PAYMENT

A. Name, Address, and Telephone Number of Contractor (City/Parish)	B. Date of Request
	D. Request #
C. Contract Number/Fiscal Year/CDBG Grant Representative	
E. Actual Delivery Date (A.D.D.) - The most recent date of delivery of services for each State fiscal year.	A.D.D. FY 1:
	A.D.D. FY 2:

1. Status of LCDBG Funds	Amount	State Use Only
A. LCDBG Funds Received to Date		
B. Program Income Received to Date		
C. Subtotal		
D. Funds Disbursed to Date		
E. Cash on Hand at Time of this Request		
F. LCDBG Funds Requested but not yet Received		

2. Amount of Funds Requested by Activity	A.D.D. FY 1	A.D.D. FY 2	Amount	
A. Acquisition of Real Property				
B. Public Works, Facilities, Site Improvements				
1. Sewer				
2. Streets				
3. Water (Fire Protection)				
4. Water (Potable)				
5. Community Center				
6. Other				
C. Rehabilitation Housing (includes rehab for public works)				
D. Rehabilitation Administration				
E. Clearance, Demolition				
F. Relocation Payments				
G. Economic Development				
1. Commercial/Industrial Infrastructure Development				
2. Loan				
3. Other				
H. Planning and Management Development				
I. Administration				
1. Pre-agreement Costs				
2. Public Facilities, Housing, and Economic Development				
3. Technology - Program Consultant				
4. Technology - Grantee Administrative Costs				
J. Total				

3. Certification

I certify that this Request for Payment has been drawn in accordance with the terms and conditions of the contract for the grant or loan and that the amount for which drawn is proper for payment to the drawer at the drawer's bank. I also certify that the data reported above is correct and that the amount of the Request for Payment is not in excess of current needs. **Approved and detailed invoices that equal or exceed the amount are attached.**

A. Date	Signature	Title
B. Date	Signature	Title

4. Approval (For State Use Only)

A. Reviewed By	Date
B. Approved By	Date

INSTRUCTIONS FOR REQUEST FOR PAYMENT FORM

LINE

A Enter name, address, including zip code, and telephone number of the City/Parish receiving funds.

B Enter the date this request is being submitted.

C Enter the Contract Number, Fiscal Year (FY) & Grant Type (i.e. FY 2005-ED) and the name of LCDBG Representative assigned to your grant.

D Enter number of request. Requests for Payment (RFP) are numbered sequentially. Your first request is #1, your second is #2, etc. If, for some reason, a request is returned to you for correction and resubmission, the resubmission would have the same number with an A after it, 2A.

E Enter the most recent date of delivery of invoices for each State fiscal year covered in the invoices for this RFP. Each invoice must have the date of delivery or, in the case of services rendered, a beginning and ending date. Any services that cover 2 fiscal years must be in separate invoices or the amount allocated to each fiscal year must be indicated. Ex. FY1 May 5, 2005 to June 30, 2005 $2,040, FY2 July 1, 2005 to August 5, 2005 $1,920. Enter only the dollar amounts in E. If 2 fiscal years are used, break out the amounts in each FY column if more than 1 activity is used under #2.

1A Enter total amount of LCDBG funds you have received as of the date of this request.

1B Enter any program income you have received as of the date of this request.

1C Add lines 1A and 1B together to get line 1C.

1D Enter total LCDBG funds you have disbursed as of the date of this request.

1E Subtract line 1D from line 1C to get line 1E, LCDBG cash and miscellaneous receipts on hand at the time of this request.

1F Enter the amount of funds you have previously requested, but have not received at the time of this request.

2A-2I Enter the amount requested by activity under the appropriate FY. If only one FY is used enter in FY1.

2J Add lines 2A-2I to get line 2J, Total amount requested, in each column.

3A-3B Have two of the persons authorized to sign the Request for Payment on lines 3-6 of the authorized signature card sign and date the Certification.

4 Leave blank.

BUDGET RECONCILIATION REPORT

1. Grantee Name	2. Person's Name Preparing Form Phone Number

3. Contract Number:	4. Date Prepared	5. Period Covered

ACTIVITY	FUNDS BUDGETED		BUDGET BALANCES	DRAWDOWNS RECEIVED	ACTUAL EXPENDED	DIFFERENCES
	ORIGINAL	CURRENT				
6	7		8	9	10	11

A-30

INSTRUCTIONS

BUDGET RECONCILIATION REPORT

1. Enter the name of the City/Parish receiving the funds.

2. Enter the name of the person preparing the papers.

3. Enter the contract number.

4. Enter the date the report is prepared.

5. Enter the period covered by this report.

6. Enter the name of each activity. Use the activity names that appear in Exhibit A, Item 2 of your approved contract.

7. Enter the LCDBG funds originally budgeted in the contract and the current amount budgeted. If there have been no revisions or amendments, these amounts should be the same.

8. Enter the amounts remaining in the current budget, according to your records.

9. Enter the cumulative drawdowns received in each activity category, as requested as of the date of the report.

10. Enter the actual cumulative amounts expended in each category. If the funds were expended for a different activity than requested, enter how they were actually expended, not requested.

11. Enter the differences for each activity between the figures in Column 9 and Column 10.

LCDBG BUDGET REVISION FORM

1. Grantee Name: 2.Contact Person's Name and Phone Number:

3. Contract Number: 4.Date: 5.Budget Revision Number:

6. Activity/Line Item	Original/Current Budget (A)	Revised Budget (B)	Reasons for Change (C)
A. Acquisition of Real Property			
B. Public Works, Facilities, Site Improvements			
1. Sewer			
2. Water (Potable)			
3. Water (Fire Protection)			
4. Streets			
5. Multi-Purpose Community Centers			
6. Other			
C. Clearance, Demolition			
D. Rehabilitation Loans and Grants (Housing & PF hookups)			
E. Rehabilitation Administration			
F. Provision of Public Services			
G. Relocation Payments and Assistance			
H. Economic Development			
1. Acquisition Land Building			
2. Infrastructure Improvements			
3. Building Construction/Improvements			
4. Industrial and Commercial Facilities			
5. Inventory			
6. Working Capital			
7. Capital Equipment			
8. Other			
I. Administration (Total)			
1. Pre-Agreement Costs (architectural/engineering/consulting)			
2. Housing Rehabilitation			
3. Public Facilities			
4. Economic Development			
J. Other			
K. Other			
L. **TOTAL**			

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LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REQUEST FOR PROGRAM AMENDMENT

1. Grantee Name

2. Contact Person's Name

Phone Number

_____ 3. Contract Number:

4. Date

5. Program Amendment Number

Name of Activity	Approved Work To be Completed	Proposed Work to be Completed	Reasons for Change	Low/Moderate Income Beneficiaries		Extremely Low/ Low Income Beneficiaries		Minority Beneficiaries		Total Beneficiaries	
				Original	Revised*	Original	Revised*	Original	Revised*	Original	Revised*
6	7	8	9	# % 10	# %	# % 11	# %	# % 12	# %	# % 13	# %

14. Date of public hearing on proposed amendment: _____ Attach a copy of the public notice and minutes of the public hearing. Also, attach a map which identifies the location of any proposed activities.

* Methodology for determining revised beneficiaries:

15. Activity/Line Item	Original/Current Budget (A)	Proposed Budget (B)	Comments (C)
A. Acquisition of Real Property			
B. Public Works, Facilities, Site Improvements			
1. Sewer			
2. Water (Potable)			
3. Water (Fire Protection)			
4. Streets			
5. Multi-purpose Community Centers			
6. Other			
C. Clearance, Demolition			
D. Rehabilitation Loans and Grants (Housing & PF hook-ups)			
E. Rehabilitation Administration			
F. Provision of Public Services			
G. Relocation Payments and Assistance			
H. Economic Development			
1. Acquisition Land Building			
2. Infrastructure Improvements			
3. Building Construction/Improvements			
4. Industrial and Commercial Facilities			
5. Inventory			
6. Working Capital			
7. Capital Equipment			
8. Other			
I. Administration (Total)			
1. Pre-Agreement Costs (architectural/engineering/consulting)			
2. Housing Rehabilitation			
3. Public Facilities			
4. Economic Development			
J. Other			
K. Other			
L. TOTAL			

INSTRUCTIONS

LCDBG REQUEST FOR PROGRAM AMENDMENT

1. Enter grantee name.

2. Enter name and phone number of person to contact if there are questions concerning this request.

3. Enter contract number.

4. Enter date request prepared.

5. Enter program amendment number. If this is your first program amendment, enter number 1, your second, enter number 2, et cetera.

6. In column 6, list current activities as shown in your contract. Use the same activity name as used in Exhibit A of your Contract.

7. Identify the specific items of work that were approved in your application, be detailed and specific (such as water well, water distribution system, water storage tank).

8. Identify the specific items that will be completed if the amendment is approved. For example, if 30 houses were initially approved to be rehabilitated enter that number in column 7: if the amendment is requesting that only 28 houses be rehabilitated, enter that number in column 8.

9. In column 9 explain the reason for the proposed changes.

10. In column 10 provide the number and percentage of low and moderate income beneficiaries. Show the original number and the number of beneficiaries if the amendment is approved. The methodology for determining the revised beneficiaries must be given at the bottom of the page or on a separate sheet of paper.

11. In column 11 provide the number and percentage of extremely low and low income beneficiaries. Show the original number and the number of beneficiaries if the amendment is approved. The methodology for determining the revised beneficiaries must be given at the bottom of the page or on a separate sheet of paper.

12. In column 12 provide the number and percentage of minority beneficiaries. Again, show the original figures and the figures if the amendment is approved. Identify the methodology for determining the revised minority beneficiaries.

13. In column 13 provide total number of beneficiaries based on the original activity and the proposed activity. Again, identify the methodology for determining the revised number.

14. Enter the date of the public hearing and attach a copy of the minutes.

15. Complete item 15 on the second page by showing the appropriate dollar amounts based upon the original or current budget and the proposed budget based upon the requested amendment.

NOTE: Attach a map showing the location of any proposed activities.

date

Honorable

A-33

Re: Notice of Removal of Contract Conditions / Transmittal of Executed Contract
FY 2008 Louisiana Community Development Block Grant Program
project

Dear :

The Notice of Removal of Contract Conditions and a copy of the executed contract on the referenced program are enclosed for your information and files. The contract authorizes you to requisition funds in accordance with the "Schedule of Payment" provisions. The requisition of funds is authorized as of the date of this letter, not the date of the contract. The Office of Community Development will accept no more than two requisitions per month. Request for Payment forms are available on our website at www.state.la.us/cdbg/cdbg.htm, or can be emailed to you as needed.

The project's plans and specifications have been reviewed by our staff engineer. The xxx is now authorized to advertise for bids.

The xxx must advertise for bids within thirty days of the date of this letter, or day, date. A copy of the bid advertisement inclusive of the dates published must be sent to us. Failure to comply with this 30-day bid requirement will result in the assessment of $250 per working day against the amount of grant funds allowed for engineering services. If the xxx or administrative consultant is responsible for the failure to advertise by date, then the penalty will be assessed accordingly. If extenuating circumstances exist that prevent the publication, you must notify us in writing prior to the end of the 30-day period and request a time extension. We reserve the right to grant an extension when the reasons are valid.

A resume of the engineer's inspector and a completed "Qualification Certification" form must be sent to this office before construction begins. [Please see Exhibit B-xx on page xxx in the 2007 LCDBG Grantee Handbook for the qualification certification form.]

If you have questions regarding the implementation of your program, please do not hesitate to call or email xxxxx at 225/342-7412 or xxxxxx@la.gov.

Sincerely,

Carol M. Newton
Director, Louisiana Community
Development Block Grant Program

Enclosures: 2

NOTICE OF REMOVAL OF CONTRACT CONDITIONS

Contractor Name	**Name/Title of Chief Executive Officer**
grantee	Honorable xxx
Contractor Address	**Date**
xxx	xxx

On date, the State received your Request for Release of Funds and Certification. Your contract contained the following conditions.

1. Environmental Review	Cleared
2. Section 504 Assurance	Cleared
3. Community Development Plan	Cleared
4. Financial Certifications	Cleared
5. Residential Antidisplacement Plan and Certification	Cleared
6. Application Revisions	Cleared
7. Engineer's Plans, Specifications and Final Cost Estimate	Reviewed

|x| Any and all conditions in the contract number xxxxxx, signed by the State on date, respecting said activity(ies) and funding thereof are hereby removed.

| | Additional materials are needed before funds can be released. See back for detail.

Name/Title of Authorizing Officer	**Signature of Authorized Officer**	**Date**
Carol M. Newton Director, LCDBG Program Office of Community Development		xxx

COMMUNITY DEVELOPMENT PLAN

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COMMUNITY DEVELOPMENT PLAN **1. Period of Applicability**

Grantee: _____ **FROM: _____ TO: _____**

2. Community Development and Housing Needs:
(Provide a brief narrative in accordance with instructions for each listed area)

A. NEIGHBORHOOD REVITALIZATION NEEDS
(Describe all needs. All needs listed may or may not be resolved with the current LCDBG Grant.)

B. COMMUNITYWIDE HOUSING NEEDS
(Describe all needs. All needs listed may or may not be resolved with the current LCDBG Grant.)

C. COMMUNITYWIDE NEEDS FOR PUBLIC FACILITIES AND IMPROVEMENTS
(Describe all needs. All needs listed may or may not be resolved with the current LCDBG Grant.)

D. ECOMONIC DEVELOPMENT NEEDS
(Describe all needs. All needs listed may or may not be resolved with the current LCDBG Grant.

Additionally, identify any population group(s) with high unemployment or a statement that there *is no high unemployment population group(s).)*

_____ Check here if continued on additional pages.

3. Data Sources

COMMUNITY DEVELOPMENT PLAN (Continued) Grantee: _____

4. Comprehensive Strategy:
(Provide a narrative in accordance with instructions for each listed area.)

A. NEIGHBORHOOD REVITALIZATION STRATEGY

(State how the needs listed in 2A will be addressed to include objectives, activities, timing, monetary amounts and funding sources.)

B. COMMUNITY-WIDE HOUSING STRATEGY

(State how the needs listed in 2B will be addressed to include objectives, activities, timing, monetary amounts and funding sources.)

C. STRATEGY FOR PROVIDING COMMUNITYWIDE PUBLIC FACILITIES IMPROVEMENTS

(State how the needs listed in 2C will be addressed to include objectives, activities, timing, monetary amounts and funding sources.)

D. ECONOMIC DEVELOPMENT STRATEGY

(State how the needs listed in 2D will be addressed to include objectives, activities, timing, monetary amounts and funding sources.)

_____ Check here if continued on additional pages.

NOTE: 1) Borders are not recommended.
2) Do not submit a CD Plan in ALL CAPS.
3) See Task A-7 for further clarification.
4) Font size 12 and single spacing is recommended.

Community Development Plan Form Instructions

Item 1: Enter the beginning and completion dates for the three-year period covered by the Community Development Plan. It is acceptable to enter the date of the Authorization to Incur Costs letter for the beginning date.

Item 2: Community Development and Housing Needs - Briefly describe your major community development and housing needs, with particular emphasis on the needs of low-moderate income households and any special needs of identifiable segments of the total group of lower-income persons. This description shall include the following categories, headed as shown and in the following order:

A. Neighborhood Revitalization Needs. Briefly describe your major needs for maintaining viable neighborhoods and upgrading neighborhoods affected by housing, public facilities and improvements, and other related neighborhood needs. To the extent feasible, this description should present a neighborhood by neighborhood analysis of those areas having significant concentrations of low-moderate income persons and/or substandard and deteriorated housing.

B. Community-wide Housing Needs. Briefly describe your major community-wide housing needs regarding the general supply and maintenance of housing, increasing the choice and availability of housing for low-moderate income persons, and providing fair housing opportunities.

C. Community-wide Needs for Public Facilities and Improvements. If you have any major community-wide needs for public facilities and improvements which are eligible for assistance with Community Development Block Grant funds which will serve the overall community, briefly describe those needs here.

In contrast, public facilities and improvements which will serve a particular neighborhood should be described under "Neighborhood Revitalization Needs."

D. Economic Development Needs. Briefly describe your major economic development needs. This description should include a discussion of the needs of identifiable population groups experiencing significant unemployment or under-employment, **and at a minimum must identify these population groups or state that there are no identifiable groups**.

Item 3: Data Sources - Indicate the data sources on which you based your summary of community development and housing needs (i.e., census data, capital improvement program, special local surveys, studies or plans, etc.).

Item 4: Comprehensive Strategy - Describe how you propose to meet the community development and housing needs identified above and in particular the needs of low-moderate income households residing in the community. Include any special needs of identifiable segments of the total groups of lower income persons (e.g., minority groups or female-headed households). This narrative description should include the categories described below in the order shown. In describing how you propose to provide improved community facilities and public improvements (including the provision of supporting health, social and similar services where necessary and appropriate), indicate how the handicapped will benefit from those actions.

A. Neighborhood Revitalization Strategy. Describe your strategy for maintaining and preserving viable neighborhoods and for upgrading neighborhoods affected by blight and deterioration. Emphasize actions to be taken that will improve conditions for low-moderate income persons residing in the community. You must address at least one of the two areas described below, based on the program of activities that you have selected.

(1) Defined concentrated areas. Identify as defined concentrated areas those areas in which you plan to concentrate sufficient community development and other resources to produce substantial long-term improvements within a reasonable period of time. Your discussion of defined concentrated areas should include:

(a) the objectives to be achieved, both long-term and short-term,

(b) the physical improvement programs to be carried out with block grant funds, such as code enforcement, rehabilitation, acquisition, demolition, or public improvements,

(c) any related programs proposed such as Section 8 Substantial Rehabilitation Special Procedures,

(d) public services to be carried out in support of the physical improvements projects, if any,

(e) the coordination of block grant funded activities and local community development actions,

(f) the anticipated resources, including block grant funds, other Federal, State, parish, local funds, or private investment, and

(g) the role of any neighborhood organization(s).

(2) Other neighborhood improvement efforts. Describe neighborhood improvement efforts other than those planned for defined concentrated areas. This strategy should include specific actions designed to prevent or eliminate slums and blight. It should also include actions designed to provide improved community facilities and public improvements to neighborhoods principally occupied by persons of low and moderate income. The strategy shall describe:

(a) the objectives to be accomplished (short and long-term),

(b) the activities to be carried out that will meet the listed objectives,

(c) the anticipated timing needed to complete the activities, and

(d) the amount of the block grant and/or other funds if applicable.

B. Communitywide Housing Strategy. Describe your communitywide strategy for improving housing assistance needs that have been identified.

(1) Describe a strategy for any housing programs to be carried out on a communitywide basis, such as provision of rehabilitation financing for low-moderate income persons. It should also include the goals to be accomplished, a timetable of actions to be taken, and the amount of block grant and/or other funds if applicable.

(2) Identify any regulatory or other actions proposed to foster housing maintenance and improvements (e.g., actions to eliminate redlining with respect to property insurance and the availability of credit for

the purchase and rehabilitation of housing, or actions such as provision of tax incentives to promote investment in restoration of deteriorated or abandoned housing).

(3) Describe your strategy for increasing the choice of housing opportunities for low-moderate income persons, (including members of minority groups and female-headed households), efforts to achieve expanded housing opportunities and actions to affirmatively further fair housing.

(4) Identify any community facilities and improvements to be provided which are intended to further your housing strategy.

(5) Identify where displacement or other hardships to low-moderate income persons will result from Community Development Block Grant funded acquisition, demolition, code enforcement, or rehabilitation. The strategy shall describe what steps will be taken to minimize involuntary displacement and to enable displaced persons to remain in the same neighborhood when desired.

C. Strategy for Providing Community-wide Public Facilities and Improvements. Describe your strategy for meeting the identified needs for public facilities and improvements which serve the community in general, such as certain senior citizen centers and centers for the handicapped. You should also describe;

(1) the objectives to be accomplished,

(2) the activities to be carried out that will meet the listed objectives,

(3) the anticipated timing needed to complete the activities, and

(4) the amount of the block grant and/or other funds if applicable.

D. Economic Development Strategy. (A description of a strategy for economic development is required **only** from those applicants who propose block grant funded economic development activities. If no Economic Development activities are proposed, indicate 'not applicable' here.) The strategy shall include;

(1) a description of the activities proposed to further economic development and to attract investment, including the coordination of block grant funded activities with other local actions, and a timetable for provision of additional Federal, State or other resources.

(2) the number and types of permanent jobs expected to result from economic development projects, particularly jobs for unemployed or underemployed population groups and low-moderate income

persons and the types and extent of any job training or other efforts to assist such residents, and

(3) evidence of commitments or interest on the part of developers for new or expanded employment facilities, if any.

PROCUREMENT

TITLE 24--HOUSING AND URBAN DEVELOPMENT

PART 85--ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE, LOCAL AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS—

Table of Contents

Subpart C--Post-Award Requirements

Sec. 85.36 Procurement.

(a) States. When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

(b) Procurement standards.

(1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(2) Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

(i) The employee, officer or agent,

(ii) Any member of his immediate family,

(iii) His or her partner, or

(iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local

law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

(4) Grantee and subgrantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(5) To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

(6) Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(7) Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(8) Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(9) Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(10) Grantees and subgrantees will use time and material type contracts only--

(i) After a determination that no other contract is suitable, and

(ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

(11) Grantees and subgrantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or subgrantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for

that of the grantee or subgrantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

(12) Grantees and subgrantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and subgrantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:

(i) Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and

(ii) Violations of the grantee's or subgrantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or subgrantee.

(c) Competition.

(1) All procurement transactions will be conducted in a manner providing full and open ompetition consistent with the standards of Sec. 85.**36**. Some of the situations considered to be restrictive of competition include but are not limited to:

(i) Placing unreasonable requirements on firms in order for them to qualify to do business,

(ii) Requiring unnecessary experience and excessive bonding,

(iii) Noncompetitive pricing practices between firms or between affiliated companies,

(iv) Noncompetitive awards to consultants that are on retainer contracts,

(v) Organizational conflicts of interest,

(vi) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement, and

(vii) Any arbitrary action in the procurement process.

(2) Grantees and subgrantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:

(i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements,

contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a brand name or equal description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

(ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) Grantees and subgrantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and subgrantees will not preclude potential bidders from qualifying during the solicitation period.

(d) Methods of procurement to be followed.

(1) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at $100,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

(2) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in Sec. 85.36(d)(2)(i) apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;

(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;

(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

(3) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources;

(iii) Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(4) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;

(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(C) The awarding agency authorizes noncompetitive proposals; or

(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) Grantees and subgrantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) Contracting with small and minority firms, women's business enterprise and labor surplus area firms.

(1) The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) Contract cost and price. (1) Grantees and subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and architectural engineering services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or

based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) Grantees and subgrantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see Sec. 85.22). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.

(4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) Awarding agency review.

(1) Grantees and subgrantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or subgrantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and subgrantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or

(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a ``brand name'' product; or

(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(3) A grantee or subgrantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

(i) A grantee or subgrantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.

(ii) A grantee or subgrantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or subgrantee that it is complying with these standards. A grantee or subgrantee will **cite** specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) Bonding requirements. For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or subgrantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) A bid guarantee from each bidder equivalent to five percent of the bid price. The ``bid guarantee'' shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) A performance bond on the part of the contractor for 100 percent of the contract price. A ``performance bond'' is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

(i) Contract provisions. A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

(2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled ``Equal Employment Opportunity,'' as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of $10,000 by grantees and their contractors or subgrantees)

(4) Compliance with the Copeland ``Anti-Kickback'' Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of $2000 awarded by grantees and subgrantees when required by Federal grant program legislation)

(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of $2000, and in excess of $2500 for other contracts which involve the employment of mechanics or laborers)

(7) Notice of awarding agency requirements and regulations pertaining to reporting.

(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

(10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

(11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of $100,000)

(13) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

[53 FR 8068, 8087, Mar. 11, 1988, as amended at 60 FR 19639, 19642, Apr. 19, 1995]

A-36

SAMPLE

(This is a sample only. Each local governing body should revise the Policy to reflect its own specific needs/criteria.)

PROCUREMENT POLICY

These procedures are intended to serve as guidelines for the procurement of supplies, equipment, construction services and professional services for the LCDBG Program. These guidelines meet the standards established in 24 CFR 85.36 and state requirements.

CODE OF CONDUCT

No employee, officer, or agent of the _____(City/Parish)_____ shall participate in the selection or in the award or administration of a contract supported by LCDBG funds if a conflict of interest, real or apparent, would be involved. Such a conflict could arise if the employee, officer or agent; any member of his/her immediate family; his/her partner; or an organization which employs or is about to employ any of the above, has a financial or other interest in the firm selected for award.

No officer, employee or agent of the _____(City/Parish)_____ shall solicit or accept gratuities, favors or anything of monetary value from contractors or firms, potential contractors or firms, or parties to sub-agreements, except where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

Any alleged violations of these standards of conduct shall be referred to the _____(City/Parish)_____ Attorney. Where violations appear to have occurred, the offending employee, officer or agent shall be subject to disciplinary action, including but not limited to dismissal or transfer; where violations or infractions appear to be substantial in nature, the matter may be referred to the appropriate officials for criminal investigation and possible prosecution.

PROCUREMENT PROCEDURES

The director or supervisor of each department or agency of the _____(City/Parish)_____ responsible for procurement of services, supplies, equipment, or construction obtained with LCDBG funds shall review all proposed procurement actions to avoid the purchase of unnecessary or duplicative items. Such reviews shall consider consolidation or breaking out to obtain a more economical purchase. When determined appropriate by the Director or Supervisor, an analysis to determine which approach would be the most economical shall be undertaken.

The _____(City/Parish)_____ shall take affirmative steps to assure that small and minority firms, women's business enterprises, and labor surplus firms are solicited whenever they are potential qualified sources. The _____(City/Parish)_____ shall also consider

the feasibility of dividing total requirements into smaller tasks or quantities so as to permit maximum participation by small and minority firms, women's business enterprises, and labor surplus firms. Where permitted by regulations, delivery schedules will be developed which will include participation by such businesses.

The _____(City/Parish)_____ shall assist the prime contractor whenever possible by providing copies of lists which identify qualified small and minority firms, women's business enterprises, and labor surplus area firms.

SELECTION PROCEDURES

ALL procurement carried out with LCDBG funds, where _____(City/Parish)_____ is a direct party, shall be carried out in a manner that provides maximum free and open competition. Procurement procedures will not restrict or eliminate competition. _____(City/Parish)_____ shall not place unreasonable requirements on firms in order for them to qualify to do business. Nor will _____(City/Parish)_____ encourage or participate in noncompetitive practices among firms. The _____(City/Parish)_____ is alert to organizational conflicts which would jeopardize the negotiation process and limit competition. _____(City/Parish)_____ will not require unnecessary experience or bonding requirements.

Pursuant to state law, all solicitations of offers shall incorporate a clear accurate description of the technical requirements for the material, service, or product to be procured. In competitive procurements, these descriptions shall not contain features which unduly limit competition. The description may include a statement of the qualitative nature of the material, product, or service and the minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications shall be avoided whenever possible. A "brand name or equal" description may be used to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offerers shall be clearly stated.

All solicitations of offers shall clearly set forth all requirements which offerers must fulfill and all other factors to be used in evaluating bids, proposals, or statements of qualifications.

Contracts shall be awarded only to responsible contractors/firms that possess the potential ability to perform successfully under the terms and conditions of the proposed procurement.

Consideration shall be given to such factors as the contractor's/firm's capacity, integrity, compliance with public policy, record of past performance, and financial and technical resources.

METHODS OF PROCUREMENT

Direct procurement by the _____(City/Parish)_____ shall be made by using one of the following methods depending on the type of service to be procured.

Small Purchase Procedures. Relatively simple, informal procurement procedures will be used where the purchase of materials, supplies, equipment, and/or other property will not cost in the aggregate more than $20,000, and for construction with a cost of less than $100,000, except where further limited by state law or LCDBG policy. The small purchase procedure can also be

utilized to procure administrative consulting and other professional services costing less than $100,000. The only exception to professional services is for architectural/engineering services that must be procured through competitive negotiation. The procurement officer must obtain a minimum of three oral or written price or rate quotations from qualified sources. Documentation on all quotations received (whether oral or written) shall be made a part of the file.

Competitive Sealed Bids/Formal Advertising. Under this procedure bids are publicly advertised in accordance with the state's Public Bid Law. A firm fixed price contract (either lump sum or unit price) shall be awarded to the responsible bidder whose bid is lowest in price and that conforms to all the material terms and conditions of the advertisement for bids.

Competitive sealed bids can be used ONLY when the following criteria are met: (1) there are complete, adequate, and realistic specifications or purchase descriptions; (2) there are two or more responsible bidders who are willing and able to compete effectively; (3) the procurement can be made on a firm fixed-price contract and selection of the successful bidder can appropriately be made principally on the basis of price.

When formal advertising is used the following conditions shall be met.

i. The advertisement for bids shall be publicly advertised in accord with state law.
ii. The advertisement for bids, including the specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the advertisement.
iii. All bids shall be opened publicly at the time and place specified in the advertisement for bids.
iv. A firm fixed-price contract award shall be made by written notice to the lowest responsible bidder whose bid conforms to the advertisement for bids. Where specified in the bid documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts shall only be used to determine low bid when prior experience indicates that such discounts are generally taken.
v. Notwithstanding the above, any or all bids may be rejected when there are sound documented business reasons in the best interest of the LCDBG Program.

Competitive Negotiation: Requests for Proposals/Qualification Statements. This method may be used when formal advertising is not appropriate. Architectural and engineering services must be procured via requests for qualification statements; administrative consulting services must be procured via requests for proposals. Other professional services may also be procured by requests for proposals. The following procedures will be used for competitive negotiation:

i. Requests for proposals or qualification statements must be advertised in a newspaper in the nearest metropolitan area in accordance with the rules of the state's LCDBG Program. All submittals will be honored and entered into the competition.
ii. The package for proposals or qualification statements shall identify all significant evaluation factors or selection criteria, including the corresponding point system that will be used to rate the proposals/qualification statements.

iii. The selecting official (or committee, if one is designated) shall review all proposals and statements received and make a technical evaluation of each. This shall also include a written statement that identifies the basis upon which the selection was made.

iv. Contract award will be made to the responsible offerer whose submission is deemed most appropriate to the _____(City/Parish)_____ with consideration for price, qualifications, and other factors set by the local governing body. Unsuccessful offerers shall be notified in writing within ten working days of contract award. Documentation of notification shall be maintained in the contract selection file for the individual project.

v. Following the review of the qualification statements received, the most qualified competitor will be selected to enter into contract negotiation. This shall always include negotiation of price to insure cost reasonableness. At the conclusion of successful negotiation, the competitor shall be invited to enter into a contract.

Noncompetitive Negotiation/Sole Source. Noncompetitive negotiation shall be used when small purchase, formal advertising, or competitive negotiation procedures are not feasible. Noncompetitive negotiation will involve solicitations of a proposal from only one source. This can also occur if solicitations under the competitive negotiation procedures result in only one proposal or qualification statement. Noncompetitive negotiation shall only be used when written authorization has been obtained from the state's Office of Community Development, with the one exception noted. In order to qualify for this type of procurement, one of the following circumstances must apply:

i. The item or service is available only from a single source;

ii. It is determined that a public urgency or emergency exists and the urgency will not permit the delay beyond the time needed to employ one of the other three methods of procurement.

iii. After solicitation of a number of sources, competition is determined to be inadequate.

The one exception to this method is that the non-competitive negotiation method may be used, without written authorization from the state, when an area-wide planning agency or regional planning and development district is utilized for administrative consulting services.

CONTRACT PRICING

Cost plus percentage of cost and percentage of construction cost methods of contracting MUST NOT be used. _____(City/Parish)_____ shall perform cost or pricing analysis in connection with EVERY procurement action including contract modifications. Costs or prices based on estimated costs for LCDBG projects shall be allowed only to the extent that the costs incurred or the cost estimates included in negotiated prices are consistent with federal cost principals. Cost reimbursement, fixed price, per diem contracts, or a combination thereof may be utilized as appropriate.

A cost reimbursement type contract is most appropriate when the scope and extent of the work to be performed are not clearly defined. A cost reimbursement contract MUST clearly establish a cost ceiling which may not be exceeded without formally amending the contract, and must

identify a fixed dollar profit that may not be increased unless there is a contract amendment that increases the scope of the work.

A fixed price contract is appropriate when the scope of work is very well defined and product oriented. A fixed price contract MUST establish a guaranteed price that may not increase unless there is a contract amendment that increases the scope of the work.

A per diem contract expected to exceed $10,000 will not be considered unless ___(City/Parish)___ has determined that a cost reimbursable or fixed price contract is not appropriate. Cost and profit included in the per diem rate MUST be specifically negotiated and shown separately in the proposal. The contract must clearly establish a ceiling price that may not be exceeded without formally amending the contract.

The _____(City/Parish)_____ may use a multiplier type of compensation under either the cost reimbursement or fixed price contract. The multiplier and the portions of the multiplier applicable to overhead and profit must be specifically negotiated and separately identified in the contract.

PROCUREMENT RECORDS

The _____(City/Parish)_____ shall maintain records sufficient to detail the history of the procurement. The records shall include the following contract provisions and conditions:

i. Contracts other than small purchase shall contain provisions that allow for administrative, contractual, or legal remedies if contractors violate or breach contract terms, and provide for sanctions and penalties as appropriate.

ii. All contracts in excess of $10,000 shall provide for termination for cause and for convenience by the _____(City/Parish)_____ including the manner in which it will be done and the basis for settlement.

iii. All construction contracts and subcontracts in excess of $10,000 shall include provisions which require compliance with Executive Order 11246, Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented in DOL regulations (41 CFR Part 60).

iv. All contracts and subcontracts for construction or repair shall include a provision for compliance with the Copeland "Anti-Kick-Back" Act (18 USC 874) as supplemented by DOL regulations (29 CFR Part 3).

v. All contracts or subcontracts in excess of $2,000 for construction or repair shall include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-7) as supplemented by DOL regulations (29 CFR Part 5).

vi. All construction or repair contracts or subcontracts in excess of $2,000, and in excess of $2,500 for other contracts which involve the employment or mechanics or laborers, shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by DOL regulations (29 CFR Part 5).

vii. Each contract shall include a notice of state requirements and regulations pertaining to reporting and patent rights under any contract involving respect to any discovery or invention which arises or is developed in the course of or under such contract, and of the state requirements pertaining to copyrights and rights in data.

viii. All negotiated contracts shall include a provision that makes it possible for the state, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, to have access to any books, documents, papers, or records of the contractor/firm that are directly pertinent to the contract, for the purpose of making audit examination excerpts and transcriptions. Further, the contract must include a provision that all required records will be maintained by the contractor/firm for a period of four years after the _____(City/Parish)____formally closes out each LCDBG program.

ix. All contracts, subcontracts, and subgrants in amounts in excess of $100,000 shall contain a provision which requires compliance with the requirements of Section 306 of the Clean Air Act (42 USC 1857 h), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

x. Contracts shall recognize mandatory standards and policies relating to energy efficiency that are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

xi. The _____(City/Parish)_____ will be permitted to require changes, remedies, changed conditions, access and record retention, and suspension of work clauses approved by the state.

CONTRACT ADMINISTRATION

The _____(City/Parish)_____ shall maintain contract administration systems that insure contractors/firms perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. The accepted performance of contractors/ firms will be a factor in subsequent contract negotiations and award. Remedial action by the _____(City/Parish)____ through legal processes shall be considered in instances of identified significant nonperformance.

§ 570.611 Conflict of interest.

a) *Applicability.*
   1) In the procurement of supplies, equipment, construction, and services by recipients, and by subrecipients (including those specified at § 570.204(c)), the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A-110, respectively, shall apply.
   2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses or other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to § 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to § 570.203, § 570.204 or § 570.455).

b) *Conflicts prohibited.* Except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision making process or to gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with who they have family or business ties, during their tenure or for one year thereafter. For the UDAG program, the above-stated restriction shall apply to all activities that are a part of the UDAG project, and shall cover any financial interest or benefit during, or at any time after, the person's tenure.

c) (c) *Persons covered.* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients which are receiving funds under this part.

d) (d) *Exceptions: threshold requirements.* Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project. An exception may be considered only after the recipient has provided the following:
   1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
   2) (2) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

e) (e) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of

this section, HUD shall consider the cumulative effect of the following factors, where applicable:

1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
2) Whether an opportunity was provided for open competitive bidding or negotiation;
3) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
4) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;
5) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;
6) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
7) Any other relevant considerations.

SAMPLE ADVERTISEMENT*

REQUEST FOR PROPOSALS FOR
ADMINISTRATIVE CONSULTING SERVICES

A-38

The _____(City/Parish)_____ is applying for a grant under the *FY 20xx/20xx* Louisiana Community Development Block Grant (LCDBG) Program for the purpose of _(identify the specific type of project for which funds will be requested)_____. _____(City/Parish)_____ is interested in procuring the services of an administrative consulting firm to prepare the application package and to administer and implement the project if it is successful in being funded.

The procedures for the selection of this firm will be in accordance with the procurement requirements of the LCDBG Program. All responses received will be evaluated in accordance with the selection criteria and corresponding point system that is identified in the request for proposals package. That package also identifies the scope of services to be performed by the selected firm.

The _____(City/Parish) will **_____

_____

_____

_____

Interested parties are invited to secure a proposal package from ___(name of person)_____ at _____(address and telephone number)_____. The response to this request must be hand-delivered or mailed to the above named person at the above named address in such a manner that it is received no later than ___(time)_____ on _____(date)_____.

The _____(City/Parish)_____is an Equal Opportunity Employer. We encourage all small and minority-owned firms and women's business enterprises to apply.

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*This is a sample notice soliciting proposals for an administrative consulting firm. Each local governing body must prepare a request for proposals that is specific to its own needs. Refer to the sample request for qualifications for a similar, acceptable format. This notice may also be revised as a combined notice requesting qualification statements from engineering/architectural firms and requesting proposals from administrative consulting firms.

**The local governing body must state one of the following:
a) award the contract to the respondent obtaining the highest score in the evaluation process; or,
b) conduct oral interviews with those firms receiving points within the range of ___ to ___ for the purpose of obtaining a "best and final offer"; following those interviews the proposals will be re-scored and the highest scoring firm will be selected.

SAMPLE **A-39**

(This is only a sample. Each governing body must prepare a request for proposals that is specific to its own needs.)

REQUEST FOR PROPOSALS FOR AN ADMINISTRATIVE CONSULTANT

The _____(City/Parish)_____is accepting proposals from consultants for management and administrative services required by the _____(City/Parish)_____ for the preparation of a Louisiana Community Development Block Grant (LCDBG) Program and subsequent administration/implementation of that program if funded by the state. The project for which funds will be requested consists of

_____

_____

_____

PART ONE: MANAGEMENT AND ADMINISTRATION

The level and scope of services, if any, will be determined by the _____(City/Parish)____. A fixed sum contract on a cost reimbursement basis will be negotiated with the actual fees for services subject to approval by and funding from the state. Local funds will be used to pay for costs, if any, for applications that are not funded under the LCDBG Program. If the application is not funded by the state, no services beyond the application stage will be required. Therefore, neither the state nor the local governing body will be liable for any other expenditure under the contract. If the application is funded, LCDBG funds can be utilized for the payment of pre-agreement costs and overall program administration costs that are associated with the funded LCDBG program; such costs must be within the amounts allowed under the LCDBG Program. The scopes of services that the consultant must be prepared and qualified to provide are as follows:

a. Prepare the *FY 20xx/20xx* LCDBG Application. If a fee will be charged for the preparation of the application, then a separate cost must be identified for pre-agreement services.

b. Prepare Environmental Review Record and submit all other items required to clear the contract conditions. All contract conditions must be cleared within six months of the _____(City/Parish)_____ receipt of an "Authorization to Incur Costs" letter from the state.

c. Prepare the Requests for Payment to ensure consistency with the procedures established for the LCDBG Program.

d. Ensure that the *City/Parish* has an acceptable financial management system as it pertains to finances of the LCDBG program. An acceptable system includes, but is not limited to,

cash receipts and disbursements journal and accompanying ledgers, and should conform to generally accepted principles of municipal accounting.

e. Establish project files in the local governing body's office. These files must demonstrate compliance with all applicable state, local, and federal regulations. The project files must be monitored throughout the program to ensure that they are complete and that all necessary documentation is being retained in the community's files.

f. With the assistance of the community, help conduct public hearings. This includes, but is not limited to, such things as assisting with public notices, conducting hearings, etc.

g. Assist *City/Parish* in complying with regulations governing land acquisition (real property, easements, rights of ways, donation of property, etc).

h. Assist the project engineer in the preparation of bid documents and supervise the bidding process consistent with state and federal regulations.

i. Secure the Department of Labor's federal wage decision and include it in the bid documents.

j. Prepare construction contracts which comply with state and federal regulations. Examples are Conflict of Interest, Access to Records, Copeland Anti-Kickback Act, Safety Standards, Architectural Barriers, Flood Insurance, Clean Air and Water Act (for contracts over $100,000), HUD Handbook (6500.3), 24 CFR 85.36, Section 3, Section 109, Title VI, Civil Rights Act, EO 11246 (for contracts over $10,000), Section 503, etc.

k. Obtain contractor clearance(s) from the state.

l. Check weekly payrolls to ensure compliance with federal wage decision(s). Conduct on-site interviews and compare the results with the appropriate payrolls.

m. Monitor construction to ensure compliance with equal opportunity and labor standards provisions.

n. Make progress inspections and certify partial payment requests.

o. Attend and assist the *City/Parish* during the state's monitoring visit(s). Prepare *City/Parish's* response to all monitoring findings.

p. Assist in a final inspection of the project and in the issuance of a final acceptance of work.

q. Prepare the Section 504 self-evaluation and transition plan, if applicable.

r. Prepare analysis of impediments to fair housing.

s. Assist *City/Parish* in meeting the state's financial reporting requirements.

t. Prepare close-out documents.

PART TWO: PROPOSALS

Proposals will be considered by the *City/Parish* at a meeting to be held at _____(a.m./p.m.) on the _____ day of _____, 20xx. In order to be considered,

proposals must be received by the *City/Parish* prior to _____ (a.m./p.m.) on the ___ _____ day of _____, 20xx. The *City/Parish* reserves the right to reject any or all proposals.

All proposals should be sealed and identified on the outside as;

FY 20xx/20xx LCDBG APPLICATION
Preparation and Implementation Proposal
Administrative Consultant

All proposals will be scored and ranked with the highest rated firm being awarded a contract.*

The proposal must include a brief history of the firm and a resume of each person in the firm who will be assigned to the project. The proposal must also include a list of local governing bodies for which the firm has been under contract with for LCDBG administration during the last four calendar years; this list will be used for reference purposes. All references must indicate excellent program performance.

Two copies of the proposal and the required supplemental information should be provided.

PART THREE: SELECTION CRITERIA**

All responses to the proposal will be evaluated according to the following criteria and corresponding point system. The proposals will be evaluated on the basis of written materials. Sufficient information must be included in the proposal to assure that the correct number of points is assigned. Incomplete or incorrect information may result in a lower score.

■ REQUIRED PRICE CONSIDERATION*** _____ **pts.**

The lowest proposal will receive the maximum points. Other, more expensive proposals will receive reduced points based on the following formula with rounding to the nearest tenth:

***If a competitive range and oral interviews will be held, then the package must state that procedure.*

Lowest Proposal x Total Possible Price Points = Points allocated to a more
More expensive proposal expensive proposal

Example:

100 points is the total possible points. (Other point scales may be chosen.)
10% of total possible points are the price consideration. (Percents greater than 10% may be chosen.)

Proposal 1 is for $ 27,000
Proposal 2 is for $ 20,000
Proposal 3 is for $ 30,000

Step 1: Determine points allocated for price -- 100 x 10% = 10 points
Step 2: Award ten points to the lowest priced proposal (Proposal 2 is awarded **10 points**)
Step 3: Allocate a proportionally reduced amount of points to the higher proposals

Proposal 1 $\frac{20,000}{27,000}$ x 10 = **7.4 points**

Proposal 3 $\frac{20,000}{30,000}$ x 10 = **6.7 points**

OPTIONAL CONSIDERATIONS: (These are sample criteria and may be modified.)

Educational background of project manager who will be assigned to project - the highest level attained will receive the assigned number of points shown for that level:

High school diploma _____ pts.
College degree _____ pts.
Masters or PhD _____pts.

Firm's experience in administering LCDBG projects during the last four calendar years; name of locality under contract with the firm and type of project administered:

Administered no LCDBG projects _____ pts.
Administered 1-5 LCDBG projects _____ pts.
Administered more than 5 LCDBG projects _____ pts.

Length of time the firm has been in business:

less than 5 years _____ pts.
5 to 10 years _____ pts.
Over 10 years _____ pts.

Previous experience with the city/parish:

Very satisfactory _____ pts.
Satisfactory _____ pts.
Unsatisfactory or no previous experience _____ pts.

Total Points for Required and Optional Considerations _____ pts.

Questions concerning this proposal should be addressed to _____(city clerk/parish administrator)_____ at __(phone number)_____. Proposals should be hand-delivered to (city clerk/parish administrator)____, at the _ ____(city hall/parish office)_____ at _____(address)_____or mailed to _____(city

clerk/ parish administrator)_____, at the _____(city hall/parish office)_____ at _____ ____(address)_____.

*****If a competitive range and oral interviews will be held, then this procedure must be stated.

******These are sample criteria only. Each local governing body must develop its own criteria and identify those along with the corresponding point system (including ranges) which will be used to evaluate the proposals received.

*******Price must be one of the criteria utilized in evaluating proposals and must be evaluated using a point system which allocates at least ten percent of the total possible points to price consideration.

SAMPLE **A-40**

(This is only a sample. Each city/parish must prepare a request for qualification statements that is specific to its own needs.)

REQUEST FOR QUALIFICATION STATEMENTS FOR A ENGINEERING SERVICES

The _____(City/Parish)_____ is seeking assistance for engineering services needed to prepare the application for *FY 20xx/20xx* LCDBG funds and subsequent implementation of that program, if funded by the state. The type of project involved is _____ _____ _____.

The _____(City/Parish)_____ is soliciting qualification statements for engineering services to assist the _____(City/Parish)_____ with preliminary engineering, design engineering, and inspections of this project in compliance with LCDBG Program requirements. The agreement will be on a lump sum, fixed price basis (or cost reimbursement "not to exceed" basis), with payment terms to be negotiated with the selected offerer. Reimbursement for services will be contingent on the _____(City/Parish)_____ receiving funding from the state. Local funds will be used to pay for costs, if any, for applications that are not funded under the LCDBG Program. If the application is not funded by the state, then no services beyond the application stage will be required. Therefore, neither the state nor the local governing body will be liable for any other expenditure under the contract. The maximum amount of pre-agreement and program implementation engineering fees that can be paid for implementation with LCDBG funds will be determined by the state and may require adjustments in the proposed contract amount.

The services to be provided will include, but not be limited to:

a. Assisting in the preparation of the application package (pre-agreement costs).
b. Designing system improvements and construction engineering. The preliminary plans and specifications must be completed within six months of the _____(City/Parish)____receipt of the "Authorization to Incur Costs" letter from the state's Office of Community Development. Submit plans and specifications to the Louisiana Department of Health and Hospitals, if applicable, and to the Office of Community Development within the aforementioned six month period.
c. Assisting the administrative consultant with the construction bid package in conformance with applicable federal requirements and supervising the bid advertising, tabulation, and award process, including preparing the advertisements for bid solicitation, conducting the bid opening, and issuing the notice to proceed. The first advertisement for bid must appear within 30 days of receiving authorization to advertise for bids from the state.
d. Assist in conducting the preconstruction conference.
e. Field staking, on-site supervision of construction work, and preparing inspection reports.
f. Reviewing and approving all contractor requests for payment and submitting approved requests to the governing body.
g. Providing reproducible plan drawings to the __(City/Parish)____upon project completion.
h. Conducting final inspection and testing.

Respondents will be evaluated on the basis of the written materials submitted and according to the following factors: *

1. Experience of the firm with this type of construction project under the LCDBG Program during past five calendar years

   No previous experience _____ pts.

   Under contract with 1-10 grantees during past five calendar years (identify grantee and type of project) _____ pts.

   Under contract with more than 10 grantees during past 5 calendar years (identify grantee and type of project) _____pts.

2. Proximity of firm to local governing body**

   Less than 60 miles away _____ pts.

   More than 60 miles away _____ pts.

3. Length of time the firm or project engineer has been in business:

   Less than 5 years _____ pts.

   5 to 10 years _____ pts.

   Over 10 years _____ pts.

4. Previous experience with the city/parish:

   Very satisfactory _____ pts.

   Satisfactory _____ pts.

   Unsatisfactory or no previous experience _____ pts.

In the event of a tie, oral interviews will be held with those firms. As a result of the interviews, the ___(City/Parish)___ will determine which firm will be selected to enter into contract negotiations. Unsuccessful firms will be notified as soon as possible.

Questions should be addressed to _____(city clerk/parish administrator)_____ at ____(phone number). Responses should be hand-delivered to _(city clerk/parish administrator)___, at the _____(city hall/parish office)_____ at _____(address)_____or mailed to _____(city clerk/ parish administrator)___ at the _____(city hall/parish office)_____ at ____(address)_____.

Responses must be received no later than ___(date)_____. Please state "*FY 20xx/20xx* LCDBG Qualifications Statement-Engineering Services" on the cover.

---

*The corresponding point system and breakdown of points must be specifically identified.

**Geographic preference may be used as a selection factor for engineering services if adequate competitions (two or more firms that are responsive and responsible) are located within the distances identified.

SAMPLE *

A-41

SCOPE OF SERVICES

LCDBG HOUSING PROGRAM

This scope of services should be helpful in defining areas of responsibility for the administration of an LCDBG Housing Program or a Physical Accessibility Program. In contrast, the scope of services listed in Part One of Exhibit A-39 is for use on non-housing programs. This scope of services, or parts of it, can be used as an example for drafting an appropriate scope of work for the request for proposals and, later, inclusion in a contract between the grantee and an administrative consultant.

1. Help conduct public hearings.

2. Prepare the Housing or Physical Accessibility applications on behalf of the grantee for submission to the Office of Community Development for funding.

3. Prepare Environmental Review Record and clear all contract conditions within six months of the grantee's receipt of the State's "Authorization to Incur Costs" letter.

4. Assist with the planning and formulation of housing program policies and standards. This includes such things as general applicant eligibility criteria; eligible types of housing improvements; selection procedures; and application processing and unit eligibility.

5. Prepare all required reports and forms to be submitted to the State.
6. Prepare Requests for Payment.
7. Develop and maintain all files and records necessary for compliance with the State and federal regulations as well as develop all forms and documents necessary to administer the Housing (or Physical Accessibility) Program.
8. Interview and advise grant applicants on the design and objectives of the rehabilitation program; the availability and benefits of a rehabilitation program; and the specific conditions under which a rehabilitation grant is made.
9. Take homeowner applications; rate and rank them in accordance with the selection criteria set forth in the rehabilitation program guidelines; and advise applicants of the disposition of their application.
10. Obtain from each applicant a verification of income; ownership; etc.
11. Prepare contract for approval by local officials. Review conditions of grant with homeowner and obtain homeowner's signature on all necessary documents.
12. Coordinate preliminary and formal work write-ups, and cost estimates.
13. Initiate advertisement for contractors to work with the LCBDG Program and orient them to the policies and regulations governing the program.
14. Request, receive, and review on behalf of homeowner all bids from contractors for rehabilitation construction work.
15. Assist in selecting an acceptable contractor from bids submitted.

16. Prepare construction contract documents in accordance with provisions which pertain to the LCDBG Program.
17. Inspect construction and rehabilitation work on a regular basis to see that all code violations are rectified and check on the quality of materials and workmanship.
18. Arbitrate disputes and/or complaints arising between contractors and homeowners regarding work to be performed, underway or completed.
19. Prepare change orders, if necessary, and obtain the approval of the homeowner, the contractor, and the grantee.
20. Make a final inspection of rehabilitation work and issue a final acceptance of work signed by both the housing rehabilitation inspector and the homeowner.
21. Obtain from the contractor the manufacturer's and supplier's warranties prior to final payment for rehabilitation work.
22. Prepare Section 504 self-evaluation and transition plan, if applicable.
23. Prepare an Analysis of Impediments to Fair Housing.
24. Prepare response to State's monitoring letter.
25. Prepare close-out documents.
26. Assist the grantee in meeting all of the State's LCDBG Program requirements.

Cost and Price Detail

A-42

Name:	Date:
Address:	Federal ID Number:
City, State, Zip:	Total Price: $

A. Direct Labor (*specify personnel by name*):
Attach a copy of the scope of services identified in the contract. Each task identified in the scope of services should be assigned an estimated amount of time for completion. The total amount of time identified on the scope of services should correspond to the estimate in this section.

	Estimate # of Days	Daily Rate	Estimated Cost
1.			
2.			
3.			
4.			
5. Total Direct Labor:			

B. Overhead/Indirect Costs:	Rate	Base	Estimated Cost

C. Other Direct Costs:		Estimated Cost
1. Transportation	_____# of on-site visits	$
2. Per Diem	_____# of days @ $____/day	$
3. Reproduction	_____# of pages @ $____/page	$
4. Other (*specify*)		$
a.		$
b.		$
c.		$
d.		$
5. Total Other Direct Costs:		$

D. Subcontracts

Name of Subcontractor(s)	# of days of effort	Estimated Cost
1.		$
2.		$
3. Total Subcontractor Cost:		$
Total Estimated Costs (Line A5+B+C5+D3):		$
Profit:		$
Total Price:		$

CERTIFICATIONS

Contractor

A. Has a federal agency or a federally certified state or local agency performed any review of your accounts or records in connection with any other federal grant or contract within the past 12 months? ____ YES ____ NO

If yes, give name, address, and telephone number of the reviewing office:

_

_

B. This summary conforms to the applicable cost principals.

C. This proposal is submitted for use in connection with and in response to . This is to certify that to the best of my knowledge and belief the cost and pricing data summarized herein are complete, current, and accurate as of _____ and that a financial management capability exists to fully and accurately account for the financial transactions under this project. I further certify that I understand that the sub agreement price may be subject to downward renegotiation and/or recoupment where the above costs and pricing data have been determined, as a result of audit, not to have been current complete and accurate as of the day above.

_

Date of Execution Signature and Title of Proposer

Grantee Reviewer

I certify that I have reviewed the cost/price summary set forth herein and the proposed costs/price appears acceptable for sub-agreement award.

_

Date of Execution Signature and Title of Reviewer

Additional Reviewer, if needed

_

Date of Execution Signature and Title of Reviewer

SAMPLE

(This is a sample; each governing body must prepare a contract that is specific to its needs.)

CONTRACT FOR PROFESSIONAL SERVICES

PART I -- AGREEMENT

This Agreement for professional services is by and between the ___(City/Parish)_____, State of Louisiana (hereinafter called the "City/Parish"), acting herein by _____(chief elected official), hereunto duly authorized, and _____(administrative consulting firm)_____, a corporation organized under the laws of the State of Louisiana (hereinafter called the "CONSULTANT"), acting herein by ____(name)_____, President, hereunto duly authorized;

WITNESSETH THAT:

WHEREAS, the ____(City/Parish)____ intends to apply for and hopefully receive funding under the *FY 20xx/20xx* Louisiana Community Development Block Grant (LCDBG) Programs pursuant to Title I of the Housing and Community Development Act of 1974, as amended; and,

WHEREAS, the ____(City/Parish)____ desires to engage the CONSULTANT to render certain technical assistance services in connection with its Community Development Program:

NOW, THEREFORE, the parties do mutually agree as follows:

1) Employment of CONSULTANT

The ___(City/Parish)____ hereby agrees to engage the CONSULTANT on a contingency basis, and the CONSULTANT hereby agrees to perform the Scope of Services set forth herein under the terms and conditions of this agreement.

2) Scope of Services

The CONSULTANT shall, in a satisfactory and proper manner, perform the following services:

a. Assist community in conducting public hearings. This includes but is not limited to such things as assisting in public hearings, preparing public notices, etc.
b. Prepare the FY *20xx/20xx* LCDBG Application.
c. Prepare the Environmental Review Record.
d. Prepare the Requests for Payments to ensure consistency with the procedures established for the LCDBG Program.
e. Ensure that the ___*(City/Parish)*___ has an acceptable financial management system as it pertains to finances of the LCDBG Program. An acceptable system includes, but is not

limited to, cash receipts and disbursements journal, cash control register, property register, and accompanying ledgers, and should conform to generally accepted principles of municipal accounting.

f. Establish project files in the *(City/Parish)* office. These files must demonstrate compliance with all applicable state, local, and federal regulations. Monitor project files throughout the program to ensure they are complete and that all necessary documentation is being retained in the community's files.

g. If applicable to the program, assist *(City/Parish)* in complying with regulations governing land acquisition (real property, easements, rights of ways, donation of property, etc).

h. Assist the project engineer in the preparation of all bid documents and supervise the bidding process consistent with state and federal regulations.

i. Secure the Department of Labor's federal wage decision and include it in the bid documents.

j. Prepare construction contracts which comply with state and federal regulations.

Examples of the regulations include, but are not limited to, Access to Records, Copeland Anti-Kickback Act, Safety Standards, Architectural Barriers, Flood Insurance, Clean Air and Water Act (if contract over $100,000), HUD Handbook (6500.3), 24 CFR 85.36, Section 3, Section 109, Title VI, Civil Rights Act, EO 11246 (if contract over $10,000), Section 503, etc.

k. Obtain clearance from the state on all "prime" contractors.

l. Check weekly payrolls to ensure compliance with federal wage decision(s). Conduct on-site interviews and compare the results with appropriate payrolls.

m. Monitor construction to ensure compliance with equal opportunity and labor standard provisions.

n. Make progress inspections and certify partial payment requests.

o. Attend and assist the *(City/Parish)* during the state's monitoring visit(s). Prepare *(City/Parish)* response to all monitoring findings.

p. Assist *(City/Parish)* in meeting the state's financial reporting requirements.

q. Make a final inspection and issue a final certificate of payment.

r. Prepare close out documents.

Services in each of the work areas shall be performed under and at the direction of the chief elected official or their designated representative.

3) Time of Performance

The services of the CONSULTANT shall commence on _____, and be provided on a per-day basis as requested by the chief elected official or his designated representative. Such

services shall be continued in such sequence as to assure their relevance to the purposes of this Agreement. The CONSULTANT must take whatever steps are necessary to assure that the _____(City/Parish)'s contract conditions are cleared within six months of the date of the __ _____(City/Parish)'s "Authorization to Incur Costs" letter. If at the end of the six month calendar period, all contract conditions (with the exception of the preparation of engineering/architectural plans and specifications) are not cleared, $250 per working day will be deducted from the amount of administrative funds contracted to the CONSULTANT. The state reserves the right to grant an extension where the reasons for not meeting the required timeframe were clearly beyond the control of the CONSULTANT. In any event, all of the services required and performed hereunder shall not be completed until the __(City/Parish)____ has received notification of final close out from the state.

4) Access to Information

It is agreed that all information, data, reports, records, and maps as are existing, available, and necessary for the carrying out of the work outlined above, shall be furnished to the CONSULTANT by the _____(City/Parish)____. No charge will be made to the CONSULTANT for such information, and the (City/Parish)____ will cooperate with the CONSULTANT in every way possible to facilitate the performance of the work described in this contract.

5) Compensation and Method of Payment

Payment under this contract is contingent upon the _(City/Parish)____ receiving approval from the state for funds under the *FY 20xx/20xx* LCDBG program. CONSULTANT shall only be paid for services rendered under this agreement from funds allowed by the state for pre-agreement and administrative costs under the provisions of the grant awarded to the _____(City/Parish)____.

CONSULTANT will not be entitled to any reimbursement for pre-agreement costs and program administration either from the _____(City/Parish)____ or the state, if the ___(City/Parish)____ does not receive a grant award and an authorization to incur costs from the state's Office of Community Development. There will be no charge by the Consultant for pre-agreement services if the __(City/Parish)____ does not receive a grant award. If the grant is awarded, reasonable pre-agreement costs as well as program administration costs will be allowed under the LCDBG Program. Upon the __(City/Parish)____'s receipt of an award of a grant and an authorization to incur costs letter from the state's Office of Community Development, the amount of compensation and reimbursement to be paid CONSULTANT under this contract for pre-agreement and program administration costs shall not exceed Thirty-Nine Thousand Seven Hundred and No/100 ($39,700.00) Dollars.

The ___(City/Parish)___ shall retain 10 percent of CONSULTANT's overall program administrative fees until the ___(City/Parish)___ receives a letter of conditional close out from the state, whereupon this retainage shall be paid to CONSULTANT. CONSULTANT will be compensated for travel in accordance with the state's Policy and Procedures Memorandum Number 49. The CONSULTANT shall submit invoices to the ___(City/Parish)___ for payment. These invoices shall summarize the number of persons and days provided in performing assigned tasks, the tasks completed, and travel and per diem expenses incurred in the preceding month.

6) Ownership Documents

All documents, including original drawings, estimates, specifications, field notes, and data are the property of the ___(City/Parish)___. The CONSULTANT may retain reproducible copies of drawings and other documents.

7) Professional Liability

The CONSULTANT shall be responsible for the use of reasonable skills and care benefiting the profession in the preparation of the application and in the implementation of the LCDBG Program.

8) Indemnification

The CONSULTANT shall comply with the requirements of all applicable laws, rules and regulations in connection with the services of the CONSULTANT, and shall exonerate, indemnify, and hold harmless the ___(City/Parish)___, its officers, agents, and all employees from and against them, and local taxes or contributions imposed or required under the Social Security, Workers' Compensation, and Income Tax Laws. Further, the CONSULTANT shall exonerate, indemnify, and hold harmless the ___(City/Parish)___ with respect to any damages, expenses, or claims arising from or in connection with any of the work performed or to be performed under this contract by the CONSULTANT. This shall not be construed as a limitation of the CONSULTANT's liability under this Agreement or as otherwise provided by law.

9) Terms and Conditions

This Agreement is subject to the provisions titled, "Part II, Terms and Conditions" consisting of seven pages, attached hereto and incorporated by reference herein.

10) Address of Notices and Communications

_____	_____
(Chief Elected Official)	(Consultant's name)
_____	_____
(City/Parish address)	(Consultant's address)

11) Captions

Each paragraph of this Contract has been supplied with a caption to serve only as a guide to the contents. The caption does not control the meaning of any paragraph or in any way determine its interpretation or application.

12) Authorization

This Agreement is authorized by ___(City/Parish)___, Resolution _____, adopted_____, copies of which are attached hereto and made a part hereof.

ATTEST: _____(City/Parish)_____

By:___(Chief Elected Official)_____

Date:_____

_____(Consultant's Firm)_____

By: ___(Consultant)_____

PART II -- TERMS AND CONDITIONS

A. Termination of Contract for Cause.

If, through any cause, the CONSULTANT shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the CONSULTANT shall violate any of the covenants, agreements, or stipulations of this Contract, the ____(City/Parish)____ shall thereupon have the right to terminate this Contract by giving written notice to the CONSULTANT of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the CONSULTANT under this Contract shall, at the option of the ___(City/Parish)____, become its property and the CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the CONSULTANT shall not be relieved of liability to the ____(City/Parish)____ for damages sustained by the _____(City/Parish)____ by virtue of any breach of the Contract by the CONSULTANT, and the ___(City/Parish)____ may withhold any payments to the CONSULTANT for the purpose of set-off until such time a the exact amount of damages due the ___(City/Parish)____ from the CONSULTANT is determined.

This contract for pre-agreement (application preparation) services and overall program administration will be automatically terminated if the application(s) is not funded by the state's Office of Community Development. CONSULTANT will not be entitled to any reimbursement for pre-agreement costs and for program administration either from the ___(City/Parish)____ or the state, if the ___(City/Parish)____ does not receive a grant award and an authorization to incur costs from the state's Office of Community Development.

B. Termination for Convenience of the ___(*City/Parish*)___

The ____(City/Parish)____ may terminate this contract at any time by giving at least 10 days notice in writing to the CONSULTANT. If the Contract is terminated by the ____(City/Parish)____ as provided herein, the CONSULTANT will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the CONSULTANT, paragraph 1 hereof relative to termination shall apply.

This contract for pre-agreement services and program administration will be automatically terminated if the application(s) is not funded by the state's Office of Community Development. CONSULTANT will not be entitled to any reimbursement for pre-agreement services and

program administration either from the ____(City/Parish)____ or the state, if the ___(City/Parish)___ does not receive a grant award and an authorization to incur costs from the state's Office of Community Development.

C. Changes

The ____(City/Parish)____ may, from time to time, request changes in the scope of the services of the CONSULTANT to be performed hereunder. Such changes, including any increase or decrease in the amount of the CONSULTANT's compensation, which are mutually agreed upon by and between the ____(City/Parish)____ and the CONSULTANT, shall be incorporated in written amendments to this Contract.

D. Personnel

a) The CONSULTANT represents that he has, or will secure at his own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the _____(City/Parish).

b) All of the services required hereunder will be performed by the CONSULTANT or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform such services.

c) None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the ___(City/Parish)___. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.

E. Assignability

The CONSULTANT shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the _(City/Parish)____thereto. Provided, however, that claims for money by the CONSULTANT from the ___(City/Parish)___ under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the ___(City/Parish)___.

F. Reports and Information

The CONSULTANT, at such times and in such forms as the _(City/Parish)____ may require, shall furnish the _____(City/Parish)____ such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.

G. Records and Audits

The CONSULTANT shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the ____(City/Parish)____ to assure proper accounting for all project funds, both federal and non-federal shares. These records will be made available for audit or other financial reporting purposes to the ____(City/Parish)____ or any authorized representative, and will be retained for four years after the state has officially closed-out the LCDBG Program unless permission to destroy them is granted by the ____(City/Parish).

H. Findings Confidential

All of the reports, information, data, et cetera, prepared or assembled by the CONSULTANT under this Contract are confidential and the CONSULTANT agrees that they shall not be made available to any individual or organization without the prior written approval of the _(City/Parish)____.

I. Copyright

No materials, to include but not limited to reports, maps, or documents produced as a result of this contract, in whole or in part, shall be available to CONSULTANT for copyright purposes. Any such materials produced as a result of this contract that might be subject to copyright shall be the property of the (City/Parish)___ and all such rights shall belong to the _____(City/Parish), and the _____(City/Parish)____ shall be sole and exclusive entity who may exercise such rights.

J. Compliance with Local Laws

The CONSULTANT shall comply with all applicable laws, ordinances and codes of the state and local government, and the CONSULTANT shall hold the _____(City/Parish)____ harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.

K. Civil Rights Act of 1964/Equal Employment Opportunity

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. During the performance of this Contract, the CONSULTANT agrees as follows:

a) The CONSULTANT will not discriminate against any employee or applicant for employment because of race, creed, sex, color, national origin, handicap or familial status. The CONSULTANT will take affirmative steps to ensure that applicants are

employed, and that employees are treated during employment, without regard to their race, creed, sex, color, national origin, handicap or familial status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms or compensation; and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the _____(City/Parish)____ setting forth the provisions of this non-discrimination clause.

b) The CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of the CONSULTANT; state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, national origin, handicap or familial status.

c) The CONSULTANT will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

d) The CONSULTANT will comply with all provisions of Presidential Executive Order 11246 (Executive Order 11246) of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

e) The CONSULTANT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the ____(City/Parish)____ and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

f) In the event of the CONSULTANT's non-compliance with the equal opportunity clauses of this Agreement or with any such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the CONSULTANT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided by Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g) The CONSULTANT will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations or orders of the

Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The CONSULTANT will take such action with respect to any subcontract or purchase order as the _____(City/Parish)_____ may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that in the event the CONSULTANT becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the _____(City/Parish)_____, the CONSULTANT may request the United States to enter into such litigation to protect the interests of the United States.

L. Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

M. "Section 3" Compliance in the Provision of Training, Employment and Business Opportunities

a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

g) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

N. Interest of Members of the ____(*City/Parish*)____

No member of the governing body of the ____(City/Parish)_____ and no other officer, employee, or agent of the ____(City/Parish)____ who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the CONSULTANT shall take appropriate steps to assure compliance.

O. Interest of Other Local Public Officials

No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the CONSULTANT shall take appropriate steps to assure compliance.

P. Interest of CONSULTANT and Employees

The CONSULTANT covenants that he presently has no interest and shall not acquire interest, direct or indirect, in the project area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The

CONSULTANT further covenants that in the performance of this Contract, no person having any such interest shall be employed.

Q. Access to Records

The state grantor agency, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Contractor which are directly pertinent to this specific contract for the purpose of audits, examinations, and making excerpts and transcriptions.

All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of 4 years from the official date of close out of the grant by the state.

LGR_____ Prog_____ FY____ Folder_____

A-44

Verification of Professional Services Eligibility

_____
Date Received by State

24 CFR 85.35

1. Request for Clearance of Professional Services is hereby made by:

Name of Grantee _____

LCDBG Contract Number _____

2. Identification of the professional firm for which clearance is requested:

Name _____

Address _____

City and State _____

Zip Code _____

Phone Number(s) _____

3. Name of the principles of the firm and their title/position are as follows.
(Complete names preferred: Example—John Buford Brown is preferable to John Brown)

Name of Principals	Title(s)

4. Description of professional services? _____

5. Signed: _____ Date _____
City/Parish CEO or Representative

6. (*To be completed by the Office of Community Development*)
Upon receipt, OCD will determine eligibility status, complete and fax or mail the form to the Grantee.

Professional firm cleared: Yes ____ No____ Date_____

Signature, State's LCO _____

Faxed or Mailed To _____

Comments: _____

CITY/PARISH EMPLOYMENT
WORKFORCE ANALYSIS PART I

City/Parish _____
Total Population _____

Job Category	Total Number	Females		Minorities	
		Number	%	Number	%
1. Officials and Administrators					
2. Professionals Para-Professionals Technicians					
3. Clerical					
4. Skilled Craft					
5. Service/Maintenance					
6. Protective Service (Police, Firemen)					

WORKFORCE ANALYSIS
PART II

Employee/Classification	Dept.	Status	Sex	Race	Birth date	Handicap	Personnel Actions		
							Hired	Promoted	Terminated

Workforce Analysis Instructions

This information should be compiled and updated annually with notations made, as necessary, of changes in classification, status and personnel actions.

PART I

Total Number:
List total number of persons in each job category.

Females:
a) Number - total number of females in each job category.
b) % - percent of females in job category compared to total number of employees in each category.

Minorities:
a) Number - same as for females.
b) % - same as for females.

PART II

Employee/Classification:
List each employee by name and/or classification.

Department:
List department in which each employee works (e.g., police, public works, etc.).

Status:
List whether each employee is full or part time.

Sex:
List sex of each employee.

Race:
List race/national origin of each employee.

Birth date:
List birth date of each employee.

Handicap:
State if employee is handicapped.

Personnel Actions:
List dates when each employee was hired, promoted and terminated (if applicable).

Contract and Subcontract Activity

U.S. Department of Housing and Urban Development

OMB Approval No.: 2577-0088 (exp. 06/30/2004)
2502-0355 (exp. 10/31/2004)

Public Reporting Burden for this collection of information is estimated to average .50 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is voluntary. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB Control Number.

Executive Order 12421 dated July 14, 1983, directs the Minority Business Development Plans shall be developed by each Federal Agency and that these annual plans shall establish minority business development objectives. The information is used by HUD to monitor and evaluate MBE activities against the total program activity and the designated minority business enterprise (MBE) goals. The Department requires the information to provide guidance and oversight for programs for the development of minority business enterprise concerning Minority Business Development. If the information is not collected HUD would not be able to establish meaningful MBE goals nor evaluate MBE performance against these goals.
While no assurances of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Privacy Act Notice - The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. It will not be disclosed or released outside the United States Department of Housing and Urban Development without your consent, except as required or permitted by law.

1. Grantee/Project Owner/Developer/Sponsor/Builder/Agency

Check if: PHA ☐ IHA ☐

2. Location (City, State, ZIP Code)

3a. Name of Contact Person

3b. Phone Number (Including Area Code)

4. Reporting Period ☐ Oct. 1 - Sept. 30 (Annual-FY)

5. Program Code (Not applicable for CPD programs.) See explanation of codes at bottom of page. Use a separate sheet for each program code.

6. Date Submitted to Field Office

Grant/Project Number or HUD Case Number or other identification of property, subdivision, dwelling unit, etc. 7a.	Amount of Contract or Subcontract 7b.	Type of Trade Code (See below) 7c.	Contractor or Subcontractor Business Racial/Ethnic Code (See below) 7d.	Woman Owned Business (Yes or No) 7e.	Prime Contractor Identification (ID) Number 7f.	Sec. 3 7g.	Subcontractor Identification (ID) Number 7h.	Sec. 3 7i.	Contractor/Subcontractor Name and Address 7j. Name	Street	City	State	Zip Code

7c: Type of Trade Codes:

CPD:
1 = New Construction
2 = Education/Training
3 = Other

Housing/Public Housing:
1 = New Construction
2 = Substantial Rehab.
3 = Repair
4 = Service
5 = Project Mangt.
6 = Professional
7 = Tenant Services
8 = Education/Training
9 = Arch./Engrg. Appraisal
0 = Other

7d: Racial/Ethnic Codes:
1 = White Americans
2 = Black Americans
3 = Native Americans
4 = Hispanic Americans
5 = Asian/Pacific Americans
6 = Hasidic Jews

5: Program Codes (Complete for Housing and Public and Indian Housing programs only):
1 = All insured, including Section 8
2 = Flexible Subsidy
3 = Section 8 Noninsured, Non-HFDA
4 = Insured (Management
5 = Section 202
6 = HUD-Held (Management)
7 = Public/Indian Housing

Previous editions are obsolete.

form HUD-2516 (8/98)

This report is to be completed by grantees, developers, sponsors, builders, agencies, and/or project owners for reporting contract and subcontract activities of $10,000 or more under the following programs: Community Development Block Grants (entitlement and small cities); Urban Development Action Grants; Housing Development Grants; Multifamily Insured and Noninsured; Public and Indian Housing Authorities; and contracts entered into by recipients of CDBG rehabilitation assistance.

Contracts/subcontracts of less than $10,000 need be reported only if such contracts represent a significant portion of your total contracting activity. Include only contracts executed during this reporting period.

This form has been modified to capture Section 3 contract data in columns 7g and 7i. Section 3 requires that the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. Recipients using this form to report Section 3 contract data must also use Part I of form HUD-60002 to report employment and training opportunities data. Form HUD-2516 is to be completed for public and Indian housing and most community development programs. Form HUD-60002 is to be completed by all other HUD programs including State administered community development programs covered under Section 3.

A Section 3 contractor/subcontractor is a business concern that provides economic opportunities to low- and very low-income residents of the metropolitan area (or nonmetropolitan county), including a business concern that is 51 percent or more owned by low- or very low-income residents; employs a substantial number of low- or very low-income residents; or provides subcontracting or business development opportunities to businesses owned by low- or very low-income residents. Low- and very low-income residents include participants in Youthbuild programs established under Subtitle D of Title IV of the Cranston-Gonzalez National Affordable Housing Act.

The terms "low-income persons" and "very low-income persons" have the same meanings given the terms in section 3(b)(2) of the United States Housing Act of 1937. Low-income persons mean families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families. Very low-income persons means low-income families (including single persons) whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

Submit two (2) copies of this report to your local HUD Office within ten (10) days after the end of the reporting period you checked in item 4 on the front.

Complete item 7h. only once for each contractor/subcontractor on each semi-annual report.

Enter the prime contractor's ID in item 7f. for all contracts and subcontracts. Include only contracts executed during this reporting period. PHAs/IHAs are to report all contracts/subcontracts.

Community Development Programs

1. **Grantee:** Enter the name of the unit of government submitting this report.

3. **Contact Person:** Enter name and phone of person responsible for maintaining and submitting contract/subcontract data.

7a. Grant Number: Enter the HUD Community Development Block Grant Identification Number (with dashes). For example: B-32-MC-25-0034. For Entitlement Programs and Small City multi-year comprehensive programs, enter the latest approved grant number.

7b. Amount of Contract/Subcontract: Enter the dollar amount rounded to the nearest dollar. If subcontractor ID number is provided in 7f, the dollar figure would be for the subcontract only and not for the prime contract.

7c. Type of Trade: Enter the numeric codes which best indicates the contractor's/subcontractor's service. If subcontractor ID number is provided in 7f., the type of trade code would be for the subcontractor only and not for the prime contractor. The "other" category includes supply, professional services and all other activities except construction and education/training activities.

7d. Business Racial/Ethnic/Gender Code: Enter the numeric code which indicates the racial/ethnic /gender character of the owner(s) and controller(s) of 51% of the business. When 51% or more is not owned and controlled by any single racial/ethnic/gender category, enter the code which seems most appropriate. If the subcontractor ID number is provided, the code would apply to the subcontractor and not to the prime contractor.

7e. Woman Owned Business: Enter Yes or No.

7f. Contractor Identification (ID) Number: Enter the Employer (IRS) Number of the Prime Contractor as the unique identifier for prime recipient of HUD funds. Note that the Employer (IRS) Number must be provided for each contract/subcontract awarded.

7g. Section 3 Contractor: Enter Yes or No.

7h. Subcontractor Identification (ID) Number: Enter the Employer (IRS) Number of the subcontractor as the unique identifier for each subcontract awarded from HUD funds. When the subcontractor ID Number is provided, the respective Prime Contractor ID Number must also be provided.

7i. Section 3 Contractor: Enter Yes or No.

7j. Contractor/Subcontractor Name and Address: Enter this information for each firm receiving contract/subcontract activity only one time on each report for each firm.

Multifamily Housing Programs

1. **Grantee/Project Owner:** Enter the name of the unit of government, agency or mortgagor entity submitting this report.

3. **Contact Person:** Same as item 3 under CPD Programs.

4. **Reporting Period:** Check only one period.

5. **Program Code:** Enter the appropriate program code.

7a. Grant/Project Number: Enter the HUD Project Number or Housing Development Grant or number assigned.

7b. Amount of Contract/Subcontract: Same as item 7b. under CPD Programs.

7c. Type of Trade: Same as item 7c. under CPD Programs.

7d. Business Racial/Ethnic/Gender Code: Same as item 7d. under CPD Programs.

7e. Woman Owned Business: Enter Yes or No.

7f. Contractor Identification (ID) Number: Same as item 7f. under CPD Programs.

7g. Section 3 Contractor: Enter Yes or No.

7h. Subcontractor Identification (ID) Number: Same as item 7h. under CPD Programs.

7i. Section 3 Contractor: Enter Yes or No.

7j. Contractor/Subcontractor Name and Address: Same as item 7j. under CPD Programs.

Public Housing and Indian Housing Programs

PHAs/IHAs are to report all contracts/subcontracts. Include only contracts executed during this reporting period.

1. **Project Owner:** Enter the name of the unit of government, agency or mortgagor entity submitting this report. Check box as appropriate.

3. **Contact Person:** Same as item 3 under CPD Programs.

4. **Reporting Period:** Check only one period.

5. **Program Code:** Enter the appropriate program code.

7a. Grant/Project Number: Enter the HUD Project Number or Housing Development Grant or number assigned.

7b. Amount of Contract/Subcontract: Same as item 7b. under CPD Programs.

7c. Type of Trade: Same as item 7c. under CPD Programs.

7d. Business Racial/Ethnic/Gender Code: Same as item 7d. under CPD Programs.

7e. Woman Owned Business: Enter Yes or No.

7f. Contractor Identification (ID) Number: Same as item 7f. under CPD Programs.

7g. Section 3 Contractor: Enter Yes or No.

7h. Subcontractor Identification (ID) Number: Same as item 7h. under CPD Programs.

7i. Section 3 Contractor: Enter Yes or No.

7j. Contractor/Subcontractor Name and Address: Same as item 7j. under CPD Programs.

2529-0043

Complaint Register

11/30/2010)

Under Section 3 of the Housing
And Urban Development Act of 1968

U.S. Department of Housing and Urban Development

Office of Fair Housing
and Equal Opportunity

OMB Approval No.

(Expires

A-47

Name of Complainant (Person or organization) | Home Phone

Street Address | Work Phone

City, State, Zip code

Against whom is this complaint being filed? | Business Phone

Name of organization or company

Street Address

City, State, Zip code

Name and identify others (if any) who violated the law in this case

You are (check all that apply)

- ❑ A. Low/Very low income
- ❑ B. Public housing resident
- ❑ C. A representative of A or B
- ❑ D. Section 3 business concern
- ❑ E. A representative of D

Complaint is against (check one or more boxes)

- ❑ A. Applicant
- ❑ B. Sub-Recipient
- ❑ C. Subcontractor
- ❑ D. Recipient
- ❑ E. Contractor
- ❑ F. Other (please specify_____)

Basis for non compliance with Section 3

- ❑ Denied Training
- ❑ Denied Employment
- ❑ Denied Contracting

What did the person you are complaining against do? (Check all that apply – provide documentation)

- ❑ A. Failed to meet numerical goals, as set out in the Section 3 regulations
- ❑ B. Failed to ensure that its contractors and subcontractors comply with Section 3
- ❑ C. Failed to notify Section 3 residents about training and/or employment opportunities
- ❑ D. Failed to notify Section 3 business concerns about contracting opportunities
- ❑ E. Failed to notify potential contractors for Section 3 covered projects of the requirements of Section3
- ❑ F. Failed to incorporate the Section 3 clause in Section 3 solicitations or contracts
- ❑ G. Failed to train and/or employ Section 3 residents
- ❑ H. Failed to award contracts to Section 3 business concerns
- ❑ I. Contracted with a contractor found to be in violation of applicable statues and/or HUD regulations
- ❑ J. Failed to provide preference to Section 3 residents in training and or employment opportunities.
- ❑ K. Failed to provide preferences for Section 3 business concerns in contracting opportunities

When did the act(s) checked above occur? (Include the most recent date if several dates are involved):

Identify HUD assistance program(s). (Check all that apply)			
❑ A. PIH/DEV	❑ D. Other PIH	❑ G. CDBG	❑ J. Other CPD
❑ B. PIH/MOD	❑ E. 202/811	❑ H. HOME	❑ K. Lead-based Paint
❑ C. PIH/OPER	❑ F. Other Housing	❑ I. Homeless	❑ L. Other

Summarize what happened? Attach additional information if necessary	
Signature	Date
I declare under penalty of perjury that I have read this compliant (including any attachments) and that it is true and correct.	

Instructions for the Complaint Register
Section 3 of the Housing and Urban Development Act of 1968

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

The information is given voluntarily and provides the basis for HUD's investigation of the complaint to determine if the allegations of noncompliance are valid. The Department will use the information provided as the basis for its determination of jurisdiction over a complainant's allegations. All information collected complies with the Privacy Act of 1974 and OMB Circular A-108. The information is not of a sensitive nature. The information is unique to the processing an allegation of noncompliance with the Section 3 statute or implementing regulations.

This form is to be used to report allegations of noncompliance with Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations at 24 CFR Part 135.

What does Section 3 of the Housing and Urban Development Act of 1968 provide?

The law describes the HUD programs directly affected by Section 3, receiving Federal financial assistance from the Department, and dictates how these programs are to provide employment and other economic opportunities for low and very low income persons.

What does the law cover?

Section 3 applies to any Public and Indian Housing programs that receive: (1) developmental assistance pursuant to section 5 of the U. S. Housing Act of 1937; (2) operating assistance pursuant to section 5 of the U.S. Housing act of 1937; or (3) modernization grants pursuant to section 14 of the U.S. Housing Act of 1937, and to housing and community development assistance extended for: (1) housing rehabilitation (including reduction and abatement of lead based paint hazards); (2) housing construction or (3) other public construction projects; and for which the contract and subcontract exceeds $100,000.

What can you do about violations of the Law?

Remember, Section 3 applies to the awarding of jobs, training programs, and contracts, generated from projects receiving HUD financial assistance. If you believe that, as a low-income person or a Section 3 business concern, the responsibilities to provide economic opportunities under Section 3 have been violated, you have a right to file a complaint within 180 days of the last alleged occurrences of noncompliance.

Complain to the Assistant Secretary for Fair Housing and Equal Opportunity, Department of Housing and Urban Development, by filing this form by mail or in person. The information received will be used by HUD to determine jurisdiction under Section 3.

HUD will send the complaint to the appropriate HUD recipient for resolution. If resolution by the recipient fails, HUD will investigate. If HUD finds that the complaint has merit, it will try to end the violation by informal resolution. If conciliation fails, HUD may initiate other steps to enforce the law, including but not limited to suspension and debarment of the recipient or contractors as applicable.

You can obtain assistance in learning about Section 3 or in filing a complaint at the HUD Office listed below:

Assistant Secretary
HUD Fair Housing and Equal Opportunity
451 7th Street SW
Washington, DC 20410
(202)-708-3633

Privacy Act of 1974 (P.L.93-579)

Authority: Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1968, as amended by the Housing and Community Development Act of 1992, U.S.C. 1701u and implementing regulations at 24 CFR Part 135.

Purpose: The information requested on this form is to be used to investigate and process Section 3 complaints.

Use: The information requested will be used to process a complaint filed under Part 135. HUD may disclose certain information for Federal, State, and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as required and permitted by law.

Penalty: Failure to provide some or all of the requested information will result in delay or denial of HUD assistance.

Disclosure of this information is voluntary.

PROJECT BENEFIT PROFILE

For Compliance With:

Section 109, Housing & Community Development Act of 1974, as amended

Title VI, Civil Rights Act of 1964

Project Title: _____

Applicant: _____

1 Total Project Area Beneficiaries: _____

DIRECT BENEFIT

2 Total Direct Beneficiaries (all activities): _____

3	4	5	6	7	8	9	10	11	12	13	14
Activity Number	Total No.	White No. %	Black No. %	Hispanic No. %	Asian No. %	American Indian No. %	Handicap No. %	Elderly No. %	LMI No. %	Low No. %	Female HH No.

INDIRECT BENEFIT

2 Total Indirect Beneficiaries (all activities): _____

3	4	5	6	7	8	9	10	11	12	13	14
Activity Number	Total No.	White No. %	Black No. %	Hispanic No. %	Asian No. %	American Indian No. %	Handicap No. %	Elderly No. %	LMI No. %	Low No. %	Female HH No.

INSTRUCTIONS

DIRECT/INDIRECT BENEFIT FORMS

Housing and Public Facilities

You must identify persons benefiting from each activity you plan to undertake, and distinguish between persons who will benefit directly and those who will benefit indirectly. A direct benefit will accrue to any activity where a personal record must be completed by the resident or maintained by the grantee to receive the service (for example, residential rehab, acquisition, relocation, payment of tap on fees). An indirect benefit will be achieved if all persons in the project area will receive equal benefit from the service (for example, sewer line installation, park development).

1. List total number of project area beneficiaries.

2. List total number of direct/indirect beneficiaries for all activities. Individuals who receive benefit from more than one activity should not be double counted.

3. List all proposed activity numbers and letters if applicable (exclude engineering, planning, administration and contingency activities).

4. List total number of beneficiaries for each activity. This number will be the basis for the percentage determination for items 4 through 11.

5. List number and percent of white persons benefiting. (A person having origins in any of the original people of Europe, North Africa, or the Middle East, but not of Hispanic origin.)

6. List number and percent of black persons benefiting. (A person having origins in any of the black racial groups of Africa, but not of Hispanic origin.)

7. List number and percent of Hispanic persons benefiting. (A person of Mexican, Puerto Rican, Cuban, Central or South America or other Spanish culture or origin, regardless of race.)

8. List number and percent of Asian persons benefiting. (A person having origins in any of the original people of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes, for example, China, India, Japan, Korea, the Philippine Islands, and Samoa.)

9. List number and percent of American Indian persons benefiting. (A person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliation or community recognition.)

10. List number and percent of handicapped persons benefiting. (A person who is physically disabled or mentally retarded.)

11. List number and percent of elderly persons benefiting.

12. List number and percent of low-moderate income persons benefiting. (Section 8 Lower Income)

13. List number and percent of low income persons benefiting. (Section 8 Very Low Income)

14. List number of female headed households. (A female person regarded as the head of the household by members of the household.)

SUGGESTED ACTIVITIES TO AFFIRMATIVELY FURTHER FAIR HOUSING.

Information Outreach
Requesting Landlords to post Fair Housing Notices, Providing Fair Housing brochures where customers pay utility bills, media campaigns or communities with local oriented media outlets (Town newspaper).

Training Seminar for the General Public
Topics would include overview of the Fair Housing laws, (classes, illegal acts, and penalties) rights and responsibilities in buying/selling homes, tenant selection criteria, family issues (occupancy standards, safety) renting to the disabled etc. See 24 CFR.50, 100.65, 100.80

Training Seminar for Rental Managers, Agents and Landlords
Topics would include overview of the Fair Housing laws, (classes, illegal acts, and penalties) tenant selection criteria, family issues (occupancy standards, safety) renting to the disabled, record keeping, advertising and evictions. See 24 CFR 100.70, 100.75, 100.80, 100.202

Training Seminar for Real Estate Brokers
Topics would include protected classes, violations, penalties and dealing with potentially illegal questions. See 24 CFR 100.65, 100.70, 100.80, 100.90, 100.135

Training Seminar for Real Estate Lenders
Topics would include Fair Housing statues, recording keeping, prohibited inquiries, prohibited credit uses. See 24 CFR 100.50, 100.65, 100.70, 100.120, 100.130

Fair Housing Bill Stuffer

Side 1

EQUAL HOUSING OPPORTUNITY	Title VIII of the Civil Rights Act of 1968, As Amended, makes discrimination based on race, color, religion, sex, handicap, familial status, or national origin illegal in connection with the sale or rental of most housing and any vacant land offered for residential construction or use.

Side 2

EQUAL HOUSING OPPORTUNITY	Fair Housing is a national policy of the United States. It's the law, and it's your right. Today, more than ever, America is closer to upholding the inalienable right of all its citizens to live where they choose, when they choose, or for as long as they choose, and can afford to do so. Yet, this year, as many as two million people who want to rent or buy a home will be discriminated against because of race, color, religion, sex, handicap, families with children, or national origin. YOU can do something about housing discrimination The city/parish of _____ has passed a fair housing ordinance. Complaints may be filed locally with municipal court or by reporting violations to the U. S. Department of Housing and Urban Development at this Toll-Free number, 1-800-669-9777.

Fair Housing

It's Right
It's Fair
It's for Everyone!

It's Not an Option
It's the LAW

April is Fair Housing Month

Equal Housing Opportunity

Discrimination Complaint
Hotline 1-800-669-9777

Code of Federal Regulations Title 24--Housing and Urban Development

PART 100--DISCRIMINATORY CONDUCT UNDER THE FAIR HOUSING ACT

Sec. 100.**5** Scope.
Sec. 100.**10** Exemptions.
Sec. 100.**50** Real estate practices prohibited.
Sec. 100.**65** Discrimination in terms, conditions and privileges and in services and facilities.
Sec. 100.**70** Other prohibited sale and rental conduct.
Sec. 100.**75** Discriminatory advertisements, statements and notices.
Sec. 100.**80** Discriminatory representations on the availability of dwellings.
Sec. 100.**85** Blockbusting.
Sec. 100.**90** Discrimination in the provision of brokerage services.
Sec. 100.**120** Discrimination in the making of loans and in the provision of other financial assistance.
Sec. 100.**130** Discrimination in the terms and conditions for making available loans or other financial assistance.
Sec. 100.**135** Unlawful practices in the selling, brokering, or appraising of residential real property.
Sec. 100.**202** General prohibitions against discrimination because of handicap.
Sec. 100.**203** Reasonable modifications of existing premises.
Sec. 100.**204** Reasonable accommodations.
Sec. 100.**205** Design and construction requirements.
Sec. 100.**400** Prohibited interference, coercion or intimidation.

This page is located on the U.S. Department of Housing and Urban Development's Homes and Communities Web site at **http://www.hud.gov/complaints/housediscrim.cfm**

Housing Discrimination Complaints

Federal law prohibits housing discrimination based on your race, color, national origin, religion, sex, family status, or disability. If you have been trying to buy or rent a home or apartment and you believe your rights have been violated, you can file a fair housing complaint.

There are several ways to file a complaint:

*You can file a complaint right now, by using our online form .
*You can call toll-free 1-800-669-9777.
*You can print out a form, complete it, and drop it off at your local HUD office or mail it to:

Office of Fair Housing and Equal Opportunity
Department of Housing and Urban Development
Room 5204
451 Seventh St. SW
Washington, DC 20410-2000

For Arkansas, **Louisiana**, New Mexico, Oklahoma, and Texas residents:

Fair Housing Hub
U.S. Department of Housing and Urban Development
801 Cherry Street, 27th Floor
P.O. Box 2905
Fort Worth, Texas 76113-2905
(817) 978-5900
1-800-669-9777
TTY (817) 978-5595

FAIR HOUSING ASSESSMENT

Assessing Fair Housing Conditions in Your Community

Name of Community: _____Contract #: _____FY: _____

PART I – HOUSING PROFILE

Census 2000 Summary File 3 Table H32 -Tenure by Units in Structure
(http://factfinder.census.gov/servlet/BasicFactsServlet)

1. Owner Occupied Units:
   a. Single attached and detached (row 2+3) _____
   b. Mobile Home and others (row 11+12) _____
   c. Other Units (rows 5+6+7+8+9+10) _____
   d. Total Number of Owner Occupied Units: (row 2) _____
2. Renter Occupied
   a. Single attached and detached (row 14+15) _____
   b. Mobile Home and others (row 22+23) _____
   c. Two Unit Structure (row 16) _____
   d. Multiple Unit Structure (rows 17+18+19+20+21) _____
   e. Total Number of Renter Occupied Units (row 13) _____
3. Total Units (row 1) _____
4. What percent of total occupied housing units are owner occupied single units? (add **1 a** and **1 b** then divide by 3) _____
5. What percent of total occupied housing units are multiple unit structure rental units (3 or more units)? (Divide **2 d** by 3) _____
6. How many mortgage lenders are located or have offices in your community? _____
7. How many real estate brokers are located and/or have offices in your community? _____

8. Does your community have a comprehensive zoning ordinance? _____

9. Does your community have or enforce building codes? _____

10. Are there any new subdivisions building or planned for your community?

Yes _____ No _____

PART II – REVIEW OF FAIR HOUSING PRACTICES

For the Housing Activities applicable to your community provide the following information:

1. Rental Units: Description of data sources or contacts made:

_____
_____
_____

Description of policies or practices examined:

_____
_____
_____

2. Public Housing: Description of data sources or contacts made:

_____
_____
_____

Description of policies or practices examined:

_____
_____
_____

3. Mortgage Lending Institutions: Description of data sources or contacts made:

_____
_____
_____

Description of policies or practices examined:

_____
_____
_____

4. Real Estate Brokerage Services: Description of data sources or contacts made:

_____
_____
_____

Description of policies or practices examined:

_____
_____
_____

5. Zoning Ordinances: Description of data sources or contacts made:

_____
_____
_____

Description of policies or practices examined:

_____
_____
_____

6. Building Codes: Description of data sources or contacts made:

_____
_____
_____

Description of policies or practices examined:

_____
_____
_____

PART III – IDENTIFICATION OF IMPEDIMENTS

1. Rental Units: *(Mark NA and skip to next question if answer to ONE in PART I is zero)*

Are there any identifiable barriers for persons of similar income levels that restrict or have the effect of restricting access to rental housing; because of their race, color, religion, sex, national origin, handicap or familial status? *(for example: unnecessary or burdensome application procedures; unreasonable requirements)* Yes ____ No ____ NA _____

2. Public Housing: *(Mark NA and skip to next question if answer to TWO in PART I is zero)*

Are there any identifiable barriers for persons of similar income levels that restrict or have the effect of restricting access to public housing units; because of their race, color, religion, sex, national origin, handicap or familial status? *(for example: unnecessary or burdensome qualification requirements* Yes ____ No ____ NA ____

3. Mortgage Lending Institutions: *(Mark NA and skip to next question if answer to THREE in PART I is zero)*

Are there any identifiable barriers for persons of similar income levels that restrict or have the effect of restricting access to mortgage loans; because of their race, color, religion, sex, national origin, handicap or familial status? *(for example: inconsistent appraisal practices, redlining; restrictive lending practices,)* Yes ____ No ____ NA ____

4. Real Estate Brokerage Services: *(Mark NA and skip to next question if answer to FOUR in PART I is zero)*

Are there any identifiable barriers for persons of similar income levels that restrict or have the effect of restricting access to real estate brokerage services; because of their race, color, religion, sex, national origin, handicap or familial status? *(for example: uneven appraisal practices, redlining, unnecessary or burdensome application procedures; exclusion from listing services; steering)* Yes ____ No ____ NA ____

5. Zoning Ordinances: *(Mark NA and skip to next question if answer to FIVE in PART I is no)*

Does the communities' zoning ordinances restrict or have the effect of restricting housing choices or availability of housing choices for persons of similar income levels because of their race, color, religion, sex, national origin, handicap or familial status? *(for example: restrictive regulations that make low income housing development difficult)* Yes ____ No ____ NA ____

6. Building Codes: *(Mark NA if answer to SIX in PART I is no)*

Does the communities' building code ordinances restrict or have the effect of restricting housing choices or availability of housing choices for persons of similar income levels because of their race, color, religion, sex, national origin, handicap or familial status? *(for example: restrictive regulations that make low income housing development difficult)* Yes ____ No ____ NA ____

PART IV – ANALYSIS OF IMPEDIMENTS

For any items identified as YES in PART III please provide the following details.

Housing Activity: _____

Description of the Impediment: _____

_____

_____

Cause of the Impediment: _____

_____

_____

Result of the Impediment: _____

_____

_____

xxxx

PART V – ACTIONS TAKEN TO OVERCOME IDENTIFIED IMPEDIMENTS

Housing Activity: _____

Actions or proposed actions: _____

_____

_____

_____

_____

_____

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

Housing Activity: _____

Actions or proposed actions: _____

_____

_____

_____

_____

_____

Date Assessment completed: _____

Preparer of Assessment: _____

Signature of Chief Elected Official: _____

< S A M P L E >

PART II – REVIEW OF FAIR HOUSING PRACTICES

Mortgage Lending Institutions: Description of data sources or contacts made:
Contacted the three realtors that have offices in our Town.

Description of policies or practices examined:
Our consultant reviewed the marketing practices of the realtor agencies.

x x x

INSTRUCTIONS FOR THE FAIR HOUSING ASSESSMENT

The Office of Community Development has identified six housing activities that present potential barriers to fair housing choice for your citizens. PART I asks questions about the housing activities in your community. PART II asks you what source of information exists about the different housing activities and also what particular policies or practices were examined in order to determine if impediments to fair housing activities exist. PART III asks if after reviewing the information whether any impediments were identified for each activity. If you mark 0 or NO for any item in Part I, then mark NA (*Not Applicable*) for the appropriate activity in PART II and PART III. For example if there are no public housing units in your community or your community does not have zoning ordinances then no comments are necessary for PART II and NA would be the appropriate block for PART III.

If you answered yes to any question in PART III and have determined that are impediments in any of the housing activities that restrict or have the effect of restricting housing choices or availability of housing choices for persons of similar income levels because of their race, color, religion, sex, national origin, handicap or familial status; then you must provide information in PARTS IV and V.

(Sample)

A-51

CITIZEN PARTICIPATION PLAN

The _____ has adopted the following Citizen Participation Plan to meet the citizen participation requirements of Section 508 of the Housing and Community Development Act of 1974, as amended. The _____ is committed through adoption of this plan to full and total involvement of all residents of the community in the composition, implementation and assessment of its Louisiana Community Development Block Grant (LCDBG) Program. Attempts will be made to reach all citizens, with particular emphasis on participation by persons of low and moderate income, residents of slum and blighted areas and of areas in which funds are proposed to be used. A copy of this plan will be made available to the public upon request.

As part of the citizen participation requirements and to maximize citizen interaction, the _____ shall:

1) Provide citizens with reasonable and timely access to local meetings, information and records relating to the State's proposed method of distribution, as required by the Secretary, and relating to the actual use of funds under Title I of the Housing and Community Development Act of 1974, as amended;

2) Provide for public hearings to obtain views and respond to proposals and questions at all stages of the community development program. These hearings will consist of the development of needs and proposed activities and review of program performance. These hearings will be held after adequate notice, a minimum of five calendar days, at times and locations convenient to potential or actual beneficiaries with accommodations for persons with disabilities;

3) Provide for and encourage citizen participation with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used;

4) Provide for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals;

5) Where applicable, identify how the needs of non-English speaking residents will be met in the case of public hearings; and

6) Provide for a formal written procedure which will accommodate a timely written response, within fifteen days where practicable, to written complaints and grievances.

Written minutes of the hearings and an attendance roster will be maintained by the_____.

PUBLIC HEARINGS

Notices informing citizens of any public hearings will appear in the official journal of the _____ a minimum of five calendar days prior to the hearing. In addition, notices will also be posted in (parish office buildings/town hall) and the hearing will be publicized through local community organizations, i.e., churches, clubs, etc., and/or dissemination of leaflets in the target area. Hearings will be held at times and locations convenient to potential or actual beneficiaries with accommodations for individuals with disabilities and non-English speaking persons. Whenever possible these hearings will be held within or near the target areas, at times affording participation by the most affected residents.

I. APPLICATION:

First Notice/Public Hearing

1) The public hearing to address LCDBG application submittal will be held approximately _____ calendar days prior to the deadline for submission of the application for the current funding cycle. The Citizen Participation Plan will be available at the hearing. The public notice for this hearing will state that the following will be discussed:

a) The amount of funds available for proposed community development;

b) The range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income;

c) The plans of the _____ for minimizing displacement of persons as a result of activities assisted with such funds and the benefits to be provided by the _____ to persons actually displaced as a result of such activities; and

d) The _____ prior performance of LCDBG programs funded by the State of Louisiana.

In addition, the notice shall state that all citizens, particularly low and moderate income residents of slum and blighted areas, are encouraged to submit their views and proposals regarding community development and housing needs. Those citizens unable to attend this hearing may submit their views and proposals to:

(address of local governing body)

The notice will also state that accommodations will be made for disabled and non-English speaking individuals provided a _____ day notice is received by the _____.

Second Notice

1) Seven calendar days, at a minimum, prior to the deadline for submittal of the application, a second notice shall appear in the official journal informing the citizens of the following:

a) Proposed submittal date of the application;

b) Proposed objectives;

c) Proposed activities;

d) Location of proposed activities;

e) Dollar amount of proposed activities; and

f) Location and hours available for application review.

In addition, the notice shall state "all citizens, particularly those affected by the proposed project, are encouraged to review the proposed application and submit any written comments on the application to:"

(address of local governing body)

Negative comments received will be forwarded immediately to the State's Office of Community Development, Division of Administration or the application will be withdrawn if necessary.

II. AMENDMENTS

Program amendments, which substantially alter the LCDBG project from that approved in the original application, shall not be submitted to the State without holding one public hearing in accordance with the procedures outlined within this Citizen Participation Plan. Minutes of the hearing will be submitted with the request for the amendment. All interested citizens, particularly the low and moderate income, elderly, handicapped, and residents of the project area, shall be made aware and have the opportunity to comment on proposed amendments and/or submit alternative measures.

III. GRANTEE PERFORMANCE

The _____ will hold one performance hearing to solicit the public's opinion of the effectiveness of the LCDBG Program. The manner of notification will be the same as previously described for all public hearings. Notification will be made in the official journal approximately calendar days prior to the anticipated submittal of close-out documents to the State, and will indicate the date, time, and place of the performance hearing, and invite comments and opinions on the LCDBG activities implemented under the _____ LCDBG Program being closed out. The notice will also state that accommodations will be made for disabled and non-English speaking persons provided a _____ day notice is received by the _____ _____.

This notice shall invite all interested parties, particularly those low to moderate income residents in the target area to attend.

The hearing will be held no sooner than five calendar days from the publication date of said notice.

CONSIDERATION OF OBJECTION TO APPLICATION

Persons wishing to object to approval of an application by the State may make such objection known to:

Office of Community Development
Division of Administration
Post Office Box 94095
Baton Rouge, Louisiana 70804-9095

The State will consider objections made only on the following grounds:

1) The application description of needs and objectives is plainly inconsistent with available facts and data;

2) The activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant; and

3) The application does not comply with the requirements set forth in the Final Statement or other applicable laws.

Such objections should include both an identification of the requirements not met and, in the case of objections relative to (1) above, the complainant must supply the data upon which he/she relied upon to support his/her objection.

BILINGUAL

Whenever a significant number of persons and/or residents of blighted neighborhoods communicate with a primary language other than English attend public hearings, the _____ will provide a interpreter for dissemination of information to them providing the _____ is given sufficient notification of _____ day(s).

TECHNICAL ASSISTANCE

Technical assistance may be provided directly by the _____ to any citizen, particularly to low and moderate income persons, residents of blighted neighborhoods and minorities, who request assistance in the development of proposals and statement of views concerning the LCDBG Program. The local officials, administrator and engineer will conduct informational meetings with the residents of the low to moderate income areas if a written request is received by the _____ with at least a one week notification. The persons who conducts the technical assistance meetings will disseminate information on the program and answer all pertinent questions.

TIMELY ACCESS AND ADEQUATE INFORMATION

The _____ shall provide timely disclosure of records, information and documents related to the LCDBG program activities. Documents will be made available for copying upon request at the _____, Monday thru Friday, _____ a.m. to _____ _____ p.m. Such documents may include the following:

1) All meetings and promotional materials.

2) Records of hearings and meetings.

3) All key documents, including prior applications, letters, grant agreements, citizen participation plans, and proposed applications.

4) Copies of the regulations (final statements) concerning the program.

5) Documents regarding other important requirements, such as Procurement Procedures, Fair Housing, Equal Employment Opportunity, Uniform Act, Labor Provisions and Environmental Procedures.

CITIZEN COMPLAINT PROCEDURE

SECTION 1

It is the policy of the (local governing body) to review all complaints received by the (local governing body.)

SECTION 2

The following procedures will be followed on all complaints received by the (local governing body):

1) The complainant shall notify the (designated local official) of the complaint. The initial complaint may be expressed orally or by written correspondence.

2) The (designated local official) will notify the Mayor or designated representative of the complaint within _____ working days.

3) The Mayor or designated representative will investigate the complaint and will report the findings to the (designated local official) within ___ working days.

4) The (designated local official) will notify the complainant of the findings of the Mayor or designated representative in writing or by telephone within ____ working days.

5) If the complainant is aggrieved by the decision, he must forward the complaint in writing (if previously submitted orally) to the (designated local official) who will forward the complaint and all actions taken by the Mayor or designated representative to the appropriate council committee for their review. This will be accomplished within _____ working days of receipt of the written complaint.

6) The reviewing council committee will have ____ working days to review the complaint and forward their decision to the complainant in writing.

7) If the complainant is aggrieved with the decision of the Committee, he must notify the (designated local official) in writing that he desires to be afforded a hearing by the (local governing body) Council. The complainant will be placed on the next regularly scheduled council meeting agenda. The (designated local official) will notify the complainant in writing of the date of the hearing.

8) The complainant must bring all relevant data, witnesses, etc., to the hearing. The (local governing body) Council, at the hearing, will review the complaint

and forward within _____ days a certified copy of the minutes of the meeting at which the hearing was conducted and a decision was rendered to the complainant. If a decision is not reached at the hearing, the (local governing official) Council will inform complainant of an appropriate date to expect a response. Within _____ working days of reaching a decision, the complainant will be notified in writing of the decision.

Complaints concerning the general administration of the LCDBG Program may be submitted in writing directly to the:

Division of Administration
Office of Community Development
Post Office Box 94095
Baton Rouge, Louisiana 70804-9095

SECTION 3

All citizen complaints relative to Fair Housing/Equal Opportunity violations alleging discrimination shall be forwarded for disposition to the:

Louisiana Department of Justice
Public Protection Division
Post Office Box 94095
Baton Rouge, Louisiana 70804-9095

The complainant will be notified in writing within 10 days that, due to the nature of the complaint, it has been forwarded to the Louisiana Department of Justice.

or

Complainant may contact the Louisiana Department of Justice Division directly at the Toll Free Telephone number 1-800-273-5718 or 225-342-7900.

SECTION 4

The (designated local official) will maintain a file for the purpose of keeping reports of complaints.

SECTION 5

This policy does not invalidate nor supersede the personnel or other policies of the (local governing body) which are currently adopted, but is intended to serve as a guide for complaints.

SECTION 6

This policy may be amended by a majority vote at any of the _____ regularly scheduled meetings.

ADOPTION

This Citizen Participation Plan is hereby adopted by _____in regular session on this _____ day of _____, 200___.

_____ _____

WITNESS CHIEF ELECTED OFFICIAL

Section 504 Assurance

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The (local community)_____ does hereby assure the Office of Community Development, Division of Administration, that, as a recipient of Louisiana Community Development Block Grant funds, all activities of this grant will be operated in compliance with requirements of Section 504 of the Rehabilitation Act of 1973, as amended.

As a local government with 15 or more employees, the (local community)_____ further assures the Office of Community Development, Division of Administration, that it has appointed (name)_____, (position)_____ as the designated Section 504 Coordinator (24 CFR 8.53), and adopted a Section 504 Grievance Procedure on (Date)_____ (24 CFR 8.53), and made (describe method)_____

_____

_____

as a means of providing for continuing notification of participants, beneficiaries, applicants, and employees that it does not discriminate on the basis of handicap in its federally assisted programs (24 CFR 8.54).

_____
Chief Elected Official

_____
Date

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SUMMARY OF ACTIONS TAKEN TO ACHIEVE COMPLIANCE WITH SECTION 504

The City conducted a self-evaluation in 1991 to comply with § 504 of the Rehabilitation Act. It developed a transition plan and the same year, updated its self-evaluation in October 1994 by reviewing the self-evaluation criteria for compliance with Title II of ADA and reviewed them again in December 2002.

The City, in 1991, reviewed its facilities and areas in which services, programs, and activities operate in the following facilities: Old Library, City Hall, City Council Chambers and Police Department, Community Center, Utilities Building, ABC Park, Stadium Park and Field, Municipal Pool, Police Department Sub-Station, VFW Lodge (polling place) and the Main Street Fire Station (polling place).

Based upon the self-evaluation that was conducted in 1991 a transition plan was developed for the following areas found deficient and corrected by physical alterations:

Existing Facilities – Physical Alterations

AREA	DEFICIENCY	CORRECTION	COMPLETED
City Hall	Accessible entrance not designated	Installed signage at inaccessible entrances indicating where accessible entrance is located	Jan 1992
City Hall	Threshold change greater than ½ inch at front entrance	Threshold change altered to ½ inch and beveled the slope	Jun 1992
City Hall	Inaccessible restroom	Altered restroom stall to 60 inches wide and 59 inches deep	Mar 1994
Polling Place VFW Lodge	Lack of designated handicapped parking place	Standard handicapped parking place designated by front entrance	Oct 1993

Existing Facilities – Accessibility Policies

For other areas found deficient in facilities designated as "existing facilities (24 CFR 8.21c)" in the 1991 self-evaluation the City adopted the following policies as corrective action:

AREA	DEFICIENCY	CORRECTION	COMPLETED
City Hall Mayor's Office	Office located on 2nd floor which is inaccessible	Adopted policy to relocate upon request to City Administrator's office on 1st floor	Jul 1992
Library	Top shelf of library stacks are inaccessible and some stacks lack 36 inch clearance	Adopted policy of providing lists of books located on inaccessible stacks and retrieval by library staff	Sep 1993

Fire Station #3	Does not have accessible bath-room and occasionally host community social events	Adopted policy to relocate any social events upon request	Nov 2002
City Hall Utility Dept.	Utility service counter is more than 36" above the finish floor	Adopted policy that, upon request, city clerk will make a home visit to collect utility payment	Nov 2002

New Facilities

New Library, Second City Park, and new addition to the City Hall annex were all designed and fully comply with the ADA Standards for Accessible Design (ADAAG).

or

The city has no municipal buildings or facilities that are considered "new."

Communications

AREA	DEFICIENCY	CORRECTION	COMPLETED
City Hall Public Meetings	Content of general public meetings not accessible to people with visual and hearing impairments	Adopted policy to provide sign interpreters for hearing impaired persons and readers for visually impaired upon 5 days notice	Feb 1994
City Hall Public Safety	Interactions between hearing impaired citizens and public safety personnel are impeded	Adopted policy to provide sign interpreters or other acceptable communications means for hearing impaired persons within 24 hours of request	Mar 1994
		Police Dept. has a TDD with a published number	Nov 1993
City Hall Individual	Interactions between hearing and visually impaired citizen and general administrative government personnel	Adopted policy requiring city personnel to pass written notes to hearing impaired and read documents to visually impaired persons upon immediate request and/or make arrangements for auxiliary services for more complicated transactions	Dec 2002
		City personnel are trained to utilize the LA relay system	Dec 2002

Employment

AREA	DEFICIENCY	CORRECTION	COMPLETED
Hiring	Previously used employment application contained question that were determined to possibly be discriminatory towards the disabled	Application form revised; Sec 504 Notice contains statement that City does not discriminate in hiring	Jun 1993
Working	No policy on accommodating disabled employees	Amended personnel policy to include policy on accommodation of disabled employees	Jun 1993
		Section 504 Grievance Procedure includes procedures regarding discrimination based on handicapped status	Oct 2002
Promotions	No non-discrimination policy regarding promotions and the disabled	Amended personnel policy to include statement of non-discrimination in promotions	Oct 2002

_____

Chief Elected Official

_____

Date

LCDBG DISCLOSURE REPORT

PART I - APPLICANT/GRANTEE INFORMATION

1. Applicant/grantee name and address: _____

_____

_____

Phone # _____ Federal Employer ID # _____

2. This is an: Initial Report _____ Updated Report _____

3. Project Assisted/to be Assisted _____

_____

a. Fiscal year: _____

b. Contract Number: _____

c. Amount requested/received: . . . . . _____

d. Program income to be used with c. above: . . . . . _____

e. Total of c. and d: . . . . . _____

PART II - THRESHOLD DETERMINATIONS

1. Is the amount listed at 3.e. (above) more than $200,000? Yes _____ No _____

2. Have you received or applied for other HUD assistance (through programs listed in Appendix A of the Instructions) which when added to 3.e. (above) amounts to more than $200,000?

Yes _____ No_____

If the answer to <u>either</u> 1. or 2. of this Part is "yes", then you must complete the remainder of this report. If the answer to <u>both</u> 1. or 2. of this Part is "no", then you are not required to complete the remainder of this report, but you must sign the following certification

I hereby certify that this information is true.

_____ _____

(Chief Elected Official) (Date)

PART III - OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR			
Provide the requested information for any other Federal, State and/or local governmental assistance, on hand or applied for, that will be used in conjunction with the LCDBG program. (See Appendix A of the Instructions for a listing of the HUD programs subject to disclosure.)			
Name and Address of Agency Providing or to Provide Assistance	Name of Program	Type of Assistance (loan, grant, etc.)	Amount Requested or Provided

PART IV - INTERESTED PARTIES				
Alphabetical Listing of All Persons With a Reportable Financial Interest in the Project	Social Security # or Employer Identification # (Optional)	Type of Participation in Project	Contract Execution Date	Financial Interest In Project $ and %

PART V – EXPECTED SOURCES AND USES OF FUNDS

This Part requires that you identify the sources and uses of all assistance, including LCDBG, that have been or may be used in the project.

Source	Use

PART VI - CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that any false information or lack of information knowingly made or omitted may subject me to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I knowingly and materially violate any required disclosure of information, including intentional nondisclosure, I am subject to a civil money penalty not to exceed $10,000 for each violation.

_____ _____

(Chief Elected Official) (Date)

INSTRUCTIONS FOR COMPLETION OF DISCLOSURE REPORT

All applicants for or recipients of LCDBG Funds must complete and submit, Parts I and II of the Disclosure Report. At the completion of Part II of the report, some applicants/recipients will find that they must also complete Parts III, IV, V and VI of the Report.

Part I requires the applicant's/recipient's name, address, phone and federal employer identification number; indicate as to whether this is an initial report or an updated report (all applicants/recipients will check the initial report box when preparing this report for the first time); provide a brief description of the project and include contract number, if known; identify the fiscal year of the LCDBG funds requested/received; the amount of LCDBG funds being requested or received; the amount of any LCDBG program income that will be used with the LCDBG funds; and, the total amount (funds plus program income). The requirements for update reports are discussed on the following page.

Part II asks two questions. If the answer to both questions is "no", the chief elected official must sign the certification at the end of Part II, but is not required to complete the remainder of the Report. If the answer to either question is "yes" then the applicant must complete the remainder of the Report.

Part III requires information on any other Federal, State and/or local assistance that is to be used in conjunction with the LCDBG program. "Other government assistance" is defined as including any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit or any other form of direct or indirect assistance from the Federal government, the State (other than the LCDBG assistance requested/received in the application/grant award), or a unit of general local government, or any agency or instrumentality thereof, that is available, or is expected to be made available with respect to the LCDBG project or activities. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there is reasonable ground to anticipate that the assistance will be forthcoming or if other funds were identified in the application. If the applicant has no other government assistance to disclose, then state "**No other government assistance has been applied for or will be provided"** on this form.

Part IV requires the identification of interested parties. Interested parties are persons and entities with a reportable financial interest in the project. "Person" and "entity" means an individual (including a consultant, lobbyist, or lawyer, corporation, company, association, authority, firm, partnership, society, State, unit of general local government, governmental entity or agency, Indian tribe, and any other organization or group of people. If an entity is being disclosed, the disclosure in Part IV must include an identification of each officer, director, principal stockholder or other official of the entity. All consultants, developers or contractors involved in the application for LCDBG assistance, or in the planning, development or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds $50,000 or 10 percent of the LCDBG assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which an individual or entity has an equity interest in the project, shares in any profit or resale or any distribution of surplus cash or other assets of the project or receives compensation for any goods or services provided in connection with the project. (The following are not considered interested parties: local LCDBG administrative staff, recipients of housing rehab assistance, and rehab contractors as long as the rehab agreement is between the property owner and the contractor.) The financial interest in the project must be identified both as a dollar amount and as a percentage of the total amount of the LCDBG funds.

It is realized that at the time of application, applicants may not be aware of all interested parties since contracts and agreements for goods and services are not generally awarded until after notice of grant award. Subsequent to grant award, as projects are being implemented, funds will be committed to interested parties which will

necessitate the submission of an updated Disclosure Report. However, if other governmental assistance is identified under Part II of the Disclosure Report to be used in conjunction with the LCDBG funds and, if these other funds have been committed to interested parties, then those interested parties must be identified in Part IV of the initial report.

Entry of the social security number or employer identification number is optional.

Part V requires applicants/recipients to identify the sources and uses of all funds to be used in conjunction with the LCDBG funded project. The sources and uses must include all the other assistance identified in Part III as well as the LCDBG funds identified in Part I, items 3c. and 3d.

Part VI requires a signed certification by the Chief Elected Official.

Updated Reports

All applicants/grantees who have submitted initial disclosure reports are required to submit updated disclosure reports whenever any of the following instances occur:

1. The applicant/grantee discovers that information was omitted from its initial report or any updated reports.

2. Additional persons or entities can be identified as interested parties. These are persons or entities that did not have a pecuniary interest when the initial or last updated report was submitted.

3. There is a change in other government assistance that exceeds the amount of assistance that was previously disclosed.

4. There is a change in the pecuniary interest of any person or entity that exceeds the amount of all previously disclosed interests by the lesser of $50,000 or ten percent of such interest.

5. For all projects receiving a tax credit under federal, state, or local law, there has been a change in the expected sources or uses of funds that were previously disclosed.

6. There is a change in the expected source of funds from a single source that exceeds the lesser of the amount previously disclosed for that source of funds by $250,000 or ten percent of the funds previously disclosed for that source.

7. There is a change in the expected sources of funds from all sources previously disclosed that exceeds the lesser of $250,000, or ten percent of the amounts previously disclosed from all sources of funds.

8. There is a change in a single expected use of funds that exceeds the lesser of $250,000 or ten percent of the previously disclosed uses for all funds.

9. There is a change in the use of all funds that exceeds the lesser of $250,000 or ten percent of the previously disclosed uses for all funds.

Grantees must constantly monitor their project to ensure that an updated disclosure report is submitted within 30 days of any change that meets one of the nine criteria discussed above. Updated reports are required until the project is closed out.

APPENDIX A

This Appendix contains a list of all the HUD Programs that are subject to the disclosure requirements of the Housing and Urban Development Act of 1989. All applicants for or recipients of LCDBG assistance must review this list to determine if they are receiving, or expect to receive, assistance from other covered HUD programs besides the LCDBG Program. HUD funds that are received either directly from HUD or through the State must also be considered. The State administered LCDBG Program is listed as item 3(v).

It is the total amount of funds received from all of the below sources that the applicant/recipient uses to answer the second question of Part II of the Disclosure Report.

1. Section 312 Rehabilitation Loans under 24 CFR part 510, except loans for single family properties.

2. Applications for grant amounts for a specific project or activity under the Rental Rehabilitation Grant program under 24 CFR part 511 made to:

   a. A State grantee under Subpart F;
   b. A unit of general local government or a consortium of units of general local government receiving funds from a State or directly from HUD (whether or not by formula) under Subparts D, F, and G; and
   c. HUD, for technical assistance under S511.3.

   (Excludes formula distributions to States, units of general local government, or consortia of units of general local government under Subparts D and G, within-year reallocations under Subpart D, and the HUD-administered Small Cities program under Subpart F.)

3. Applications for grant amounts for a specific project or activity under Title I of the Housing and Community Development Act of 1974 made to:

   a. HUD, for a Special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989 for technical assistance, the Work Study program or Historically Black colleges,
   b. HUD, for a loan guarantee under 24 CFR part 470, Subpart M;
   c. HUD, for a grant to an Indian tribe under Title I of the Housing and Community Development Act of 1974; and
   d. HUD, for a grant under the HUD-administered Small Cities program under CFR part 570, Subpart F; and
   e. A State or unit of general local government under 24 CFR part 570.

4. Applications for grant amounts for a specific project or activity under the Emergency Shelter Grants program under 24 CFR part 576 made to a State or to a unit of general local government, including a Territory.

   (Excludes formula distributions to States and units of general local government [including Territories]; reallocations to States, units of general local government [including Territories] and non-profit organizations; and applications to an entity other than HUD or a State or unit of general local government.)

5. Transitional Housing under 24 CFR part 577.

6. Permanent Housing for Handicapped Homeless Persons under 24 CFR part 578.
7. Section 8 Housing Assistance Payments (only project-based housing under the Existing Housing and Moderate Rehabilitation programs under 24 CFR part 882, including the Moderate Rehabilitation Program for Single Room Occupancy Dwellings for the Homeless under Subpart H).

8. Section 8 Housing Assistance Payments for Housing for the Elderly or Handicapped under 24 CFR part 885.

9. Loans for Housing for the Elderly or Handicapped under Section 202 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and Community Development Act of 1987 and Seed Money Loans under Section 106(b) of the Housing and Urban Development Act of 1968).

10. Section 8 Housing Assistance Payments - Special Allocations - under 24 CFR part 886.

11. Flexible Subsidy under 24 CFR part 219 - both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C.

12. Low-Rent Housing Opportunities under 24 CFR part 904.

13. Indian Housing under 24 CFR part 905.

14. Public Housing Development under 24 CFR part 941.

15. Comprehensive Improvement Assistance under 24 CFR part 968.

16. Resident Management under 24 CFR part 964, Subpart C.

17. Neighborhood Development Demonstration under Section 123 of the Housing and Urban-Rural Recovery Act of 1983.

18. Nehemiah Grants under 24 CFR part 280.

19. Research and Technology Grants under Title V of the Housing and Urban Development Act of 1970.

20. Congregate Services under the Congregate Housing Services Act of 1978.

21. Counseling under Section 106 of the Housing and Urban Development Act of 1968.

22 Fair Housing Initiatives under 24 CFR part 125.

23. Public Housing Drug Elimination Grants under Section 5129 of the Anti-Drug Abuse Act of 1988.

24. Fair Housing Assistance under 24 CFR part 111.

25. Public Housing Early Childhood Development Grants under Section 222 of the Housing and Urban-Rural Recovery Act of 1983.

26. Mortgage Insurance under 24 CFR Subtitle B, Chapter II (only multifamily and non-residential).

27. Supplemental Assistance for Facilities to Assist the Homeless under 24 CFR part 579.

28. Shelter Plus Care Assistance under Section 837 of the Cranston-Gonzalez National Affordable Housing Act.

29. Planning and Implementation Grants for HOPE for Public and Indian Housing Homeownership under Title IV, Subtitle A, of the Cranston-Gonzalez National Affordable Housing Act.

30. Planning and Implementation Grants for HOPE for Homeownership of Multifamily Units under Title IV, Subtitle B, of the Cranston-Gonzalez National Affordable Housing Act.

31. HOPE for Elderly Independence Demonstration under Section 803 of the Cranston-Gonzalez National Affordable Housing Act.

B. PUBLIC FACILITY IMPROVEMENTS

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B. PUBLIC FACILITY IMPROVEMENTS

Task B-1: Labor Compliance

Regulations/Requirements

- **Davis-Bacon and Related Acts (40. U.S.C. 276(a)-276(a)-7)** The Davis-Bacon Act (DBA), enacted by the United States Congress, covers contracts that are directly federally funded. After the DBA was enacted, Congress extended the reach of the Davis-Bacon Act provisions by passing Davis-Bacon Related Acts (DBRA), which covers contracts that are indirectly federally financed (or assisted) in whole or in part. The Louisiana Community Development Block Grant (LCDBG) program is funded through the U. S. Department of Housing and Urban Development (HUD). Thus, most of the LCDBG program's construction contracts are indirectly federally funded and subject to DBRA. DBA and DBRA are basically the same in substance and purpose. This Grantee Handbook will often use the following terms interchangeably: Davis-Bacon, Davis-Bacon requirements, prevailing wage requirements, DBA, and DBRA.

  Davis Bacon requires payment of locally prevailing wages and fringe benefits to laborers and mechanics for on-site construction, alteration, or repair on federally financed projects having contracts in excess of $2,000. Locally prevailing wages are determined by the U.S. Department of Labor and made available to the public as "wage decisions." A Contractor(s) on an LCDBG project covered by Davis-Bacon must meet, at a minimum, the wage requirements set forth in the wage decision(s) applicable to the project.

- **Copeland "Anti-Kickback" Act (40 U.S.C. 276c)** The Copeland Act applies to contracts receiving federal financing (assistance) that are subject to Davis-Bacon requirements. The Copeland Act requires weekly payrolls, Statements of Compliance and that deductions from workers' pay be permissible.

- **Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333)** CWHSSA, (pronounced kwas-sa), applies to federally financed (in whole or in part) contracts over $100,000 and provides that workers be paid at least one and one-half times their basic rate of pay for any time worked in excess of forty hours weekly.

- **Louisiana Law** Some issues are not addressed in federal law but will be applicable to LCDBG projects under state law. In cases where state law is more stringent than federal law, the state law would be applicable.

- **LCDBG Requirements** Numerous procedures and documentation requirements are established by the Office of Community Development (OCD), which is responsible for administering the federally funded LCDBG program.

Responsibilities

- **Local Government Responsibilities** Each local government is responsible for ensuring compliance with Labor Standards as detailed in this section. The local government's designated Labor Compliance Officer (LCO), often an administrative consultant, is normally delegated the tasks associated with compliance with Labor Standards; however, the local government is ultimately responsible. The form used to designate the local government's Labor Compliance Officer is provided as **Exhibit B-1** and is for the local government's use only. Please do not send this form to the Office of Community Development (OCD).

  The local government must establish and maintain an adequate labor standards file(s) as specified in Section One, **Task A-16**: Record Keeping and Reporting.

  Office of Community Development Responsibilities The Office of Community Development will establish labor standards procedures, provide technical assistance regarding labor questions, conduct compliance reviews, and specify corrective actions.

Wage Decisions

- **Definition of a Wage Decision** A wage decision is a document listing a minimum wage rate and fringe benefit for each classification of laborers or mechanics which DOL has determined to be prevailing in a given area for a particular type of construction. A sample wage decision is provided as **Exhibit B-2**. The minimum pay requirements are referred to as "prevailing wages."

- **Source of Wage Decisions** The responsibility of determining prevailing wages is delegated to the United States Department of Labor (DOL). To meet this responsibility, DOL surveys contractors on construction projects nationwide to determine the prevailing wages for each locality. DOL then issues corresponding wage decisions. The terms "wage decision" and "wage determination" have the same meaning and are used interchangeably.

- **Wage Decision(s) as Part of the Construction Contract** Davis-Bacon requires that each prime contract over $2,000, which is assisted by federal funds and is for construction, alteration, or repair of public buildings or public works, contain the applicable DOL wage decision(s). Most LCDBG projects, except for housing projects, are covered.

  Subcontracts are also subject to Davis-Bacon by a required contractual agreement containing prevailing wage provisions between the prime contractor and subcontractor(s). If any portion of a contract is subject to Davis-Bacon requirements, then all work under that contract, including the work of subcontractors, is subject to Davis-Bacon requirements.

Types of Wage Decisions

- **Building** The construction of sheltered enclosures with walk-in access for the purpose of housing persons, machinery, equipment, or supplies. This type includes the construction of such structures, the installation of utilities, and the installation of equipment above and below the grade level, as well as incidental grading and paving. Structures need not be habitable to be considered as building construction.
- **Highway** The construction, alteration, or repair of roads, streets, highways, runways, taxiways, alleys, trails, paths, parking areas, and other similar projects that are not incidental to building or heavy construction.
- **Heavy** The construction on projects that cannot be classified as building, residential, or highway.
- **Residential** The construction, alteration, or repair of single family houses or apartment buildings of no more than four (4) stories in height. This includes incidental items such as site work, parking areas, utilities, streets and sidewalks. LCDBG block grants are not often awarded for the construction activities listed under "Residential" in the following table; therefore, housing projects funded by this office are rarely covered by Davis-Bacon.

The Four Decision Types Based on Nature of Construction			
Building	**Highway**	**Heavy**	**Residential**
Alteration or addition to buildings	Curbs	Drainage projects	Apartment buildings (4 stories or less)
Fire stations	Concrete pavement including sidewalks	Pumping stations (prefabricated drop-in units—not buildings	Married student housing
Hotels and motels	Parking lots	Sewers (sanitary, storm, etc.)	Multi-family houses (8 or more)
Power plants	Street reconstruction	Sewer collection	Town or row houses
Prefabricated buildings	Roadbeds	Water storage tanks	Single family houses (8 or more under one contract)
Remodeling, repairing, and renovating buildings	Shoulders	Water and sewage treatment plants (other than buildings)	
Warehouses	Street paving	Water mains	
Water and sewage treatment plants (buildings only)		Water wells	

Obtaining a Wage Decision

- **Choosing and Downloading the Proper Wage Decision** Multiple factors must be considered to enable the proper choice of wage decision(s). As of April 2009 there were sixteen different current wage decisions posted on the DOL website as available for Louisiana projects. Factors to consider when choosing a wage decision include: (a) decision type—whether building, highway, heavy or residential, (b) project location and (c) special characteristics of the project (such as elevated or ground storage tank), and (d) the possibility that more than one decision may apply. The local government is responsible to ensure that the correct wage decision(s) is chosen and becomes part of the bid document and that the correct wage decision(s) becomes part of the contract between the local government and the prime construction contractor.

  If the local government wishes to request guidance from the Office of Community Development regarding the proper wage decision choice, **Exhibit B-3**, "Initial Wage Decision Request," will facilitate the process. The request of an initial wage decision utilizing the expertise of the labor specialists in the Office of Community Development is an option but is not an LCDBG program requirement. The initial wage rate request guidance may be initiated by phone call, fax, or e-mail. If the request is initiated by phone call, the local government should provide OCD with the information contained in **Exhibit B-3**. If the request is initiated by fax, complete **Exhibit B-3** and fax it to OCD. If the request is initiated by e-mail, complete the form electronically and send it to the Labor Compliance Officer of the Office of Community Development.

  The local government must choose and obtain the proper wage decision(s). After the proper initial wage decision has been determined, downloading is the preferred method of obtaining it. DOL provides a website, **www.wdol.gov**, that has guidance for choosing the proper wage decision and allows downloading of wage decisions. If the local government is unable to download a decision(s), the Labor Compliance Officer of the Office of Community Development should be notified. OCD will assist in the process, and if necessary, send the proper initial wage decision to the local government by fax, e-mail, or U.S. Mail.

Ten Days

- **The Process of Updating Wage Decisions** DOL gathers information on a year-round basis regarding wage decisions and will often issue an update of a particular wage decision. An update of a wage decision is referred to as a "modification" or "mod." Less frequently DOL will issue an entire new series of wage decisions, called supersedeas decisions, having a new wage decision number based on a new series year. For example, supersedeas decisions labeled as year 2003 were issued for Louisiana projects on June 13, 2003. Thereafter, for Louisiana, modifications to the 2003 series were issued on various dates until February 9, 2007, when the 2007 series of supersedeas decisions were issued. Regardless of whether a wage decision is updated by modification or by supersedeas decision, it is important to incorporate the proper decision(s) into bid and contract documents.

- **The Effective Wage Decision** DOL does not wish for contract estimators to have to take into consideration the constantly changing rates when preparing bids. DOL allows the wage decision in effect ten days before the bid opening date to be effective for the duration of the construction if the contract is awarded within 90 days of the bid opening date. Such a wage decision is said to be "locked-in" and is also called the "effective" wage decision. If more than 90 days transpires between the bid opening and contract award, the wage decision in effect on the date of the contract award becomes the "effective" wage decision.

- **Ten Day Responsibility** It is the local government's responsibility to ensure that the wage decision(s) that is in effect ten days before the bid opening date was part of the original bid package or becomes part of the original bid package by addendum, which must be sent to all who obtained a bid package. The bidders are thus given the opportunity to change their bids prior to bid opening, based on the updated wage decision(s).

- **Ten Day Options** The "ten day call" (see **Exhibit B-4**) is one option that the local government may use to determine whether a wage decision has been updated since the bid package was prepared. The Ten Day Call is simply a telephone call made by the local government to OCD ten days before the bid opening date. If the day on which the call should be made falls on a weekend, then the call should be made on Friday or Monday. OCD will then examine the **www.wdol.gov** website to determine if there have been any updates. If there has been an update, the local government must obtain (normally download) the updated wage decision and send a copy by addendum to all who obtained a bid package. OCD will enter the optional ten day call into grant records. It is important to remember that Louisiana law requires that any addenda to a bid package be received at least 72 hours prior to the bid opening.

  The "ten day search" is another option that the local government may use to determine whether a wage decision has been updated since the bid package was prepared. The local government may search the DOL website at **www.wdol.gov** to determine if there have been any updates. The website should be examined no more than 10 days before the bid opening date. It is important to remember that Louisiana law requires that any addenda to a bid package be received at least 72 hours prior to the bid opening. If there has been an update, the local government must obtain (download) the updated wage decision and send a copy by addendum to all who obtained a bid package.

- **Follow-up Ten Day Options** If, after the bid opening, the award of the contract is delayed by more than ninety days, then another call or search will need to be done. If there has been a wage decision update, the low bidder must agree, in writing, to abide by the wage decision in effect on the date of the contract award. The wage decision in effect on the contract award date must become part of the construction contract.

- **State—45 Days / Davis-Bacon—90 Days** Please be aware that State law requires contracts to be awarded within 45 days of bid opening unless an extension is agreed upon in writing by both parties, whereas the Davis-Bacon requirement to "lock-in" a particular

wage decision for the duration of construction calls for contracts to be awarded within 90 days of bid opening.

- **Failure to Include or Use of Incorrect Wage Decision** Failure to include the effective wage decision in bid documents or contracts will not relieve local governments or contractors from potential liabilities or enforcement actions. In cases of an incorrect decision or failure to include a decision, the local government must either terminate and re-solicit the contract with the valid decision or ensure that all parties sign a supplemental agreement to the contract which makes the effective wage decision retroactive to the beginning of construction.

  If a supplemental agreement is made, there are two ways to structure the agreement. The contractor, even if not at fault, may agree to include the proper wage decision retroactively with no additional compensation—especially if the wage rate changes are minor. There is also a possibility that the contractor will require that a change order be made to compensate for an increase in wages due to the observance of the effective wage decision. Such a change order would be an eligible LCDBG cost but would be subject to available grant funds. If grant funds are not available, local funding may be necessary.

- **Calling Requirement when using the Small Purchase Method** On rare occasions the prime contractor may be procured utilizing the "Small Purchase" method, provided the low bid is expected to be under $100,000 and the contract award is less than $100,000. Note that the Small Purchase method does not have a bid opening date. Consequently, a special procedure to ensure compliance with Davis-Bacon has been developed by OCD for the Small Purchase method. First, a bid tabulation date must be established in advance. Bidders must be informed of the day on which bids will be tabulated and of the possibility of a wage decision update. Next, a ten day call or a ten day search must be made ten days before the bid tabulation date.

  If there is a wage decision update, all bidders must be notified in a timely manner and documentation of notification must be maintained in grant records. Notification when the Small Purchase method is used is not restricted to addendum only but may be also be done by telephone call, in person, e-mail, fax, or U.S. Mail. This method will ensure that bidders will have nearly ten days to make changes to bids based on an update of the wage decision.

  The wage decision authorized at the ten day call or ten day search will remain effective for the duration of the construction project provided that the contract is awarded within ninety days of the bid tabulation date. The effective wage decision(s) must also become part of the construction contract when the Small Purchase method of procurement is used.

Verification of Wage Decision and Contractor Eligibility The LCDBG program requires that both the wage decision verification and contractor eligibility verification be obtained after the bid opening and before the award of the construction contract. The Office of Community Development recommends that both verifications be obtained at the same time using one form, the "Verification of Wage Decision and Contractor Eligibility" form, **Exhibit B-5**. For

simplicity, this form will be often referred to as the "Verification" form in this section of the LCDBG Grantee Handbook.

- **Verification of the Wage Decision Choice** Prior to the award of a construction contract to any prime contractor, the local government must obtain verification of the wage decision choice. The fact that an optional ten day call or inquiry was made at an earlier date is not sufficient as verification of the wage decision choice. **Exhibit B-5**, Verification of Wage Decision(s) and Contractor Eligibility, must be completed and faxed, mailed, or e-mailed to the Office of Community Development for review. OCD will review the wage decision that was made part of the bid package, whether by initial inclusion in the bid package or later by addendum, and determine whether it was the proper choice. If the Office of Community Development agrees with the wage decision choice, line 22 of the Verification form will be executed by an OCD staff person and faxed back to the local government. If the Office of Community Development does not agree with the wage decision choice, a Verification form with a signature on line 22 will not be faxed back to the local government until the issue is resolved.

  If a determination is made that the wage decision choice was incorrect, the lowest responsive and responsible bidder must agree in writing to incorporate the proper decision as part of the bid documents and resulting construction contract. This agreement is to be obtained in writing prior to the award of the contract. A contract award must not be made before receipt of the Verification form as reviewed and executed by the Office of Community Development.

  The authorization of a particular wage decision as evidenced by the OCD staff signature on line 22 of the Verification form will expire if the contract is not awarded within 90 days of the bid opening. If more than 90 days transpires between the bid opening and contract award, the local government is responsible to perform a follow-up ten day call or ten day search to determine the effective wage decision. In such a case, the local government must ensure that the wage decision in effect at the date of the contract award is made a part of the contract between the low-bidder and the local government. A further Verification form, in addition to the original Verification form, will not be required but may be sent with only the portion that pertains to the wage decision completed. Evidence that the effective decision was utilized will be determined by an examination of the construction contract during a monitoring visit. The local government remains responsible to ensure the proper wage decision choice(s) and may bear liability arising out of an incorrect wage decision choice(s).

- **Verification of Contractor Eligibility** Prior to the award of a construction contract with a **prime** contractor, the local government must obtain contractor clearance from OCD. To obtain clearance, the local government must complete and send to OCD by fax, mail, or e-mail, a Verification of Wage Decision(s) and Contractor Eligibility form (**Exhibit B-5**) (The "Verification" form). To conduct an eligibility review, OCD will search the following web site: **http://epls.arnet.gov/**. The OCD's search of the web site only determines whether the contractor is debarred; other types of performance information are

not gathered. After reviewing the wage decision choice(s), OCD will indicate the results of the review on the Verification of Wage Decision(s) and Contractor Eligibility form and fax the reviewed form to the local government via the fax number listed on the face of the form. The local government may also search this internet site to obtain information, but the public availability of this site does not alter the requirement for the local government to obtain clearance through OCD. A contract award must not be made before receipt of the Verification of Wage Decision(s) and Contractor Eligibility form as reviewed and executed by the Office of Community Development. Specifically, the execution of line 23 of the Verification form by a staff person of the Office of Community Development indicates the verification of contractor eligibility.

- **Subcontractor Clearance** OCD does not clear subcontractors. Prime contractors must be made aware that it is their responsibility to verify subcontractor eligibility based on factors such as past performance, a yellow page listing, and proof of liability insurance, possession of a federal ID tax number, debarment, and state licensing requirements. The prime contractor may use the web site listed in the previous paragraph to determine if a subcontractor has been debarred at the federal level. The prime contractor assumes responsibility for the performance of the subcontractor; therefore, OCD urges prime contractors to closely scrutinize subcontractors.

  The prime contractor should notify the local government's Labor Compliance Officer of contract awards to any subcontractor prior to the subcontractor beginning work on the project. This allows the local government's Labor Compliance Officer to be knowledgeable of the time frame in which to expect the submission of subcontractor payrolls.

  If a contractor or subcontractor is found to be ineligible after award of a contract, the contract must be immediately terminated and the matter reported to OCD.

- **Clearance of Consulting and Engineering Firms** Consulting and/or engineering firms who are either new to the LCDBG Program or have not performed services associated with an LCDBG Program within the previous five years must also be cleared. For clearance of professional firms, use **Exhibit A-44** of this Handbook.

Contract Award, Preconstruction Conference, Additional Classifications

- **Notice of Contract Award** The local government must submit a completed Notice of Contract Award form to OCD for all prime contracts. This form must be received by OCD within 30 days after award. This form, along with instructions, is provided as **Exhibit B-6.** Along with the Notice of Contract Award the local government must send a Certified and Itemized Bid Tabulation, which is a listing of bidders and bid amounts for the project.

- **Preconstruction Conference** The OCD recommends, but does not require, that the local government hold a preconstruction conference with the prime contractor and all available subcontractors prior to the start of construction, at which time they would be advised of

their responsibilities and obligations concerning labor standards. If the local government should opt to not have a preconstruction conference, then the local government must utilize some method of its own choosing to advise contractors of their responsibilities and obligations concerning labor standards and other items normally covered at the preconstruction conference. The time of preconstruction conference is normally ideal to initiate the additional classification process as discussed in the following paragraphs.

- **Additional Classifications** A wage decision will state the minimum hourly pay and fringe benefits that must be paid to specific classes of workers such as carpenters, electricians, and backhoe operators. If it is found that a class of laborers or mechanics not listed in the decision will be employed on the project, the contractor must request an additional classification. For instance, a prime contractor installing sewer lines may find that a boring machine operator is needed by one of its subcontractors, but such a classification is not on the wage decision. Since payrolls must reflect proper classifications for actual work performed, the prime contractor for the sewer project would be required to request and obtain an additional classification of a boring machine operator. Step to obtain an additional classification include:

    - Step One: The prime contractor requests an additional classification and rate by notifying the local government of the additional classification and rate being requested. The prime contractor will make a request if it determines its own need for an additional classification or if a subcontractor needs the additional classification. The contractor (or sub) would be immediately allowed to pay the worker(s), at a minimum, the requested rate(s) for the classification until a response from DOL is received. While the administrative consultant may advise the prime contractor regarding wage rates to be requested, if there is a disagreement, the local government (administrative consultant) should acquiesce by forwarding a report of the classification at the rate requested by the contractor. Note that the prime contractor makes a request while the responsibility of the local government (administrative consultant) is to make a report of the request.

    - Step Two: The local government prepares and sends a Report of Additional Classification and Rate to the Office of Community Development. The Report of Additional Classification and Rate, which is the HUD 4230A form and identified as **Exhibit B-7**, should be used to report the additional classification(s). To obtain a "form-fill" version of HUD 4230A go to **www.hud.gov** and type the following into the search box: "Report of Additional Classification and Rate." The search results will make the needed form accessible. The top half of HUD 4230A may be completed by the contractor or the local government based on information from the contractor. The bottom portion of HUD 4230A, beginning where it states "Check All That Apply," is to be completed by the Office of Community Development. This form and relevant supporting documentation, if any, must be sent (by mail, e-mail, or fax) to the Office of Community Development.

- Step Three: The Office of Community Development will review and complete the "Report" and send the form and supporting documentation, if any, to DOL.

- Step Four: DOL will respond by approving the requested rate of specifying a higher rate. DOL will send the Office of Community Development an official response to the contractor's request.

- Step Five: The Office of Community Development will forward the DOL response to the local government.

- Step Six: The local government will notify the prime contractor of the results of the DOL response. If the request was on behalf of a subcontractor, the prime will pass the DOL response to the subcontractor.
- Step Seven: If the DOL response indicates approval of the requested rate, further action is unnecessary. If the DOL response indicates a rejection of the request and specifies a higher rate, then the higher rate must be paid to all workers at the particular classification retroactive to the first day of work. Restitution is to be paid at the contractor's expense. Local governments as well as contractors should be aware that the time that may elapse between the request and DOL's response may be approximately 60 days.
  DOL will respond by approving the requested rate or specifying a higher rate. OCD will send a copy of DOL's response to the local government, which in turn will make the response known to the contractor. If a higher rate is specified by DOL, restitution, if any, must be paid. Restitution will be at the contractor's expense. Local governments should be aware that the time that may elapse between the request and the receipt of DOL's response may be approximately 60 days.

- **Additional Classifications Prior to Hiring or Mobilization** After a contract is awarded, a construction contractor will often know immediately whether additional classification(s) will be needed. In order to expedite the process, it is permissible for a contractor to request additional classifications before mobilization or hiring of workers. The preconstruction conference often provides an ideal time for contractors to request additional classifications and to provide information helpful to the local government in the completion of the Report of Additional Classification form, HUD 4230A.

- **Metal Building Erector as an Additional Classification** Building wage decisions which cover the State of Louisiana do not have the classification of "Metal Building Erector." This classification is often needed in the construction of fire stations because the "Ironworker" classification, which was designed for work at much higher elevations and in more dangerous conditions, is more expensive than the lower wages paid for a Metal Building Erector. In such cases, Metal Building Erector may be requested as an additional classification. The bid documents for fire stations may call attention to bidders regarding the availability of the additional classification of "Metal Building Erector." The rates normally requested for Metal Building Erector are more than the Laborer rate and less than the Ironworker rate.

Terminology and Procedures of Davis-Bacon

- **Prevailing Wages** Total minimum compensation, including both the base rate and fringe benefit amount, as required under Davis-Bacon for a given classification of worker as determined by the U.S. Department of Labor in a document called a wage decision.

- **Laborers and Mechanics - Definition** Those workers whose duties are manual or physical as distinguished from managerial. Generally, mechanics perform the work of a recognized trade, such as an electrician, whereas laborers perform tasks such as cleaning and shoveling that is not normally thought of as a recognized trade. On a wage decision a classification that is not "laborer" is automatically considered as a "mechanic" classification.

- **Contractor's Guide to Davis-Bacon** The HUD guide book, "A Contractor's Guide to Prevailing Wage Requirements for Federally Assisted Projects," is a recommended (but not a required) publication which the local government may wish to distribute to contractors. The preconstruction conference is an ideal time for such a distribution. The guide is recommended reading for grant recipients as well as construction contractors and those who prepare contractor payrolls. It provides a brief explanation of issues associated with labor standards and Davis-Bacon in particular. The guide may be downloaded from HUD's website at **www.hud.gov**. Once at the HUD website, type in "Contractor's Guide to Davis-Bacon" in the search box. The search results should include the desired publication.

- **Site of Work** The site of work as related to Davis-Bacon is limited to the physical place or places where construction called for in the contract will remain when work has been completed and to adjacent or nearby property used by the contractor which can reasonably be included because of proximity.

- **Cleaning** Cleaning performed during construction is subject to prevailing wage provisions. If a specific wage rate for cleaning is not in the wage decision, cleaners must be paid the rate for unskilled laborers.

- **Demolition** Demolition work, which is not related to construction, is not subject to the prevailing wage requirements. However, where demolition is performed to allow construction of a new building, the demolition would require prevailing wages.

- **Family Members** There are no exceptions to labor requirements on the basis of family relationships. Relatives who are performing work for the contractor must be paid the required wage for the classification of job performed and must be included on payrolls.

- **Supply and Installation** The manufacture or furnishing of materials, articles, supplies, or equipment is not subject to prevailing wages unless conducted in connection with and at the site of the construction or in a temporary plant set up specifically to supply the needs of a particular construction project. If a supply contract not otherwise covered requires the supplier to install the product, the installation portion of the contract is

subject to prevailing wage requirements except when the installation involves only minor construction activity. For example, installation of window shades or draperies would not require Davis-Bacon wage rates; however, installation of an elevator or boiler would.

- **Precutting and Prefabrication** Precutting or prefabrication of parts to be used in the construction does not require prevailing wages unless conducted in connection with and at the site of construction or in a temporary plant set up specifically to supply only the needs of a particular Davis-Bacon-covered construction project.

- **Items to be Posted at the Job Site** The applicable wage decision(s) for the project or the Project Wage Rate Sheet(s) must be posted at the worksite or prominent places readily accessible to all employees for the duration of construction. The Project Wage Rate Sheet, if used, should serve to simplify the contents of the wage decision. A copy of this form, along with instructions, is provided as **Exhibit B-8**.

  Additionally, the grantee must see that the posters "Your Rights Under the Fair Labor Standards Act," "Notice to All Employees," and "Equal Opportunity is the Law" are posted at the job site. To verify posting, **Exhibit B-9** may be used. Posters are available as **Exhibit B-10** or may be downloaded from the internet at

  www.dol.gov/osbp/sbrefa/poster/main.htm.

Employee Interviews During the course of construction, the local government must conduct interviews of workers to determine payroll accuracy and compliance with Davis-Bacon. Interviews should be recorded on the "Record of Employee Interview," form HUD-11, **Exhibit B-11.**

- **Minimum Interview Requirements** Employees of the following contractors must be interviewed:
  - All prime contractors
  - Subcontractors whose contract award is $100,000 or more
  - Any subcontractor where there are a large number of payroll problems

  One interview session will sometimes be sufficient to meet minimum interview requirements for the above listed contractors. When an interview session is conducted, interviews of the employees of other subcontractors, not listed above must be conducted if they are on the jobsite on the day of the trip.

  OCD has determined that interviews must be conducted for at least 50% of the laborers and at least one worker of each of the remaining classifications present on the jobsite on the day of the interviews. Additional interviews that exceed minimum requirements that the local government deems necessary to ensure compliance with Davis-Bacon are also required.

- **Place of Interview** Workers currently employed may be interviewed during working hours on the job provided that the interview can be properly and privately conducted on

the premises. Care must be taken to arrange the session at a time convenient to the employer and employees. Interviews may also be conducted at other public places. Employees and former employees may also be interviewed by mail. An interview request by mail should include a cover letter explaining the purpose of the employee interview and ask the employee to complete items 3 through 12 on the Record of Employee Interview. The remaining items on the Record of Employee Interview form should be completed by the local government with items 1 and 2 to be completed before initial mailing and items 13 through 17 completed after the employee returns the document by mail. In off-site interviews or interviews by mail the amount of interviews required must be similar to the estimated amount that would have been obtained during an on-site session.

- **Initiating the Person to Person Interview** The interviewer must confirm his/her identity to the worker. He/she must explain that the project is being constructed with federal assistance, which requires that workers be properly paid, and that the purpose of the interview is to determine whether the required wages are being paid. If a worker does not want to give particular information, the interviewer should not insist.

- **Using the Interview Information** After completing the interviews, the information obtained should be compared to the wage decision and payrolls to determine if the workers are classified and being compensated correctly. If necessary, corrective action should be initiated.

- **Example of Application of the Minimum Interview Requirements**
  A job has three prime contractors and at least four subcontractors. Three of the four subcontracts are for less than $100,000. The possibility exists that a fence contractor may become a fifth sub as the project nears completion. The fence subcontract will be less than $100,000.

  Employees of all three primes must be interviewed. Employees of the subcontractor whose contract is $100,000 or greater must be interviewed. If all four of these contractors are not present on the day an interview is scheduled, an additional trip(s) must be made to obtain the necessary interviews. Additionally, those subcontractors present on the jobsite on any day on which interviews are done for the four required contractors must be interviewed.

  If a subcontractor having a subcontract for less than $100,000 is not present on the day of an interview, that subcontractor will not have to be interviewed—unless there are payroll problems. If awarded a subcontract for less than $100,000, the future fence subcontractor will not be have to be interviewed—unless there are payroll problems.

Helpers, Apprentices and Trainees

- **Helpers** "Helpers" as a classification listed on a payroll may not be used on LCDBG projects since such a classification is not found on any of the Louisiana wage decisions. The use of helpers who use tools in assisting mechanics and who are paid below the

minimum rates for mechanics is not proper, since an apprentice or trainee is the person who is to perform this type of work. If a person listed as a helper on a payroll were to be found working with the tools of a trade, Davis-Bacon would require such a person to be classified as a mechanic and be paid the amount of a mechanic's wages for the associated classification listed on the wage decision retroactive to the first day of work. If a person listed as a helper on a payroll were to be found doing the work of a laborer, Davis-Bacon would require such a worker to be classified as a laborer and paid at least the minimum for the classification of "laborer."

- **Apprentices** Apprentices will be permitted to work at less than the prevailing wage for their craft when they are employed and individually registered in a bona fide apprentice program registered with the U.S. Department of Labor, Bureau of Apprenticeship and Training. If a worker is an apprentice, the contractor must submit a copy of his/her apprenticeship papers with the first payroll on which that worker appears.

  Any worker listed on a payroll at an apprentice wage rate that is not a trainee as defined in the following paragraph or is not registered as an apprentice shall be paid the wage rate determined by the Secretary of Labor for the classification of work actually performed.

  The wage rate paid to apprentices shall not be less than the specified rate in the registered program for the apprentice's level of progress expressed as a percentage of the journeyman's rate contained in the applicable wage decision.

- **Trainees** Trainees will be permitted to work at less than the predetermined rate for their craft if they are employed and individually registered in a program that has received prior approval through formal certification by DOL. A copy of a trainee's papers must be submitted by the contractor with the first payroll on which the trainee appears.

  Every trainee must be paid at not less than the rate specified in the approved program for his/her level of progress or a percentage of the associated mechanics rate as listed on the wage decision. The contractor or subcontractor may be required to furnish written evidence of the certification of his/her program, the registration of the trainees, and the ratios and wage rates prescribed in that program to USDOL, HUD, OCD, and/or the local government.

Use of Force Account Labor **Exhibit B-12** explains required record keeping for force account work. If the local government wishes to use force account, prior approval must be obtained from the Office of Community Development. The following paragraphs briefly discuss Force Account Labor.

- **The Meaning of Force Account Labor** Force Account Labor refers to the use of laborers or mechanics who are employed by the local government which serves as a contractor for the LCDBG construction project. In such cases, the local government/contractor does not have to pay the Davis-Bacon wage rates but can, instead, pay the rates normally paid to employees on staff. The amounts paid to workers on force account projects are allowable costs of the LCDBG program.

- **<u>Prerequisites for the Use of Force Account Labor</u>** In order to use force account labor, three criteria must be met: (1) there should be reasonable evidence that construction will cost substantially less than if it were done under contract or that competitive bids cannot be obtained from competent contractors; (2) the local government must have the equipment, supervisory skills, a substantial portion of the required work force, and record keeping system; and (3) the legal counsel for the governing body must make a finding that the project is permissible in accordance with Louisiana laws and does not constitute a major project nor include construction of a building.

- **<u>Labor and Equipment Requirements for Force Account Labor</u>** The local government may hire some employees to work on the specific project to complement existing employees. The cost of equipment, including the cost of maintenance, operations, and minor field repairs is allowed. For example, the cost to replace a radiator that was punctured accidentally would be an allowable LCDBG cost. However, the cost to replace the engine of a diesel bulldozer on a short term street project would not be an allowable LCDBG cost. Equipment may NOT be purchased with LCDBG funds. The equipment cost to be allocated to the LCDBG project can be determined by use-allowance or depreciation value. Such allocations of cost must be approved by OCD. In rare instances, such as the breakdown of a primary piece of equipment during a street project, the cost of renting a replacement piece of equipment may be allowed with special written approval from the Office of Community Development.

- **<u>Material Cost for Force Account Labor Projects</u>** The costs of materials, including transportation and storage, are eligible costs under the LCDBG program. When the cost exceeds $20,000, the purchase of materials must be by competitive bid.

<u>Section 3 Compliance</u> Section 3 requirements are discussed in **Task A-11**. As part of those requirements, a construction contractor(s) must provide information on new employees and may optionally provide information on existing employees.

- A "Contractor's/Subcontractor's New Employee Information Form" has been included as **Exhibit B-13** for the reporting of all new hires by the prime contractor and all subcontractors for verification of compliance with the requirements under Section 3 of the Housing and Urban Development Act of 1968. This form is required and must be submitted with the first payroll on which the new employee appears.

- A "Contractor's/Subcontractor's Existing Employee Information" form has been included as **Exhibit B-14** for the purpose of monitoring the existing workforce of the prime contractor and all subcontractors. This form is optional but if used must be submitted with the first payroll on which the employee appears.

  Example: Joe Brown has been continuously working for XYZ, Inc., for 5 years on street projects all over south Louisiana. On the third week of an LCDBG project XYZ transfers Joe Brown to the LCDBG project. Joe will be considered an existing employee, and if the optional "existing employee information" form is used, it will be sent for review along with payroll number 3.

Payroll Terminology, Requirements, and Review Procedures Comments regarding payrolls are provided with **Exhibit B-15**. DOL also provides a sample payroll form along with instructions at **www.dol.gov/esa/forms/whd/index.htm**. A payroll review flowchart is provided as **Exhibit B-16.**

- **Responsibility of Prime Contractor Regarding Subcontractors** The prime contractor on a project is responsible for proper payment to all laborers and mechanics employed by the prime, employed under a subcontract to the prime, or employed under any lower tier subcontract. The construction contract between the local government and the prime contractor must require all subcontracts to contain clauses imposing the Federal Labor Standards Provisions (Part of **Exhibit B-17** and numbered within the exhibit as HUD 4010). If the required provisions are not included in a subcontract, the prime contractor remains responsible for underpayments and Liquidated Damages of subcontractors.

  When labor standards violations occur, whether at the contract or subcontract level, the local government will require corrections via the prime contractor. It is the prime contractor's responsibility to ensure corrective action by the applicable subcontractor.

- **Weekly Payroll Submission Requirements and Payroll Numbering** It is the weekly responsibility of each contractor, subcontractor, and any lower tier subcontractor to submit to the local government numbered weekly payrolls from the time work begins on the project until the work is completed. If no work is performed on the project during a given workweek, payrolls do not have to be submitted; however, the local government should be informed by phone or e-mail that no work was done. Once work resumes, use the next consecutive number. Example: Work was done during weeks 1, 2, 3, and 7—the payroll number for week number #7 would be Payroll #4.

  Payrolls of subcontractors are to be submitted via the prime contractor. The prime contractor will review the sub's payrolls and may require corrections. The prime forwards the sub's payroll(s) to the local government. Payrolls may be collected by the project engineer for submission to the local government; however, this does not relieve the prime contractor of responsibility for review of payrolls.

- **Payroll Forms** Contractors may use the payroll form, DOL publication WH-347, which is designated as **Exhibit B-15**. This form along with instructions is available on DOL's website by going to **www.dol.gov** and typing "WH-347" in the search box. The payroll preparer may also use instructions tailored to CDBG projects prepared by the Office of Community Development which are part of **Exhibit B-15.** The signature page of WH 347, where a contractor certifies wages and fringes, if any, is commonly called and still recognized by the Office of Community Development as the Statement of Compliance, although the document is no longer officially designated with the title of "Statement of Compliance." The Statement of Compliance must be a component of each weekly payroll and must be signed by the contractor. A contractor may use his own payroll form or other computer-generated form if all required items of **Exhibit B-15** are included, but the wording of the Statement of Compliance must be verbatim.

- **Addresses and Social Security Numbers** The first and last name of each worker and last four digits of each worker's social security number are to be listed on each payroll. This procedure will, in nearly all cases, allow unique identification of each worker. In the interest of protecting the worker's privacy, the address and full social security number is not a required element of payrolls. However, the office or place of recordkeeping of each contractor must retain the full name, address, and social security number of each worker to provide to an authorized person requesting the information.

- **Signature on The Statement of Compliance:** The Statement of Compliance, which is now the certification portion of payroll form WH347, must be signed by an owner, officer, or designated employee of the contractor for each weekly payroll. In cases where a designated employee signs, the contractor must submit written authorization signed by an officer of the company.

- **Prompt Submission of Payrolls** The local government should require that all payrolls from the prime contractor and any lower tier subcontractor be submitted by the prime contractor to the local government within seven working days after the payroll ending date. Payrolls must be examined promptly by the local government so that any problems discovered can be corrected early, while contractors are still on the job. Particular attention should be given to payroll review during early stages of construction to ensure that the prime contractor understands and is fulfilling his/her responsibilities concerning payrolls. If acceptable payrolls are not submitted in a timely manner, the local government may withhold contractor payment until acceptable payrolls are submitted.

- **Subcontractor Communication** The local government's contractual relationship is between the local government and the prime construction contractor. Furthermore, a contract with a subcontractor is between the prime contractor and the subcontractor. Therefore, a direct relationship between the local government and subcontractor does not exist. Even though a direct contractual relationship does not exist, the Office of Community Development recognizes the following conditions under which the local government may communicate directly with a lower tier subcontractor regarding labor standards deficiencies: (a) the prime contractor agrees; (b) the subcontractor is cooperative; (c) the issues are not complex; and (d) the prime contractor receives a copy of important documentation or is informed of conclusions that result from the communication.

- **Concurrent Jobs** The payrolls must show only the regular and overtime hours worked on an LCDBG project. If an employee performs work at job sites other than the project for which the payroll is prepared, those "other job" **hours should not be reported** on the payroll. However, the **gross pay from all job sites** must be shown on the payroll.

- **Wage Rates and Proper Classification** Payrolls must be checked against the applicable wage decision(s), engineer's inspection reports (if available), employee interview forms (if available), and actual work done or in progress to determine if prevailing wage requirements regarding rates and proper worker classifications were met. The proper calculation of straight time rates and "time and a half" rates for overtime hours must be

checked as well as mathematical accuracy of calculations pertaining to wages and deductions.

- **Employees Performing Work in More Than One Classification** A person employed as a laborer or mechanic and performing work in more than one job classification must be paid at least the required rate for the actual hours spent in each classification. Payrolls may be kept according to the hours spent in each classification. Such payrolls, called "split" payrolls, may be used to apportion hours worked at more than one classification in a workday according to the hours worked in each classification.

  An alternate measure, useful in avoiding the extra work involved in split payroll reporting, is to pay the worker the rate for the highest paid of the multiple classifications for which work was performed in a given workday. Example: Joe, a backhoe operator, gets off of his backhoe to try to find a buried water line. He uses a shovel most of the morning—which is the work of a laborer—and finally finds the water line. Later, Joe mounts the backhoe and digs a trench for a sewer line, carefully avoiding the water line previously located. The employer may list Joe as a backhoe operator if Joe is paid the backhoe rate, which is the higher of the two possible rates.

- **Working Foreman Requirements** A working foreman who devotes at least 20% of his time to laborer or mechanic duties is covered under Davis-Bacon requirements and must be classified according to work performed. Such a classification, for example, an electrician, must come from the applicable wage decision. The "working foreman" if paid a flat salary with "salary" designated on the payroll, must be making prevailing wages for his classification. The amount of the salary must be stated on each payroll. If there is a considerable amount of overtime being worked on a particular project having a salaried working foreman, additional research may be necessary to determine that amounts paid meet Davis-Bacon and CWHSSA requirements.

- **Classifications** Only the exact classifications appearing on the federal wage decision or additional classifications requested are to be used on payrolls. Generic classifications are not specific enough to allow the reviewer to determine if Davis-Bacon requirements were met. Example: "Operator" is a generic classification; however, "Backhoe" is on the wage decision and would be a proper classification.

- **Fringe Benefits** If the wage decision calls for fringe benefits to be paid on behalf of any employee who worked on the project, such payment does not normally have to be verified by contact with the receiving institution. However, if problems are suspected, verification of the payment of fringe benefits should be pursued by the local government.

  Fringe benefits do not appear on the worker's checks but are amounts paid to a receiving institution on behalf of the worker. Sometimes fringe benefits are confused with deductions. For instance, health insurance provided entirely by the employer would be a fringe benefit, whereas health insurance chosen by the employee and paid for by amounts subtracted from the employee's gross wages would be a deduction.

Fringe benefits that are common to the construction industry may be credited toward meeting Davis-Bacon requirements if they are paid to the employee as cash on the payroll or into an approved fund, plan, or program on the employee's behalf.

When this section or the Statement of Compliance mentions the payment of fringes "in cash", actual payment in paper currency is not the meaning of the phrase but rather the compensation as dispersed on a payroll check is normally considered as payment "in cash."

If a wage decision contains fringe benefits for a classification used on the construction project, box 4a or 4b of the Payroll Form/Statement of Compliance (**See Exhibit B-15**) must be marked to indicate the method of fringe benefit payment (i.e. in cash or to an approved plan). If there were no classifications used on the project that required fringe benefits, the boxes should be left blank. Box 4c is used to denote exceptions to box 4a or 4b. For example, if all of the employees are paid fringe benefits in cash except one who gets payment of fringes into an approved plan, box 4b would have been marked for payment of fringes in cash with box 4c also marked indicating and explaining the exception.

Fringe benefit pay requirements are calculated at a per-hour-worked rate and are not calculated at a "time and a half" rate. However, when fringes are paid in cash the payroll reviewer must be able to differentiate the basic hourly rate from the fringe benefit rate in order to calculate overtime properly. This total hourly compensation (basic hourly rate plus hourly fringe benefits) should be separated into the two components (a) in column 6 of the WH 347 Payroll form (b) in the "Comments" section on the Statement of Compliance or (c) by supplementary signed statement from the employer. If the separate components cannot be identified the entire monetary compensation per hour must be multiplied times 150% to calculate required overtime minimum rates. The payroll reviewer is not at liberty to guess or try to mathematically calculate the amount of the fringe component—the fringe component must be clearly stated by the contractor. The following is an example where the basic hourly rate and the fringe benefit per hour is properly identified:

Basic hourly rate on wage decision	$10.00 per hour
Fringe benefits requirement on wage decision	$1 per hour fringe benefits
Workweek	52 hours

Regular Pay + Overtime Pay + **Fringe Benefits**	= Gross Pay
(40 x 10) + (12 x 10 x 1.5) + **(52 x 1**)	= $632

Flexibility is allowed in the allocation of how fringe benefits are paid. Using the above example, the contractor has flexible payment options such as (a) pay all of the $632 in cash; (b) pay $580 in cash and $52 in fringes; or (c) pay more or less than $580 in cash and more or less than $52 in fringes with the total paid to be $632.

In contrast, if a total compensation rate of $11.00 were identified with the components of the $11.00 not identified then the proper overtime calculation required by the LCDBG program for the previous example would be:

(40 x 11) + (12 x 11 x 1.5) = $638

So, we see two different results. One result, $632, was due to calculation based on the proper separation of the basic hourly rate and fringes and the other result, $638, occurred based on calculations without proper separation of basic hourly rate and fringes.

The basic procedure to follow under the LCDBG program depends on which condition occurs. Condition One: If the payroll differentiates properly, then overtime at 150% of the basic rate must be paid while overtime at 150% is not required for fringes. Fringes are paid only at 100% for each hour worked regardless of whether an hour was an overtime hour or a straight time hour. Condition Two: If the payroll does not differentiate what portion of the compensation is the basic rate and what portion is the fringe benefit, then the overtime compensation must be calculated at 150% of the sum of the base rate plus fringe.

It is the responsibility of the contractor to provide payroll that properly differentiate the basic hourly rate from the fringe benefit amount. If proper differentiation is not initially provided the payroll review person may obtain a supplementary statement or corrected payroll from the contractor which indicates the breakdown between basic hourly rate and fringes for each person. The supplementary statement must be signed by an authorized person and clearly identify which payrolls are associated with the supplementary statement.

What To Do When the Basic Hourly Rate is Less Than on Wage Decision Total compensation, called prevailing wages as indicated on wage decision(s), is required. There is some leeway given regarding the breakdown of total compensation between the two components of basic hourly rate and the hourly fringe benefit. When calculating overtime pay where total compensation is adequate there is one notable restriction: if the basic hourly rate on the payroll is less than the basic hourly rate on the wage decision then the higher basic hourly rate on the wage decision must be used in the calculation of minimum overtime pay.

- **Verifying Fringe Benefits** Fringe benefits may be paid in cash and such payment(s) can be determined by examining the face of the payroll. When fringe benefits are paid in cash, box 4-b of the Statement of Compliance must be checked. Fringe benefits that are paid to an approved plan are not usually posted on the face of the payroll. When fringe benefits are paid to an approved plan, box 4-a of the Statement of Compliance must be checked. The fact that box 4-a is marked on the Statement of Compliance is acceptable to indicate that fringe benefits, equal to the amount stated on the wage decision, were paid. Most of the time additional verification will not be necessary. Additionally, if the basic hourly rate is less than required on the wage decision with the obvious claim that fringes are making up the balance due in order to meet the total Davis-Bacon requirements, verification of the payment of fringe benefits may be considered. In some

cases, where problems are suspected, verification of the payment of fringe benefits may be necessary.

- **Fringe Benefit Verification** An approved plan will have an institution(s) that receives fringe payments on some type of regular basis. Fringe benefit payments into an approved plan may be on a weekly, monthly, or quarterly basis but not semi-annually or annually. The applicable contractor will be the source of contact information for the receiving institution. Verification should include the following: (a) institution's name(s), (b) phone number(s), (c) date(s) contacted, (e) results of the inquiry, (f) person(s) contacted at the institution, and (g) the name of the person who made verification for the local government. Verification may be by phone, written correspondence, computer printout, or fax from a receiving institution, computer printout or fax from a union, or a copy of cancelled check(s) from the contractor written to a receiving institution.
  A computer printout from the contractor is also acceptable as supporting evidence of payment of fringe benefits.

- **Deductions** A deduction is an amount subtracted from a worker's gross wages. Deductions must be reviewed to determine if they are permissible. Permissible deductions by law include court ordered deductions, FICA, and federal or state income taxes. Deductions not required by law, such as union dues, 401K deductions, loan payback amounts or uniforms, may be made only with the permission of the employee. The employee must sign a statement that authorizes deductions. The "Payroll Deduction Authorization" form provided as **Exhibit B-18** should be used.

- **Payroll Certification of the Self-Employed Contractor Who Works Alone**
  Example: A self-employed laborer or mechanic (or group of working partners) who has no other employees working on the job is not authorized to sign his/her own payroll and Statement of Compliance. Instead, such a person, often called a "working subcontractor," must be listed on the prime's (responsible employer's) payroll. For instance, Joe's Backhoe Service has one backhoe and no other workers other than the owner. Joe cannot sign his own payroll while on an LCDBG project. In contrast, if Joe hires at least one employee to help on that project, he could certify his own wages as well as the employee's wages.

  The minimum information needed on the responsible employer's payroll regarding the working subcontractor are name, address, classification(s), hours worked, estimated hourly pay, and estimated gross pay. Deduction amounts for social security and federal taxes of the working subcontractor are not the responsibility of the prime contractor, and such amounts may be unknown to the prime contractor; therefore, deduction listings are not required. The Statement of Compliance should indicate box 4-c for the working subcontractor as an exception to the way fringe benefits may have been paid for regular employees. The explanation for box 4c may read something like, "Working sub, Lump sum contract, Fringes and deductions not applicable."

  Sometimes it may be confusing for a prime contractor to list on his payroll a working subcontractor in addition to his regular employees. In such case, the prime contractor

may prepare a separate weekly payroll listing only one person, the working subcontractor, using the WH 347 payroll form. (**Exhibit B-15)**.

Whatever method of compensation is utilized, such as piece work or a weekly contract draw for performance, the amount of estimated weekly compensation divided by the actual hours of work performed for that week must result in an "effective" hourly wage rate that is not less than the prevailing hourly rate for the type of work involved.

A special exception for truck owner-operators is available. Truck "owner-operators" must be reported on the prime's (responsible employer's) weekly payrolls but unlike other classifications, do not need to show the hours worked or rates—only the notation "owner-operator." The truck driver having an owner-operator exception is not to be confused with a truck driver working on-site for a prime contractor that does not fall under the exception.

- **Liquidated Damages** "Liquidated Damages" is a predetermined amount that is paid as a penalty for failure to meet a specified requirement. Liquidated Damages, relative to the review of payrolls in the LCDBG Program, will mean the penalty amount calculated for overtime violations under the CWHSSA. The pre-determined penalty is $10 per worker, per day for overtime violation(s). Please note that penalty amounts paid for overtime violations to a specified government entity as Liquidated Damages are separate and distinct from wage restitution paid to workers. Liquidated Damages are paid to a federal agency, namely HUD for LCDBG projects, in addition to any restitution paid to worker(s).

Corrective Actions Regarding Labor Standards Violations

- **Inadequate Payroll Information** The payroll format, **Exhibit B-15,** contains the necessary information for payroll reporting and is a copy of WH-347 from the Wage and Hour Division of DOL. Alternate forms may be used by contractors but must contain the necessary information as on WH-347. If a contractor's alternate form is not sufficient, the contractor will need to provide the necessary information on an acceptable form or provide a supplementary statement.

  Payrolls that are incomplete, such as those which lack classifications or rates of pay, will trigger the need for the contractor to provide a corrected payroll and Statement of Compliance that lists the required information.

- **Handwritten Corrections On Face of Payroll By Reviewer Not Allowable** The local government, in reviewing a payroll, is not allowed to make corrections on the face of a payroll or on the Statement of Compliance. The reason is that such documents are designed to be sufficient as evidence in a legal proceeding, and corrections by multiple sources often do not allow the reader certainty as to who made the corrections. If the local government wishes to provide written clarification of a minor payroll item, a note with the reviewer's name and date may be attached.

- **<u>Three Scenarios of Payroll Review</u>** Three scenarios regarding payroll review and corrective actions are identified in **Exhibit B-16,** the Payroll Review Flowchart. The three scenarios are as follows:

    - Scenario One: Error that involves restitution.
    - Scenario Two: Error that does not involve restitution.
    - Scenario Three: Error not detected.

    Each scenario triggers a unique set of events. Review the "Payroll Review Flowchart," **Exhibit B-16**, for an overview of the processes involved.

- **<u>Notice to Contractor when Restitution is involved</u>** Scenario One deals with payroll error that involves restitution due to underpayment of wages. Underpayment may result from Davis-Bacon violation(s), CWHSSA overtime violation(s), or both. The local government must promptly notify the prime contractor in writing that payment of back wages is required. This notice should identify the name of the prime contractor and the applicable subcontractor, the underpaid workers, the correct job classification and wage rate, dates of underpayment, and the amount of underpayment owed. The contractor must be notified of the need to make restitution by using a Certified Correction Payroll (as discussed below).

    If overtime violations under CWHSSA exist, the notice to the contractor should also identify a calculation of Liquidated Damages and inform the contractor of two choices regarding Liquidated Damages—pay or request a waiver.

- **<u>Certified Correction Payroll</u>** Under Scenario One a payroll that reflects restitution paid under Davis-Bacon and/or CWHSSA is called a "Certified Correction Payroll." Such a payroll will always be prepared by the employer and the Statement of Compliance will be signed by the authorized signatory. The signature on the Statement of Compliance designates the payroll a "certified" correction payroll. A Certified Correction Payroll will only list those workers to whom restitution is paid. A Certified Correction Payroll may cover multiple weeks and must specify the weeks covered. The monetary amounts listed, wages and deductions, reflect restitution amounts paid and should not indicate amounts paid and listed on past payrolls. Optionally, a Certified Correction Payroll may also cover one week at a time.

    Payroll problems that require the employer to prepare a Certified Correction Payroll may include the following:

    - Wage rates on the payrolls do not meet Davis-Bacon requirements.
    - Wage rates on the payrolls do not meet CWHSSA requirements.
    - Worker classifications are wrong, incomplete, or not in accordance with the applicable wage decision resulting in restitution due.
    - Calculations are in error and result in underpayment of wages.

    A Certified Correction Payroll will record the difference between amount paid and the required amount which should have been paid. The deficiency would be multiplied by

the applicable number of hours worked at the lower-than-allowable rate. Example: If a worker was paid $10.00 per hour and should have been paid $11.00 per hour for 100 hours during three different non-overtime weeks, the amount of restitution payment as recorded on the Certified Correction Payroll would be $1 x 100 = $100.

The contractor may submit a Certified Correction Payroll for each applicable workweek or for multiple workweeks. A Certified Correction Payroll, if prepared for multiple weeks, should indicate the weeks. Example: Weeks 2 through 8 and 11. In contrast, a Certified Correction Payroll, if prepared for one week at a time, must be numbered the same as the original payroll for that workweek but must indicate the appropriate revision number. Example: "Payroll #2—Revision #1," "Payroll 3, Revision 1," and so forth.

In most cases the Statement of Compliance, as part of the Certified Correction Payroll, will be sufficient to demonstrate that restitution was made. Cancelled checks, employee initials, or an employee statement are no longer routinely required as additional proof of payment of restitution. If problems are suspected, additional proof may be required by the Office of Community Development or other reviewing agency.

- **The Use of Corrected Payrolls to Demonstrate Restitution** Some contractors may wish to provide corrected payrolls with a newly signed Statement of Compliance. A corrected payroll differs from a Certified Correction Payroll in the following ways:

  - A corrected payroll is always for one weekly period whereas a Certified Correction Payroll may cover multiple weekly periods.

  - A corrected payroll lists all workers who worked on a project during a weekly period whereas a Certified Correction Payroll lists only workers to whom restitution was paid.

  - A corrected payroll lists the original disbursements and disbursements made for the payment of restitution whereas the Certified Correction Payroll will list only the disbursements made for the payment of restitution.

  If a contractor wishes to provide a corrected payroll to demonstrate restitution rather than a Certified Correction Payroll, such a provision is acceptable; however, a Statement of Compliance having a later signature and date must accompany the corrected payroll. The corrected payrolls should be numbered so as to be associated with the original payrolls, such as "Payroll 2, Revision 1."

- **Calculation of Liquidated Damages** We continue with Scenario One assuming that there was restitution due that involved not only Davis-Bacon but also overtime violation(s) under CWHSSA. Overtime rates must be paid at 150% of the basic hourly rate. This is commonly referred to as "time and a half." Under CWHSSA, Liquidated Damages are computed at the rate of $10 per worker for each calendar day the worker was required or permitted to work in excess of forty (40) hours in a week without payment of overtime rates.

For instance, if workers worked six days a week for twelve hours per day and were paid straight time for 72 hours, there would be three days of violations. Overtime pay should have started on day four and continued on day five and day six. The Liquidated Damages calculation would be $30 per worker. Liquidated Damages would be calculated in addition to the payment of wage restitution.

- **Steps in Calculation, Assessment, Payment or Appeal of Liquidated Damages** The local government calculates restitution due and Liquidated Damages due and notifies the contractor by traceable correspondence (e-mail, fax, or letter). The contractor, having received notification, must make restitution via a Certified Correction Payroll (or a corrected payroll with certification) and must agree to one of the following two choices regarding Liquidated Damages: pay or request a waiver. The contractor is to notify the local government of the choice by traceable correspondence.

  If payment is the contractor's choice, the contractor must use a wire transfer to make payment. Please contact the Labor Compliance Officer at the Office of Community Development for instructions regarding a wire transfer. Such procedures involve filling out a special deposit-slip form, which is sent to HUD to enable a receiving account to be established. The contractor will be notified when the wire transfer can be received by an active account at HUD and will, in fact, be sent a form that is equivalent to a deposit slip. The contractor will use a financial institution to conduct the wire transfer. After the wire transfer and proper notification/documentation of such payment to all parties concerned, the contractor's responsibility for payment of Liquidated Damages will have been met. The financial institution will charge the contractor a fee for making the wire transfer. The wire-transfer procedure is a very cumbersome process involving a multitude of steps before final resolution.

  The other choice is to request a waiver. This option is most efficient as well as recommended by the Office of Community Development if the mistake in the payroll was unintentional. If requesting a waiver is the contractor's choice, the contractor is to send the local government written communication explaining the reasons why a waiver is requested. HUD will grant a waiver for two reasons:

  - The error was unintentional although due care was exercised.
  - A mathematical mistake was made.

  The local government will forward the letter to the OCD, who will send the letter to HUD in New Orleans. Following HUD's response the OCD will communicate HUD's response to the local government by traceable correspondence. The local government is to communicate the response to the contractor(s) by traceable correspondence.

  If HUD approves the request for the waiver of the payment of liquidated damages, then labor standards requirements regarding liquidated damages will have been met. If HUD does not approve the request for the waiver, call the Labor Compliance Officer at OCD for further instructions. The contractor will have 60 days to appeal the notice from HUD.

- **<u>The Use of Corrected Payrolls Where Restitution Is Not Due</u>** Under Scenario Two as shown in **Exhibit B-16,** restitution will not be due but some type of correction not involving restitution is necessary. A corrected payroll may be used to reclassify workers, correct math errors, clarify monetary amounts, revise improper dating, etc. Each corrected payroll is for one week only. The weekly numbering of the corrected payroll should be for the same weekly number as the original incorrect payroll. Example: "Payroll 4, Revision 1." The contractor may line through the mistakes and provide the corrections in handwriting or use software or other means to produce a corrected payroll. A new signature and date on a Statement of Compliance must be provided. One way to provide a new signature is by attaching a copy the original Statement of Compliance with a new signature and date above the original signature. Optionally, the contractor may wish to prepare a new Statement of Compliance, signed and dated, for any week having a corrected payroll.

- **<u>Supplementary Statements</u>** A supplementary statement from the contractor may be obtained to clarify not only major issues involving restitution but also minor issues that do not involve restitution. Situations where a supplemental statement would be acceptable include: (a) the payroll on which an employee appears does not have the last four digits of the Social Security number and (b) an incorrect employee name. The supplementary statement should be dated, signed by the authorized payroll signatory, and also identify the associated payroll number(s). A Statement of Compliance does not accompany a supplementary statement.

- **<u>No Error Detected</u>** Scenario Three is identified as the scenario under which no error is detected.

- **<u>Reporting Requirements</u>** See the "Payroll Review Flowchart," **Exhibit B-16,** for a visual diagram illustrating the three scenarios of payroll review and the reporting requirements triggered by each scenario.

  A Labor Standards Enforcement Report could be considered an interim report normally completed during a project whereas a Final Wage Compliance Report is completed at the conclusion of a project. A Labor Standards Enforcement Report, **(Exhibit B-19)** is required when restitution cumulatively reaches $1,000 or more for any contractor or subcontractor. Instructions for completing the form are included in **Exhibit B-19**. It is possible that one LCDBG project could trigger multiple Labor Standards Enforcement Reports.

  The Labor Standards Enforcement Report is to be completed and sent to OCD when most or all of the corrective action has been completed. For instance, if a contractor made restitution and chose to pay Liquidated Damages, the local government could wait until receipt of evidence of restitution, contractor's letter agreeing to pay Liquidated Damages, and payment of the Liquidated Damages before sending OCD the enforcement report. In such a case, the letter from the contractor agreeing to pay Liquidated Damages, evidence of the wire transfer, and the Labor Standards Enforcement Report would be sent together to OCD.

The Labor Standards Enforcement Report should be sent before closeout documents are submitted, especially if a waiver of payment of Liquidated Damages is requested, as HUD may take up to a month to respond.

Finally, under all three scenarios as the flow chart indicates, the last item regarding labor standards, the Final Wage Compliance Report **(Exhibit B-20)**, must be sent to OCD. The Final Wage Compliance Report is to be sent to the Office of Community Development along with other closeout documents.

- **Reporting Restitution under Davis-Bacon and CWHSSA** In reporting restitution on the Labor Standards Enforcement Report or the Final Wage Compliance Report it is important to correctly classify restitution. The Davis-Bacon component of restitution will involve an underpayment rate for each hour worked at the deficient rate. The CWHSSA component of restitution will involve the payment of one-half of the hourly deficiency for each overtime hour worked. The following example is provided:

  A laborer worked 48 hours in one work-week. He was paid $10.00 per hour for 48 hours. The wage decision calls for $11.00 per hour with no fringe benefits. Most payroll clerks would immediately know that $52.00 of restitution is due; however, some may not realize the proper classification of each of the components of restitution. The proper classification would be $48.00 under Davis-Bacon and $4.00 under CWHSSA.
  48 x $1.00 plus 8 x $0.50 = $52.00.

Withholding Funds Based on Non-compliance with Labor Standards If violations regarding restitution have not been corrected within thirty calendar days from the date of the first notice of underpayment, the local government may withhold funds due the prime contractor. Only an amount considered necessary to ensure payment of underpaid wages (and Liquidated Damages, if applicable) may be withheld in order to meet Labor Standards requirements. If it is necessary to estimate the withholding amount, prompt action must be taken to determine an exact amount and disburse any applicable excess to the prime contractor according to invoices presented for payment. The local government must notify the prime contractor of the withholding and provide the second notice of underpayment. The local government must, again, specify the identity of underpaid workers, correct job classifications and wage rates, dates when underpayments occurred, and the amounts of underpayments owed. If restitution is not made within 30 days of the second notice of underpayment, or if there is disagreement regarding the finding of wages owed, OCD must be notified.

If OCD determines it appropriate, the local government will be notified to disburse wages owed from the withheld funds to the respective workers to whom they are due. Should such an occasion arise, OCD must be contacted for information on the proper procedure for disbursement of funds.

Withholding Funds Based on Non-compliance with LCDBG Requirements If a Labor Standards violation(s) does occur that results in the local government not being in compliance with the approved LCDBG program, the Office of Community Development may suspend

payment on the next "Request for Payment." For example, if the local government fails to ensure the timely submission of contractor payrolls by the prime contractor (and any lower-tier subcontractor), then the local government may be considered as being in non-compliance with LCDBG program requirements.

Unfound Workers If all affected workers cannot be located and restitution made, either by the contractor directly or through use of withheld funds, enough funds must be reserved in the special account to pay those workers the wages owed. Efforts should continue to be made to locate workers; however, if they have not been located by the time the closeout of the grant occurs, the local government must return the withheld funds to OCD. A check, made payable to the Louisiana Division of Administration, and a Labor Standards Enforcement Report (**Exhibit B-19**) covering the remaining withheld funds must be submitted to OCD before the grant will be closed.

Falsification If intentional falsification by a contractor is suspected, the local government's Labor Compliance Officer must not return the payroll to the contractor for correction and submittal. OCD must be informed of the suspected falsification.

Payroll Retention Payroll records must be retained by the local government for a period of four years from the date of the letter indicating "Final Close" of the LCDBG program relative to the construction project. The payroll records must be available at all times during the retention period for inspection by representatives of OCD, HUD, and DOL.

Finalizing Labor Compliance The Final Wage Compliance Report, **Exhibit B-20,** must be approved by the OCD Labor Compliance Officer before the grant can be conditionally closed out. If there are unresolved labor compliance problems at that time, the OCD Labor Compliance Officer will assist the local government in determining how to correct such problems.

Task B-2: Preparing Contracting Procedures to Meet Equal Opportunity Requirements

In this task, you must make sure all contracts comply with equal opportunity requirements and establish procedures for monitoring compliance during project execution. You must include all applicable equal opportunity language in the bid specifications and contract documents, verify contractor eligibility, secure required documentation, monitor compliance, and maintain appropriate files.

The equal opportunity provisions and contractor certifications for inclusion in the bid documents are shown in the Contract Documents Guide (**Exhibit B-17**), and they include:

Contractor's Certification regarding Section 3;

Contractor's/Subcontractor's Section 3 Plan (if contract is over $100,000);

Contractor's/Subcontractor's Section 3 Tables A & B (if contract is over $100,000);

Subcontractor's Certification Regarding Section 3 and Segregated Facilities;

E.O. 11246 clause (7 paragraphs -- if contract above $10,000 or 3 paragraphs Equal Opportunity provisions if $10,000 or under);

Age Discrimination Act of 1975 Compliance;

Rehabilitation Act of 1973 Compliance;

Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (if contract over $10,000);

Standard CDBG-assisted Equal Employment Opportunity Construction Contract Specifications (if contract over $10,000);

Segregated Facilities clause;

Title VI clause;

Section 109.

These provisions must be included in all bid and contract documents. Note especially the Standard CDBG-assisted Equal Employment Opportunity Construction Contract Specifications. These specifications include a place for you to insert both minority and female goals. The nationwide goal for female participation is 6.9 percent. Minority goals are specific to MSA and "Economic Areas", so you must refer to the regulations for the minority goal for your locality. Minority employment goals for economic areas in Louisiana are included in **Exhibit B-21**. These goals and contract specifications make written affirmative action plans unnecessary unless the U.S. Department of Labor determines a specific contractor or group of contractors needs to establish higher goals in order to remedy the effects of past discriminatory behavior.

You must understand that these goals apply to each construction craft and trade in the contractor's <u>entire</u> workforce that is working in an area covered by the goals and timetables and not just on those jobs which are LCDBG-assisted. A contractor with an LCDBG contract in MSA X, and a non-CDBG assisted contract in MSA Y must meet MSA goals for the workforce in MSA X <u>and</u> MSA Y, even though that contract is not LCDBG-assisted.

Requirements for Section 3 apply to both the prime contractor and any subcontractors that conduct work on a CDBG project, if either of their contracts is over $100,000. The Section 3 Plan and accompanying Section 3 Tables A and B **(Exhibit B-17)** must be completed by the prime contractor if his/her contract is over $100,000. In addition, if a subcontractor's contract with either the prime or another subcontractor is over $100,000, the Section 3 Plan and accompanying Section 3 Tables A and B must be completed by the subcontractor.

As previously noted for Labor Standards compliance, you must verify contractor and subcontractor eligibility with the DOA Labor Compliance Officer to ensure the contractor and any subcontractors are not on a list of debarred contractors. A single certification satisfies both Labor Standards and equal opportunity requirements and the documents should be cross-referenced between files.

You should notify the DOA Labor Compliance Officer of the date construction will begin. After contract execution, you should advise the contractor of his/her responsibilities for equal opportunity compliance, along with those related to Labor Standards and other LCDBG related provisions. **Exhibit B-22** is a list of commonly asked questions about equal opportunity which should be distributed and discussed with the contractor.

In addition, you must visit the construction site (usually in conjunction with employee interviews for labor standards compliance) to insure the project site is posted with the equal opportunity notices. Sample notices are included in **Exhibit B-10**. The results of each visit should be noted in the contract compliance file. In addition, the City/Parish should interview each contractor during the course of work to determine compliance with the Standard CDBG assisted Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246) contained in the contract. Document these interviews in the files. Equal opportunity compliance files must be maintained for each project. At project completion, the equal opportunity compliance file should contain the following items:

Copy of contract with all applicable equal opportunity provisions;

Evidence that contractor established his/her own Equal Opportunity file;

Equal Opportunity complaints and actions taken;

Correspondence concerning contractor's equal opportunity compliance;

Verification of contractor eligibility, cross-referenced from labor standards compliance file;

Preconstruction conference report (if applicable), cross-referenced from labor standards compliance file;

Contractor's/Subcontractor's written Section 3 Plan, if required;

Contractor's/Subcontractor’s Section 3 Tables A & B (if required);

Subcontractor’s Certification Regarding Section 3 and Segregated Facilities;

Contractor's/Subcontractor's New Employee Information forms;

Site visit reports indicating equal opportunity poster displayed on site and contractor

compliance with equal opportunity provisions, cross-referenced from labor standards compliance file; and

Equal opportunity problems uncovered in employee interviews and evidence of resolution.

Task B-3: Preparing a Bid Package, Developing Bid Opening Procedures and Advertising for Bids

The first step in the preparation of a bid package is the writing of the technical bid specifications -- usually by your architect or engineer on the basis of prepared plans or working drawings. These specifications must provide a clear and accurate description of technical requirements for materials and products and/or services to be provided on the project. Additionally, the plans and specifications must be stamped by an architect or engineer registered in Louisiana. If the project falls under the jurisdiction of another State agency (e.g., Department of Health and Hospitals for sewer and water projects), the plans and specifications must be approved by the cognizant State agency prior to construction. It is recommended that the approval be received prior to the advertisement for bids. Documentation of that approval must be included in the files.

Also, where applicable, once the working drawings are complete, the architect or engineer must execute a certification that applicable standards of accessibility by the handicapped have been or will be satisfied or specify the basis for exemption. Such certification is to be co-signed by a City official, filed in the contract documents file, and a copy sent to the State. This certification must be completed for fire stations/garages and buildings that will be accessible to the public constructed under the LCDBG Program. Refer to **Exhibit B-23**.

At this time, you must have obtained all lands, rights-of-way and easements necessary for carrying out the project. All property you acquire for any activity, funded in whole or in part with LCDBG funds, is subject to the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 (the Uniform Act). Included in the definition of property, among others, are rights-of-way and permanent easements. If your construction project involves real property acquisition, you should contact your Local Government Representative very early and make sure the acquisition is undertaken according to the provisions of the Uniform Act.

Although only local governing bodies may apply for funds, it is understood that many of the public improvements may be made on behalf of various third parties such as fire districts, water districts, and sewer districts, as well as port authorities. If ownership of the public improvement applied for will be transferred to one of these third parties, it will be necessary for the local governing body to enter into an intergovernmental cooperative agreement which will stipulate the conditions of transfer of ownership. This agreement is to be executed and a copy forwarded to the Office of Community Development prior to closeout. Examples of these agreements are shown in **Exhibit B-24**.

The grantee must contact the regional notification center and the owners of underground utilities or facilities that are not members of the regional notification center for the existence and location of all underground utilities and facilities within the construction area in accordance with R.S. 38:2223.

All public works contracts shall contain a clause stating that any punch list generated during a construction project shall include the cost estimates for the particular items of work the design professional has developed based on the mobilization, labor, material, and equipment costs of correcting each punch list item. The design professional shall retain his working papers used to determine the punch list items cost estimates should the matter be disputed later. The contracting agency shall not withhold from payment more than the value of the punch list. Punch list items completed shall be paid upon the expiration of the forty-five day lien period.

The base bid should include all components of the approved project. The base bid should not include any items which were not included in the approved application or which have not received subsequent approval from the Office of Community Development.

When preparing the plans and specifications for the bid package, the following requirement pertaining to service connection lines and hook-up fees must be kept in mind. As stated in Section 570.202(b)(6) of the Housing and Community Development Act of 1974, as amended, the "financing of costs associated with the connection of residential structures to water distribution lines or local sewer collection lines" is an eligible cost. It is eligible, however, as rehabilitation and will be considered as an integral part of the overall sewer or water project.

For those communities whose approved applications included the use of LCDBG funds for the construction or replacement of service connection lines, the following items must be taken into consideration:

- LCDBG funds will only pay for connection lines to residential structures which are occupied by low and moderate income persons. Both rental and owner occupied units are eligible for this assistance if the residence is occupied by low and moderate income persons. Although LCDBG funds cannot be used to finance the cost of connection lines to homes occupied by persons above the low/moderate income limits, the applicant must adopt and enforce a procedure which will ensure that all residences (regardless of income) will be connected to the utility system. This is necessary to meet the project impact certification (i.e., the project will completely remedy the existing violation of a state or federal standard). Also, residents cannot be counted as beneficiaries of a project unless they are connected to the utility system.

- In order for low and moderate income persons to qualify for financial assistance to pay for the construction or replacement of the service connection lines under the LCDBG program, all applicants must first complete an application form provided by the local governing body regarding the income status of all persons in the family. All applicants must attach documentation of their income to the application. Such documentation may include, but is not limited to: copies of paychecks or paycheck

stubs, income tax forms, W-2 forms, or copies of social security, welfare, veteran benefits, or unemployment checks. At this time the grantee should also negotiate a temporary construction easement with the private owner(s) to protect itself from any liability that may arise. See Section D – Real Property Acquisition. A sample application and temporary construction easement form is shown as **Exhibit B-25**. The exhibit form is for a sewer system, but can be adopted to apply to your type of project. The grantee is not required to use this particular form, you can develop your own to suit your project's needs.

- LCDBG funds cannot be used to pay the costs associated with the connection of non-residential structures.

Some communities/parishes charge hook-up fees. A hook-up fee is a one-time access charge that the homeowner must pay for the privilege of connecting to the utility system; this fee is generally a fixed amount which is not related to the actual construction cost of the service connection line. The federal regulations governing the use of LCDBG funds to pay the hook-up fee for the homeowner is very restrictive. If the community/parish plans to require this fee directly from the recipients of a utility system funded in whole or in part with LCDBG funds, a determination must be made by the Office of Community Development that such a fee would not have an adverse effect on the low/moderate income persons involved. Due to the complex federal regulations governing this matter, we require that all recipients which propose to collect a hook-up fee (whether from LCDBG funds or directly from the homeowner) schedule a meeting with the Office of Community Development to discuss such fees; this meeting must be held prior to the collection of such fees.

All recipients of funds under the LCDBG Program must post a sign in each target area for the purpose of informing the public that the work is being financed with a grant from the Louisiana Division of Administration. The cost of the project sign should be included in the bid package.

The bid package must include all LCDBG-related provisions and the general terms and conditions. In addition to the labor standards and equal employment opportunity provisions and documentation previously discussed, the following provisions for LCDBG assisted projects must be included, as applicable. These are shown in the Contract Documents Guide (**Exhibit B-17**). They include:

Bonding and Insurance Requirements;

Conflict of Interest;

Access to Records/Maintenance of Records;

Clean Air/Water;

Special Conditions Pertaining to Hazards, Safety Standards and Accident Prevention (including Lead-based Paint Prohibition); and

Flood Insurance, if applicable.

The bid package must also include cost and pricing formats. Generally the street, water, sewer, utility and landscaping projects will be unit price contracts, while building type contracts will be lump sum. For unit cost contracts, the bid specifications should delineate each type of item, estimated quantity, unit price, and total cost.

The bidding process must be in strict compliance with the Louisiana Revised Statutes, Title 38: Public Contracts, Works and Improvements. These statutes are continually being amended, revised, and superseded; therefore, it is the grantee's responsibility to assure compliance with the most recent and current regulations.

If you feel that your project or any portion thereof, falls within the definition of an "emergency" under Title 38 of the Louisiana Revised Statutes, you must contact your Local Government Representative within the Office of Community Development immediately. You cannot proceed with those emergency provisions unless you have received written approval of such from the Office of Community Development. Failure to receive written approval could result in disallowed costs.

It is *suggested* that the bid package be reviewed in its entirety by your legal counsel to ensure compliance with applicable federal, State, and local laws. All required bid documents are listed on the Table of Contents of the Contract Documents Guide (**Exhibit B-17**) and copies of the documents are provided therein.

The final plans, specifications, and cost estimate must be submitted to the Office of Community Development for review. **If revisions to the plans, specifications, and/or cost estimate are requested by this office, they must be submitted within 30 calendar days of the request. Failure to comply with this thirty day period for revisions submittal will result in an assessment of $250 per working day.** The assessment will be deducted from the amount of LCDBG funds allowed for basic engineering services. If you are not using LCDBG funds to pay for basic engineering services, the penalty will be deducted from the construction line item in the contract and disallowed. **If revisions are submitted timely but do not adequately comply with the revisions requested, the penalty may be assessed at the State's discretion.**

Following our office's review of your plans and specifications, and all other program requirements have been met, you will receive a letter authorizing you to advertise for bids; we expect you to advertise for bids within thirty days of the date of that letter. A copy of the publicized bid advertisement, including the publication date, must be submitted to the staff person in our office who is assigned to your grant. Failure to comply with this thirty day bid advertisement will result in an assessment of $250 per working day. The assessment will be deducted from the amount of LCDBG funds allowed for basic engineering services. If you are not using LCDBG funds to pay for basic engineering services, the penalty will be deducted from the construction line item in your contract and disallowed. If the failure to advertise for bids within the required timeframe is the fault of another party (the local government or the administrative consultant), then the penalty will be assessed accordingly. If there are extenuating circumstances which prevent publication of the advertisement for bids within the thirty day period, the local government must advise us of such prior to the end of the thirty day period and

request an extension of time. The State reserves the right to grant an extension when the reasons for not meeting the timeframe are valid.

Bids must be solicited by public advertising. A sample Advertisement for Bids appears in the Contract Documents Guide, (**Exhibit B-17**). The Public Bid Law requires that the advertisement for any contract for public works shall be published once a week for three different weeks in a newspaper in the locality and the first advertisement shall appear at least 25 days before the opening of bids for construction projects. For materials purchases, the Public Bid Law requires the advertisement to be published two times in a newspaper in the locality and the first advertisement shall appear at least 15 days before the opening of bids. The first publication of the advertisement shall not occur on a Saturday, Sunday, or legal holiday. Plans and specifications shall be available to bidders on the day of the first advertisement and shall be available until 24 hours before the bid opening date. Additionally, the advertisement must call the bidders attention to the conditions of employment and requirements of federal prevailing wage rates, Segregated Facility, Section 3, Section 109 and Equal Opportunity. If you amend the bid documents during the advertisement period, addenda must be sent to all prospective bidders who have received bid documents. No public entity shall issue or cause to be issued any addenda modifying plans and specifications within a period of 72 hours prior to the advertised time for the opening of bids, excluding Saturdays, Sundays, and any other legal holidays; however, if the necessity arises to issue an addendum modifying plans and specifications within the 72-hour period prior to the advertised time for the opening of bids, then the opening of bids shall be extended for at least 7 days, but not to exceed 21 days, without the requirement of re-advertising the project. The addendum shall state the revised time and date for the opening of bids**. A copy of each addendum shall be submitted to the Office of Community Development at the time the addendum is issued, including addenda solely pertaining to federal wage rate decisions.**

All bids received prior to the opening of bids must remain sealed and in a safe place until the bid opening.

On the date scheduled, the public bid opening should be conducted in a businesslike manner. The bids should be read aloud during bid opening and the apparent low bidder should be determined during the bid opening. However, the bids must also be reviewed for both technical and legal responsiveness of bids. In addition, the bidders must be evaluated as having the capacity to furnish products and/or services required. Minutes of the bid opening, along with a tabulation of bids, should be placed in the contract file; a sample of minutes and bid tabulations is provided in **Exhibit B-26**.

After the bid opening, you must take action within 45 days to either award a contract to the lowest responsible bidder or to reject bids. You and the lowest responsible bidder may, by mutual written consent, agree to extend the deadline for award by one or more extensions of 30 calendar days. Please refer to LRS 38:2215 for any exceptions. A public entity may reject any and all bids for just cause. For more information about "just cause", see LRS 38:2214B. <u>Also, a contract cannot be awarded with an incorrect federal wage decision. Make sure you have verified the proper choice of the federal wage decision per the process described in **Task B-1**.</u>

Task B-4: Developing Procedures for When Bids Exceed Cost Estimates

In some cases the lowest bid you receive will exceed the amount of funds you have allocated for the project. When this happens you have several options available to you. One option is to reject all bids received. The engineer/architect will then re-work the plans and/or specifications in an effort to lower the cost of the project. It is imperative that the Office of Community Development be consulted as to any proposed changes to the plans and/or specifications. A revised set of plans and specifications and an updated cost estimate may be required to be submitted to the Office of Community Development for review prior to re-advertising the project. Another option is to make up the difference between the available funds and the amount of the lowest bid through the reallocation of LCDBG funds. If the reallocation of LCDBG funds is involved, you must contact your Local Government Representative immediately for Office of Community Development concurrence and to make sure the reallocation does not affect your eligibility status. Another option is to make up the difference between the available funds and the amount of the lowest bid with other sources of funding such as local funds. Still another option is to enter into a contract with the low bidder for the amount of the bid and to, subsequently, execute delete change orders to bring the project within the allocated funds. It is strongly advised that you investigate how exercising this option would affect the other bidders prior to awarding a contract. Please remember that change orders must be approved by the Office of Community Development before execution. Contact the Office of Community Development for consultation before exercising any of these options.

If it is anticipated beforehand that bids received may be higher than the amount of funds budgeted, you may want to include alternate bids in the bid documents. Alternates may be in the form of deductive or additive alternates and the drawings should clearly show what is being considered as an alternate. Please be familiar with the requirements of the Public Bid Law regarding alternates as found in R.S. 38:2212A(3)(e) repeated here for convenience:

"(e) Any proposal shall include no more than three alternates. An alternate bid by any name is still an alternate. Alternates, if accepted, shall be accepted in the order in which they are listed on the bid form. Determination of the low bidder shall be on the basis of the sum of the base bid and any alternates accepted. However, the public entity shall reserve the right to accept alternates in any order which does not affect determination of the low bidder."

Task B-5: Awarding a Contract, Notifying Contractors of Responsibilities and Issuing a Notice to Proceed

If a contract is awarded, it must be awarded to the "lowest responsible bidder" in accordance with the Public Bid Law. Discretion has been given to public entities to determine bidder responsibility. A Court decision has concluded that, in determining bidder responsibility, the public entity may look to financial ability, skill, integrity, business judgment, experience, reputation, quality of previous work on contracts, and other similar factors bearing on the bidder's ability to successfully perform the contract. If you propose to disqualify a bidder on the grounds that the bidder is not a "responsible bidder", you must (1) give written notice of the

proposed disqualification to the bidder and include in the notice all reasons for the proposed disqualification, and (2) give the bidder the opportunity to be heard at an informal hearing at which the bidder is afforded the opportunity to refute the reasons for the disqualification.

As described in **Task B-1**, the successful bidder must be cleared by the Office of Community Development (see **Exhibit B-5**). Once the bidder is accepted and a contract has been awarded, you must send a **Notice of Contract Award** (**Exhibit B-6**) to the Labor Compliance Officer in the Office of Community Development within 30 days. Also, one copy of the **certified and itemized bid tabulation** shall be submitted to the Office of Community Development's engineer along with the Notice of Contract Award. In addition, an updated LCDBG **Disclosure Report** (**Exhibit A-53**) must be submitted to your Local Government Representative (LGR) within this 30 day period.

Following award of the contract, the contract documents and applicable bonding and insurance requirements must be completed and executed. Contract documents include all the items contained in the bid package as well as the executed contract, bid proposal, contractor certifications, and bonding and insurance forms. The bonding/surety company or companies used by the contractor must be on the U. S. Department of Treasury's Financial Management Services list of companies approved for federal bonds. They may be contacted by phone at (202) 874-6850, or online at www.fms.treas.gov/c570/index.html. Verification of the status of surety or insurance companies must be carried out by you, and the date and method of verification must be clearly documented in your files. In addition, you must contact the Louisiana Insurance Commissioner's Office by phone at (225) 342-0895, or online at www.ldi.state.la.us in order to determine whether or not the agent selling the bond is currently licensed to do business in Louisiana. A form which can be used to document the phone calls is provided as **Exhibit B-27**. If the status of the company(s) was checked via the internet websites, a copy of the information located at the websites will be sufficient verification.

A pre-construction conference or other means of notification should be accomplished immediately upon contract execution to inform the prime contractor(s) of his/her responsibilities. These responsibilities include labor standards, (covered in **Task B-1**), equal opportunity, (covered in Task B-2), other State and local provisions, and technical job requirements. Others who must be aware of these responsibilities are the foreman or construction superintendent, the person who will be preparing payrolls, and all subcontractors identified in the bid.

At this time, you should correct any equal opportunity deficiencies such as Section 3 plans, certificates of compliance, et cetera that have not been submitted by prime contractors and subcontractors. You should also carefully explain contractor and subcontractor responsibilities regarding equal opportunity using the list of commonly asked equal opportunity questions (**Exhibit B-22**) as a guide. Also, requirements for the equal opportunity monitoring during site visits should be explained.

In addition, any subcontractors **not** identified in the bid should provide the data necessary to verify eligibility, sign required certifications, prepare a written Section 3 Plan, etc. All of these contractor/subcontractor responsibilities should be complete prior to start of construction.

After execution of the contract documents and notification of the contractor(s) and subcontractor(s) responsibilities, you should issue a **Notice to Proceed** to each prime contractor. The notice should state the construction start date and the scheduled completion date. Do not submit a copy of the Notice to Proceed to this office.

You should also review the contract file and associated compliance files to make sure documentation is complete. The following is a list of construction contract file requirements:

Preliminary design and cost estimates;

Final design documents and cost estimates;

Evidence that all necessary land or easement acquisition has been completed prior to advertising for bids;

Bid documents;

Documentation of submittal to and approval of plans and specifications by the cognizant State/Federal agency having jurisdiction over the project;

Certification of Compliance with Architectural Barriers Act, if applicable;

Proof of publication/copy of advertisement for bids;

Minutes of public bid opening;

Tabulation of bids;

Recommendation for award;

Notice of contract award;

Executed contract document;

Certification of insurance/bonding;

Notice to Proceed; and

Evidence of project sign requirements as shown in **Exhibit B-28**.

Task B-6: Monitoring Contractor Progress and Making Progress Payments

The purpose of this task is to monitor construction contracts to insure compliance with technical specifications and State and Federal requirements, maintain adequate cost and budget controls, and process necessary contract changes in order to bring the contract to completion.

Upon receiving the Notice to Proceed, the contractor must submit a cost breakdown showing the amount assigned to each portion of the work. This breakdown is not required when per unit prices form the basis of payment under the contract. This breakdown must be reviewed by you and your architect/engineer and used as the basis for requests for payment. The breakdown should be submitted within 5-10 days of receipt of the Notice to Proceed.

During construction, you are responsible for monitoring equal opportunity and labor standards requirements as described in **Tasks B-1 and B-2**. You are also responsible for construction management. This may be done by the architect/engineer, and if so, should be included in the scope of services of the professional services contract. Construction management must include inspection and general supervision of construction to check the contractor's work for compliance with the drawings and specifications and quantity and quality control. Written inspection reports must accompany the contractor's requests for partial payment.

The architect/engineer shall furnish a Resident Project Representative (RPR), assistants, and other field staff to assist the engineer in observing the progress and quality of the work. The RPR shall be under the architect/engineer's supervision and shall be a member of the architect/ engineer's staff or a contract employee. In either case, the architect/engineer shall attest to the RPR's qualifications and abilities to perform the appropriate duties and responsibilities. The Qualification Certification (**Exhibit B-29**) must be completed and submitted to the Office of Community Development along with a copy of the RPR's current resume showing his qualifications and work history before construction begins. As part of his duties, the RPR will prepare reports recording, at a minimum, the following information: project name, contractor's name, date, weather conditions, contractor's work force (indicating work classifications), equipment (in use or idled), quantities of pay items installed, deficiencies in materials or work, general observations, summary of construction activities, and RPR's signature. Each report shall be completely filled out. Furnishing an RPR does not relieve the architect/engineer of the responsibility of making visits to the site at intervals appropriate to the various stages of construction.

Subtasks that are a part of construction management include:

> General Supervision -- must include monitoring construction to alert you of the need for adjustments in design as dictated by actual field conditions and the need for contract amendments. All contract amendments affecting alignment and detail or dimensions shown on drawings must include revised drawings.
>
> Quality Control -- must include quality tests as necessary to verify conformance with technical specifications concerning minimum quality requirements.

Quantity Control -- must include verification of in-place quantities and other records reflecting an as-built facility.

Certification of Pay Estimates -- must include inspection reports and copies of field measurement notes; test results used to verify contractor's periodic pay estimates for partial payments should be attached to and filed with the periodic estimate for partial payment.

General -- construction management may involve other responsibilities including, but not limited to, providing horizontal and vertical control in the form of benchmarks and baselines to be used by the contractor in staking the construction, review and approval of shop drawings, and project coordination.

Upon receipt of requests for partial payment and necessary documentation, you must check equal opportunity and labor standards compliance files to insure that all payrolls have been received and checked, any restitution paid, employee interviews have been conducted, and all discrepancies corrected.

In accordance with the Public Bid Law, all change orders must be in writing. Change orders must be prepared and recommended by the architect/engineer. Each change order must be accompanied by a supporting statement which describes why the proposed change is deemed necessary. Preliminary (unexecuted) change orders, containing the signatures of the architect/engineer and the contractor but not the public entity, must be reviewed by the Office of Community Development so that the Office may determine the extent of financial participation eligible through the LCDBG Program. Once this determination has been made the local entity and the architect/engineer will be informed. The fully executed change order will contain the signatures of the architect/engineer, contractor, and local entity. A copy of the fully executed change order must be submitted to the Office of Community Development as soon as possible after execution.

Task B-7: Inspecting and Accepting the Work, Closing Out the Project, and Making Final Payment

When construction work has been completed, the contractor must certify completion of work to you and submit a final request for payment. You must then arrange for a final inspection. You or your architect/engineer should make the final inspection and prepare a written report of the inspection prior to your issuance of a final certificate of payment. In addition, if the project involved the construction of a building, the Office of the State Fire Marshal, Code Enforcement, and Building Safety must issue a Certification of Occupancy.

Before making final payment (less retainage), you must insure that: all weekly payrolls and Statements of Compliance have been received, checked, and any discrepancies resolved; all discrepancies identified via on-site interviews must have been resolved; all other required equal

opportunity and labor standards provisions must have been satisfied; all contract submissions must have been received; all claims and disputes involving the contractor must have been resolved; all files must be complete; and as-built plans have been filed. You must also prepare a Final Wage Compliance Report (**Exhibit B-20**) which must be submitted to the State and placed in the Labor Standards Compliance file.

The contractor should file your acceptance of work at the designated location. You can then issue acceptance of work and final payment, less the retainage. After 45 days from the filing of the acceptance and upon submission of a clear lien certificate by the contractor, you may release the retainage to the contractor. If any claims or liens remain after the 45 day lien period, you must take appropriate action for disposition of the retainage and all claims against the bonds in accordance with State law.

In accordance with State law, you may withhold a maximum of ten percent retainage on construction contracts which are less than $500,000 and a maximum of five percent retainage on construction contracts which are $500,000 or more.

A comprehensive construction contract checklist is included as **Exhibit B-30**.

Task B-8: Restrictions on Fire Protection Projects

The use of LCDBG funds for garages to house fire trucks is allowed with the following stipulations. The size of the garage will be based upon the number of operational fire trucks available to be housed there upon completion of the garage; LCDBG funds will not pay for vacant garage space which will be used for truck storage at a future date. The maximum size allowed for each bay is 20’ x 50’. If there is a valid reason that this size is not sufficient, written approval from the Office of Community Development must be obtained. LCDBG funds will not pay for kitchens, training rooms, et cetera in garages for volunteer fire departments. While LCDBG funds can be used to install a bathroom in the garage, such monies will only pay for a lavatory and toilet; bathing facilities such as baths and showers are not eligible. LCDBG funds can be used to install a heating system in the garage but cannot be used to install a cooling system.

If you have any questions regarding the design of the garage, please contact the Office of Community Development.

B-1

Appointment of Labor Compliance Officer

Grantee _____

LCDBG Contract # _____

Name of person hereby appointed as the Labor Compliance Officer _____

Name of person appointing the LCO _____

Title of person appointing the LCO _____

I hereby appoint the above listed person as the Labor Compliance Officer (LCO) under this Louisiana Community Development Block Grant (LCDBG) contract. The appointed LCO is assigned to oversee the labor portion of the contract and will be responsible for all labor law compliance. The LCO will be responsible for assuring compliance with all federal and LCDBG requirements as explained in the LCDBG Grantee Handbook.

Signature of person appointing the LCO _____

Date _____

I acknowledge and accept the appointment and duties of Labor Compliance Officer under the above mentioned LCDBG contract.

Signature of newly appointed LCO _____

Date _____

General Decision Number: LA080006 04/10/2009 LA6

B-2

Superseded General Decision Number: LA20070009

State: Louisiana

Construction Type: Heavy

Counties: Allen, Assumption, Avoyelles, Beauregard, Bienville, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, La Salle, Lincoln, Madison, Morehouse, Natchitoches, Pointe Coupee, Red River, Richland, Sabine, St Helena, St Mary, Tangipahoa, Tensas, Union, Vermilion, Vernon, Washington, West Carroll, West Feliciana and Winn Counties in Louisiana.

HEAVY CONSTRUCTION PROJECTS (includes water wells, water & sewer lines, and flood control; excludes elevated storage tanks)

Modification Number	Publication Date
0	02/08/2008
1	03/07/2008
2	04/04/2008
3	05/09/2008
4	06/13/2008
5	09/05/2008
6	01/16/2009
7	02/13/2009
8	03/13/2009
9	04/10/2009

ELEC0130-007 12/01/2008

ASSUMPTION AND ST. MARY (Northeast of Atchafalaya River) PARISHES

	Rates	Fringes
ELECTRICIAN	$ 25.00	8.33

ELEC0194-006 09/04/2008

BIENVILLE, CLAIBORNE, DE SOTO, NATCHITOCHES (Northeast of the Red River), and RED RIVER PARISHES

	Rates	Fringes
ELECTRICIAN		
Lineman and Heavy Equipment Operator	$ 23.95	8.61

---

* ELEC0446-004 04/01/2009

CALDWELL, EAST CARROLL, FRANKLIN, JACKSON, LINCOLN, MADISON, MOREHOUSE, RICHLAND, TENSAS, UNION, and WEST CARROLL PARISHES

	Rates	Fringes
ELECTRICIAN	$ 19.65	8.18

ELEC0576-002 03/01/2009

AVOYELLES, CATAHOULA, CONCORDIA, EVANGELINE, GRANT, LA SALLE, NATCHITOCHES (Southwest of Red River), SABINE, VERNON, AND WINN PARISHES

	Rates	Fringes
ELECTRICIAN	$ 21.60	5.62

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* ELEC0861-004 04/01/2009

ALLEN, BEAUREGARD, CAMERON, IBERIA, JEFFERSON DAVIS, ST. MARY (Southwest of Atchafalaya River), AND VERMILION PARISHES

	Rates	Fringes
ELECTRICIAN	$ 23.50	9.00

ELEC0995-002 01/01/2009

EAST FELICIANA, IBERVILLE, POINTE COUPEE, ST. HELENA, AND WEST FELICIANA PARISHES

	Rates	Fringes
ELECTRICIAN	$ 21.87	7.67

ELEC1077-005 03/01/2009

TANGIPAHOA AND WASHINGTON PARISHES

	Rates	Fringes
ELECTRICIAN	$ 21.50	6.26

SULA2004-008 05/19/2004

	Rates	Fringes
CARPENTER (including formsetting/formbuilding)	$ 14.75	0.00
Laborers:		
Common	$ 7.60	0.00
Pipelayer	$ 8.47	0.00
PIPEFITTER (excluding pipelaying)	$ 18.75	4.05
Power equipment operators:		
Backhoe/Excavator	$ 11.67	0.00
Boring Machine	$ 10.25	0.00

Bulldozer	$ 11.82	0.00
Crane	$ 13.60	0.00
Dragline	$ 13.12	0.00
Front End Loader	$ 9.93	0.00
Mechanic	$ 12.50	0.00
Trackhoe	$ 11.99	0.00
Tractor	$ 10.43	0.00
Water Well Driller	$ 10.73	2.01
Truck drivers:		
Dump	$ 10.00	0.00
Water	$ 8.00	0.00

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

==========

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

In the listing above, the "SU" designation means that rates listed under the identifier do not reflect collectively bargained wage and fringe benefit rates. Other designations indicate unions whose rates have been determined to be prevailing.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

* an existing published wage determination
* a survey underlying a wage determination
* a Wage and Hour Division letter setting forth a position on a wage determination matter
* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

Initial Wage Decision Request

(Optional)

B-3

1. Grantee _____
2. LCDBG Contract # _____
3. Requesting Officer (Grantee's Labor Compliance Officer) _____
4. Date of Request _____
5. Estimated bid opening date _____
6. Parish _____
7. Specific description of work _____
8. General Work type(s): Building, Highway, Heavy or Residential _____
9. Identify and list estimated percentage of any "auxiliary" work that could require more than one decision. _____
10. Any utility line connection work on private property? _____
11. Based on the above information the following wage decision(s) is authorized by the Labor Compliance Officer of the Office of Community Development for inclusion in the bid documents, if the bid document were compiled today. If compiled at a later date, the latest mod or supersedeas decision of the authorized wage decision number should be used.

    Decision Number(s)
    (Number, Date, Mod) _____

    _____

    Comments _____

    By LCO of OCD _____

    Date _____

    The Office of Community Development (OCD) will inform the grantee's Labor Compliance Officer (LCO) by phone, fax, or e-mail of the wage decision number of the authorized decision(s). It will be the responsibility of the grantee's LCO to download the decision(s) or obtain the decision(s) by other means such as by fax from OCD. The web address is: ***www.wdol.gov***

LGR _____ File: _____ FY_____ Labor

Ten Day Call Form (Optional) B-4

The LCDBG Contract:

Grantee Name _____

LCDBG Contract # _____

Ten Day Call Information:

Person making the Call _____

Call received by _____

Date of Call _____

Bid Opening Date _____

(If the Small Purchase method of procurement is used the above entry will be the bid tabulation date.)

Wage Decision(s):

A _____
Type of work to be done

_____
Decision that was made part of bid documents

_____
Current decision as determined by DOL

Action: ___ None ____ Mailed
___ Faxed ____ Downloaded

_____
To be received or downloaded by

B _____
Type of work to be done

_____
Decision that was made part of the bid documents

_____
Current decision as determined by DOL

Action: ___ None ____ Mailed
___ Faxed ____ Downloaded

_____
To be received or downloaded by

Comments: _____

_____

By: _____

- You may complete this form when the optional Ten Day Call is made. Retain. Do not send to OCD.

LGR: _____ File: _____ FY _____ Labor

Verification of Wage Decision(s) & Contractor Eligibility **Please Note:** Verifications must be obtained prior to award of contract			**B-5**
1.	Grantee Name		
2.	LCDBG Contract Number		
3.	Parish		
4.	Bid Opening Date		
5.	Description of work covered by the bid package		
• Identification of wage decision(s) made part of the bid package whether by initial inclusion in bid document or by addendum. Example: LA 08 0014, Mod 0, 2/8/08			
6.	Decision Number(s)		
7.	Modification Number(s)		
8.	Issue Date(s)		
• Identification of the prime contractor and principals of the firm.			
9.	Prime Contractor Name		
10.	Address		
11.	City		
12.	State		
13.	Zip Code		
14.	Contractor Phone Number		
15.	Enter the name of each principal below	Enter the title of each principal	
16.			
17.			
18.			
19.	Grantee's Labor Compliance Officer (Signature or name)		
20.	Upon verification send this form to fax number		
21.	Date of this request		
• State Use Only: Initials & dates below indicate verification by OCD			
22.	Wage decision(s) above verified by (Signature, date) (Valid only if awarded within 90 days of bid opening)		
23.	Prime contractor's eligibility verified (Signature, date)		
24.	Verification by fax is hereby sent to (Name of Person)		

Instructions for *Verification of Wage Decision & Contractor Eligibility* (Exhibit B-5)

Note: This form, as executed by OCD, must be received before the award of a contract.

1-3. Name, Contract #, Parish	Name of grant recipient, LCDBG contract #, Parish
4. Bid Opening Date	The date construction bids were opened
5. Description of work covered by the bid package	Describe the work in order to provide information needed for determining the proper Davis-Bacon wage decision(s). Example: Construction of an elevated tank and installation of 3,200 feet of main water line.
6-8. Decision Number(s), Mod numbers(s) & Issue date	The identification of the effective wage decision(s) that was in effect at the bid opening date or if the contract award was delayed more than 90 days the wage decision that was in effect on the date of the contract award.
9-14. Prime Contractor Identification	The legal name of the contracting firm. Address, & Phone
15-18 Identification and titles of Principals of the firm	Since the names are checked against a federal database of debarred names, list the complete name if possible. In the case of corporations, "Principals" are owners or office holders as recorded legally. In sole proprietorships or partnerships, "Principals" are the owner(s). Titles or Position: Examples—President, Vice Pres, Secretary.
19. Grantee's LCO	The typed name or the legible signature of the grantee's Labor Compliance Officer.
20. Upon verification send this form to fax number	The fax number of the grantee's Labor Compliance Officer or other person to which the executed form should be faxed.
21. Date of this request	The date on which the verification of eligibility is requested. The remainder of the form will be completed by OCD.
22. Wage decision verified Signature and date	The initials of the employee at OCD who verifies the proper decision choice. The verification is valid only if the contract is awarded within 90 days of the bid opening. The form will not be signed on line 22 until the proper wage decision choice(s) has been verified.
23. Prime contractor's eligibility verified Signature, date	The initials of the employee at OCD who verifies the prime contractor's eligibility. The form will not be signed on line 23 until the contractor's eligibility has been verified.
24. Verification by fax is hereby sent to	Name of person, normally the grantee's Labor Compliance Officer, designated to receive the fax at the fax number specified on row 20.

LGR: _____ File: _____ FY _____ Labor

Notice of Contract Award **B-6**

_____
Date Received by State

- *Louisiana law, LA RS 38:2215, requires mutual written agreement between the parties if the time between the bid opening and contract award exceeds 45 days.*
- *If more than 90 days transpire between bid opening and contract award date, ensure that the wage decision(s) in effect on the contract award date becomes a written part of the construction contract.*
- *Send this Notice to OCD within 30 days of the contract award date.*

1. The LCDBG Contract:

Grantee Name _____

LCDBG Contract # _____

2. A prime construction contract has been awarded as follows:

Name of prime contractor _____

Type of work to be done _____

Bid Opening Date _____

Date of contract award _____

Estimated date of start of construction _____

3. Components of the above listed contract identified by source, purpose and amount:

Source	Purpose	Amount

4. Total Amount of Contract Award (All funds—Local, LCDBG, etc.) _____

5. A copy of the certified and itemized bid tabulation is attached: Yes _____ No _____

6. Comments: _____

7. Signed _____
Grantee's Labor Compliance Officer or CEO

8. Date _____

Instructions for *Notice of Contract Award* (Exhibit B-6)

1. Grantee Name Contract Number	Name of Municipality or Parish that is the recipient of grant funds. Six-digit contract number between the state and grant recipient.
2. A prime…contract…	Name: of prime contractor. Work Description: Examples: fire station, sewer treatment plant, etc. Bid Opening Date: self-explanatory. Date of Award: official date by action of municipality or parish. Estimate: an educated guess on start date of construction.
3. Components of the above listed contract…source, purpose, & amount	Components of the construction contract must be identified by source, purpose and amount. Example: Source — Purpose — Amount LCDBG — Sewer lines, engineering — 500,000.00 USDA — Sewer treatment plant — 300,000.00 Local — Engineering — 50,000.00 Some construction contracts involve only LCDBG funds and have a single purpose. For such cases, use only a one-line entry.
4. Total amount of contract award	Components amounts added together should equal the total of the prime construction contract referred to under item "2". From the example in "3", above, the total would be $850,000.00. Enter the original amount of the award prior to any change orders.
5. Copy of the Certified and Itemized Bid Tabulation attached	A bid tabulation should be attached to this notice. Indicate whether the bid tab is attached by marking "yes" or "no". If no, explain why in the comment section of row 6 and, as necessary, establish a projected time table for the bid tabulation to be sent to OCD.
6. Comments	Enter any applicable comments.
7. Signature or typed name	Signature or typed name of the grantee's Labor Compliance Officer.
8. Date	Date on which the form is prepared (not the contract award date). It must be sent to OCD within 30 days of the award of the contract.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REPORT OF ADDITIONAL CLASSIFICATION AND RATE

HUD FORM 4230A

OMB Approval Number 2501-0011
(Exp. 01/31/2010)

1. FROM (*name and address of requesting agency*)

2. PROJECT NAME AND NUMBER

3. LOCATION OF PROJECT (City, County and State)

4. BRIEF DESCRIPTION OF PROJECT

5. CHARACTER OF CONSTRUCTION

- ☐ Building
- ☐ Heavy
- ☐ Highway
- ☐ Residential
- ☐ Other (specify)

6. WAGE DECISION NO. (include modification number, if any)

☐ COPY ATTACHED

7. WAGE DECISION EFFECTIVE DATE

8. WORK CLASSIFICATION(S)	HOURLY WAGE RATES	
	BASIC WAGE	FRINGE BENEFIT(S) (if any)

9. PRIME CONTRACTOR (name, address)

10. SUBCONTRACTOR/EMPLOYER, IF APPLICABLE (name, address)

Check All That Apply:

- ☐ The work to be performed by the additional classification(s) is not performed by a classification in the applicable wage decision.
- ☐ The proposed classification is utilized in the area by the construction industry.
- ☐ The proposed wage rate(s), including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage decision.
- ☐ The interested parties, including the employees or their authorized representatives, agree on the classification(s) and wage rate(s).
- ☐ Supporting documentation attached, including applicable wage decision.

Check One:

- ☐ **Approved, meets all criteria. DOL confirmation requested.**
- ☐ **One or more classifications fail to meet all criteria as explained in agency referral. DOL decision requested.**

Agency Representative
(Typed name and signature)

Date

Phone Number

FOR HUD USE ONLY
LR2000:

Log in:

Log out:

HUD-4230A (8-03) PREVIOUS EDITION IS OBSOLETE

***Instructions for the Report of Additional Classification and Rate HUD 4230-A* (Exhibit B-7)**

(Obtain a "form fill" version of HUD 4230-A at **www.hud.gov)**

General Procedure: The prime contractor notifies the local government of a request for an additional classification(s) and specifies the rate(s). The local government completes items 1-10 on the "Report of Additional Classification and Rate" and forwards the document(s) to OCD. Contractors may pay, at a minimum, the requested rate(s) until a response from DOL is received. A DOL response may take two months. If DOL does not agree with the requested rate, restitution will be due retroactively from the first day of work performed at the requested classification.

1. From:	Enter the address of the Office of Community Development as follows: Office of Community Development Post Office Box 94095 Baton Rouge, Louisiana 70804-9095
2. Project Name & Number	Name of the local government and the LCDBG contract number.
3. Location of Project	City, Parish, and State
4. Brief Description of Project	The main objective(s) of the project as funded under the LCDBG contract. Example: Sewer treatment and lines
5. Character of Construction	Choose the type of construction according to Davis-Bacon.
6. Wage Decision Number	The wage decision from the US Dept of Labor (DOL) that is designated as the effective decision for this part of the project. Normally, the wage decision will not need to be attached and the "Copy Attached" box will not be checked. Example: State—Louisiana DOL Wage Decision Year—2008 Wage Decision Number—6 Modification number—0 would be entered on line 6 using the following method: LA 08-0006 Mod 0
7. Wage Decision Effective Date	The issue date of the effective wage decision.
8. Work Classification(s)	First column: The name(s) of the proposed classification(s) and, if necessary, a brief description(s) of work performed. Second Column: corresponding proposed basic hourly rate(s). Third Column: the proposed fringe benefit amount(s), if any. Example for first column: Metal Building Erector—Installs building framework, siding and metal roofing.
9. Prime Contractor	Name and address of the prime contractor.
10. Subcontractor/employer if applicable	If the employer making the request for an additional classification is not the prime contractor, enter the name and address of the subcontractor.
Attachments	Attach any necessary documentation to HUD form 4230-A. Attachments may include any item mentioned under "Check All That Apply".
Check All That Apply	Do not complete below this point. OCD will complete these sections.

B-8

Wage Rate Sheet	
1. Name of Grant Recipient	
2. LCDBG Contract Number	
3. Wage Decision Number, Date, Mod	
4. Name of Prime Contractor(s)	

5. Classification	6. Hourly Rate	7. Fringe Benefit Rate	8. Total Package Rate

Instructions for the *Wage Rate Sheet* (Exhibit B-8)

Post either (a) the Wage Rate Sheet or (b) Wage Decision in a worker-accessible place.

1, 2.	Self-explanatory.
3. Wage Decision Number Mod, Date	The wage decision from the US Dept of Labor (DOL) that is designated as the governing decision for this part of the project. Example: State—Louisiana DOL Wage Decision Year—2008 Wage Decision Number—06 Date of Wage Decision—2/8/08 Modification number—0 Enter the above information using the following method: LA 08-0015, Dated 8/27/04, Mod 4 If there is more than one wage decision for the project a separate Wage Rate Sheet must be prepared.
4. Name of Prime Contractor	Name of the prime contractor(s) who is subject to the wage decision listed on this Wage Rate Sheet.
5. Classification	List only those classifications from the Wage Decision that are applicable to this project. Each classification must be written on the Wage Rate Sheet exactly as it appears on the Wage Decision. Additional Classification(s), if any, should also be included.
6, 7. Hourly Rate and Fringe Benefit Rate	List exactly as listed on the Wage Decision. Prior to receiving DOL's response, rates for Additional Classification(s) should be listed at the rates requested by the contractor. After receiving DOL's response, rates must be listed according to DOL requirements.
8. Total Package Rate	List the total of the hourly rate plus the fringe benefit rate.

B-9

Verification of Posting Requirements

1. Grantee _____
2. LCDBG Contract Number _____
3. Project Description _____

_____

4. Were the following items posted in a location accessible to workers?

(a) "Notice to Employees" (concerning wage rates) (**Exhibit B-10** in the Grantee Handbook) _____ Yes _____ No

(b) "Equal Employment Opportunity is the Law" (**Exhibit B-10** in the Grantee Handbook) _____ Yes _____ No

(c) Either the Wage Rate Sheet(s) or Wage Decision(s) _____ Yes _____ No

Comments: _____

Signature of Grantee's Labor Compliance Officer _____

Date _____

EMPLOYEE RIGHTS

UNDER THE FAIR LABOR STANDARDS ACT

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

FEDERAL MINIMUM WAGE

$5.85 PER HOUR	$6.55 PER HOUR	$7.25 PER HOUR
BEGINNING JULY 24, 2007	BEGINNING JULY 24, 2008	BEGINNING JULY 24, 2009

OVERTIME PAY

At least $1\frac{1}{2}$ times your regular rate of pay for all hours worked over 40 in a workweek.

YOUTH EMPLOYMENT

An employee must be at least **16** years old to work in most non-farm jobs and at least **18** to work in non-farm jobs declared hazardous by the Secretary of Labor.

Youths **14** and **15** years old may work outside school hours in various non-manufacturing, non-mining, non-hazardous jobs under the following conditions:

No more than

- **3** hours on a school day or **18** hours in a school week;
- **8** hours on a non-school day or **40** hours in a non-school week.

Also, work may not begin before **7 a.m.** or end after **7 p.m.**, except from June 1 through Labor Day, when evening hours are extended to **9 p.m.** Different rules apply in agricultural employment. For more information, visit the YouthRules! Web site at **www.youthrules.dol.gov**.

TIP CREDIT

Employers of "tipped employees" must pay a cash wage of at least $2.13 per hour if they claim a tip credit against their minimum wage obligation. If an employee's tips combined with the employer's cash wage of at least $2.13 per hour do not equal the minimum hourly wage, the employer must make up the difference. Certain other conditions must also be met.

ENFORCEMENT

The Department of Labor may recover back wages either administratively or through court action, for the employees that have been underpaid in violation of the law. Violations may result in civil or criminal action.

Civil money penalties of up to $11,000 per violation may be assessed against employers who violate the youth employment provisions of the law and up to $1,100 per violation against employers who willfully or repeatedly violate the minimum wage or overtime pay provisions. This law prohibits discriminating against or discharging workers who file a complaint or participate in any proceedings under the Act.

ADDITIONAL INFORMATION

- Certain occupations and establishments are exempt from the minimum wage and/or overtime pay provisions.
- Special provisions apply to workers in American Samoa and the Commonwealth of the Northern Mariana Islands.
- Some state laws provide greater employee protections; employers must comply with both.
- The law requires employers to display this poster where employees can readily see it.
- Employees under 20 years of age may be paid $4.25 per hour during their first 90 consecutive calendar days of employment with an employer.
- Certain full-time students, student learners, apprentices, and workers with disabilities may be paid less than the minimum wage under special certificates issued by the Department of Labor.

For additional information:

1-866-4-USWAGE

WHD
U.S. Wage and Hour Division

(1-866-487-9243) TTY: 1-877-889-5627

WWW.WAGEHOUR.DOL.GOV

U.S. Department of Labor | Employment Standards Administration | Wage and Hour Division

WHD Publication 1088 (Revised June 2007)

Equal Employment Opportunity is

THE LAW

Employers Holding Federal Contracts or Subcontracts

Applicants to and employees of companies with a Federal government contract or subcontract are protected under the following Federal authorities:

RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN

Executive Order 11246, as amended, prohibits job discrimination on the basis of race, color, religion, sex or national origin, and requires nondiscrimination and equal employment opportunity to ensure equality in all aspects of employment.

INDIVIDUALS WITH DISABILITIES

Section 503 of the Rehabilitation Act of 1973, as amended, prohibits job discrimination because of disability and requires equal employment opportunity to employ and advance in employment qualified individuals with disabilities who, with reasonable accommodations, can perform the essential functions of a job.

VIETNAM ERA, SPECIAL DISABLED, RECENTLY SEPARATED, AND OTHER PROTECTED VETERANS

Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C., 4212, prohibits job discrimination and requires equal employment opportunity to employ and advance in employment qualified Vietnam era veterans, qualifed disabled veterans, recently separated veterans, and other protected veterans.

Any person who believes a contractor has violated its nondiscrimination or equal employment opportunity obligations under the authorities above should contact immediately:

The Office of Federal Contract Compliance Programs (OFCCP), Employment Standards Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210 or call (202) 693-0101, or an OFCCP regional or district office, listed in most telephone directories under U.S. Government, Department of Labor.

Private Employment, State and Local Governments, Educational Institutions

Applicants to and employees of most private employers, state and local governments, educational institutions, employment agencies and labor organizations are protected under the following Federal laws:

RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN

Title VII of the Civil Rights Act of 1964, as amended, prohibits discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of race, color, religion, sex or national origin.

DISABILITY

The Americans with Disabilities Act of 1990, as amended, protects qualified applicants and employees with disabilities from discrimination in hiring, promotion, discharge, pay, job training, fringe benefits, classification, referral, and other aspects of employment on the basis of disability. The law also requires that covered entities provide qualified applicants and employees with disabilities with reasonable accommodations that do not impose undue hardship.

AGE

The Age Discrimination in Employment Act of 1967, as amended, protects applicants and employees 40 years of age or older from discrimination on the basis of age in hiring, promotion, discharge, compensation, terms, conditions or privileges of employment.

SEX (WAGES)

In addition to sex discrimination prohibited by Title VII of the Civil Rights Act of 1964, as amended (see above), the Equal Pay Act of 1963, as amended, prohibits sex discrimination in payment of wages to women and men performing substantially equal work in the same establishment.

Retaliation against a person who files a charge of discrimination, participates in an investigation, or opposes an unlawful employment practice is prohibited by all of these Federal laws.

If you believe that you have been discriminated against under any of the above laws, you should contact immediately:

The U.S. Equal Employment Opportunity Commission (EEOC), 1801 L Street, N.W., Washington, D.C. 20507 or an EEOC field office by calling toll free (800) 669-4000. For individuals with hearing impairments, EEOC's toll free TDD number is (800) 669-6820.

Programs or Activities Receiving Federal Financial Assistance

RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX

In addition to the protection of Title VII of the Civil Rights Act of 1964, as amended, Title VI of the Civil Rights Act prohibits discrimination on the basis of race, color or national origin in programs or activities receiving Federal financial assistance. Employment discrimination is covered by Title VI if the primary objective of the financial assistance is provision of employment, or where employment discrimination causes or may cause discrimination in providing services under such programs. Title IX of the Education Amendments of 1972 prohibits employment discrimination on the basis of sex in educational programs or activities which receive Federal assistance.

INDIVIDUALS WITH DISABILITIES

Sections 501, 504 and 505 of the Rehabilitation Act of 1973, as amended, prohibits employment discrimination on the basis of disability in any program or activity which receives Federal financial assistance in the federal government. Discrimination is prohibited in all aspects of employment against persons with disabilities who, with reasonable accommodation, can perform the essential functions of a job.

If you believe you have been discriminated against in a program of any institution which receives Federal assistance, you should contact immediately the Federal agency providing such assistance.

Publication OFCCP 1420
Revised August 2007

NOTICE TO ALL EMPLOYEES

Working on Federal or Federally Financed Construction Projects

MINIMUM WAGES

You must be paid not less than the wage rate in the schedule posted with this Notice for the kind of work you perform.

OVERTIME

You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 40 a week. There are some exceptions.

APPRENTICES

Apprentice rates apply only to apprentices properly registered under approved Federal or State apprenticeship programs.

PROPER PAY

If you do not receive proper pay, contact the Contracting Officer listed below:

LABOR COMPLIANCE OFFICER
COMMUNITY DEVELOPMENT SECTION
DIVISION OF ADMINISTRATION
POST OFFICE BOX 94095
BATON ROUGE, LOUISIANA 70804
(504) 342-7412

or you may contact the nearest office of the Wage and Hour Division, U.S. Department of Labor. The Wage and Hour Division has offices in several hundred communities throughout the country. They are listed in the U.S. Government section of most telephone directories under:
U.S. Department of Labor
Employment Standards Administration

WH Publication 1321
Revised January 1986
U.S. GOVERNMENT PRINTING OFFICE

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

B-11

Record of Employee Interview

U.S. Department of Housing and Urban Development Office of Labor Relations

OMB Approval No. 2501-0009 (exp. 10/31/2010)

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information is collected to ensure compliance with the Federal labor standards by recording interviews with construction workers. The information collected will assist HUD in the conduct of compliance monitoring; the information will be used to test the veracity of certified payroll reports submitted by the employer. **Sensitive Information**. The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats or hazards to their security or integrity that could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained. **The information collected herein is voluntary, and any information provided shall be kept confidential**.

1a. Project Name	2a. Employee Name
1b. Project Number	2b. Employee Phone Number (including area code)
1c. Contractor or Subcontractor (Employer)	2c. Employee Home Address & Zip Code
	2d. Verification of identification? Yes ☐ No ☐

3a. How long on this job?	3b. Last date on this job before today?	3c. No. of hours last day on this job?	4a. Hourly rate of pay?	4b. Fringe Benefits?	4c. Pay stub?
				Vacation Yes ☐ No ☐ Medical Yes ☐ No ☐ Pension Yes ☐ No ☐	Yes ☐ No ☐

5. Your job classification(s) (list all) --- continue on a separate sheet if necessary

6. Your duties

CONFIDENTIAL

7. Tools or equipment used

	Y	N		Y	N
8. Are you an apprentice or trainee?	☐	☐	10. Are you paid at least time and ½ for all hours worked in excess of 40 in a week?	☐	☐
9. Are you paid for all hours worked?	☐	☐	11. Have you ever been threatened or coerced into giving up any part of your pay?	☐	☐

12a. Employee Signature	12b. Date

13. Duties observed by the Interviewer (Please be specific.)

14. Remarks

15a. Interviewer name (please print)	15b. Signature of Interviewer	15c. Date of interview

Payroll Examination

16. Remarks

17a. **Signature of Payroll Examiner**	17b. **Date**

Previous editions are obsolete **Form HUD-11 (08/2004)**

Instructions for the *Record of Employee Interview (Begin Quotation from HUD Instructions)*

This form is to be used by HUD and local agency staff for recording information gathered during on-site interviews with laborers and mechanics employed on projects subject to Federal prevailing wage requirements. Typically, the staff that will conduct on-site interviews and use this form are HUD staff and fee construction inspectors, HUD Labor Relations staff, and local agency labor standards contract monitors.

Information recorded on the form HUD-11 is evaluated for general compliance and compared to certified payroll reports submitted by the respective employer. The comparison tests the veracity of the payroll reports and may be critical to the successful conclusion of enforcement actions in the event of labor standards violations. The thoroughness and accuracy of the information gathered during interviews is crucial.

Note that the interview itself and the information collected on the form HUD-11 are considered confidential. Interviews should be conducted individually and privately. All laborers and mechanics employed on the job site must be made available for interview at the interviewer's request. The employee's participation, however, is voluntary. Interviews shall be conducted in a manner and place that are conducive to the purposes of the interview and that cause the least inconvenience to the employer(s) and the employee(s).

Completing the form HUD-11

Items 1a - 1c: Self-explanatory

Items 2a – 2d: Enter the employee's full name, a telephone number where the employee can be reached, and the employee's home address. Many construction workers use a temporary address in the locality of the project and have a more permanent address elsewhere from which mail may be forwarded to them. Obtain a more permanent address, if available. Ask the employee for a form of identification (e.g., driver's license) to verify their name.

Items 3a – 4c: Enter the employee's responses. Ask the employee whether they have a pay stub with them; if so, determine whether the pay stub is consistent with the information provided by the employee.

Items 5 – 7: Be certain that the employee's responses are specific. For example, job classification (#5) must identify the trade involved (e.g., Carpenter, Electrician, Plumber) – responses such as "journeyman" or "mechanic" are not helpful for our purposes.

Items 8 – 12b: Self-explanatory

Items 13 – 15c: These items represent some of the most important information that can be gathered while conducting on-site interviews. Please be specific about the duties you observed the employee performing. It may be easiest to make these observations before initiating the interview. Please record any comments or remarks that may be helpful. For example, if the employee interviewed was working with a crew, how many workers were in the crew? Was the employee evasive?

The level of specificity that is warranted is directly related to the extent to which interview(s) or other observations indicate that there may be violations present. If interviews indicate that there may be underpayments involving a particular trade(s), the interviewer is encouraged to interview as many workers in that trade(s) that are available.

Items 16 – 17b: The information on the form HUD-11 may be reviewed for general compliance, initially. For example, are the job classification and wage rate stated by the employee compatible with the classifications and wage rates on the applicable wage decision? Are the duties observed by the interviewer consistent with the job classification?

Once the corresponding certified payroll reports are received, the information on the HUD-11 shall be compared to the payroll reports. Any discrepancies noted between the HUD-11 information and that on the payroll report shall be noted in Item 16, Remarks. If discrepancies are noted, follow-up actions to resolve the discrepancies must be taken.

(End of Quotation from HUD Form 11 Instructions)

B-12

FORCE ACCOUNT RECORD KEEPING

Labor Cost Records:

1. Hiring and personnel records to include dates of employment, name, address, social security number, work classification, rate of pay, fringe benefits and other pertinent information.

2. Payroll and time distribution records to include daily time records showing straight and overtime hours worked, project location and description of work, gross wages earned at the end of the payroll period, authorized deductions, net wages to the employees, canceled checks, and proof of payment of fringe benefits and deductions by the Grantee. (Overtime pay will be governed by the Grantee's local policy).

3. The payroll system must have a method to report hours separately for employees who split their work between normal local government activities and a particular LCDBG-funded project. Such separate reporting may be indicated on the face of each weekly payroll or by supplemental statement to each weekly payroll.

Equipment Use Record:

1. Daily use records to include description of equipment, project description and location where equipment was used, number of hours used, name of operator, and use rate.

2. Records to support use allowance or depreciation charge.

Materials Procurement Records: (The documentation will vary according to whether or not materials were obtained based upon quotes or competitive bids.)

1. Bid documents including description of materials,

2. Notarized proof of advertisement for bids,

3. Minutes of bid opening,

4. Bidders' proposals,

5. Evaluation and recommendations of award,

6. Resolution of award,

7. Contract documents,

8. Delivery and inventory records (itemized), and

9. Invoice and payment records (itemized).

Project Execution and Administration Records:

1. Determination to use force account to include opinion of legal counsel,

2. Written approval from Office of Community Development allowing the use of force account.

3. Architect-Engineer Contract,

4. Plans and specifications,

5. Cost Estimates,

6. Work orders and change orders,

7. Inspection reports,

8. Progress payments,

9. Field measurements, test, surveys, etc., and

10. Other documentation related to the force account project (Note: Records to support the Grantee's compliance efforts with respect to other program requirements, equal opportunity, housing, citizen participation, etc., are not described here).

B-13

New Employee Information Form

One *New Employee Information Form* is to be completed by the employer for each new employee hired for work on this project during the construction phase of the project.

This is a required form and should accompany the first payroll on which the name of the newly hired employee appears.

---

1. Name of Grant Recipient _____
2. LCDBG Contract Number _____
3. Name of Employer _____
4. Name of New Employee _____
5. Street Address or P. O. Box # _____
6. City and Zip Code _____
7. Date of Hire of New Employee _____

---

8. Methods of attempting to recruit local persons of low and moderate income include: advertisement in local media, public bulletin board, consideration of all applications received, U.S. employment service, a sign at the project site, and the posting of a notice at the project site. On the line below, list the method(s) used.

   _____

9. Does the employee live within the corporate limits (boundaries) of the grant recipient listed on line 1? _____ Yes _____ No

   If the answer to question 9 was "Yes" the following two questions should be answered.

10. Total employee family income per year prior to the date of hire, as determined by asking the employee. _____
11. Number of persons in employee's family. _____

_____ _____
(Signature of Employer or Employer Representative) (Date)

If the answer to 9 is "Yes" and if the family income is less than the "above" category as defined in the original LCDBG application for funding, then the employee is a Section 3 employee.

12. Is the above listed employee a "Section 3" employee? _____ Yes _____ No

_____ _____
(Signature of Grant Recipient's LCO or Employer) Date

Existing Employee Information Form

The *Existing Employee Information Form* is provided as a way for employers to provide a record of employees hired prior to the construction phase of this project or who were hired for a different project elsewhere and transferred to the LCDBG project.

This form is optional under the LCDBG program. If it is used, one form per existing employee should accompany the first payroll on which the name of the employee appears.

---

1. Name of Grant Recipient _____
2. LCDBG Contract Number _____
3. Name of Employer _____
4. Name of Existing Employee _____
5. Street Address or P. O. Box # _____
6. City and Zip Code _____
7. Approximate hire date _____

Comments: _____

_____ _____

(Signature of Employer or Employer Representative) (Date)

B-15

U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/esa/whd/forms/wh347instr.htm)

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

U.S. Wage and Hour Division
Rev. Dec. 2008

OMB No.: 1215-0149
Expires: 12/31/2011

NAME OF CONTRACTOR ☐ OR SUBCONTRACTOR ☐ | ADDRESS

PAYROLL NO. | FOR WEEK ENDING | PROJECT AND LOCATION | PROJECT OR CONTRACT NO.

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	OT. OR ST.	(4) DAY AND DATE / HOURS WORKED EACH DAY							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS: FICA	WITH-HOLDING TAX			OTHER	TOTAL DEDUCTIONS	(9) NET WAGES PAID FOR WEEK
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While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, ESA, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W. Washington, D.C. 20210

(over)

Date _____

I, _____ _____
(Name of Signatory Party) (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

_____ on the
(Contractor or Subcontractor)

_____; that during the payroll period commencing on the
(Building or Work)

_____ day of _____, _____, and ending the _____ day of _____, _____,

all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said

_____ from the full
(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Start. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. § 3145), and described below:

_____

_____

_____

_____

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

☐ – In addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

☐ – Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE

THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.

Comments Regarding the Payroll Form

(Prepared by the Labor Compliance Officer of the Office of Community Development)

General: Department of Labor Form WH-347 has been made available for the convenience of contractors and is not mandatory. Properly completed, this form will satisfy the requirements of the LCDBG program. Form WH-347 along with instructions in greater detail can be found at: http://www.dol.gov/esa/whd/forms/index.htm.

Heading Information: Fill in the contractor name, address, payroll number, week ending date, project location, and LCDBG project number.

Payrolls are numbered according to weeks having work activity. Example: Work was done during weeks one and two but the work was stopped due to rain during weeks three and four. Work resumed and the job was completed during week five. The payrolls for the entire project would be numbered 1-initial, 2, and 3-final. The prime contractor should inform the grantee's Labor Compliance Officer, weekly, for any week during which there is no work done. "No work" payrolls are not required.

Column 1—Name and Last Four Digits of Social Security Number of Employee: In this block, enter the complete name, and the last four digits of the social security number of each employee.

Column 3—Work Classifications: Enter the classification as it is listed on the applicable Davis-Bacon wage decision. Note that "Operator" is not a proper classification since such a classification does not come directly from any wage decision. However, "Backhoe Operator" may be a proper classification if such a classification is on the applicable wage decision.

Columns 4 & 5—Hours Worked and Total Hours: Only enter hours worked on the LCDBG project—not hours from any other job.

Column 6—Rate Per Hour: Enter the rate of pay on the LCDBG project, including any cash paid in lieu of fringe benefits. When fringes are paid in cash, the preferred method is to differentiate between basic hourly pay and fringe benefits paid in cash in column 6 on the straight-time row. On the overtime row of column 6 enter the overtime rate of pay including amount paid in cash for fringes. An example follows where John Doe is paid $10.00 basic hourly rate with $3.00 in fringe benefits paid in cash. The overtime rate of $15.00 is 150% of the basic hourly rate of $10.00—then add the $3.00 for each hour of fringe benefits. The amout due for each overtime hour becomes $18.00. In contrast, if the basic hourly rate would not have been identified separately from the fringe and entered as a single figure of $13.00 then the 150% would have to be applied to the full $13.00 resulting in a higher overtime rate requirement of $19.50.

		Column 6
John Doe	O	18.00
	S	$10.00 3.00

Column 7—Gross Amount Earned: This column has blocks which are split into two parts, the upper left and the lower right. In the upper left portion of the block enter the gross amount earned from the LCDBG project. In the lower right portion of the block enter the gross amount earned from all projects.

Column 8--Deductions and Column 9—Net Wages: Deductions are to be based on all projects, both LCDBG and non-LCDBG, and will be deducted from the weekly gross amount earned from all projects. Likewise, net wages are based on all projects.

<u>The Second Page of WH 347—The Statement of Compliance:</u> The following instructions for the Statement of Compliance are quoted directly from the Department of Labor's instructions that accompany the Payroll Form, WH 347.

(Begin quotation) "**FRINGE BENEFITS - Contractors who pay all required fringe benefits:** A contractor who pays fringe benefits to approved plans, funds, or programs in amounts not less than were determined in the applicable wage decision of the Secretary of labor shall continue to show on the face of the payroll the basic cash hourly rate and overtime rate paid to his employees just as he has always done. Such a contractor shall check paragraph 4(a) of the statement on the reverse of the payroll to indicate that he is also paying to approved plans, funds or programs not less than the amount predetermined as fringe benefits for each craft. Any exceptions shall be noted in section 4(c).

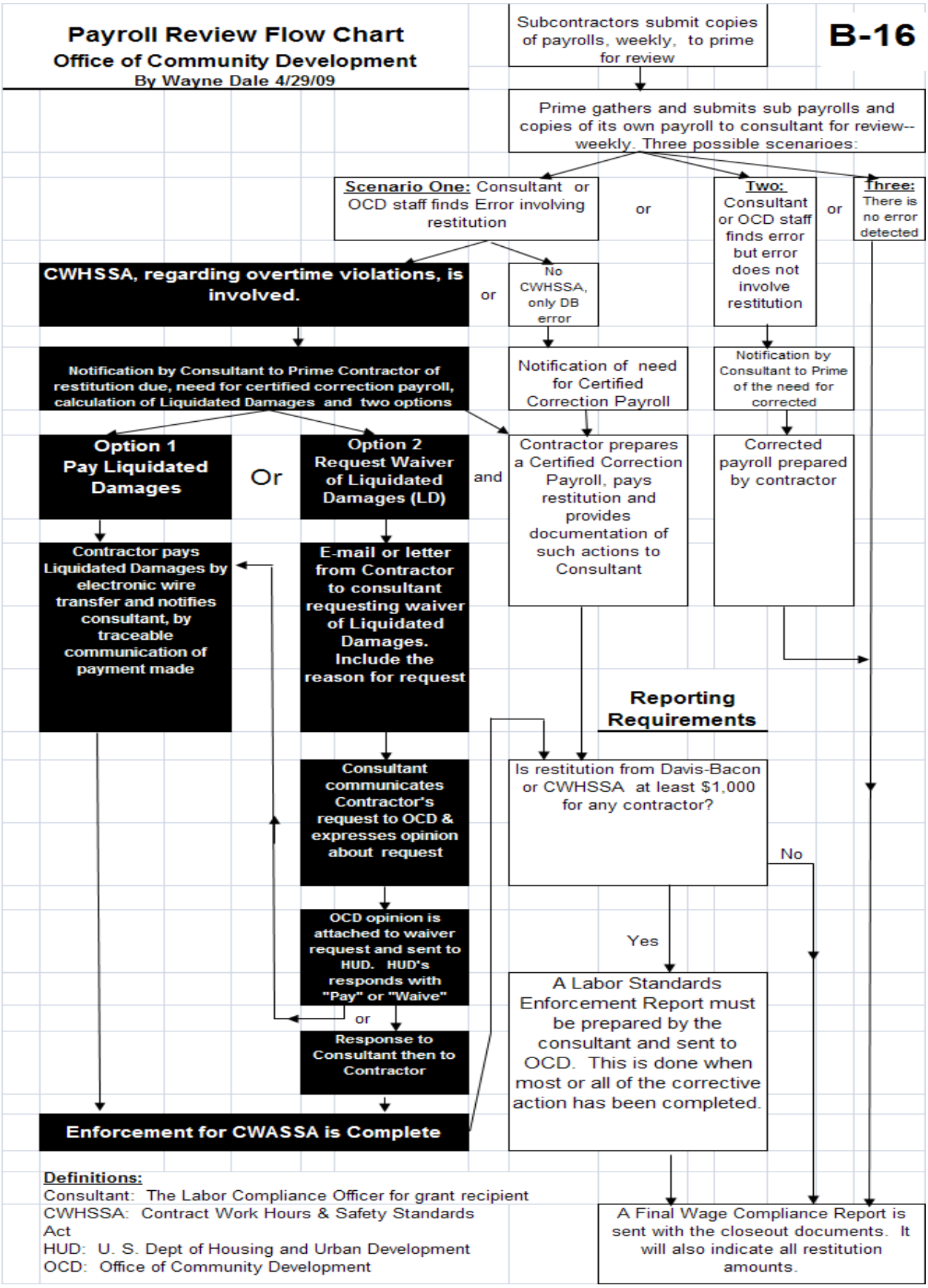
Contractors who pay no fringe benefits: A contractor who pays no fringe benefits shall pay to the employee, and insert in the straight time hourly rate column of the payroll, an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the applicable wage decision. Inasmuch as it is not necessary to pay time and a half on cash paid in lieu of fringes, the overtime rate shall be not less than the sum of the basic predetermined rate, plus the half time premium on basic or regular rate, plus the required cash in lieu of fringes at the straight time rate. In addition, the contractor shall check paragraph 4(b) of the statement on the reverse of the payroll to indicate that he is paying fringe benefits in cash directly to his employees. Any exceptions shall be noted in Section 4(c).

Use of Section 4(c), Exceptions

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the employees as cash in lieu of fringes. Any exceptions to Section 4(a) or 4(b), whichever the contractor may check, shall be entered in section 4(c). Enter in the Exception column the craft, and enter in the Explanation column the hourly amount paid the employee as cash in lieu of fringes and the hourly amount paid to plans, funds, or programs as fringes. The contractor shall pay, and shall show that he is paying to each such employee for all hours (unless otherwise provided by applicable determination) worked on Federal or Federally assisted project an amount not less than the predetermined rate plus cash in lieu of fringes as shown in Section 4(c). The rate paid and amount of cash paid in lieu of fringe benefits per hour should be entered in column 6 on the payroll. See paragraph on "Contractors who pay no fringe benefits" for computation of overtime rate." (End Quotation)

An additional quotation from the US Department of Labor's instructions for Form WH 347 regarding the Statement of Compliance states penalties for falsification.

(Begin Quotation) "**Statement Required by Regulations, Parts 3 and 5:** While this form need not be notarized, the statement on the back of the payroll is subject to the penalties provided by 18 USV 1001, namely, possible imprisonment of 5 years or $10,000.00 fine or both. Accordingly, the party signing this statement should have knowledge of the facts represented as true."(End Quotation)


Payroll Review Flow Chart
Office of Community Development
By Wayne Dale 4/29/09
B-16
Subcontractors submit copies of payrolls, weekly, to prime for review
Prime gathers and submits sub payrolls and copies of its own payroll to consultant for review--weekly. Three possible scenarioes:
Scenario One: Consultant or OCD staff finds Error involving restitution
or
Two: Consultant or OCD staff finds error but error does not involve restitution
or
Three: There is no error detected
CWHSSA, regarding overtime violations, is involved.
or
No CWHSSA, only DB error
Notification by Consultant to Prime Contractor of restitution due, need for certified correction payroll, calculation of Liquidated Damages and two options
Notification of need for Certified Correction Payroll
Notification by Consultant to Prime of the need for corrected
Option 1 Pay Liquidated Damages
Or
Option 2 Request Waiver of Liquidated Damages (LD)
and
Contractor prepares a Certified Correction Payroll, pays restitution and provides documentation of such actions to Consultant
Corrected payroll prepared by contractor
Contractor pays Liquidated Damages by electronic wire transfer and notifies consultant, by traceable communication of payment made
E-mail or letter from Contractor to consultant requesting waiver of Liquidated Damages. Include the reason for request
Reporting Requirements
Consultant communicates Contractor's request to OCD & expresses opinion about request
Is restitution from Davis-Bacon or CWHSSA at least $1,000 for any contractor?
No
OCD opinion is attached to waiver request and sent to HUD. HUD's responds with "Pay" or "Waive"
Yes
A Labor Standards Enforcement Report must be prepared by the consultant and sent to OCD. This is done when most or all of the corrective action has been completed.
or
Response to Consultant then to Contractor
Enforcement for CWASSA is Complete
Definitions:
Consultant: The Labor Compliance Officer for grant recipient
CWHSSA: Contract Work Hours & Safety Standards Act
HUD: U. S. Dept of Housing and Urban Development
OCD: Office of Community Development
A Final Wage Compliance Report is sent with the closeout documents. It will also indicate all restitution amounts.

B-17

CONTRACT DOCUMENTS GUIDE

FOR

LCDBG FUNDED PROJECTS

S A M P L E

(The actual bid/contract document must contain the specific language and procedures required by the State's Bid Law.)

CONTRACT DOCUMENTS GUIDE

1. Bid Proposal
2. Advertisement for Bids
3. Information for Bidders
4. Bonding and Insurance Requirements
5. Bid Bond Forms

6. Bid for Unit Price

7. Bid for Lump Sum

8. Certification of Bidder Regarding Section 3

9. Contractor's/Subcontractor's Section 3 Plan, if required

10. Contractor's/Subcontractor's Section 3 Tables A & B, if required

11. Contract

12. Certificate of Owner's Attorney

13. Performance Bond

14. Payment Bond

15. General Conditions

16. Supplemental General Conditions- **This item must be included without alterations.**

17. Federal Wage Decision

BID PROPOSAL

Description of Project

Name of Local Governing Body

List of Contracts

Contract Number

Name and address of engineering consultant, or if prepared by recipient staff, the name of the office to be contacted for information pertaining to project.

Bidder's Experience List

The following are contracts similar in scope to this project which the Contractor has performed within the past five (5) years:

_____

_____

_____

_____

_____

Subcontractors List

The following are Subcontractors to be employed by the Contractor:

Name	Description of Work
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Manufacturers List

_____

_____

_____

_____

SAMPLE

ADVERTISEMENT FOR BIDS

Project No. _____

City of _____ (herein referred to as the "Owner")

Sealed bids marked "Sealed Bid -- City of _____ Community Development Block Grant Project for Fiscal Year ____ to be financed by the State of Louisiana CDBG Program" will be received by the Owner for the construction of the project described as follows:

Proposals shall be addressed to the City of _____, and delivered to the Office of _____ located at _____(address)_____ not later than _____ p.m., on the _____ day of _____, 20____. Sealed bids to be marked "Sealed Bid -- City of _____ Community Development Block Grant Project for Fiscal Year _____to be financed by the State of Louisiana CDBG Program". Any bid received after the specified time and date will not be considered. The sealed bids will be publicly opened and read aloud at _____ p.m. on the _____ day of _____, 20_____, in City Council Room Number _____ at the City of _____ _____ located at _____. The information for Bidders, Form of Bid Proposal, Form of Contract, Plans, Specifications, and Forms of Bid Bond, Performance Bond and Payment Bond, and other contract documents may be examined at the Office of _____ located at _____ _____. Copies may be obtained at this office upon payment of a deposit of $___ _____. This deposit will be refunded upon request in accordance with R.S. 38:2212.

The Owner reserves the right to reject any and all bids for just cause; such actions will be in accordance with Title 38 of the Louisiana Revised Statutes.

Each Bidder must deposit with his/her bid, security in the amount, form, and subject to the conditions provided in the Information for Bidders. Sureties used for obtaining bonds must appear as acceptable on the U. S. Department of Treasury Circular 570.

No bidder may withdraw his/her bid within forty-five (45) days after the actual date of the opening thereof.

The Contractor shall begin mobilization and procurement of materials within ten (10) working days of the receipt of the Notice to Proceed.

The Attention of Bidders is called particularly to the requirements for conditions of employment to be observed and minimum wage rates to be paid under the Contract, Section 3, Segregated Facilities, Section 109, Executive Order 11246, and all applicable laws and regulations of the Federal government and State of Louisiana and bonding and insurance requirements.

Any person with disabilities requiring special accommodations must contact the City of _____ no later than seven (7) days prior to bid opening.

IN PARTICULAR, BIDDERS SHOULD NOTE THE REQUIRED ATTACHMENTS AND CERTIFICATIONS TO BE EXECUTED AND SUBMITTED WITH THE BID PROPOSAL.

INFORMATION FOR BIDDERS

1. Receipt and Opening of Bids

The _____ (herein called the "Owner"), invites bids on the form attached hereto; all blanks must be appropriately filled in. Bids will be received by the Owner at the office of _____ until a.m./p.m. CST, the _____ day of _____, 20____, and then at said office publicly opened and read aloud. The envelopes containing the bids must be sealed, addressed to _____ at _____ and designated as bid for _____.

The Owner may reject any and all bids for just cause; such actions will be in accordance with Title 38 of the Louisiana Revised Statutes. Any bid may be withdrawn prior to the above scheduled time for the opening of bids or authorized postponement thereof. Any bid received after the time and date specified shall not be considered. No bidder may withdraw a bid within 45 days after the actual date of the opening thereof.

2. Preparation of Bid: Each bid must be submitted on the prescribed form. All blank spaces for bid prices must be filled in, in ink or typewritten, in both words and figures, and the foregoing certifications must be fully completed and executed when submitted.

Each bid must be submitted in a sealed envelope bearing on the outside the name of the bidder, his/her address, and the name of the project for which the bid is submitted. If forwarded by mail, the sealed envelope containing the bid must be enclosed in another envelope addressed as specified in the bid form.

3. Telegraphic Modification: Any bidder may modify his/her bid by telegraphic communication at any time prior to the scheduled closing time for receipt of bids, provided such telegraphic communication is received by the Owner prior to the closing time, and provided further, the Owner is satisfied that a written confirmation of the telegraphic modification over the signature of the bidder was mailed prior to the closing time. The telegraphic communication should not reveal the bid price but should provide the addition or subtraction of other modification so that the final prices or terms will not be known by the Owner until the sealed bid is opened. If written confirmation is not received within two days from the closing time, no consideration will be given to the telegraphic modification.

4. Method of Bidding: The Owner invites the following bid(s):

(THIS SECTION MUST BE COMPLETED)

5. Qualifications of Bidder: The Owner may make such investigations deemed necessary to determine the ability of the bidder to perform the work, and the bidder shall furnish to the Owner all such information and data for this purpose as the Owner may request. The Owner reserves the right to reject any bid if the evidence submitted by, or investigation of, such bidder fails to satisfy the Owner that such bidder is responsible and is properly qualified to carry out the obligations of the contract and complete the work contemplated therein. Any conditions placed on a submitted bid shall result in rejection of such bid.

6. Bid Security: Each bid must be accompanied by cash, certified check of the bidder, or a bid bond prepared on the form of bid bond attached hereto, duly executed by the bidder as principal and having as surety thereon a surety company approved by the Owner, in the amount of 5 percent of the bid. Such cash, checks or bid bonds will be returned to all except the three lowest bidders within three days after the opening of bids, and the remaining cash, checks of bid bonds will be returned promptly after the Owner and the accepted bidder have executed the contract, or, if no award has been made within 45 days after the date of the opening of bids, upon demand of the bidder at any time thereafter, so long as he/she has not been notified of the acceptance of his/her bid.

7. Liquidated Damages for Failure to Enter into Contract: The successful bidder, upon his/her failure or refusal to execute and deliver the contract and bonds within 10 days after he/she receives notice of the acceptance of his/her bid, shall forfeit to the Owner, as Liquidated Damages for such failure or refusal, the security deposited with his/her bid.

8. Time of Completion and Liquidated Damages: Bidder must agree to commence work on or before a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project within _____ consecutive calendar days thereafter. Bidder must agree to pay as Liquidated Damages the sum of $_____ for each consecutive calendar day thereafter until acceptance as hereinafter provided in the General Conditions.

9. Conditions of Work: Each bidder must inform him/herself fully of the conditions relating to the construction of the project and the employment of labor thereon. Failure to do so will not relieve a successful bidder of his/her obligation to furnish all materials and labor necessary to carry out the provisions of his/her contract. Insofar as possible the contractor, in carrying out the work, must employ such methods or means as will not cause any interruption of or interference with the work of any other contractor.

10. Addenda and Interpretations: No interpretation of the meaning of the plans, specifications or other pre-bid documents will be made to any bidder orally.

    Every request for such interpretation should be in writing addressed to _____, at _____(address)_____ and to be given consideration must be received at least five (5) days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplemental instructions will be in the form of written addenda to the specifications which, if issued, will be mailed by certified mail with return receipt requested to all prospective bidders (at the respective addresses furnished for such

purposes), not later than three (3) days prior to the date fixed for the opening of bids.

Failure of any bidder to receive any such addendum or interpretation shall not relieve such bidder from any obligation under his/her bid as submitted. All addenda so issued shall become part of the contract documents.

11. Security for Faithful Performance: Simultaneously with his/her delivery of the executed contract, the Contractor shall furnish a surety bond or bonds as security for faithful performance of this contract and for the payment of all persons performing labor on the project under this contract and furnishing materials in connection with this contract, as specified in the General Conditions included herein. The surety on such bond or bonds shall be a duly authorized surety company satisfactory to the Owner. Only those surety companies currently on the U. S. Department of Treasury Financial Management Services list of approved bonding companies will be accepted. The agent selling the bond must be currently licensed to do business in Louisiana. This will be verified by the Owner.

12. Power of Attorney: Attorneys-in-fact who sign bid bonds or contract bonds must file with each bond a certified and effectively dated copy of their power of attorney.

13. Notice of Special Conditions: Attention is particularly called to those parts of the contract documents and specifications which deal with the following:
    a. Inspection and testing of materials.
    b. Insurance requirements.
    c. Federal wage determinations.
    d. Stated allowances.

14. Laws and Regulations: The bidder's attention is directed to the fact that all applicable State laws, municipal ordinances and rules and regulations of authorities having jurisdiction over construction of the project shall apply to the contract throughout, and will be deemed to be included in the contract the same as written herein in full.

15. Method of Award - Lowest Qualified Bidder: If at the time this contract is to be awarded, the lowest base bid submitted by a responsible bidder does not exceed the amount of funds then estimated by the Owner as available to finance the contract, the contract will be awarded on the base bid only. If such bid exceeds such amount, the Owner may reject all bids or may award the contract on the base bid combined with such deductible alternates applied in numerical order in which they are listed in the Form of Bid, as produces a net amount which is within the available funds.

16. Obligation of Bidder: At the time of the opening of bids, each bidder will be presumed to have inspected the site and to have read and to be thoroughly familiar with the plans and contract documents (including all addenda). The failure or omission of any bidder to examine any form, instrument or document shall in no way relieve any bidder from any obligation with respect to his/her bid.

17. Safety Standards and Accident Prevention: With respect to all work performed under this contract, the contractor shall:

a. Comply with the safety standards provisions of applicable laws, building and construction codes and the "Manual of Accident Prevention in Construction" published by the Associated General Contractors of America, the requirements of the Occupational Safety and Health Act of 1970 (Public Law 91-596), and the requirements of Title 29 of the Code of Federal Regulations, Section 1518 as published in the "Federal Register," Volume 36, No. 75, Saturday, April 17, 1971.

b. Exercise every precaution at all times for the prevention of accidents and the protection of persons (including employees) and property.

c. Maintain at his/her office or other well known place at the job site, all articles necessary for giving first aid to the injured, and shall make standing arrangements for the immediate removal to a hospital or a doctor's care of persons (including employees), who may be injured on the job site. In no case shall employees be permitted to work at a job site before the employer has made a standing arrangement for removal of injured persons to a hospital or a doctor's care.

BONDING AND INSURANCE REQUIREMENTS

1. This attachment sets forth bonding and insurance requirements for grants. No other bonding and insurance requirement shall be imposed other than those normally required by the grantee.

2. Except as otherwise required by law, a grant that requires the contracting (or sub-contracting) for construction of facility improvements shall provide for the grantee to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds $100,000. For those contracts or subcontracts exceeding $100,000, the State may accept the bonding policy and requirements of the grantee provided the State has made a determination that the State's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

   (a) A bid guarantee from each bidder equivalent to five (5) percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his/her bid, execute such contractual documents as may be required within the time specified. (See Section 7 of "Information for Bidders".)

   (b) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all of the contractor's obligations under such contract.

   (c) A payment bond on the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and materials in the execution of the work provided for in the contract.

3. Where the Federal Government guarantees or insures the repayment of money borrowed by the grantee, the State, at its discretion, may require adequate bonding and insurance if the bonding and insurance requirements of the grantee are deemed inadequate to protect the interest of the Federal Government.

4. Where bonds are required in the situations described above, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties (31 CFR 223).

BID BOND FORMS

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, _____ as Principal, and _____, as Surety, are hereby held and firmly bound into _____, as owner in the penal sum of _____ for which, well and truly to be made, hereby jointly and severally bind ourselves, our heirs, executives, administrators, successors and assigns.

Signed, this _____ day of _____, 20____.

The condition of the above obligation is such that whereas the Principal has submitted to _____, a certain Bid, attached hereto and hereby made a part hereof, to enter into a contract in writing, for the _____ _____.

NOW, THEREFORE,

(a) If said Bid shall be rejected, or in the alternate,

(b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form of Contract attached hereto (properly completed in accordance with said Bid) and shall furnish a bond for his/her faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said Bid,

Then this obligation shall be void, otherwise the same shall remain in force and effect, it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees, that the obligations of said Surety and its bond shall be in no way impaired or affected by any extension of time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed these presents to be signed by their proper officers, the day and year first set forth herein above.

Principal: _____ (L.S.)

Surety: _____

SEAL By: _____

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the Secretary of the Corporation named as Principal in the within bond; that _____, who signed the said bond on behalf of the Principal was then _____ of said corporation; that I know his/her signature, and his/her signature thereto is genuine; and that said bond was duly signed, sealed, and attested to, for, and on behalf of said corporation by authority of this governing body.

Signature: _____

Title: _____

(Corporate Seal)

CERTIFICATE AS TO SURETY

I, _____, certify that I am the _____(Title)_____ of the Surety who signed the bond. I certify that we are licensed to do business in the State of Louisiana and are currently recognized by the U. S. Department of the Treasury as acceptable sureties.

Signature: _____

Title: _____

Power of Attorney for person signing for surety company must be attached to bond.

BID FOR UNIT PRICE CONTRACTS

Place _____
Date _____
Project No. _____

Proposal of _____, hereinafter called "Bidder", (a corporation, organized and existing under the laws of the State of _____, a partnership, or an individual doing business as _____)* to the _____, hereinafter called "Owner".

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a _____ _____ _____ having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in the written "Notice to Proceed" of the Owner and to fully complete the project within ___ consecutive calendar days thereafter as stipulated in the specifications. Bidder further agrees to pay as Liquidated Damages the sum of $_____ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

Bidder acknowledges receipt of the following addendum: _____ _____ _____ _____ _____ _____ _____

*Insert corporation, partnership, or individual whichever is applicable.

Bidder agrees to perform all the _____ work described in the specifications and shown on the plans for the following unit prices:

Item No.	Est. Qty.	Description	Unit Price (Each)	Total
1	___	_____	_____ Dollars & Cents ($ _____)	_____ Dollars & Cents ($ _____)
2	___	_____	_____ Dollars & Cents ($ _____)	_____ Dollars & Cents ($ _____)
3	___	_____	_____ Dollars & Cents ($ _____)	_____ Dollars & Cents ($ _____)
		TOTAL OF BID	$_____	

(Amounts are to be shown in both words and figures. In case of discrepancy, the amounts shown in words will govern.)

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for.

Bidder understands that the Owner reserves the right to reject any or all bids for just cause.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of 45 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, Bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Paragraph 29 of the General Conditions.

The bid security attached in the sum of _____
($_____) is to become the property of the Owner in the event the contract and bond are not executed within the time set forth above, as Liquidated Damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By _____
(Signature)

_____
(Title)

_____
(Business Address and Zip Code)

(SEAL - if bid is by a corporation)

BID FOR LUMP SUM CONTRACTS

Place _____

Date _____

Project No. _____

Proposal of _____
(hereinafter called "Bidder" a corporation, organized and existing under the laws of the State of _____, a partnership, or an individual doing business as _____) to the _____
(hereinafter called "Owner").

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a _____, having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in written "Notice to Proceed" of the Owner and to fully complete the project within _____ consecutive calendar days thereafter as stipulated in the specifications. Bidder further agrees to pay as Liquidated Damages the sum of $_____ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

Bidder acknowledges receipt of the following addendum: _____
_____
_____
_____
_____
_____
_____

BASE PROPOSAL: Bidder agrees to perform all of the _____

_____work

described in the specifications and shown on the plans for the sum of _____

_____ ($_____). (Amount shall be in both

words and figures. In case of discrepancy, the amount shown in words will govern.)

ALTERNATE PROPOSALS:

Alternate No. 1: _____

Deduct the sum of _____ ($_____)

Alternate No. 2: _____

Deduct the sum of _____ ($_____)

Alternate No. 3: _____

Deduct the sum of _____ ($_____)

UNIT PRICES:

For changing quantities of work items, those indicated by the contract drawings upon written instructions from the architect/engineer, the following unit prices shall prevail:

1. _____ $_____

2. _____ $_____

3. _____ $_____

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for. Changes shall be processed in accordance with paragraph 17(a) of the General Conditions.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of 45 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, Bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Paragraph 29 of the General Conditions.

The bid security attached in the sum of _____ _____ ($_____) is to become the property of the Owner in the event the contract and bond are not executed within the time set forth above, as Liquidated Damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By _____
(Signature)

_____
(Title)

_____
(Business Address and Zip Code)

(SEAL - if bid is by a corporation)

SECTION 3 CERTIFICATION OF SELECTED BIDDER

_____ _____

Name of Prime Contractor Project Name and Number

The undersigned hereby certifies that:

A. The positions listed under part B that have been filled by _____ since
Name of Prime Contractor

being notified of contract selection on _____ were not filled to circumvent the
Date

contractor's obligations to provide employment opportunities; including training positions, for Section 3 residents, as required by Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations, 24 CFR Part 135.

B. Employment Positions filled since _____.
Date of Selection

_____ _____ _____

_____ _____ _____

_____ _____ _____

_____ _____ _____

C. No employment positions have been filled since _____.
Date of Selection

_____

Name & Title of Signer (Print or Type)

_____ _____

Signature Date

NOTICE: This Certification must be made BEFORE contract execution (24 CFR 135 135.38(e)).

CONTRACTOR OR SUBCONTRACTOR
(if either contract exceeds $100,000)

Section 3 Plan Format

_____(Name of contractor)_____agrees to implement the following specific affirmative action steps directed at increasing the utilization of lower income residents and businesses within the City of _____.

A. To ascertain from the locality's LCDBG program official the exact boundaries of theSection 3 covered project area and where advantageous, seek the assistance of local officials in preparing and implementing the affirmative action plan.

B. To attempt to recruit from within the City the necessary number of lower income residents through: local advertising media, signs placed at the proposed site for the project, and community organizations and public or private institutions operating within or serving the project area such as Service Employment and Redevelopment (SER), Opportunities Industrialization Center (OIC), Urban League, Concentrated Employment Program, Hometown Plan, or the U. S .Employment Service.

C. To maintain a list of all lower income residents who have applied either on their own or on referral from any source, and to employ such persons, if otherwise eligible and if a vacancy exists.

D. *To insert this Section 3 Plan in all bid documents, and to require all bidders on subcontracts to submit a Section 3 Plan including utilization goals and the specific steps planned to accomplish these goals.

E: *To ensure that subcontracts, which are typically let on a negotiated rather than a bid basis, in areas other than Section 3 covered project areas, are also let on a negotiated basis whenever feasible, if let in a Section 3 covered project area.

F. To formally contact unions, subcontractors, and trade associations to secure their cooperation for this program.

G. To ensure that all appropriate project area business concerns are notified of pending subcontractual opportunities.

H. To maintain records, including copies of correspondence, memoranda, etc., which document that all of the above affirmative action steps have been taken.

*Loans, grants, contracts, and subsidies for less than $100,000 will be exempt.

I. To appoint or recruit an executive official of the company or agency as Equal Opportunity Officer to coordinate the implementation of this Section 3 Plan.

J. To list on Table A information related to subcontracts to be awarded.

K. To list on Table B all projected workforce needs for all phases of this project by occupation, trade, skill level, and number of positions.

As officers and representatives of ____(Name of Contractor/Subcontractor)_____, we the undersigned have read and fully agree to this Section 3 Plan, and become a party to the full implementation of this program.

_____

Signature

_____ _____

Title Date

_____

Signature

_____ _____

Title Date

TABLE A

PROPOSED SUBCONTRACTS BREAKDOWN

FOR THE PERIOD COVERING _____ 19__ through _____ 19__

(Duration of the CDBG-Assisted Project)

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5
TYPE OF CONTRACT (BUSINESS OR PROFESSION)	TOTAL NUMBER OF CONTRACTS	TOTAL APPROXIMATE DOLLAR AMOUNT	ESTIMATED NUMBER OF CONTRACTS TO PROJECT AREA BUSINESSES*	ESTIMATED DOLLAR AMOUNT TO PROJECT AREA BUSINESSES*

* The Project Area is coextensive with the City of _____'s boundaries.

_____
Company

_____ _____
Project Name Project Number

_____ _____
EEO Officer (Signature) Date

TABLE B
ESTIMATED PROJECT WORKFORCE BREAKDOWN

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5
Job Category	Total Estimated Positions	No. Positions Currently Occupied By Permanent Employees	No. Positions Not Currently Occupied	No. Positions To Be Filled w/LIPAR*
Officers/ Supervisors				
Professionals				
Technicians				
Housing Sales/ Rental/Mgmt.				
Office Clerical				
Service Workers				
Others				

TRADE:

Journeymen				
Apprentices				
Maximum No. Trainees				
Others				

TRADE:

Journeymen				
Apprentices				
Maximum No. Trainees				
Others				

*Lower Income Project Area Residents. Individuals residing within the City of _____ whose family income does not exceed 80% of the median income in the State.

Company _____

SAMPLE

CERTIFICATION OF PROPOSED **SUBCONTRACTOR** REGARDING
SECTION 3 AND SEGREGATED FACILITIES

Name of Subcontractor	Project Name and Number

The undersigned hereby certifies that:

(a) Section 3 provisions are included in the Contract,

(b) A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds $100,000), and

(c) Tables A and B were prepared and submitted as part of the bid proceedings (if bid equals or exceeds $100,000).

(d) No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

Name & Title of Signer (Print or Type)

Signature	Date

CONTRACT

THIS AGREEMENT, made this _____ day of _____, 20 ____, by and

between _____,
(Corporate Name of Owner)

herein called "Owner," acting herein through its _____

_____, and
(Title of Authorized Official)

_____ a corporation, a partnership, an

individual doing business as _____
(Strike Out Inapplicable Terms)

of _____, Parish of _____, and State

of _____, hereinafter called "Contractor."

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

hereinafter called the project, for the sum of _____ Dollars ($_____) and all extra work in connection therewith, under the terms as stated in the General and Special Conditions of the contract; and at his/her (its/their) own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the General conditions and Supplemental General Conditions and Special Conditions _____ prints, and other drawings and printed or written explanatory matter thereof, the specifications and contract documents therefore as prepared by _____, herein entitled the Architect/ Engineer, and as enumerated in Paragraph 1 of the Supplemental General Conditions, all of which are made a part hereof and collectively evidence and constitute the contract.

The Contractor hereby agrees to commence work under this contract on or before a date to be specified in a written "Notice to Proceed" of the Owner to fully complete the project within _____ consecutive calendar days thereafter. The Contractor further agrees to pay, as Liquidated Damages, the sum of $_____ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

The OWNER agrees to pay the CONTRACTOR in current funds for the performance of the contract, subject to additions and deductions, as provided in Paragraph 25, "Payments to Contractor," of the General Conditions.

IN WITNESS WHEREOF, the parties to these present have executed this contract in six (6) counterparts, each of which shall be deemed an original, in the year and day first above mentioned.

(Seal)
ATTEST:

_____
(Owner)

By _____
(Secretary)

_____
(Witness) (Title)

(Seal)

_____
(Contractor)

By _____
(Secretary)

_____
(Witness) (Title)

_____
(Address and Zip Code)

NOTE: Secretary of the Owner should attest. If Contractor is a corporation, Secretary should attest.

CERTIFICATE OF OWNER'S ATTORNEY

I, the undersigned, _____, the duly authorized and acting legal representative of _____ _____ do hereby certify as follows:

I have examined the attached contract(s) and surety bonds and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements have been duly executed by the proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legally binding obligations upon the parties executing the same in accordance with terms, conditions and provisions thereof.

_____ _____

SIGNATURE TYPE OR PRINT NAME

_____

DATE

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that _____ (Name of Contractor)

_____ (Address of Contractor)

a _____ (Corporation, Partnership, or Individual),

hereinafter called Principal, and _____ (Name of Surety)

_____ (Address of Surety)

hereinafter called Surety, are held and firmly bound unto _____ (Name of Owner)

_____ (Address of Owner)

hereinafter called Owner, in the penal sum of _____ Dollars, $(_____)

in lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contract

with the Owner, dated the _____ day of _____, 20_____,

a copy of which is hereto attached and made a part hereof for the construction of:

_____

_____

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term thereof, and any extensions thereof which may be granted by the Owner, with or without notice to the Surety and during the one year guaranty period, and if he shall satisfy all claims and demands incurred under such contract, and shall fully indemnify and save harmless the Owner from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the Owner all outlay and expense which the Owner may incur in making good any default, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the Work to be performed thereunder or the Specifications accompanying the same shall in any wise affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the Work or to the Specifications.

PROVIDED, FURTHER, that no final settlement between the Owner and the Contractor shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in _____ (Number) counterparts, each one of which shall be deemed an original, this the _____ day of _____, 20_____.

ATTEST:

_____
(PRINCIPAL) SECRETARY

(SEAL)

_____
PRINCIPAL (BIDDER)

By: _____
AUTHORIZED OFFICER-OWNER-PARTNER

_____

_____
WITNESS AS TO PRINCIPAL

_____
ADDRESS

ATTEST:

_____
SURETY

By: _____(SEAL)
ATTORNEY-IN-FACT

_____
WITNESS AS TO SURETY

_____
TYPED OR PRINTED NAME

COUNTERSIGNATURE

I certify that I am, as of the date of this Bond, contracted with the surety company or bond issuer as an agent of the company or issuer as a licensed agent in the State of Louisiana in good standing with the Louisiana Insurance Commission.

By: _____

_____
TYPED OR PRINTED NAME

_____
NAME OF AGENCY

_____

_____
AGENT LICENSE NUMBER

_____
ADDRESS

NOTE: Date of Bond must not be prior to date of Contract. If Contractor is Partnership, all partners should execute Bond.

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: that _____ (Name of Contractor)

_____ (Address of Contractor

a _____ (Corporation, Partnership, or Individual),

hereinafter called Principal, and _____ (Name of Surety)

_____ (Address of Surety)

hereinafter called Surety, are held and firmly bound unto _____ (Name of Owner)

_____ (Address of Owner)

hereinafter called Owner, in the penal sum of _____ Dollars, $(_____)

in lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain

contract with the Owner, dated the _____ day of _____, 20_____,

a copy of which is hereto attached and made a part hereof for the construction of:

_____

_____

NOW, THEREFORE, if the Principal shall promptly make payment to all persons, firms, Subcontractors, and corporations furnishing materials for or performing labor in the prosecution of the Work provided for in such contract, and any authorized extension or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such Work, and all insurance premiums on said Work, and for all labor, performed in such Work whether by Subcontractor or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the Work to be performed thereunder or the Specifications accompanying the same shall in any wise affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the Work or to the Specifications.

PROVIDED, FURTHER, that no final settlement between the Owner and the Contractor shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in _____ (Number) counterparts, each one of

which shall be deemed an original, this the _____ day of _____, 20_____.

ATTEST:

_____
(PRINCIPAL) SECRETARY

(SEAL)

_____
PRINCIPAL (BIDDER)

By: _____
AUTHORIZED OFFICER-OWNER-PARTNER

_____

_____
WITNESS AS TO PRINCIPAL

_____
ADDRESS

ATTEST:

_____
SURETY

By: _____(SEAL)
ATTORNEY-IN-FACT

_____
WITNESS AS TO SURETY

_____
TYPED OR PRINTED NAME

COUNTERSIGNATURE

I certify that I am, as of the date of this Bond, contracted with the surety company or bond issuer as an agent of the company or issuer as a licensed agent in the State of Louisiana in good standing with the Louisiana Insurance Commission.

By: _____

_____
TYPED OR PRINTED NAME

_____
NAME OF AGENCY

_____

_____
AGENT LICENSE NUMBER

_____
ADDRESS

NOTE: Date of Bond must not be prior to date of Contract. If Contractor is Partnership, all partners should execute Bond.

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the Secretary of the Corporation named as Principal in the within bond; that _____ _____ who signed the said bond on behalf of the Principal was then _____ of said corporation; that I know his/her signature, and his/her signature thereto is genuine; and that said bond was duly signed, sealed, and attested to on behalf of said corporation by authority of this governing body.

Signature : _____

Title: _____

(Corporate Seal)

CERTIFICATE AS TO SURETY

I, _____, certify that I am the _____(Title)_____ of the Surety who signed the bond. I certify that we are licensed to do business in the State of Louisiana and are currently recognized by the U. S. Department of the Treasury as acceptable sureties.

Signature: _____

Title: _____

Power of Attorney for person signing for surety company must be attached to bond.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
GENERAL CONDITIONS

1. Contract and Related Contract Documents

The project to be constructed and pursuant to this contract will be financed with the assistance of the Louisiana Community Development Block Grant Program and is subject to all applicable Federal laws and regulations.

The plans, specifications and addenda, hereinafter enumerated in Paragraph 1 of the Supplemental General Conditions shall form part of this Contract and the provisions thereof shall be as binding upon the parties hereto as if they were herein fully set forth. The Table of Contents, titles, headings, running headlines and marginal notes contained herein and in said documents are solely to facilitate reference to various provisions of the Contract Documents and in no way affect, limit or cast light on the interpretation of the provisions to which they refer.

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2. Definitions

The following terms as used in this contract are respectively defined as follows:

(a) "Contractor": A person, firm or corporation with whom the contract is made by the Owner.

(b) "Subcontractor": A person, firm, or corporation supplying labor and materials or only labor for work at the site of the project for, and under separate contract or agreement with the Contractor.

(c) "Work on (at) the project": Work to be performed at the location of the project, including the transportation of materials and supplies to or from the location of the project by employees of the Contractor and any Subcontractor.

3. Additional Instructions and Detail Drawings

The Contractor will be furnished additional instructions and detail drawings. The drawings and instructions thus supplied to the Contractor will coordinate with the Contract Documents and will be so prepared that they can be reasonably interpreted as part thereof. The Contractor shall carry out the work in accordance with the additional detail drawings and instructions. The Contractor and the Architect/Engineer will prepare jointly (a) a schedule, fixing the dates at which special detail drawings will be required, such drawings, if any, are to be furnished by the Architect/Engineer in accordance with said schedule, and (b) a schedule fixing the respective dates for the submission of shop drawings, the beginning of manufacture, testing and installation of materials, supplies and equipment, and the completion of the various parts of the work; each such schedule to be subject to change from time to time in accordance with the progress of the work.

4. Shop or Setting Drawings

The Contractor shall submit promptly to the Architect/Engineer two copies of each shop or setting drawing prepared in accordance with the schedule predetermined as aforesaid. After examination of such drawings by the Architect/Engineer and the return thereof, the Contractor shall make such corrections to the drawings as have been indicated and shall furnish the Architect/Engineer with two corrected copies. If requested by the Architect/Engineer, the Contractor must furnish additional copies.

Regardless of corrections made in or approval given to such drawings by the Architect/Engineer, the Contractor will nevertheless be responsible for the accuracy of such drawings and for their conformity to the Plans and Specifications, unless he notifies the Architect/Engineer in writing of any deviations at the time he furnishes such drawings.

5. Materials, Services, and Facilities

(a) It is understood that except as otherwise specifically stated in the Contract Documents, the Contractor shall provide and pay for all materials, labor, tools, equipment, water, light, power, transportation, superintendence, temporary construction of every nature, and all other services and facilities of every nature whatsoever necessary to execute, complete, and deliver the work within the specified time.

(b) Any work necessary to be performed after regular working hours, on Sundays or legal holidays, shall be performed without additional expense to the Owner.

6. Contractor's Title to Materials

No materials or supplies for the work shall be purchased by the Contractor or by a subcontractor subject to any chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller. The Contractor warrants that he has good title to all materials and supplies used by him in the work, free from all liens, claims or encumbrances.

7. Inspection and Testing of Materials

(a) All materials and equipment used in the construction of the project shall be subject to adequate inspection and testing in accordance with accepted standards. The laboratory or inspection agency shall be selected by the Owner. The Owner will pay for all laboratory inspection services direct and not as a part of the contract.

(b) Materials of construction, particularly those upon which the strength and durability of the structure may depend, shall be subject to inspection and testing to establish conformance with specifications and suitability for uses intended.

8. "Or Equal" Clause

Whenever a material, article or piece of equipment is identified on the plans or in the specification by reference to manufacturer's or vendor's names, trade names, catalogue numbers, etc., it is intended merely to establish a standard, and, any material, article, or equipment of other manufacturers and vendors which will perform adequately the duties imposed by the general design will be considered equally acceptable provided the material, article, or equipment so proposed, is, in the opinion of the Architect/ Engineer, of equal substance and function. It shall not be purchased or installed by the contractor without the Architect/Engineer's written approval.

9. Patents

(a) The Contractor shall hold and save the Owner and its officers, agents, servants, and employees harmless from liability of any nature or kind, including cost and expenses for, or on account of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the contract including its use by the Owner, unless otherwise specifically stipulated in the Contract Document.

(b) License or Royalty Fees: License and/or Royalty Fees for the use of a process which is authorized by the Owner of the project must be reasonable, and paid to the holder of the patent, or his authorized license, direct by the Owner and not by or through the Contractor.

(c) If the Contractor uses any design device or materials covered by letters, patent or copyright, he shall provide for such use by suitable agreement with the owner of such patented or copy-righted design device or material. It is mutually agreed and understood, that without exception the contract prices shall include all royalties or costs arising from the use of such design, device or materials, in any way involved in the work. The Contractor and/or his Sureties shall indemnify and save harmless the Owner of the project from any and all claims for infringement by reason of the use of such patented or copy-righted design, device or materials or any trademark or copy-right in connection with work agreed to be performed under this contract, and shall indemnify the Owner for any cost, expense, or damage which it may be obliged to pay by reason of such infringement at any time during the prosecution of the work or after completion of the work.

10. Surveys, Permits, and Regulations

Unless otherwise expressly provided for in the Specifications, the Owner will furnish to the Contractor all surveys necessary for the execution of the work.

The Contractor shall procure and pay all permits, licenses and approvals necessary for the execution of his contract.

The Contractor shall comply with all laws, ordinances, rules, orders, and regulations

relating to performance of the work, the protection of adjacent property, and the maintenance of passageways, guard fences or other protective facilities.

11. Contractor's Obligations

The Contractor shall and will, in good workmanlike manner, do and perform all work and furnish all supplies and materials, machinery, equipment, facilities and means, except as herein otherwise expressly specified, necessary or proper to perform and complete all the work required by this contract, within the time herein specified in accordance with the provisions of this contract and said specifications and in accordance with the plans and drawings covered by this contract any and all supplemental plans and drawings, and in accordance with the directions of the Architect/Engineer as given from time to time during the progress of the work. He shall furnish, erect, maintain, and remove such construction plant and such temporary works as may be required.

The Contractor shall observe, comply with, and be subject to all terms, conditions, requirements, and limitations of the contract and specifications, and shall do, carry on, and complete the entire work to the satisfaction of the Architect/Engineer and the Owner.

12. Weather Conditions

In the event of temporary suspension of work, or during inclement weather, or whenever the Architect/Engineer shall direct, the Contractor will, and will cause his subcontractors to protect carefully his and their work and materials against damage or injury from the weather. If, in the opinion of the Architect/Engineer, any work or materials shall have been damaged or injured by reason of failure on the part of the Contractor or any of his Subcontractors to so protect his work, such materials shall be removed and replaced at the expense of the Contractor.

13. Protection of Work and Property - Emergency

The Contractor shall at all times safely guard the Owner's property from injury or loss in connection with this contract. He shall at all times safely guard and protect his own work, and that of adjacent property from damage. The Contractor shall replace or make good any such damage, loss or injury unless such be caused directly by errors contained in the contract or by the Owner, or his duly authorized representatives.

In case of an emergency which threatens loss or injury of property, and/or safety of life, the Contractor will be allowed to act, without previous instructions from the Architect/ Engineer, in a diligent manner. He shall notify the Architect/Engineer immediately thereafter. Any claim for compensation by the Contractor due to such extra work shall be promptly submitted to the Architect/Engineer for approval.

Where the Contractor has not taken action but has notified the Architect/Engineer of an emergency threatening injury to persons or damage to the work or any adjoining property, he shall act as instructed or authorized by the Architect/Engineer.

The amount of reimbursement claimed by the Contractor on account of any emergency action shall be determined in the manner provided in Paragraph 17 of the General Conditions.

14. Inspection

The authorized representatives and agents of the Department of Housing and Urban Development shall be permitted to inspect all work, materials, payrolls, records of personnel, invoices of materials, and other relevant data and records.

15. Reports, Records, and Data

The Contractor shall submit to the Owner such schedule of quantities and cost, progress schedules, payrolls, reports, estimates, records and other data as the Owner may request concerning work performed or to be performed under this contract.

16. Superintendence by Contractor

At the site of the work, the Contractor shall employ a construction superintendent or foreman who shall have full authority to act for the Contractor. It is understood that such representation shall be acceptable to the Architect/Engineer and shall be one who can be continued in that capacity for the particular job involved unless he ceases to be on the Contractor's payroll.

17. Changes in Work

No changes in the work covered by the approved Contract Document shall be made without having prior written approval of the Owner. Charges or credits for the work covered by the approved change shall be determined by one or more, or a combination of the following methods:

(a) Unit bid prices previously approved.

(b) An agreed lump sum.

(c) The actual cost of:

1. Labor, including foremen;
2. Materials entering permanently into the work;
3. The ownership or rental cost of construction plant and equipment during the time of use on the extra work;
4. Power and consumable supplies for the operation of power equipment;
5. Insurance;
6. Social Security and old age and unemployment contributions.

To the cost under (c) there shall be added a fixed fee to be agreed upon but not to exceed fifteen percent (15%) of the actual cost of the work. The fee shall be compensation to cover the cost of supervision, overhead, bond, profit and any other general expenses.

18. Extras

Without invalidating the contract, the Owner may order extra work or make changes by altering, adding to or deducting from the work, the contract sum being adjusted accordingly, and the consent of the Surety being first obtained where necessary or desirable. All the work of the kind bid upon shall be paid for at the price stipulated in the proposal, and no claims for any extra work or materials shall be allowed unless the work is ordered in writing by the Owner or its Architect/Engineer, acting officially for the Owner, and the price is stated in such order.

19. Time for Completion and Liquidated Damages

It is hereby understood and mutually agreed, by and between the Contractor and the Owner, that the date of beginning and the time for completion as specified in the contract of the work to be done hereunder are ESSENTIAL CONDITIONS of this contract; and it is further mutually understood and agreed that the work embraced in this contract shall be commenced on a date to be specified in the "Notice to Proceed".

The Contractor agrees that said work shall be prosecuted regularly, diligently, and uninterruptedly at such rate of progress as will ensure full completion thereof within the time specified. It is expressly understood and agreed, by and between the Contractor and the Owner, that the time for the completion of the work described herein is a reasonable time for the completion of the same, taking into consideration the average climatic range and usual industrial conditions prevailing in this locality.

If the said Contractor shall neglect, fail or refuse to complete the work within the time herein specified, or any proper extension thereof granted by the Owner, then the Contractor does hereby agree, as a partial consideration for the awarding of this contract, to pay to the Owner the amount specified in the contract, not as a penalty but as Liquidated Damages for such breach of contract as hereinafter set forth, for each and every calendar day that the Contractor shall be in default after the time stipulated in the contract for completing the work.

The said amount is fixed and agreed upon by and between the Contractor and the Owner because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the Owner would in such event sustain, and said amount is agreed to be the amount of damages which the Owner would sustain and said amount shall be retained from time to time by the Owner from current periodical estimates.

It is further agreed that time is of the essence of each and every portion of this contract and of the specifications wherein a definite and certain length of time is fixed for the performance of any act whatsoever: and where under the contract any additional time is allowed for the completion of any work, the new time limit fixed by such extension shall be of the essence of this contract. Provided, that the Contractor shall not be charged with Liquidated Damages or any excess cost when the Owner determines that the Contractor is without fault and the Contractor's reasons for the time extension are acceptable to the Owner; Provided, further, that the Contractor shall not be charged with Liquidated Damages or any excess cost when the delay in completion of the work is due:

(a) To any preference, priority or allocation order duly issued by the Government;

(b) To unforeseeable cause beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God, or of the public enemy, acts of the Owner, acts of another Contractor in the performance of a contract with the Owner, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and severe weather; and

(c) To any delays of subcontractors or suppliers occasioned by any of the causes specified in subsections (a) and (b) of this article.

Provided, further, that the Contractor shall, within ten (10) days from the beginning of such delay, unless the Owner shall grant a further period of time prior to the date of final settlement of the contract, notify the Owner, in writing of the causes of the delay, who shall ascertain the facts and extent of the delay and notify the Contractor within a reasonable time of its decision in the matter.

20. Correction of Work

All work, all materials, whether incorporated in the work or not, all processes of manufacture, and all methods of construction shall be at all times and places subject to the inspection of the Architect/Engineer who shall be the final judge of the quality and suitability of the work, materials, processes of manufacture, and methods of construction for the purposes for which they are used. Should they fail to meet his approval they shall be forthwith reconstructed, made good, replaced and/or corrected, as the case may be, by the Contractor at the Contractor’s own expense. Rejected material shall immediately be removed from the site. If, in the opinion of the Architect/ Engineer, it is undesirable to replace any defective or damaged materials or to reconstruct or correct any portion of the work injured or not performed in accordance with the Contract Documents, the compensation to be paid to the Contractor hereunder shall be reduced by such amount as in the judgment of the Architect/Engineer shall be equitable.

21. Subsurface Conditions Found Different

Should the contractor encounter subsurface and/or latent conditions at the site materially differing from those shown on the Plans or indicated in the Specifications, he shall

immediately give notice to the Architect/Engineer of such conditions before they are disturbed. The Architect/Engineer will thereupon promptly investigate the conditions, and if he finds that they materially differ from those shown on the Plans and/or in the Specifications, he will at once make such changes in the Plans and/or Specifications as he may find necessary, any increase or decrease of cost resulting from such changes to be adjusted in the manner provided in Paragraph 17 of the General Conditions.

22. Claims for Extra Cost

No claim for extra work or cost shall be allowed unless the same was done in pursuance of a written order of the Architect/Engineer, approved by the Owner, as aforesaid, and the claim presented with the first estimate after the changed or extra work is done. When work is performed under the terms of subparagraph 17(c) of the General Conditions, the Contractor shall furnish satisfactory bills, payrolls and vouchers covering all items of cost and when requested by the Owner, give the Owner access to accounts relating thereto.

23. Right of Owner to Terminate Contract

In the event that any of the provisions of this contract are violated by the Contractor, or by any of his subcontractors, the Owner may serve written notice upon the Contractor and the Surety of its intention to terminate the contract, such notice to contain the reason for such intention to terminate the contract, and unless within ten (10) days after the serving of such notice upon the Contractor, such violation or delay shall cease and satisfactory arrangement of correction be made, the contract shall, upon the expiration of said ten (10) days, cease and terminate. In the event of any such termination, the Owner shall immediately serve notice thereof upon the Surety and Contractor and the Surety shall have the right to take over and perform the contract. Provided, however, that if the Surety does not commence performance thereof within ten (10) days from the date of the mailing to such Surety of notice of termination, the Owner may take over the work and prosecute the same to completion by contract or by force account for the account and at the expense of the Contractor and the Contractor and his Surety shall be liable to the Owner for any excess cost occasioned the Owner thereby, and in such event the Owner may take possession of and utilize in completing the work, such materials, appliances, and plant as may be on the site of the work and necessary therefore.

24. Construction Schedule and Periodic Estimates

Immediately after execution and delivery of the contract, and before the first partial payment is made, the Contractor shall deliver to the Owner an estimated construction progress schedule in form satisfactory to the Owner, showing the proposed dates of commencement and completion of each of the various subdivisions of work required under the Contract Documents and the anticipated amount of each monthly payment that will become due the Contractor in accordance with the progress schedule. The Contractor shall also furnish on forms to be supplied by the Owner (a) a detailed estimate giving a complete breakdown of the contract price and (b) periodic itemized estimates of work done for the purpose of making partial payments thereon. The costs employed in

making up any of these schedules will be used only for determining the basis of partial payments and will not be considered as fixing a basis for additions to or deductions from the contract price.

25. Payments to Contractor (This section must be prepared in accordance with the requirements of the State's bid law.)

(a) The Owner shall take measurers to facilitate a progress payment to the Contractor not later than 25 days after receipt and approval of a duly certified estimate of work performed. The Owner's approval may be contingent upon the receipt of timely payrolls, written inspection reports, compliance with labor regulations and the Contractor's performance under the terms of the contract. The Owner may withhold up to 10 percent of the contract price on projects of less than $500,000 and 5 percent of the contract price on projects of $500,000 or more until the expiration of 45 days after the recordation of formal acceptance of the work, or notice of default by the Contractor or Subcontractor.

(b) In preparing estimates the material delivered on the site and preparatory work done may be taken into consideration.

(c) All material and work covered by partial payments made shall thereupon become the sole property of the Owner, but this provision shall not be construed as relieving the Contractor from the sole responsibility for the care and protection of material and work upon which payments have been made or the restoration of any damaged work, or as a waiver of the right of the Owner to require the fulfillment of all of the terms of the contract.

(d) Owner's Right to Withhold Certain Amounts and Make Application Thereof: The Contractor agrees that he will indemnify and save the Owner harmless from all claims growing out of the lawful demands of subcontractors, laborers, workmen, mechanics, material men, and furnishers of machinery and parts thereof, equipment, power tools, and all supplies, including commissary, incurred in the furtherance of the performance of this contract. The Contractor shall, at the Owner's request, furnish satisfactory evidence that all obligations of the nature herein above designated have been paid, discharged, or waived. If the Contractor fails so to do, then the Owner may, after having served written notice on the said Contractor, either pay unpaid bills, of which the Owner has written notice, direct, or withhold from the Contractor's unpaid compensation a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged whereupon payment to the Contractor shall be resumed, in accordance with the terms of this contract, but in no event shall the provisions of this sentence be construed to impose any obligations upon the Owner to either the Contractor or his Surety. In paying any unpaid bills of the Contractor, the Owner shall be deemed the agent of the Contractor, and any payment so made by the Owner shall be considered as a payment made under the contract by the Owner to the Contractor and the Owner shall not be liable to the contractor for any such payments made in good faith.

26. Acceptance of Final Payment Constitutes Release

The acceptance by the Contractor of final payment shall be and shall operate as release to the Owner of all claims and all liability to the Contractor for all things done or furnished in connection with this work and for every act and neglect of the Owner and others relating to or arising out of this work. No payment, however, final or otherwise, shall operate to release the Contractor or his sureties from any obligation under this contract or the Performance Bond or the Payment Bond.

27. Payments by Contractor

The Contractor shall pay (a) for all transportation and utility services not later than the 20th day of the calendar month following that in which services are rendered, (b) for all materials, tools, and other expendable equipment to the extent of ninety percent (90%) of the cost thereof, not later than the 20th day of the calendar month following that in which such materials, tools, and equipment are delivered at the site of the project, and the balance of the cost thereof, not later than the 30th day following the completion of that part of the work in or on which such materials, tools, and equipment are incorporated or used, and (c) to each of his subcontractors, not later than the 5th day following each payment to the Contractor, the respective amounts allowed the Contractor on account of the work performed by his subcontractors to the extent of each subcontractor's interest therein.

28. Insurance

The Contractor shall not commence work under this contract until he has obtained all the insurance required under this paragraph and such insurance has been approved by the Owner, nor shall the Contractor allow any subcontractor to commence work on his subcontract until the insurance required of the subcontractor has been so obtained and approved.

(a) Compensation Insurance: The Contractor shall procure and shall maintain during the life of this contract Workmen's Compensation Insurance as required by applicable State or territorial law for all of his employees to be engaged in work at the site of the project under this contract and, in case of any such work sublet, the Contractor shall require the subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees to be engaged in such work unless such employees are covered by the protection afforded by the Contractor's Workmen's Compensation Insurance. In case any class of employees engaged in hazardous work on the project under this contract is not protected under the Workmen's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide adequate employer's liability insurance for the protection of such of his employees as are not otherwise protected.

(b) Contractor's Public Liability and Property Damage Insurance and Vehicle Liability

Insurance: The Contractor shall procure and shall maintain during the life of this contract Contractor's Public Liability Insurance, Contractor's Property Damage Insurance and Vehicle Liability Insurance in the amounts specified in the Supplemental General Conditions.

(c) Subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance: The Contractor shall either (1) require each of his subcontractors to procure and to maintain during the life of his subcontract, subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance of the type and in the amounts specified in the Supplemental General Conditions specified in subparagraph (b) hereof or, (2) insure the activities of his policy, specified in subparagraph (b) hereof.

(d) Scope of Insurance and Special Hazards: The insurance required under subparagraphs (b) and (c) hereof shall provide adequate protection for the Contractor and his subcontractors, respectively, against damage claims which may arise from operations under this contract, whether such operations be by the insured or by anyone directly or indirectly employed by him and, also against any of the special hazards which may be encountered in the performance of this contract as enumerated in the Supplemental General Conditions.

(e) Builder's Risk Insurance (Fire and Extended Coverage): Until the project is completed and accepted by the Owner, the Owner, or Contractor (at the Owner's option as indicated in the Supplemental General Conditions, Form HUD-4328-N) is required to maintain Builder's Risk Insurance (fire and extended coverage) on a 100 percent completed value basis on the insurable portion of the project for the benefit of the Owner, the Contractor, subcontractors as their interests may appear. The Contractor shall not include any costs for Builder's Risk Insurance (fire and extended coverage) premiums during construction unless the Contractor is required to provide such insurance: however, this provision shall not release the Contractor from his obligation to complete, according to plans and specifications, the project covered by the contract, and the Contractor and his Surety shall be obligated to full performance of the Contractor's undertaking.

(f) Proof of Carriage of Insurance: The Contractor shall furnish the Owner with certificates showing the type, amount, class of operations covered, effective date and date of expiration of policies. Such certificates shall also contain substantially the following statement: "The insurance covered by this certificate will not be canceled or materially altered, except after ten (10) days written notice has been received by the Owner."

29. Contract Security

The Contractor shall furnish a performance bond in an amount at least equal to one hundred percent (100%) of the contract prices as security for the faithful performance of this contract and also a payment bond in an amount not less than one hundred percent

(100%) of the contract price or in a penal sum not less than that prescribed by State, territorial or local law, as security for the payment of all persons performing labor on the project under this contract and furnishing materials in connection with this contract. The performance bond and payment bond may be in one or in separate instruments in accordance with local law.

30. Additional or Substitute Bond

If at any time the Owner for justifiable cause shall be or become dissatisfied with any surety or sureties then upon the Performance or Payment Bonds, the Contractor shall within five (5) days after notice from the Owner so to do, substitute an acceptable bond (or bonds) in such form and sum and signed by such other surety or sureties as may be satisfactory to the Owner. The premiums on such bond shall be paid by the Contractor. No further payments shall be deemed due nor shall be made until the new surety or sureties shall have furnished such an acceptable bond to the Owner.

31. Assignments

The Contractor shall not assign the whole or any part of this contract or any moneys due or to become due hereunder without written consent of the Owner. In case the Contractor assigns all or any part of any moneys due or to become due under this contract, the instrument of assignment shall contain a clause substantially to the effect that it is agreed that the right of the assignee in and to any moneys due or to become due to the Contractor shall be subject to prior claims of all persons, firms, and/or corporations of services rendered or materials supplied for the performance of the work called for in this contract.

32. Mutual Responsibility of Contractor

If, through acts of neglect on the part of the Contractor, any other Contractor or any subcontractor shall suffer loss or damage on the work, the Contractor agrees to settle with such other Contractor or subcontractor by agreement or arbitration if such other Contractor or subcontractors will so settle. If such other Contractor or subcontractor shall assert any claim against the Owner on account of any damage alleged to have been sustained, the Owner shall notify the Contractor, who shall indemnify and save harmless the Owner against any such claim.

33. Separate Contract

The Contractor shall coordinate his operations with those of other Contractors. Cooperation will be required in the arrangement for the storage of materials and in the detailed execution of the work. The Contractor, including his subcontractors, shall keep informed of the progress and the detail work of other Contractors and shall notify the Architect/Engineer immediately of lack of progress or defective workmanship on the part of the other Contractors. Failure of a Contractor to keep informed of the work progressing on the site and failure to give notice of lack of progress or defective workmanship by others shall be construed as acceptance by him of the status of the work

as being satisfactory for proper coordination with his own work.

34. Subcontracting

(a) The Contractor may utilize the services of specialty subcontractors on those parts of the work which, under normal contracting practices, are performed by specialty subcontractors.

(b) The Contractor shall not award any work to any subcontractor without prior written approval of the Owner, which approval will not be given until the Contractor submits to the Owner a written statement concerning such information as the Owner may require.

(c) The Contractor shall be as fully responsible to the Owner for the acts and omissions of his subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him.

(d) The Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractors to the Contractor by the terms of the General Conditions and other contract documents insofar as applicable to the work of subcontractors and to give the Contractor the same power as regards terminating any subcontract that the Owner may exercise over the Contractor under any provision of the contract documents.

(e) Nothing contained in this contract shall create any contractual relation between any subcontractor and the Owner.

35. Architect/Engineer's Authority

The Architect/Engineer shall give all orders and directions contemplated under this contract and specifications relative to the execution of the work. The Architect/ Engineer shall determine the amount, quality, acceptability, and fitness of the several kinds of work and materials which are to be paid for under this contract and shall decide all questions which may arise in relation to said work and the construction thereof. The Architect/ Engineer's estimates and decisions shall be final and conclusive, except as herein otherwise expressly provided. In case any question shall arise between the parties hereto relative to said contract or specifications, the determination or decision of the Architect/Engineer shall be a condition precedent to the right of the Contractor to receive any money or payment for work under this contract affected in any manner or to any extent by such question.

The Architect/Engineer shall decide the meaning and intent of any portion of the specifications and of any plans or drawings where the same may be found obscure or be in dispute. Any differences or conflicts in regard to their work which may arise between the Contractor under this contract and other Contractors performing work for the Owner shall be adjusted and determined by the Architect/Engineer.

36. Stated Allowances

The Contractor shall include in his proposal the cash allowances stated in the Supplemental General Conditions. The Contractor shall purchase the "Allowed Materials" as directed by the Owner on the basis of the lowest and best bid of at least three competitive bids. If the actual price for purchasing the "Allowed Materials"is more or less than the "Cash Allowance", the contract price shall be adjusted accordingly. The adjustment in contract price shall be made on the basis of the purchase price without additional charges for overhead, profit, insurance or any other incidental expenses. The cost of installation of the "Allowed Materials" shall be included in the applicable sections of the Contract Specifications covering this work.

37. Use of Premises and Removal of Debris

The Contractor expressly undertakes at his own expense:

(a) to take every precaution against injuries to persons or damage to property;

(b) to store his apparatus, materials, supplies and equipment in such orderly fashion at the site of the work as will not unduly interfere with the progress of his work or the work of any other Contractors;

(c) to place upon the work or any part thereof only such loads as are consistent with the safety of that portion of the work;

(d) to clean up frequently all refuse, rubbish, scrap materials, and debris caused by his operations, to the end that at all times the site of the work shall present a neat, orderly and workmanlike appearance;

(e) before final payment to remove all surplus material, false-work, temporary structures, including foundations thereof, plant of any description and debris of every nature resulting from his operations, and to put the site in a neat, orderly condition; and

(f) to effect all cutting, fitting, and/or patching of his work required to make the same to conform to the plans and specifications and, except with the consent of the Architect/Engineer, not to cut or otherwise alter the work of any other Contractor.

38. Quantities of Estimate

Wherever the estimated quantities of work to be done and materials to be furnished under this contract are shown in any of the documents including the proposal, they are given for use in comparing bids and the right is especially reserved except as herein otherwise specifically limited, to increase or diminish them as may be deemed reasonably necessary or desirable by the Owner to complete the work contemplated by this contract, and such increase or diminution shall in no way vitiate this contract, nor shall any such

increase or diminution give cause for claims or liability for damages.

39. Lands and Rights-of-Way

Prior to the start of construction, the Owner shall obtain all lands and rights-of-way necessary for the carrying out and completion of work to be performed under this contract.

40. General Guaranty

Neither the final certificate of payment nor any provision in the Contract Documents, nor partial or entire occupancy of the premises by the Owner, shall constitute an acceptance of work not done in accordance with the Contract Documents or relieve the Contractor of liability in respect to any express warranties or responsibility for faulty materials or workmanship. The Contractor shall remedy any defects in the work and pay for any damage to other work resulting there from, which shall appear within a period of one year from the date of final acceptance of the work unless a longer period is specified. The Owner will give notice of observed defects with reasonable promptness.

41. Conflicting Conditions

Any provisions in any of the Contract Documents which may be in conflict or inconsistent with any of the paragraphs in these General Conditions shall be void to the extent of such conflict or inconsistency.

42. Notice and Service Thereof

Any notice to any Contractor from the Owner relative to any part of this contract shall be in writing and considered delivered and the service thereof completed, when said notice is posted, by certified or registered mail, to the said Contractor at his last given address, or delivered in person to the said Contractor or his authorized representative on the work.

43. Provisions Required by Law Deemed Inserted

Each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract shall forthwith be physically amended to make such insertion or correction.

44. Protection of Lives and Health

"The Contractor shall exercise proper precaution at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either on or off the site, which occur as a result of his prosecution of the work. The safety provisions of applicable laws and building and construction codes, in addition to specific safety and

health regulations described by Chapter XIII, Bureau of Labor Standards, Department of Labor, Part 1518, Safety and Health Regulations for Construction, as outlined in the Federal Register, Volume 36, No. 75, Saturday, April 17, 1971. Title 29 - LABOR, shall be observed and the Contractor shall take or cause to be taken, such additional safety and health measures as the Contracting Authority may determine to be reasonably necessary."

45. Subcontracts

"The Contractor will insert in any subcontracts the Federal Labor Standards Provisions contained herein and such other clauses as the Department of Housing and Urban Development may, by instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts that may in turn be made."

46. Interest of Member of or Delegate to Congress

No member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

47. Other Prohibited Interests

No official of the Owner who is authorized in such capacity and on behalf of the Owner to negotiate, make, accept or approve, or to take part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction or material supply contract or any subcontract in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part hereof. No officer, employee, architect, attorney, engineer or inspector of or for the Owner who is authorized in such capacity and on behalf of the Owner to exercise any legislative, executive, supervisory or other similar functions in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part thereof, any material supply contract, subcontract, insurance contract, or any other contract pertaining to the project.

48. Use and Occupancy Prior to Acceptance by Owner

The Contractor agrees to the use and occupancy of a portion or unit of the project before formal acceptance by the Owner, provided the Owner:

(a) Secures written consent of the Contractor except in the event, in the opinion of the Architect/Engineer, the Contractor is chargeable with unwarranted delay in final cleanup of punch list items or other contract requirements.

(b) Secures endorsement from the insurance-carrier and consent of the surety permitting

occupancy of the building or use of the project during the remaining period of construction, or,

(c) When the project consists of more than one building, and one of the buildings is occupied, secures permanent fire and extended coverage insurance, including a permit to complete construction. Consent of the surety must also be obtained.

49. Photographs of the Project

If required by the Owner, the Contractor shall furnish photographs of the project, in the quantities and as described in the Supplemental General Conditions.

50. Suspension of Work

Should the Owner be prevented or enjoined from proceeding with work either before or after the start of construction by reason of any litigation or other reason beyond the control of the Owner, the Contractor shall not be entitled to make or assert claim for damage by reason of said delay; but time for completion of the work will be extended to such reasonable time as the Owner may determine will compensate for time lost by such delay with such determination to be set forth in writing.

Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof@ due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section l(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR-5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR Part 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

(ii) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations

have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937. or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section l(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section l(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OM B Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR Part 5.5(a)(3)(i). This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC. 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. (Approved by the Off ice of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be maintained under 29 CFR Part 5.5 (a)(3)(i) and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph A.3.(ii)(b) of this section.

(d) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph A.3.(i) of this section available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR Part 5.12.

4. Apprentices and Trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance

with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant ',to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. Subcontracts. The contractor or subcontractor will insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as HUD or its designee may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with ail the contract clauses in 29 CFR Part 5.5.

7. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) Certification of Eligibility. By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false..... shall be fined not more than $5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

B. Contract Work Hours and Safety Standards Act. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of eight hours in any calendar day or in excess of forty hours in such workweek, whichever is greater.

(2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of eight hours or in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in sub paragraph (1) of this paragraph.

(3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 (formerly part 151 8) and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act (Public Law 91-54, 83 Stat 96).

(3) The Contractor shall include the provisions of this Article in every subcontract so that such provisions will be binding on each subcontractor. The Contractor shall take such action with respect to any subcontract as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

SUPPLEMENTAL GENERAL CONDITIONS

1. Enumeration of Plans, Specifications and Addenda

2. Stated Allowances

3. Special Hazards

4. Contractor's and Subcontractor's Public Liability, Vehicle Liability, and Property Damage Insurance

5. Photographs of Project

6. Schedule of Occupational Classifications and Minimum Hourly Wage Rates as Required Under Paragraph 51 of the General Conditions

7. Builder's Risk Insurance

8. Special Equal Opportunity Provisions

9. Certification of Compliance with Air and Water Acts

10. Special Conditions Pertaining to Hazards, Safety Standards, and Accident Prevention

11. Flood Disaster Protection

12. Access to Records - Maintenance of Records

13. Conflict of Interest of Officers or Employees of the Local Jurisdiction, Members of the Local Governing Body or Other Public Officials

14. Minority and Female Contractor Associations

15. Federal Wage Decision

1. ENUMERATION OF PLANS, SPECIFICATIONS AND ADDENDA

Following are the Plans, Specifications and Addenda which form a part of this contract, as set forth in Paragraph 1 of the General Conditions, "Contract and Related Contract Documents":

DRAWINGS:

General Construction:	Nos. _____
Heating and Ventilating:	" _____
Plumbing:	" _____
Electrical:	" _____
_____	" _____
_____	" _____

SPECIFICATIONS:

General Construction:	Page _____ to _____, incl.
Heating and Ventilating:	" _____ to _____, incl.
Plumbing:	" _____ to _____, incl.
Electrical:	" _____ to _____, incl.
	" _____ to _____, incl.
	" _____ to _____, incl.

ADDENDA:

No. _____	Date _____	No. _____	Date _____
No. _____	Date _____	No. _____	Date _____

2. STATED ALLOWANCES

Pursuant to Paragraph 36 of the General Conditions, the Contractor shall include the following cash allowances in his proposal:

(a)	For _____	(Page _____ of Specifications)	$_____
(b)	For _____	(Page _____ of Specifications)	$_____
(c)	For _____	(Page _____ of Specifications)	$_____
(d)	For _____	(Page _____ of Specifications)	$_____
(e)	For _____	(Page _____ of Specifications)	$_____
(f)	For _____	(Page _____ of Specifications)	$_____

3. SPECIAL HAZARDS

The Contractor's and his Subcontractor's Public Liability and Property Damage Insurance shall provide adequate protection against the following special hazards:

4. CONTRACTOR'S AND SUBCONTRACTOR'S PUBLIC LIABILITY, VEHICLE LIABILITY, AND PROPERTY DAMAGE INSURANCE

As required under Paragraph 28 of the General Conditions, the Contractor's Public Liability Insurance and Vehicle Liability Insurance shall be in an amount not less than $ for injuries, including accidental death, to any one person, and subject to the same limit for each person, in an amount not less than $_____ on account of one accident, and Contractor's Property Damage Insurance in an amount not less than $_____.

The Contractor shall either (1) require each of his subcontractors to procure and to maintain during the life of his subcontract, Subcontractor's Public Liability and Property Damage of the type and in the same amounts as specified in the preceding paragraph, or (2) insure the activities of his subcontractors in his own policy.

5. PHOTOGRAPHS OF PROJECT

As provided in Paragraph 49 of the General Conditions, the Contractor will furnish photographs in the number, type, and stage as enumerated below:

6. SCHEDULE OF OCCUPATIONAL CLASSIFICATIONS AND MINIMUM HOURLY WAGE RATES AS REQUIRED UNDER PARAGRAPH 51 OF THE GENERAL CONDITIONS

Given on Pages _____, _____ and _____.

7. BUILDER'S RISK INSURANCE

As provided in the General Conditions, Paragraph 28(e), the Contractor will/will not* maintain Builder's Risk Insurance (fire and extended coverage) on a _____ percent completed value basis on the insurable portions of the project for the benefit of the Owner, the Contractor, and all subcontractors, as their interest may appear.

*Strike out one.

8. SPECIAL EQUAL OPPORTUNITY PROVISIONS

A. Activities and Contracts Not Subject to Executive Order 11246, as Amended (Applicable to federally assisted construction contracts and related subcontracts of $10,000 and under.)

During the performance of this contract, the Contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

2. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

3. Contractors shall incorporate foregoing requirements in all subcontracts.

B. <u>Executive Order 11246 (contracts/subcontracts above $10,000)</u>

1. Section 202 Equal Opportunity Clause

   During the performance of this contract, the Contractor agrees as follows:

   (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

   (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.

   (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or

understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the Contractor's commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and others.

(6) In the event of the Contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department, the Contractor may request the United States to enter into such litigation to protect the interest of United States.

2. Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246). (Applicable to contracts/subcontracts exceeding $10,000).

(1) The Offeror’s or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity

Construction Contract Specifications" set forth herein.

(2) The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Goals for minority participation	Goals for female participation
_____	6.9%
(Insert goals)	(Insert goals)

These goals are applicable to all the Contractor's construction work (whether or not it is federal or federally assisted) performed in the covered area. If the contractor performs construction work in a geographic area located outside of the covered area, it shall apply the goals established for such geographic area where the work is actually performed.

With regard to this second area, the Contractor also is subject to the goals for both its federally involved and non-federally involved construction. The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a) and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

(3) The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the sub-contract; and the geographical area in which the contract is to be performed.

(4) As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is (insert description of the geographical areas where

the contract is to be performed, giving the State, parish, and city, if any):

3. Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246)

(1) As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);

(ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South America or other Spanish Culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original people of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iiii) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

(2) When the Contractor, or any subcontractor, at anytime, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract, in excess of $10,000, the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

(3) If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action

obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in compliance with the provisions of any such Hometown Plan. Each Contractor or subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

(4) The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through 7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing contracts in geographical areas where they do not have a federal or federally-assisted construction contract shall apply the minority and female goals established for the geographic area where the contract is being performed. Goals are published periodically in the Federal Register in notice form and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

(5) Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

(6) In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

(7) The Contractor shall take specific affirmative action to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these

efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organization's responses.

c. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement have not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly includes minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on a bulletin board accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foreman, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are non-segregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitation to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

(8) Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation shall not be a defense for the Contractor's non-compliance.

(9) A single goal for minorities and a separate single goal for women has been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority

groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

(10) The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any persons because of race, color, religion, sex, or national origin.

(11) The Contractor shall not enter into any subcontract with any person or firm debarred from government contracts pursuant to E.O. 11246.

(12) The Contractor shall not carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to E.O. 11246, as amended.

(13) The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

(14) The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the government and to keep records. Records shall at least include for each employee, the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number where assigned, social security number, race, sex, status (e.g., mechanic, apprenticeship trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and location at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, Contractors shall not be required to maintain separate records.

(15) Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application or requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment

Act of 1977 and the Community Development Block Grant Program).

C. Certification of Nonsegregated Facilities (Over $10,000) (41 CFR 60-1.9)

By the submission of this bid, the bidder, offeror, applicant or subcontractor certifies that he/she does not maintain or provide for his/her establishments, and that he/she does not permit employees to perform their services at any location, under his/her control, where segregated facilities are maintained. He/she certifies further that he/she will not maintain or provide for employees any segregated facilities at any of his/her establishments, and he/she will not permit employees to perform their services at any location under his/her control where segregated facilities are maintained. The bidder, offeror, applicant or subcontractor agrees that a breach of this certification is a violation of the equal opportunity clause of this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, **transportation and housing facilities provided for employees which are segregated on the basis of race, color, religion, or otherwise. He/she further agrees that (except where he/she has obtained for specific time periods) he/she will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the equal opportunity clause; that he/she will retain such certifications in his/her files; and that he/she will forward the following notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

D. Civil Rights Act of 1964

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

E. Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

**Parking lots, drinking fountains, recreation, or entertainment areas.

F. "Section 3" Compliance in the Provision of Training, Employment and Business Opportunities

(a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

(d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

(e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

(f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

(g) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

G. Section 503 (#29 USC 793 for contracts of $10,000 or Over)

Affirmative Action for Handicapped Workers

(a) The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is otherwise qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(c) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(d) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The Contractor will include the provisions of this clause in every subcontract or purchase order of $10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

H. Age Discrimination Act of 1975

No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

9. CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS
(Applicable to federally assisted construction contracts and related subcontracts exceeding $100,000.)

Compliance With Air and Water Acts

During the performance of this contract, the Contractor and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

(1) A stipulation by the Contractor or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR Part 15, as amended.

(2) Agreement by the Contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 USC 1857 c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

(3) A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the EPA List of Violating Facilities.

(4) Agreement by the Contractor that he will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the Contractor will take such action as the government may direct as a means of enforcing such provisions.

10. SPECIAL CONDITIONS PERTAINING TO HAZARDS, SAFETY STANDARDS AND ACCIDENT PREVENTION

A. Lead-Based Paint Hazards
(Applicable to contracts for construction or rehabilitation of residential structures)

The construction or rehabilitation of residential structures is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35. The Contractor and subcontractors shall comply with the provisions for the elimination of lead-based paint hazards under Subpart B of said regulations. The Owner will be responsible for the inspections and certifications required under Section 35.14 (f) thereof.

B. Use of Explosives (Modify as required)

When the use of explosives is necessary for the prosecution of the work, the Contractor shall observe all local, state and federal laws in purchasing and handling explosives. The Contractor shall take all necessary precaution to protect completed work, neighboring property, water lines, or other underground structures. Where there is danger to structures or property from blasting, the charges shall be reduced and the material shall be covered with suitable timber, steel or rope mats.
The Contractor shall notify all owners of public utility property of intention to use explosives at least 8 hours before blasting is done close to such property. Any supervision or direction of use of explosives by the engineer, does not in any way reduce the responsibility of the Contractor or his Surety for damages that may be caused by such use.

C. Danger Signals and Safety Devices (Modify as Required)

The Contractor shall make all necessary precautions to guard against damages to property and injury to persons. He shall put up and maintain in good condition, sufficient red or warning lights at night, suitable barricades and other devices necessary to protect the public. In case the Contractor fails or neglects to take such precautions, the Owner may have such lights and barricades installed and charge the cost of this work to the Contractor. Such action by the Owner does not relieve the Contractor of any liability incurred under these specifications or contract.

11. FLOOD DISASTER PROTECTION

This contract is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). Nothing included as a part of this contract is approved for acquisition or

construction purposes as defined under Section 3(a) of said Act, for use in an area identified by the Secretary of HUD as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the National Flood Insurance Program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this contract for such acquisition for construction in such identified areas in communities then participating in the National Flood Insurance Program shall be subject to the mandatory purchase of flood insurance requirements or Section 102(a) of said Act.

Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Contract shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102(a) of Flood Disaster Protection Act of 1973.

12. ACCESS TO RECORDS - MAINTENANCE OF RECORDS

The State grantor agency, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Contractor which are directly pertinent to this specific contract, for the purpose of audits, examinations, and making excerpts and transcriptions. All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of four (4) years from the official date of the State's final closeout of the grant.

13. CONFLICT OF INTEREST OF OFFICERS OR EMPLOYEES OF THE LOCAL JURISDICTION, MEMBERS OF THE LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS.

No officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with respect to this contract, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed. Further, the Contractor shall cause to be incorporated in all subcontracts the language set forth in this paragraph prohibiting conflict of interest.

14. MINORITY AND FEMALE CONTRACTOR ASSOCIATIONS

Lists of minority and female owned businesses are available from various sources including the Louisiana Department of Transportation and Development and the U.S.

Department of Housing and Urban Development, New Orleans Area Office. These lists are available solely for the benefit of the Contractor for the purpose of assisting him/her in meeting the equal opportunity provisions contained in these supplemental General Conditions. The lists do not contain a complete listing of minority and female businesses. The information may in some cases be out of date.

FEDERAL WAGE DECISION INSERTED HERE

The most recent update of the wage decision(s) applicable to this project should be inserted.

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Payroll Deduction Authorization

Name of grant recipient _____

LCDBG Contract # _____

Employee _____

Employer _____

One box should be marked with an "x". Occasionally more than one box will be marked. In addition to deductions authorized by law, such as social security and income taxes, the following deduction(s) will be subtracted from the employee's paycheck(s)

	I authorize weekly deduction(s) as described below.
	I authorize a one-time deduction(s), as described below.
	I authorize deduction(s), below, to be subtracted from my paycheck for _____ weeks.

Description of Additional Deductions*	Amount

Employee Signature _____

Date _____

*Types of deductions may include retirement, health insurance, uniforms, loans and advance on wages. Deductions for garnishments, such as court orders and child support, may be authorized by this form or an appropriate legal document.

LGR_____ File: _____ FY _____ Labor

Labor Standards Enforcement Report

B-19

Required when any contractor has restitution of $1,000 or more.

1. Grantee Name & LCDBG Contract # _____
2. Report Number _____
3. Prime Contractor _____
4. Project Type _____
5. Effective Wage Decision(s) _____
6. Restitution Paid under Davis-Bacon _____
7. Restitution Paid under CWHSSA _____
8. Liquidated Damages Paid _____
9. How was underpayment(s) discovered? _____
10. Were any violations willful?
    If yes, explain. _____
11. Current status of corrective actions taken
    or in progress. Explain briefly. _____
12. Prepared by Whom & Date Prepared _____

Attachments

13. If Liquidated Damages were calculated, provide the following attachments:

    (a) copy of the communication from the grantee's Labor Compliance Officer to the contractor(s) explaining the calculation of Liquidated Damages and the contractor's responsibility to pay or request a waiver Attached? ____ Yes ____No ____Not applicable

    (b) copy of the contractor(s) response. If the contractor's response involves a wire transfer, a statement on the progress of the wire transfer should be included.
    Attached? ____Yes ____No ____Not Applicable

14. Attach a Schedule of Restitution due or paid and a calculation of Liquidated Damages, if any. A sample format providing column headings is shown by items 15-21. The preparer must add rows as necessary. (A separate wider page layout in "landscape" view would allow more room for data entry).

15. Contractor Prime or Sub	16. Employee Name	17. Date	18. Payroll #	19. Davis-Bacon Restitution	20. CWHSSA Restitution	21. Liquidated Damages

Instructions for the *Labor Standards Enforcement Report* (Exhibit B-19)

Item # and Description	Instructions
1,2. Name, Contract	Name of local government, Six digit LCDBG Contract Number
2. Report Number	Sequentially numbered under the LCDBG contract. Begin with #1.
3. Prime Contractor	Name of one prime contractor only. Do not list any subcontractor in item 4. If there is more than one prime, then prepare multiple reports.
4. Project Type	Examples: fire station, water well, sewer lines
5. Effective Wage Decision(s)	The locked in wage decision that governed the project. Example: LA 08-06, dated 2/8/08, Mod 0
6. Restitution Paid Under Davis-Bacon	Amount associated with this report actually paid. Example: 52 hours worked, underpaid $1.00 per hour, Restitution of $52 paid under Davis Bacon
7. Restitution Paid Under CWHSSA	Amount associated with this report actually paid. Example: 52 hours worked, underpaid $1.00 per hour, Restitution of $6 paid under CWHSSA
8. Liquidated Damages paid	Total of amounts paid (not just calculated but paid) by wire transfer ($10 per person, per day, for each day with overtime underpayments)
9. How was the under--payment(s) discovered?	Indicate who found the underpayment and a description of the occasion(s). Example: John Doe during routine payroll review.
10. Were any violations willful? If yes, explain.	Check "yes" or "no" and explain any yes answer. This answer will be from the point of view of the person preparing this report who will often be the grantee's Labor Compliance Officer (LCO)
11. Current status of corrective actions…	Whether completed or in progress. Example: Restitution complete. Liquidated Damages in progress.
12. Prepared by Whom & Date Prepared	Preparer is usually the grantee's LCO. Date is when wage restitution and action for Liquidated Damages has been completed or nearly completed.
13. (a)—Attachment: Communication to the Contractor	If Liquidated Damages are involved, a written communication must be sent from the grantee's LCO to the prime and may be copied to any relevant sub containing the following: calculation Liquidated Damages and an explanation calling for the contractor to pay or request a waiver of Liquidated Damages.
13. (b)—Attachment: Contractor's Response	If Liquidated Damages are involved, the contractor who underpaid, whether a prime or a sub, is the preferred respondent. The response will be a letter requesting a waiver or agreeing to pay. If "pay" is the choice the current status of the wire transfer process should be stated on the attachment.
14. Attachment—Schedule	Schedule of Restitution (for any wage underpayment) and any Liquidated Damage (regarding overtime) calculation. This schedule pertains to all relevant amounts whether paid or unpaid.
15. Contractor	Contractor who underpaid—whether prime or sub.
16. Employee Name	Employee name as listed on the payroll.
17. Date(s)	Each date on which an underpayment occurred.
18. Payroll #	Payroll number covering the date(s) listed under 19.
19. Davis-Bacon Restitution	Amount(s) of DB restitution due for the date(s) listed under 19.
20. CWHSSA Restitution	Amount(s) of CWHSSA restitution due for date(s) listed under 19
21. Liquidated Damages Calculation	Corresponding to the date(s) listed under 17. Liquidated Damages Calculation: $10 per person, per day, for each day of deficiency.

File: _____ FY _____ Labor

Final Wage Compliance Report

B-20

(Not required for Housing grants)

1. Grantee Name _____
2. LCDBG Contract # _____
3. Fiscal Year of Grant _____
4. Date of this Report _____
5. Report Prepared By _____
6. Was there any wage underpayment(s)? _____ Yes _____ No
7. Listing of any contractors associated with underpayment(s):

Prime contractor (above) Sub(s) to this prime (below)	Prime contractor (above) Subs to this prime (below)	Prime contractor (above) Subs to this prime (below)

8. Are any labor issues unresolved? ____ Yes ____ No If yes, explain on line below:

_____

9. Provide enforcement activity information for each contractor who had underpayment(s) using the format provided in 10-15. (Add rows as necessary)

10. Contractor (prime or sub)	**11. Type of work**	**12. # of workers underpaid**	**13. Restitution under Davis Bacon**	**14. Restitution under CWHSSA**	**15. Liquidated Damages collected**

Instructions for the *Final Wage Compliance Report* (Exhibit B-20)

Item # and Description	Instructions
1-4 Name, #, FY, Date	Self-explanatory.
5. Prepared by	Usually the name of the grantee's Labor Compliance Officer (LCO).
6. Wage underpayment(s)?	Answer "Yes" or "No" based on the duration of the project from start to finish.
7. Listing of contractors….	If the underpayment was to an employee of the prime contractor then list the prime contractor on the "above" line. If the underpayment was to an employee of a subcontractor(s), list both the name of the prime contractor on the "above" line and the name of the subcontractor(s) on the "below" line. If there were no underpayments leave this section blank.
8. Issues unresolved?	Possible issues: An employee due restitution has not yet been located. An ongoing dispute may be in litigation. Some issues must be resolved prior to grant closeout while others can be resolved after closeout. If there is an unresolved issue, provide enough information for the Office of Community Development to understand the situation. Attach a supplementary page if necessary.
9. Enforcement activity	Include enforcement activity from the start to finish of the project. Some activity may have been previously reported in a Labor Standards Enforcement Report but that does not matter—it must be reported again along with any previously unreported activity.
10. Contractor	List the name of any contractor who underpaid the employee(s) regardless of their status as prime or sub. If there were no underpayment(s) then leave items 10-15 blank.
11. Type of work	Use one or two words to describe the work that most accurately describes what was constructed by the contractor. Examples: water lines, fire station, sewer lines, sewer plant, fence, elevated tank, water well, painting, street reconstruction, etc.
12. Number of workers underpaid	Number of workers, per contractor, for whom wage restitution was disbursed or at least collected and put in escrow (in the event the worker could not be located).
13. Restitution, Davis-Bacon	Total amount of Davis-Bacon restitution paid per contractor.
14. Restitution, CWHSSA	Total amount of CWHSSA overtime restitution paid per contractor.
15. Liquidated Damages	Total amount of Liquidated Damages per contractor collected for CWHSSA overtime violations.

MINORITY PARTICIPATION GOALS

Minority Goal %	Area
	113 New Orleans, LA
	SMSA
19.2	0920 Biloxi-Gulfport, MS
	MS Hancock
	MS Harrison
	MS Stone
31.0	5560 New Orleans, LA
	LA Jefferson
	LA Orleans
	LA St. Bernard
	LA St. Tammany
27.7	Non-SMSA Counties
	LA Assumption
	LA Lafourche
	LA Plaquemines
	LA St. Charles
	LA St. James
	LA St. John the Baptist
	LA Tangipahoa
	LA Terrebonne
	LA Washington
	MS Forrest
	MS Lamar
	MS Marion
	MS Pearl River
	MS Perry
	MS Pike
	MS Walthall
	114 Baton Rouge
	SMSA
26.1	076 Baton Rouge, LA
	LA Ascension
	LA East Baton Rouge
	LA Livingston
	LA West Baton Rouge

Minority Goal %	Area
	Baton Rouge, LA (Cont'd.)
30.4	Non-SMSA Counties
	LA Concordia
	LA E. Feliciana
	LA Iberville
	LA Pointe Coupee
	LA St. Helena
	LA West Feliciana
	MS Adams
	MS Amite
	MS Wilkinson
	115 Lafayette, LA
	SMSA
20.6	3880 Lafayette, LA
	LA Lafayette
24.1	Non-SMSA Counties
	LA Acadia
	LA Evangeline
	LA Iberia
	LA St. Landry
	LA St. Martin
	LA St. Mary
	LA Vermillion
	116 Lake Charles, LA
	SMSA
19.3	3960 Lake Charles, LA
	LA Calcasieu

MINORITY PARTICIPATION GOALS (cont'd)

Minority Goal %	Area
	Lake Charles, LA (Cont'd.)
17.8	Non-SMSA Counties
	LA Allen
	LA Beauregard
	LA Cameron
	LA Jefferson Davis
	LA Vernon
	117 Shreveport, LA
	SMSA
25.7	0220 Alexandria, LA
	LA Grant
	LA Rapides
29.3	7680 Shreveport, LA
	LA Bossier
	LA Caddo
	LA Webster
29.3	Non-SMSA Counties
	LA Avoyelles
	LA Bienville
	LA Clairborne
	LA De Soto
	LA Natchitoches
	LA Red River
	LA Sabine
	LA Winn
	118 Monroe, LA
	SMSA
22.8	5200 Monroe, LA
	LA Quachita

Minority Goal %	Area
	Monroe, LA (Cont'd.)
27.9	Non-SMSA Counties
	LA Caldwell
	LA Catahoula
	LA East Carroll
	LA Franklin
	LA Jackson
	LA LaSalle
	LA Lincoln
	LA Madison
	LA Morehouse
	LA Richland
	LA Tensas
	LA Union
	LA West Carroll

B-22

COMMONLY ASKED QUESTIONS CONCERNING EQUAL OPPORTUNITY

A PRECONSTRUCTION CONFERENCE HANDOUT

1. What are the responsibilities of the offeror or bidder to ensure equal employment opportunity?

The offeror or bidder must comply with the "Equal Opportunity Clause" and the "Standard Federal Equal Opportunity Construction Contract Specifications".

2. Are contractors required to ensure a comfortable working environment for all employees?

Yes. It is the Contractor's responsibility to provide an environment free of harassment, intimidation, and coercion to all employees and to notify all foremen and supervisors to carry out this obligation, with specific attention to minority or female individuals.

3. To alleviate developing separate facilities for men and women on all sites, can a contractor put all women employees on one site?

No. The Contractor must assign two or more women to each site when possible.

4. Are contractors required to make special outreach efforts to minority and female recruitment sources?

Yes. Contractors must establish a current list of minority and female recruitment sources, notify them when employment opportunities are available including on-the-job training and apprenticeship programs and record responses.

5. Must any efforts be made to record the number of minority and females applying for positions with construction contractors?

Yes. All contractors must maintain a current file of the names, addresses and telephone numbers of all minority and female applicants and document whatever action was taken.

6. What happens if a woman or minority is sent to the union by the Contractor and is not referred back to the Contractor for employment?

If the unions impede the Contractor's responsibility to provide equal employment opportunity, a written notification must be sent to the Director, Office of Federal Contract Compliance Programs, United States Department of Labor.

7. What efforts must be made by contractors to create entry level positions for women and minorities?

Contractors are required to develop on-the-job training programs or participate in training programs, especially those funded by the Department of Labor, to create positions for women and minorities relevant to the Contractor's employment needs.

8. Must any efforts be made by the Contractor to publicize their Equal Employment Opportunity (EEO) Policy?

Yes. The Contractor is responsible for notifying unions and training programs and request their cooperation as well as including it in any policy manual or collective bargaining agreement, and to publicize it in the company newspaper and annual report. Externally, the Contractor is responsible for including the EEO Policy in all media advertisements.

9. Must any in-service training programs be provided for staff to update the EEO Policy?

At least annually a review of the EEO Policy and the affirmative action obligations are required of all personnel employees of a decision making status. A record of the meeting including date, time, location, persons present, subject matter discussed, and disposition of the subject matter shall be maintained.

10. What recruitment efforts are made for minorities and women?

The Contractor must notify both orally and in writing, minority and female recruitment sources one month prior to the date of acceptance for apprenticeship or other training programs. The Contractor must also encourage present minority and female employees to recruit members of their own group.

11. Must any measures be taken to encourage promotions for minorities and women?

Yes. An annual evaluation must be conducted for all minority and female personnel to encourage these employees to seek higher positions.

12. What efforts must be taken to ensure that personnel policies are in accordance with the EEO Policy?

Personnel policies in regard to job practices, work assignments, etc., must be continually monitored to ensure that the EEO Policy is carried out.

13. Can women be excluded from utilizing any facilities available to men?

No. All facilities and company activities are non-segregated except for bathrooms or changing facilities to ensure privacy.

14. What efforts must be made to utilize minority and female contractors and suppliers?

None. However, records must be kept of all offers to minority and female construction contractors.

15. If a contractor participates in a business related association which does not comply with affirmative action standards, does this show his/her failure to comply?

No. The Contractor's obligation to comply is his own. If he makes every effort to assume that this group has a positive impact on EEO Policy and they fail to accept this attitude, it shall not be contrived as noncompliance on the part of the Contractor.

16. Would a contractor be in violation of EEO Policy and affirmative action if he set up one set of goals to include minorities and women?

Yes. There is a single goal for minorities and a separate single goal for women. The Contractor is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority.

17. Can a contractor hire a subcontractor who has been debarred from government contracts pursuant to EEO?

No. The Contractor must suspend, terminate or cancel any subcontractor who is in violation of the EEO Policy.

18. What effort must be taken by the Contractor to monitor all employment to ensure the company EEO policy is being carried out?

The Contractor must designate a responsible individual to keep accurate records of all employees which includes specific information required by the government.

B-23

ARCHITECT, ENGINEER, OR CONTRACTOR'S CERTIFICATION

COMPLIANCE WITH MINIMUM STANDARDS FOR

ACCESSIBILITY BY THE PHYSICALLY HANDICAPPED

Contract No.: _____

Project Name: _____
Address: _____

Pursuant to the requirements of the Architectural Barriers Act of 1968, 42 U.S.C. 4151, and the regulations issued subsequent thereto, the undersigned certifies that the design of the above-mentioned project is in conformance with the minimum standards contained in the American Standard Specifications for Making Buildings and Facilities Accessible To and Usable By the Physically Handicapped, Number A-117.lR-1971 (as modified by 41 CFR 101-19.603).

Architect, Engineer or _____
Contractor for the Project:
(Legal Name and Address) _____

_____

_____

Registration Number: _____

Signature: _____
(Print Name)

Chief Elected Official's
Signature: _____
(Print Name)

Date: _____

B-24

INTERGOVERNMENTAL COOPERATIVE AGREEMENT

BY AND BETWEEN THE

_____ STATE OF LOUISIANA

(Name of Police Jury/Local Government)

PARISH OF _____

AND

_____

(Political subdivision/ Fire, Water, or Sewer District)

THIS AGREEMENT is entered into on this _____ day of _____, 20_____, by and between the ___(police jury/local gov't)___, a political subdivision of the State of Louisiana, existing under the laws of the State of Louisiana, and the (name of fire, water, or sewer district)_____, a (fire, water, or sewer district) existing under and by virtue of the laws of the State of Louisiana, relative to the expenditure of funds on the FY 20_____ Louisiana Community Development Block Grant Program, dealing with the proposed (construction; purchase; maintenance; ownership) of ___(buildings, equipment)_____.

The parties do hereby mutually agree to cooperate in the undertaking or assist in undertaking the essential LCDBG activities as proposed in the above referenced Louisiana Community Development Block Grant Program and specifically, under the authority granted by virtue of Louisiana Revised Statute 33:1321, et seq and particular provisions thereof commonly known as the "Intergovernmental Functions Act:, to wit:

1. The _____(police jury/local gov't)_____ has received a Louisiana Community Development Block Grant to ___(___describe project)_____ in the jurisdiction of (fire, water, sewer district)_____. All of the said project is in the jurisdiction of the (police jury/local gov't) .

2. The _____(police jury/local gov't)_____ does hereby assume responsibility for the proper administration, implementation and payment for the said project in conformity with

and under the authority of the Louisiana Division of Administration, Community Development Block Grant Program.

3. The __(fire, water, sewer district)_____ does hereby agree and authorize the _____(police jury/local gov't)_____ to (construct/purchase) said project in accordance with the plans and specifications prepared by _____(engineering firm)_____ and to use the available land and rights of way as owned by __(fire, water, sewer district)_____.

4. The _____(policy jury/local gov't)_____ shall transfer ownership of the project to (fire, water, sewer district)_____ only on the condition that said (fire, water, sewer district) shall agree to properly operate and maintain said project in accordance with the terms and geographical boundaries as specified in the application approved on behalf of ____(policy jury/local gov't)___.

5. Specifically, the transfer of ownership shall be limited to the following property and items, to wit: (here the buildings, public facility system, etc. shall be legally described).

6. The (fire, water, sewer district)_____ also agrees that the items or property listed above will not be transferred between districts or disposed of without LCDBG permission and complying with Federal Regulations concerning disposition of property purchased with LCDBG Funds. (24 CFR, Chap. V, Para. 570.489)

THUS DONE AND SIGNED by authority granted as per attached resolutions of the above respective bodies through the undersigned duly authorized officers.

WITNESSES:

_____
(name of police jury/local government)

_____ _____
PRESIDENT/MAYOR

_____

_____
(name of fire, water, sewer district)

_____ _____
PRESIDENT

_____

SEWER COLLECTION SYSTEM

B-25

HOUSE-CONNECTION APPLICATION FOR HOMEOWNERS

HOMEOWNER'S NOTIFICATION

The has secured grant funds to install a sewer collection system to serve your neighborhood. The funds will be used to construct a sewer pump station and sewer mains in the right-of-ways of the Village's streets.

Once the sewer collection system is installed, it is each homeowner's responsibility to install a sewer service line on your property to connect your house plumbing to the sewer mains.

However, if your income is less than the amount noted below for the number of people residing in your home, you may qualify to have the Village install your sewer service line on your property to connect your house plumbing to the new sewer collection system.

Check the one that applies based on your total 2002 income, or your current income.

Number of People in House:	Is your Annual Income less than:
☐ 1 person	less than $19,100
☐ 2 persons	less than $21,800
☐ 3 persons	less than $24,550
☐ 4 persons	less than $27,300
☐ 5 persons	less than $29,450
☐ 6 persons	less than $31,650
☐ 7 persons	less than $33,850
☐ 8 persons	less than $36,000

If your total household income is greater than the annual income allowed for the number of people in your house, you do not qualify for the free sewer service line. However, you will still be able to connect to the sewer system, but will have to pay for the sewer service line on your property at your expense, and you do not have to complete this form.

If your income is less than the annual income allowed for the number of people in your house, proceed with completing the remainder of this form.

AGREEMENT FOR FREE SERVICE LINE

In addition to installing all the sewer mains in the right-of-way and/or utility easement, the Village will hire a contractor/plumber to install the sewer service line from the location of the new sewer mains to the location of your house plumbing (including the connection) at no cost to residents which qualify as low-to-moderate income households. The Village will pay a contractor/plumber to install this sewer service line at no cost to you, if you qualify based on the income limits, and sign and return this form requesting the sewer service line with the proper income documentation.

I am the owner of the listed property and desire the sewer service line to be installed by the Village. I agree to allow the Officials, Engineers, and Contractors access to my property to install the sewer service line and connect it to my house plumbing.

I, as the owner, understand that the Contractor/Plumber is required to dig and install a sewer service line. He will use laborers, equipment, tools, materials, PVC sewer service lines and fittings.

I also know that the property will be disturbed, but the Contractor/Plumber will try and restore the property to as close to its original condition as possible. When the work is finished, I as the Owner, agree to maintain the sewer service line on my property.

Village Officials and Engineers will inspect the work to see that the job is done correctly, accept the project when completed, and pay for the sewer service line and connection to my house.

I hereby certify that I am a low-to-moderate income household and that the total annual household income at this address is less than the limits (to the left) allowed based on the total number of people living in the house and I am providing documentation to support this.

☐ I *do* qualify for the free sewer service line and have completed Parts A, B and C on the back of this form (including attaching the appropriate supporting information on our income) and that all of this information is correct and true.

Signature of Homeowner Date

(Over)

➤ PART A - TO BE COMPLETED BY ALL RESIDENTS REQUESTING THE FREE SEWER SERVICE LINE

Print Name of Homeowner

Address Where Sewer Service Line is Desired

Mailing Address

Phone Number

➤ PART B - ALL RESIDENTS REQUESTING THE FREE SEWER SERVICE LINE MUST PROVIDE A LEAST ONE OF THE FOLLOWING:

I am attaching at least one of the following for everyone in my household to document our income:

- ☐ A copy of our 2002 Federal Income Tax Return for everyone who lives in the house; or
- ☐ A copy of our latest report on Food Stamps or Social Security Benefits; or
- ☐ A copy of all of the government checks for everyone who lives in the house; or
- ☐ A copy of other information such as a W-2 form to document our current income.

➤ PART C - TO BE COMPLETED BY ALL RESIDENTS REQUESTING THE FREE SEWER SERVICE LINE

INCOME INFORMATION LIST ALL RESIDENTS AND THEIR INCOME		
Residents Name	Income Source	Amount ($)

CENSUS INFORMATION		
HEAD OF HOUSEHOLD		
PLEASE CHECK ALL BOXES THAT APPLY TO THE HEAD OF THE HOUSEHOLD		Female
		Handicap
		White
		Black
		Asian/Other
TOTAL PEOPLE IN HOME		
PLEASE WRITE THE NUMBER OF PEOPLE		Occupants in the House
		Handicap/Disabled

RETURN THIS FORM TO:

SEWER COLLECTION SYSTEM

HOUSE-CONNECTION APPLICATION FOR RENTERS

RENTER'S NOTIFICATION

The Village of has secured grant funds to install a sewer collection system to serve your neighborhood. The funds will be used to construct the sewer pump station and sewer mains in the right-of-ways of the Village's streets.

Once the sewer collection system is installed, it is each property owner's responsibility to install a sewer service line on your property to connect your house plumbing to the sewer mains.

However, for rental houses, if the tenant's income is less than the amount noted below for the number of people residing in the rental unit, you may qualify to have the Village install the sewer service line on your property to connect your house plumbing to the new sewer collection system.

Check the one that applies based on the tenant's total 2002 income, or the tenants current income.

Number of People in House:	Is your Annual Income less than:
☐ 1 person	less than $19,100
☐ 2 persons	less than $21,800
☐ 3 persons	less than $24,550
☐ 4 persons	less than $27,300
☐ 5 persons	less than $29,450
☐ 6 persons	less than $31,650
☐ 7 persons	less than $33,850
☐ 8 persons	less than $36,000

If the tenant's total household income is greater than the annual income allowed for the number of people in your rent house, as a landlord you do not qualify for the free sewer service line. However, you will still have to connect your rental property to the sewer system, but will have to pay for the sewer service line on your property at your expense, and you do not have to complete this form.

If your tenant's income is less than the annual income allowed for the number of people in your rent house, proceed with completing the remainder of this form.

AGREEMENT FOR FREE SERVICE LINE

In addition to installing all the sewer mains in the right-of-way and/or utility easement, the Village will hire a contractor/plumber to install the sewer service line from the location of the new sewer mains to the location of your house plumbing (including the connection) at no cost to the tenant or property owner which qualify as low-to-moderate income households. The Village will pay a contractor/plumber to install this sewer service line at no cost to you, if the tenant qualifies based on the income limits, and the property owner and tenant sign and return this form requesting the sewer service line with the proper income documentation.

We are the tenant and the owner of the listed rental property and desire the sewer service line to be installed by the Village. We agree to allow the Village of Officials, Engineers, and Contractors access to the property to install the sewer service line and connect it to the house plumbing.

We understand that the Contractor/Plumber is required to dig and install a sewer service line. He will use laborers, equipment, tools, materials, PVC sewer service lines and fittings.

We also know that the property will be disturbed, but the Contractor/Plumber will try and restore the property to as close to its original condition as possible. When the work is finished, I as the property owner/landlord, agree to maintain the sewer service line on my property.

Village Officials and Engineers will inspect the work to see that the job is done correctly, accept the project when completed, and pay for the sewer service line and connection to my house.

I, as the tenant, hereby certify that I am a low-to-moderate income household and that the total annual household income at this address is less than the limits (to the left) allowed based on the total number of people living in the house and I am providing documentation to support this.

☐ I, as the tenant, *do* qualify for the free sewer service line and have completed Parts A, B and C on the back of this form (including attaching the appropriate supporting information on our income) and that all of this information is correct and true.

Signature of Tenant (Renter) Date

Signature of Property Owner (Landlord) Date

➤ PART A - TO BE COMPLETED BY TENANT REQUESTING THE FREE SEWER SERVICE LINE

Print Name of Tenant (Renter) | Print Name of Owner (Landlord)

Address Where Sewer Service Line is Desired

Mailing Address of Tenant | Mailing Address of Landlord

Phone Number of Tenant | Phone Number of Landlord

➤ PART B - ALL TENANTS REQUESTING THE FREE SEWER SERVICE LINE MUST PROVIDE A LEAST ONE OF THE FOLLOWING:

I am attaching at least one of the following for everyone in my household to document our income:

- ☐ A copy of our 2002 Federal Income Tax Return for everyone who lives in the house; or
- ☐ A copy of our latest report on Food Stamps or Social Security Benefits; or
- ☐ A copy of all of the government checks for everyone who lives in the house; or
- ☐ A copy of other information such as a W-2 form to document our current income.

➤ PART C - TO BE COMPLETED BY ALL TENANTS REQUESTING THE FREE SEWER SERVICE LINE

INCOME INFORMATION
LIST ALL RESIDENTS AND THEIR INCOME

Residents Name	Income Source	Amount ($)

CENSUS INFORMATION

HEAD OF HOUSEHOLD

PLEASE CHECK ALL BOXES THAT APPLY TO THE HEAD OF THE HOUSEHOLD		Female
		Handicap
		White
		Black
		Asian/Other

TOTAL PEOPLE IN HOME

PLEASE WRITE THE NUMBER OF PEOPLE		Occupants in the House
		Handicap/Disabled

RETURN THIS FORM TO:

kb/351RM69

B-26

SAMPLE

MINUTES OF BID OPENING AND BID TABULATION

Bid Opening for Fifth Street Improvements.

The first bid was opened at 3:05 p.m. (DATE). Bidders and bid amount are listed in order of opening:

Walton Construction	$235,723.55
South Ark Construction	220,650.75
Big Time Construction	310,375.75

Bid award is scheduled for (DATE).

_____

Ellen Smith
City Secretary

Verification of Contractor's Bonding/Insurance

B-27

The LCDBG Contract:

Grantee Name _____

LCDBG Contract # _____

Information regarding prime contractor's bonding entities:

Name of Contractor _____

Name of Insurance Agent _____

Agent's Company Name _____

Name of Surety Company _____

Location (Domicile) _____

U.S. Department of the Treasury: **www.fms.treas.gov/c570** or telephone at (202) 874-6850

Does the above listed surety company's name appear in the U. S. Department of the Treasury's listing of approved sureties having a license to do business in Louisiana? (Circular 570) _____ Yes _____ No

With internet verification, print the page that lists the surety company and attach it to this form.
With telephone verification, list the name of the person you spoke to and the date below:

Name _____ Date _____

La. Dept of Insurance: **www.ldi.state.la.us/search_forms/company_search.cfm** or (225) 342-0895

Does the above listed surety company's name appear on the Louisiana Insurance Commissioner's list of insurance companies which are licensed to do business in Louisiana? _____ Yes _____ No

With internet verification, print the page that lists the surety company and attach it to this form.
With telephone verification, list the name of the person you spoke to and the date below:

Name _____ Date _____

Bond(s) Cleared? _____ Yes _____ No By _____

Date _____

- Retain for your records. Do not send to OCD.

B-28

SIGN REQUIRED AT LCDBG CONSTRUCTION SITE(S)

All recipients of funds under the LCDBG Program must post a sign in each target area for the purpose of informing the public that the work is being financed with a grant from the Louisiana Division of Administration.

At a minimum, the sign must identify the U.S. Department of Housing and Urban Development and the Louisiana Division of Administration as the funding sources. The names of Bobby Jindal, Governor, and Angele Davis, Commissioner, must also be included. A sample format for this sign is provided for your use. The minimum size of this sign must be 42 inches by 60 inches and the maximum size should not exceed 4 feet by 8 feet. The cost of the sign is an eligible LCDBG expense.

Example:

CITY OF DONNA LINN

THIS PROJECT IS BEING FUNDED BY THE

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

THROUGH THE

LOUISIANA OFFICE OF THE GOVERNOR

DIVISION OF ADMINISTRATION

BOBBY JINDAL Governor	ANGELE DAVIS Commissioner
JOHN DOE Mayor	V.I.P. OFFICIALS Senator/Rep

"BENEFITING DONNA LINN AND ALL LOUISIANA"

B-29

QUALIFICATION CERTIFICATION
FOR
RESIDENT PROJECT REPRESENTATIVE

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

*(To be filled out by the **Architect/Engineer** – if more than one Resident Project Representative is proposed, fill out one Qualification Certification for each)*

NOTE: This Qualification Certification and a copy of the Resident Project Representative's current resume showing qualifications and work history must be submitted to the Office of Community Development before construction begins.

Grantee: _____

Type of Project (street, water, sewer, etc.): _____

LCDBG Contract Number: _____

Architect/Engineering Firm: _____

Name of Resident Project Representative: _____

Resident Project Representative is (check one):

_____ *on staff with Arch./Engr. firm, or* _____ *a contract employee with Arch./Engr. firm.*

******* CERTIFICATION *******

This is to certify that the person listed above has the qualifications and abilities to perform the appropriate duties and responsibilities of the Resident Project Representative on the proposed LCDBG funded construction project. This individual understands the duties, responsibilities, and authority of the Resident Project Representative; has a good working knowledge of the types of construction materials and practices for this particular project; and will be under my direct supervision for the duration of the construction of the project.

(For State Use Only)

A P P R O V E D

_____

CDBG

_____
Signature of Architect/Engineer

_____
Typed or printed name

_____
Date

B-30

CONSTRUCTION CONTRACT CHECKLIST

GRANTEE: _____ CONTRACT #:_____

Dates of Bid Advertisement:

Labor Standards Compliance Officer:

Date of 10-Day Call:

Date of Bid Opening:

Date of Contract Award:

Date Work Began:

Date Contract Executed:

Contract Amount:

Contractor: Address:

Indicate by a "X" if the contractor can be classified as any of the following.

Minority: ____ Section 3: _____ Female: _____

Contact Person: Telephone:

1. Pre-Advertisement/Bid Package Review Date/By

- Federal wage determination requested _____
- Federal wage determination acknowledged _____
- Federal wage determination reviewed _____
- Federal Labor Standards Provisions _____
- Davis-Bacon provisions ($2,000) _____

	Date/By
- Contract Work Hours and Safety Standards clauses	_____
- Copeland Anti-Kickback clause	_____
- Employment of Apprentices/Trainees clause	_____
- Title VI clause	_____
- Compliance with Title VIII Fair Housing	_____
- E.O. 11246 standard clause (contracts above $10,000) OR 3-paragraph equal opportunity provisions (contracts less than $10,000)	_____
- Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (E.O. 11246 -- contracts $10,000 or more)	_____
- Standard Federal Equal Employment Opportunity Construction Contract Specifications and Goals and Timetables (E.O. 11246 -- contracts $10,000 or more)	_____
- Section 109 clause	_____
- Section 503 Handicapped (contracts of $10,000 or more)	_____
- Section 3 clause	_____
- Age Discrimination Act of 1975	_____
- Nonsegregated Facilities clause	_____
- Clean Air/Water (contracts of $100,000 or more)	_____
- Flood Insurance, if applicable	_____
- Lead-Based Paint clause	_____

Date/By

- Architect's Certification of Compliance with Architectural Barriers Act of 1968 (copy to DOA) _____

- A-102 Bonding Insurance Provisions ($100,000) _____

- Access to Records/Maintenance of Records clauses _____

- General Administrative Provisions _____

- Review by Attorney *(optional)* _____

- Approval of plans and specs by cognizant agency (water and sewer projects) _____

2. PRE-AWARD

- Date of 10-day Call _____

- Minutes of Bid Opening _____

- Tabulation of Bids *(Send one copy to DOA)* _____

- Recommendation for Award _____

- Verification of Contractor/Subcontractor eligibility with DOA _____

- Authorization of Contract Award _____

3. PRECONSTRUCTION (at the optional pre-construction conference or during the time period before construction begins)

- Executed Contract _____

- Notice of Contract Award sent to DOA _____

- Notification of Contractor/Subcontractor Responsibilities

- Contractor’s/Subcontractor’s Section 3 Plan, if required _____

Date/By

- Contractor's Section 3 Tables A & B completed, if required _____

- Contractor's Certification regarding Section 3 _____

- Contractor's Guide to Davis-Bacon (optional) Wage Requirements & Certified Payroll Reports _____

- Requested and received federal wage determination for any classifications not included on wage determination _____

- If apprentices are to be used on contract, received copy of contractor's apprentice program certifications _____

- If trainees are to be used on contract, received copy of contractor's trainee program certification _____

- Bonding/insurance on file _____

- Qualification Certification of Resident Project Representative and copy of current resume sent To DOA _____

4. CONSTRUCTION/ENFORCEMENT

- Payrolls & Statement of Compliance

	Received	Reviewed	Discrepancies	Description
Week 1				
Week 2				
Week 3				
Week 4 (Etc.)				

- Project Inspection Date/By

1._____
2._____
3._____
4._____

- Complaints, if any, and actions taken _____

- Correspondence concerning contractor E.O. compliance _____

Project Inspection Checklist

A. Project Site Posting

1) Federal Wage Determination(s) _____

2) Notice to Employees (W.H. 1321) _____

3) Equal Employment Opportunity Requirements (E.O. 11246) _____

B. Employee Interviews

Attach employee interview form for each interview conducted. All classifications represented on the job must be included in interviews.

5. PROJECT COMPLETION

- Files reviewed to determine completeness and establish that all required restitutions have been made and are adequately documented _____

- Labor Standards Enforcement Report(s) _____

- Copy of as-built plans received _____

C. HOUSING REHABILITATION

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C. HOUSING REHABILITATION

Introduction

Purpose: This section of the Grantee Handbook discusses the implementation of a Louisiana Community Development Block Grant (LCDBG) Housing Program. It begins with the understanding of the application process as it pertains to the implementation of the LCDBG Housing Program and ends with the completion of construction. Various exhibits are provided to facilitate implementation.

Task C-1: Understanding the Original LCDBG Application

Definition of Improvement Types:

- Clearance demolition: The removal of vacant substandard dilapidated housing units or other nuisance structures in residential areas with no replacement of the demolished unit.
- Reconstruction: demolition and reconstruction of a substandard housing unit on the original site.
- Rehabilitation: Substantial repair and/or renovation of a substandard housing unit in order to bring the unit up to Section 8 Standards.
- Spot rehabilitation: Limited repair of a housing unit involving the treatment of health and safety deficiencies pertaining to one of more of the following household systems: (1) Electrical (2) Plumbing (3) Roofing and/or (4) Heating/Air-conditioning. Spot rehabilitation does not necessarily bring a housing unit up to Section 8 Standards.

Other Definitions:

- Defined Area: A geographical area slated for spot rehabilitation housing improvements as determined by the Local Government and indicated in the LCDBG application.
- Housing Application Package: A publication explaining how to prepare an LCDBG Housing Application.
- LCDBG Application: The Housing Application submitted to the Office of Community Development by the Local Government.
- Target Area(s): A geographical area, or at the most two areas, slated for all housing improvements except spot rehabilitation as determined by the Local Government and indicated in the LCDBG application.
- Usufruct: Usufruct is the legal right for the use of a property.

Application Workshop: During the summer prior to an even numbered year, an application workshop is conducted by the Office of Community Development to instruct local governments regarding the preparation of LCDBG applications. Housing Program applications are submitted every two years to the Office of Community Development by local governments. The application

workshop can be considered as the first step in the process of obtaining LCDBG funding. A Housing application package is distributed at each workshop describing the LCDBG Housing program.

Property Types: Four types of improvements, as identified in the Housing Application Package, are eligible under the LCDBG Housing Program:

1. Clearance demolition
2. Reconstruction
3. Rehabilitation
4. Spot rehabilitation

Program Consistency with Original LCDBG Application: The Local Government's Housing Program must be consistent with the approved application. Any significant variation requires prior approval from the Office of Community Development.

Spot rehabilitation is eligible only if the original LCDBG application requested spot rehab. Funds left over after regular rehabilitation and reconstruction have been completed cannot be used for spot rehab.

Eligibility Requirements: Eligibility requirements for a housing unit to be listed as a candidate for assistance in an LCDBG Application and eventually be funded by the Local Government are as follows:

- **Income:** Beneficiaries must be of low and moderate (LMI) income.
- **Target Area:** Housing units or properties slated for clearance demolition must be in the target area, and if applicable the defined area (for spot rehab), as indicated by the Local Government in the LCDBG application. Individual housing units or clearance demolition units must be among the units identified in the LCDBG application as in need of improvement. An expansion of the target area will not be allowed under the LCDBG Program.
- **Owner-occupied or With Usufruct**: Housing units needing reconstruction, rehabilitation, or spot rehabilitation must be owner-occupied (or have usufruct) in order to be eligible for improvements. The property on which the occupied housing units sit must also be owned by the occupant. The owner must (a) have occupied the unit for at least six months prior to the submittal of the LCDBG application, (b) must be occupying the unit at the time of the homeowner application and (c) must be intending to occupy the unit for at least five years after improvements are complete.
- **Usufruct:** A person who has usufruct of a housing unit and the property on which it sits is eligible for assistance. Documentation of the legal obtaining of usufruct must be filed at the Clerk of Court's office. A person who does not have usufruct at the time of the release of LCDBG funds but intends to obtain usufruct must be able to obtain usufruct and submit a complete homeowner application within the time limits specified by the Local Government. This time limit will be specified in the Housing Policy of the Local Government.

- **Single Family/Duplex**: Only single-family and duplex structures are eligible. Duplex structures are not often treated under the LCDBG program; however, if a duplex is included, all substandard parts of the duplex must be rehabilitated or reconstructed—which will normally mean that both parts of a duplex must be treated.
- **Structure Types:** A housing unit must be a conventional "stick built" structure to be eligible for rehabilitation. Mobile homes and modular homes are not eligible for rehabilitation. However, reconstruction, which includes demolishing and rebuilding on the same site, is an eligible activity for both conventional "stick built" structures and mobile homes. Clearance demolition of substandard structures in residential areas is eligible.
- **The 75% Rule:** Eligibility for rehabilitation requires that the 75% Rule be met. The 75% Rule states that a housing unit is suitable for rehabilitation if the estimated cost of improvements will be 75% or less of the expected market value of the improved unit. Housing units which do not meet the 75% rule should be considered for reconstruction.
- **Adjudicated Housing Units:** An adjudicated housing unit is a housing unit formerly owned by a citizen but now owned by the Local Government due to court action. Adjudicated homes within the target area will qualify for rehabilitation/construction under the LCDBG Program and will be counted as owner occupied housing. The terms for the transfer of ownership to a low-income family will be subject to the five year deferred payment loan lien period. If there are any adjudicated homes in the target area the Housing Policy must state the selection method for the person to which ownership will be transferred. The selection method in the Housing Policy must be deemed fair by the Office of Community Development.
- **Conflict of Interest:** Housing units whose owners have a conflict of interest are not eligible. The following individuals or firms must not have any interest, direct or indirect, in any contract or subcontract or the proceeds from any contract or subcontract for work to be performed in connection with the LCDBG Program:

  1. Employee of the Local Government,
  2. The Local Government's designee, agent, or consultant,
  3. Member of the local governing body or other public official of the Local Government who exercises or has exercised any functions or responsibilities with respect to this LCDBG project during his or her tenure.

  However, upon written request of the Local Government, the Office of Community Development may agree in writing to waive a conflict otherwise prohibited by this provision whenever there has been full public disclosure of the conflict of interest, and the Office of Community Development determines that undue hardship will result either to the Local Government or the person affected by applying the prohibition and that granting of a waiver is in the public interest. No such request for waiver should be made by the Local Government which would permit a violation of federal, State or local law.

Previously Funded Housing Units: Any housing unit which has received assistance under a previous LCDBG Housing Program is ineligible for further assistance.

Local Government's Obligation For Treatment: Substandard housing units submitted for treatment in the original LCDBG Application must be treated if: (a) the owners properly apply for funding, (b) the owners meet program requirements (c) bids come in within allowable amounts as established in the Local Government's Housing Policy and (d) sufficient LCDBG funds are available to fully fund the construction contract. The Local Government is obligated to treat units which meet all four requirements.

Clearance demolition units submitted for treatment in the original LCDBG Application must be treated if: (a) the owner(s) properly applies for funding or successful condemnation procedures are carried out, (b) bids come in within allowable amounts as established in the Local Government's Housing Policy, and (c) sufficient LCDBG funds are available to fully fund the demolition contract. The Local Government is obligated to treat units which meet all these requirements.

Task C-2: Understanding Housing Program Requirements

Basic elements and specific details of the LCDBG Housing Program are explained in this section. Many of these items will apply to multiple phases of a LCDBG Housing Program.

Property Rehabilitation Standards: Property Rehabilitation Standards are the building and safety standards adopted by the Local Government that apply to reconstruction and rehabilitation relative to the LCDBG Housing Program. All housing units, reconstructed or rehabilitated, must meet, at a minimum, the Local Government's adopted Property Rehabilitation Standards. The following are components of Property Rehabilitation Standards:

- HUD Section 8 Housing Quality Standards
- The International Building Codes as adopted by the State of Louisiana
- HUD Lead-Based Paint Regulations
- Asbestos Requirements of the Louisiana Department of Environmental Quality
- Federal Flood Insurance Administration Regulations
- LCDBG Building Code Requirements

HUD's Section 8 Housing Quality Standards: When assessing the condition of a housing unit, a set of standards must be used to determine whether the housing unit is in standard condition. In the LCDBG Housing Program, Section 8 Minimum Housing Quality Standards, as established by HUD, are utilized. These standards are often referred to as "Section 8" standards.

An "Inspection Checklist", **Exhibit C-3**, has been provided as a tool useful in assessing housing units relative to Section 8 requirements. A longer version of the Inspection Checklist which has very useful instructions is available as the "Inspection Form". The Inspection Form may be obtained through the HUD website at: http://www.hudclips.org/cgi/index.cgi. The form number

is HUD-52580-A. Additionally, HUD's Housing Choice Voucher Guidebook gives details regarding Section 8 Housing Quality Standards. At the "HUD Clips" site choose Guidebook 7420.10G. If the user has difficultly locating these documents on the HUD Clips website please call the Housing Program Manager in the Office of Community Development.

International Building Codes As Adopted by the Louisiana Legislature: Act Number 12 of the first extraordinary session of the FY 2005 Louisiana Legislature requires the following building codes to be applicable in every parish as of January 1, 2007:

- The International Residential Code except for administration (part one), plumbing (part seven) and electrical (part 8)
- The Louisiana State Plumbing Code
- The National Electric Code

Note that Appendix J of the International Residential Code covers treatment of existing buildings.

HUD Lead-Based Paint Regulations: The actual name of the regulation is "Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance". It was published in the Federal Register on September 15, 1999. Additional information for administrators of the Housing Program should be viewed and studied at: http://www.hud.gov/offices/lead/leadsaferule/ or go to HUD's home page, www.hud.gov and type in "Lead Safe Housing Rule" in the search box.

Asbestos Requirements of the Louisiana Department of Environmental Quality (DEQ): The LCDBG Housing Program must follow asbestos testing and abatement procedures which are publicized and enforced by DEQ.

Federal Flood Insurance Administration Regulations: This entity is a division of the Federal Emergency Management Agency (FEMA) that is involved with determining areas which need flood insurance.

LCDBG Building Standards: Standards established by the Office of Community Development that are not covered by other standards or that are more stringent than other standards.

Average and Maximum Cost Per Unit: In the LCDBG Application on the Cost Effectiveness and Housing Program Cost Estimate form the Local Government indicated an average cost per unit to be improved. Averages were set forth for all improvement types: reconstruction, rehabilitation, spot rehabilitation, and clearance demolition.

After the award of the LCDBG Housing Grant and as the Housing Policy of the Local Government is being prepared the maximums and minimums for each improvement type must be included in the Housing Policy—except that reconstruction will not have a minimum.

During the planning and bidding phase of a funded Housing Program it is important to keep costs under control in order that the maximum allowable is not exceeded.

During the construction contract award phase the Local Government must not award contracts which exceed the maximum allowable as stated in the Local Government's Housing Policy. The

maximum allowable may be revised by written request from the Local Government and subsequent written approval from the Office of Community Development.

Mobile Homes and Modular Units: Housing units to be replaced must be demolished on-site—including mobile homes—not simply moved to another location. Should a house scheduled for demolition be relocated (rather than demolished on-site), the Local Government assumes all financial responsibility for the reconstruction of the housing unit.

Mobile homes and modular housing units may not be rehabilitated with LCDBG funds, nor may they be utilized as reconstructed units. Eligible mobile home or modular housing units, if deemed to be substandard, must be replaced with "stick-built" homes.

Storage Buildings, Carports, etc: The following components are ineligible as additions to a existing housing unit or as part of the plans and specs for a new housing unit: carports, dens, recreation rooms, free standing storage buildings, etc.

If a component is attached to an existing housing unit, such as a carport, the attached component is eligible to be improved with LCDBG funds. If a component is not attached to an existing housing unit, such as a workshop in the back yard, the unattached component is not eligible to be improved with LCDBG funds.

An unattached outbuilding to an existing housing unit, such as a garage, is eligible for demolition with LCDBG funds and, in some cases if an unattached structure is in extremely bad condition, demolition will be required.

Smoke Detectors: The Office of Community Development requires two smoke detectors installed in the unit, both of which are hard-wired with a battery back-up.

Flood Insurance: In the event a unit scheduled for reconstruction or rehabilitation is located within an area designated as having special flood hazards by the Federal Flood Insurance Administration (FIA) and the Department of Housing and Urban Development, the homeowner will be required to secure and maintain a policy of flood insurance on the unit for a minimum of one (1) year after completion of the unit. A minimum of one (1) year may be paid with LCDBG funds. A copy of the insurance certificate or policy will be required for documentation. The homeowner should be counseled about this requirement prior to the approval of the homeowner's application for assistance. All reconstruction and rehabilitation must comply with appropriate FIA regulations and related executive orders.

Types of Assistance: There are two types of assistance involving LCDBG funds that are awarded by the Local Government to the property owners: (a) Deferred Payment Loan and (b) Grant.

- **Deferred Payment Loans:** The Office of Community Development funds a local government for reconstruction and rehabilitation. The Local Government awards funding to successful homeowner applicants who apply for reconstruction or rehabilitation. However, the funding is not an outright grant. The homeowner is obligated, by contract agreement and the Local Government's Housing Policy, to reside in the housing unit for a minimum of five years. The property is legally liened by recording with the Clerk of Court, but there are no monthly payments.

The units reconstructed or rehabilitated must be liened a minimum of five (5) years with no payback of principal or interest if the homeowner remains in the house for the specified time. Contact the Office of Community Development for instructions should the owner sell, rent, lease or otherwise vacate the property prior to the end of the five year period. For an example of the consequence of a homeowner selling before the end of the five year lien period. See the Sample Housing Policy, Exhibit C1, Section 16.

- **Grant:** The Local Government will fund spot rehabilitation and clearance demolition with grants using LCDBG funds. There is no five year lien period with an outright grant.

Air Conditioning: Central air conditioning is an eligible improvement for all rehabilitated housing units and is a required item for all reconstructed housing units. The replacement of window units, wall units, and/or other portable air conditioning units are not allowed under this program.

Local Government Assistance Necessary: Normally, the Local Government will procure a consulting firm to prepare an LCDBG Application and upon successful LCDBG funding, administer the LCDBG Housing Program. The Local Government will need to work very closely with the administrator of the Housing Program. A joint effort between the Local Government and Housing Program Administrator is necessary to successfully complete an LCDBG Housing Program.

Administration Types and Amounts:

- **General Administration:** General administration will normally include: environmental reviews, preparation of a community development plan, preparation of Requests for Payment, assistance to the Local Government in the updating or preparation of a Housing Policy, preparation of closeout documents, etc. The maximum allowable for general administration is $35,000 and may be invoiced proportionately throughout the duration of the program with ten percent retainage to be paid upon the successful "conditional closeout" out of the LCDBG Housing Program. The first general administration invoice must not exceed 35% of the amount awarded to the administrative consultant for general administration.

- **Construction Administration:** Construction administration will include such things as the preparation of work write ups and a cost estimate for each unit, inspections on each unit, and general activities involving the repair and construction process. The maximum allowable for construction administration is $3,200 for each housing unit slated for reconstruction and/or rehabilitation. The maximum allowable for construction administration for each housing unit slated for spot rehabilitation is $1,000. Construction administration must not be invoiced until each respective unit is 100% complete. The entire amount invoiced for construction administration may be paid in full at the time the invoice is submitted.

  Clearance demolition does not include associated "construction administration" funds. The administrative duties for clearance demolition are considered to be covered by the amount allocated under general administration.

Housing Program Records: For a listing of record keeping requirements, refer to the Grantee Handbook, Section A, **Task A-16**, Record Keeping and Reporting. In addition to these items, housing grant recipients must also maintain a "Housing Status Report" which contains a status listing of all units slated for improvement as identified in the original LCDBG Application. A sample is provided as **Exhibit C-4**, and a copy of this completed report must be submitted with closeout documents.

Task C-3: Clearance Demolition

Sometimes a community will find a vacant house or structure that cannot be brought up to Section 8 standards within their Housing Policy guidelines because the unit is so deteriorated that rehabilitation is not feasible. The only practical solution becomes clearance demolition of the vacant substandard structure.

Demolition Policy: If clearance demolition is part of an LCDBG Program, a local Demolition Policy must be prepared, adopted and utilized by the Local Government. This document may be incorporated into the Housing Policy or may be configured as a stand-alone document. The Demolition Policy must include the following: (a) Provision for the inspection of the housing unit to determine the need for demolition, (b) Written conclusion of the inspection, (c) Written requirement for the mutual agreement between the Local Government and the owner of the property to be demolished or successful conclusion of condemnation procedures, (d) the requirement for a resolution or motion by the Local Government to initiate the demolition of each unit, (e) provision for testing for asbestos by a Department of Environmental Quality (DEQ) qualified inspector, (f) provision for asbestos abatement, if necessary, (g) any other applicable State, local, or federal laws pertaining to demolition and (h) provisions which are needed by the Local Government.

Ten-Step Procedure: If the Local Government wishes to demolish a structure under State Code R.S. 33:4761 provisions, a ten-step procedure is prescribed. A sample Notice for the demolition of Vacant Substandard Units is provided as **Exhibit C-15**. The ten-step procedure is as follows:

1. Have the unit inspected by a qualified building inspector and/or housing administrative consultant.
2. Have the building inspector and/or housing administrative consultant prepare a signed written report signed by him which recommends demolition or removal of the unit; this can be a Section 8 checklist and photograph.
3. The Local Government must serve notice on the owner, requiring him to show cause why the unit should not be condemned at a Local Governing Body meeting. This notice must be served by the Chief of Police, Sheriff, or Deputy Sheriff.
4. The serving officer must make a return of service. The serving officer should indicate in writing, often by completing a standard form, that notice was served.

5. If the owner does not live in the State or if the address of the owner is unknown, the Local Government has to appoint an attorney at law upon whom the notice can be served.
6. The notice to the attorney at law has to be filed with the Clerk of the Court.
7. A public hearing is held and at the conclusion, the Local Government must pass a resolution ordering condemnation of the building and that it be demolished and removed by a certain time.
8. There must be a five (5) day period in which the owner may appeal the written order of the Local Government.
9. If the owner does not voluntarily demolish the building, the Local Government can proceed with the demolition and removal.
10. Before demolishing the unit, the Chief Elected Official must serve notice on the owner or his agent and on the occupant or the attorney representing an absentee owner that states the date and time the demolition or removal work will begin.

Attorney's Fees: The fee of an attorney appointed to represent an absentee owner is an eligible cost of the demolition.

The Ten Step Procedure Abbreviated: Often the Local Government and the owner of a property agree to the demolition of a structure before the ten steps of the procedure under State Code are completed. In such cases, where there is mutual agreement between all parties regarding demolition, an abbreviated version of the Ten Step Procedure may be utilized but must contain at a minimum the following:

- Inspection of a property slated for clearance demolition
- Inspection report recommending clearance demolition and acceptance of the recommendations by the Local Government
- Owner's written approval for clearance demolition
- Resolution or passing of a motion for clearance demolition by the Local Government
- Preparation and execution of a contract between the Local Government and property owner for clearance demolition

Task C-4: Application Preparation to the Clearance of Contract Conditions

A chronology of events for particular phases of a Housing Program is shown in tabular form for each of the remaining tasks. Further explanation of requirements and events associated with each task are provided after each table. The chronology timing is measured in increments of months and is only an estimate. Actual grants will vary regarding timing of events. The chronology does provide a sense of the timing that may be involved for each event. In the tabular sample chronology, events having the same month number occur in the same month.

Chronology: **Task C-4**, Application Preparation to the Clearance of Contract Conditions		
Month	Event	Comments
1	Application workshop	Conducted once every two years, mid summer, to provide instruction on how to prepare an LCDBG application
1	First public notice	Advertises a public meeting time and place for citizen input on community needs
2	Procurement of consultant	To prepare an LCDBG housing application
2-6	Preparation of application	Establishment of target area(s) Surveys of each household Project description and cost estimate
6	Second public notice	Citizens are invited to view the LCDBG application prior to submittal
7	Submittal of LCDBG Application	By the Local Government to the Office of Community Development
8-12	Rating of LCDBG Application	
12	Grant Award	Authorization to Incur Costs letter sent to Local Government
13	Grantee Workshop	
13-17	Application Revisions, Additional Information and clearance of contract conditions	Community Development Plan First tier of environmental review Preparation of LCDBG Housing Policy
13-17	Preparation and adoption of a Demolition Policy	
17	Contract conditions cleared	

Grantee Workshop: Applicants which are successful in obtaining an LCDBG grant award become "Grantees". Grantees receive the award but release of LCDBG funds will come at a later date—after the clearance of all of contract conditions. In order to instruct the Grantee regarding the clearance of contract conditions and other facets of the implementation of the LCDBG Program a Grantee Workshop is conducted.

Application Revisions: Soon after the Grantee Workshop a letter is sent to the Local Government which may call for revisions to the original LCDBG Application and will call for the provision of additional information. The administrative consultant normally handles the preparation of these items on behalf of the Local Government. These items take time, effort, and expertise. The Grantee has six months from the date of the authorization to incur costs letter to provide all revisions and additional items requested in the application revisions letter.

Deadline for the Removal of Contract Conditions: The items called for in the letter requesting revisions will also be listed in the LCDBG contract which is sent to local governments for the initial signature of the Chief Elected Official. Therefore, when the Local Government provides all of the requested items it is said that the Local Government has met the requirements for the removal of contract conditions. Failure to meet the deadline for the removal of contract

conditions will result in a $250 per day penalty or penalties if items are not provided with due diligence and in a timely manner. Such penalties reduce the amount of the grant award.

Additional Items: For an LCDBG Housing Program the additional items called for in the application revisions letter will include the Preparation of a Community Development Plan as explained in **Exhibit A-34**, the first tier of an Environmental Review Record as explained in Section A, **Task A-2**, and the preparation of the Local Government's Housing Policy for the LCDBG Housing Program as explained in the next paragraphs. Grantees must begin work as soon as possible on the Environmental Review Record in order to meet the deadline for the removal of contract conditions. Work on the preparation of a Housing Policy should also begin at an early stage.

Housing Policy: The application revisions letter will call for the Local Government to prepare a Housing Policy to act as the guiding document for duration of the LCDBG Housing Program. The Housing Policy must be submitted to the Office of Community Development for review and approval. The Local Government must adopt the plan by resolution of the local governing body. A sample Housing Policy has been provided as **Exhibit C-1**. The sample policy is for a typical grant having the following improvement types: Reconstruction, rehabilitation and clearance demolition. The Housing Policy must include the following:

- Source of authority of the Local Government
- Objectives of the LCDBG Housing Program
- Program definitions
- Eligibility requirements
- Responsibilities and obligations of the Local Government
- Responsibilities and obligations of homeowner/recipients
- Applicant selection procedure
- Property Rehabilitation Standards
- Maximums, minimums and average costs
- Items pertaining to all improvement types
- Clearance demolition
- Reconstruction
- Rehabilitation
- Advertising bidding and awarding contracts
- Inspection, acceptance and closeout procedures
- Deferred payment loans and the five year lien period
- National Flood Insurance Program

Spot Rehababilitation and the Housing Policy: If spot rehabilitation is part of the LCDBG Housing Program the following items pertaining to spot rehabilitation must be included in the Local Government's Housing Policy:

- A definition of spot rehabilitation
- Mobile homes and modular housing are not eligible for spot rehabilitation.
- Sub-standard structures in need of demolition are not eligible for spot rehabilitation.

- The 75% rule applies to spot rehabilitation.
- Spot rehabilitation is to be accomplished concurrently with rehabilitation and reconstruction rather than being done toward the end of the project.
- Amounts unutilized from other grant activities may not be used to expand spot rehabilitation beyond that which was requested in original LCDBG Application.
- A description of the selection process for spot rehabilitation should be included.
- A minimum and maximum dollar amount per unit for spot rehabilitation must be established.

Demolition Policy: The Local Government must also prepare and adopt a Demolition Policy if the LCDBG Housing Program includes clearance demolition. However, this Demolition Policy does not have to be submitted to the Office of Community Development for review and approval prior to the release of LCDBG funds. The Office of Community Development will review the Demolition Policy and demolition actions implemented during an on-site monitoring visit at a later date.

Task C-5: Homeowner Application Soliciting and Screening

Chronology: **Task C-5**, Release of Funds to the Final Screening of Homeowner Applications		
Month	Event	Comments
18	Release of Funds, Transmittal of Fully Executed LCDBG Contract	
18	Contact of owner(s) of property slated for clearance demolition is made. The Local Government pursues the property owner's approval for demolition.	The property owner is encouraged to apply for clearance demolition.
18	Homeowner applications for housing improvements are solicited.	The solicitation is restricted to housing units and property located in the target area(s) and, or the defined area for spot rehabilitation..
19	Homeowner Application deadline passes	
20	Preliminary screening of homeowner applications	Those units which are not able to pass initial screening will not be tested for asbestos and/or lead paint.
20	A contract is entered between the Local Government and homeowner applicants for asbestos testing and/or lead paint testing.	The Local Government then has authority procure and contract with a testing firm.
20	Final screening and rating of homeowner Applications and applications for clearance demolition. The Local Government prepares a list of approved homeowner applications and rating points for each.	Applicants are informed, in writing, of the status of their homeowner Application whether approved or disapproved.

Release of Funds and Transmittal of the LCDBG Contract: After the return of the partially executed LCDBG contract, signed by the Chief Elected Official of the Local Government, the contract will be executed by the Louisiana Division of Administration. The fully executed contract will be held-up until all contract conditions are met. Upon the clearance of contract conditions, the Office of Community Development will send a letter to the Local Government releasing LCDBG funds and transmitting the LCDBG contract.

Upon release of LCDBG funds the Local Government may begin submitting Requests for Payment. Previously incurred eligible costs may be paid including costs for the services of an administrative consultant for work associated with the preparation of the application and the clearance of contract conditions. Activity at the homeowner level will also begin in earnest since the release of funds allows the Local Government to know that federal funds are committed and available.

Requests For Payment (RFP): Eligible amounts invoiced to the LCDBG Housing Program should be requested on the Request for Payment form.

- Amounts invoiced for reconstruction, rehabilitation and spot rehabilitation should be summed and entered on the "Rehabilitation Housing" row of the RFP form.
- Amounts invoiced for construction administration should be entered on the "Rehabilitation Administration" row of the RFP form.
- Amounts invoiced for clearance demolition should be entered on the "Clearance, Demolition" row of the RFP form.
- Amounts invoiced for Pre-agreement engineering and/or Pre-agreement administrative costs should be summed and entered under "Administration 1. Pre-agreement Costs".
- Amounts invoiced for general administration should be entered under "Administration 2. Public Facilities, Housing, and Economic Development".

Demolition Procedure Initiated: Contact is made (or attempted) with the owner(s) of property slated for clearance demolition in the original LCDBG Application. It is often preferable to establish a mutual agreement between the property owner and the Local Government by using an abbreviated Ten Step Procedure as described in **Task C-3**.

If mutual agreement for the demolition of a property cannot be reached, the use of the full Ten Step Procedure will be necessary.

Preparing the Homeowner Application Form: The Local Government must prepare an application form for use by homeowners. The application form must include items regarding the name, address, income level, proof of occupancy, statement of future intention of occupancy, proof of ownership or usufruct, notification regarding conditions that may occur during construction, notification of the five year lien period of a Deferred Payment Loan, and other information necessary to carry out the LCDBG Housing Program.

The homeowner application form should state that this document is an application for assistance and not an agreement for assistance. The form should indicate that a future contract for assistance may be entered into after applications are screened and rated. A copy of the Local

Government's LCDBG Housing Policy must be attached to each homeowner application form in order that they may review and become knowledgeable about the LCDBG Housing Program. Homeowners slated for rehabilitation in the LCDBG Application should also receive **Exhibit C-5**, Lead-Based Paint Information, along with the homeowner application form.

Soliciting Homeowner Applications: Until this point in time homeowners have not applied for assistance. The housing units in need of treatment were identified in the LCDBG Application which was submitted by the Local Government to the Office of Community Development for funding. Homeowners were interviewed and their homes were inspected to determine needs but homeowners have not actually applied for assistance. It is now the Local Government's responsibility to inform those whose housing units were identified as in need of treatment in the LCDBG Application of the opportunity to apply for assistance.

The Local Government may wish to prepare a brochure or information sheet describing the LCDBG Housing Program, eligibility requirements, homeowner information needed and actions which should be taken by homeowners who wish to apply for assistance. The brochure should identify the target area(s) or defined area of the LCDBG Application in order to avoid confusion among other citizens who do not reside in the target area. The Local Government must also make clear the deadline date for receiving complete homeowner applications. The brochure could be delivered by one or more methods, including but not limited to: hand delivery, mail delivery—preferably certified mail return receipt requested, and posting on a local public bulletin board.

One method that has been successfully utilized to solicit homeowner applications is the arrangement of a public meeting or appointment to inform homeowners about the LCDBG Housing Program and receive applications. The brochure mentioned in the previous paragraph is distributed. The time and place of the public meeting is listed in the brochure.

Whatever method(s) or combination of methods is chosen should be fairly applied. The Local Government must document the steps taken and retain the brochure and/or information sheet for review by any interested party.

Timely Complete Homeowner Applications: To be eligible, a homeowner must submit a complete application for funding to the Local Government by a deadline date. Applications which are incomplete as of the deadline may be considered the same as applications not submitted. An example of the deadline date could be nine months (or some other specified number of months) from the Authorization to Incur Costs date. The deadline should be specified on the homeowner application and may be specified in the Local Government's Housing Policy.

Initial Screening of Homeowner Applications: The Local Government must screen the homeowner applications to insure that applicants meet LCDBG Housing Program requirements. The meeting of eligibility requirements as discussed in Task C-1 must be determined.

Asbestos and Lead Testing: Testing for asbestos and lead is required. After initial screening the Local Government will know which housing units have potential to be included in the LCDBG Housing Program. The Local Government will, by this point is time, also know which property(ies) have the potential for clearance demolition.

DEQ Approved Inspection For Asbestos and Lead: A Louisiana Department of Environmental Quality (DEQ) approved inspector must be used for asbestos and lead-based paint testing. The "Asbestos and Lead" web page of DEQ will provide a path for locating a DEQ approved inspector. Go to: http://www.deq.louisiana.gov. Choose the "Asbestos and Lead" link on the left panel. The Asbestos and Lead page will have links, at the bottom of the page, which will lead to lists of DEQ approved inspectors for asbestos and lead-based paint. If there is any difficulty in finding this page call the Housing Program Manager in the Office of Community Development.

Asbestos Testing: Asbestos testing must be conducted only on units which have potential to be part of the LCDBG Housing Program. The following types of housing units or property(ies) must be tested for asbestos by a Louisiana Department of Environmental Quality (DEQ) approved inspector: reconstruction, rehabilitation, clearance demolition. Housing units slated for spot rehabilitation will have to be tested only if spot rehabilitation involves the sub-standard roof of a housing unit—which may have asbestos shingles—or if such testing is deemed to be warranted by other physical features found during inspection. The inspector's report will identify other materials found to obtain asbestos and indicate appropriate corrective action.

Lead-Based Paint Testing: Lead testing should be done only on units which have potential to be part of the LCDBG Housing Program. See **Exhibit C-5** for lead-based paint information. The following type of housing unit must be tested for Lead-Based Paint by a DEQ approved inspector—rehabilitation. Units slated for spot rehabilitation may be tested if conditions warrant such testing. In the event that lead based materials are found by the inspector, the inspector's report will indicate appropriate action.

Contract for Asbestos and/or Lead Testing: On all units which require asbestos and/or lead testing a contract between the Local Government and the homeowner/property owner is prepared and executed for the needed testing service(s). In order to reduce testing costs the agreement may be structured to make provisions for testing to be conducted on multiple units on the same day. This agreement gives the Local Government the authority to schedule testing on the selected day or days after making an appointment with the homeowner for such testing. The Local Government will then procure a testing firm, approved by DEQ, for the asbestos and/or lead testing. The Local Government may enter into a contract with the testing firm. Homeowners must make their units available for testing. Units which are determined to require testing must be tested. The homeowner's failure to accommodate reasonable efforts for testing may result in the determination that the homeowner application is ineligible.

At the time of the signing of the contract for testing to be conducted, applicants for rehabilitation must sign the notification, "Watch out For Lead-Based Paint Poisoning," which is part of **Exhibit C-5**. The Local Government must keep a copy of the signed notice as part of grant records.

Final Screening of Homeowner Applications: After asbestos and lead testing are complete and consequences of the testing are determined the final housing units and property(ies) that are potentially includable in the LCDBG Housing Program can be determined and the type of improvement for each of the units can be determined as well.

The final screening does not occur until after asbestos and lead-based paint testing because changes may occur due to results of the testing. Example: A housing unit scheduled for rehabilitation is discovered to have both asbestos and lead-based paint. It is determined that the unit cannot be rehabilitated within allowable amounts but needs to be slated for reconstruction.

Withdrawal of Homeowner Applications: A homeowner may withdraw his/her application for any reason prior to the execution of the construction contract. If a homeowner withdraws his/her application a memo to the file for that housing unit is to be prepared and signed by the homeowner showing the date of the notice and the effective date of the withdrawal. The file will remain inactive for 30 days from the effective date of the withdrawal after which it will be officially closed. The homeowner may, upon written request, reactivate his application during the 30 day period. After the 30 days have elapsed it will be necessary for the homeowner to reapply and be screened once again for eligibility. Those homeowners who withdraw do not retain their original position in the rating list (as discussed in the next paragraph) after withdrawal even though they change their mind about withdrawal and reactivate their application or reapply for assistance. Such an application must be sent to the bottom of the rating list.

Rating of Homeowner Applications: A rating system is necessary to establish a chronological order for the consideration of each homeowner application for rehabilitation or reconstruction. Homeowner applications from the target area that meet ownership, income, occupancy, etc., requirements will be assigned points. Grant recipients meeting all eligibility requirements will be selected and processed in numerical descending order of rating.

The application with the highest points will be considered for funding first, and so on. The bidding and award process will begin for the higher rated applications since it will be anticipated that enough LCDBG funds are available for completion of any associated contract that will be entered. After bids are received for higher rated applications and LCDBG funding for next in line applications is certain, the process of considering the next in line applications will continue until all eligible applications have been considered or LCDBG funds are depleted.

A sample rating system for complete applications (for rehabilitation or reconstruction) that have been approved for consideration for funding is as follows. Each household receives the specified point(s) for each qualifying category.

- Income (Moderate 1, Low 2, or Extremely Low 3) — 1, 2, or 3 points
- Elderly Head of Household — 1 point
- Elderly Occupant(s) (Other than Head of Household) — 1 point
- Handicapped Head of Household — 1 point
- Handicapped Occupant(s) (Other than Head of Household) — 1 point
- Disabled (Head of Household) — 1 point
- Other _____ — ___ point(s)

This is only a sample rating system. The Local Government may choose to revise the categories or the point assignments before the adoption of the Housing Policy.

Final Status Lists: After initial screening and testing for hazardous materials a "Final Status List" of eligible housing units and the rating score for each unit is prepared. The Final Status List will cover housing units slated for the following improvement types: reconstruction, rehabilitation and spot rehabilitation. The list should consider all improvement types in one comprehensive list with the highest scored unit at the top and the remainder of the units listed in decreasing order. If a housing unit required asbestos or lead testing the results of the testing should be indicated for each applicable housing unit. This housing unit Final Status List must be kept as part of grant records.

Additionally, a Final Status List of properties slated for clearance demolition is also prepared. This clearance demolition list does not provide a rating score for each property slated for clearance demolition but should indicate the status of each property slated for clearance demolition. The Final Status List for each unit will include whether: (a) negotiation is in progress, (b) negotiation is complete, (c) court action regarding condemnation is in progress or (d) court action is complete. Additionally, each status list should indicate results of asbestos testing for each unit. The clearance demolition status list must be kept as part of grant records.

Task C-6: Planning, Bidding

Chronology: **Task C-6**, Planning, Bidding		
Month	Event	Comments
20	Solicitation of bidders. At least one advertisement in the local "legal' newspaper is required.	
21	A Cost Estimate and Plans and Specifications or work write-ups are prepared or obtained by the Local Government.	Clearance demolition—Work write-up Reconstruction—Plans and specs Rehabilitation—Work write-up Spot rehabilitation—Work write-up
22	For reconstruction, rehabilitation and spot rehabilitation a homeowner approval form is prepared. The signing of this document, verifies that the homeowner approves of the processes involved in the Housing Program and responsibilities of all parties.	This is the first of three major work-related documents that a homeowner will be asked to sign. The Local Government's Housing Policy is referenced and attached to the approval form. Should the homeowner refuse to approve, the housing unit is removed from the project.
22	For clearance demolition a two way agreement is prepared and entered between the Local Government and owner(s) of the property.	The property owner agrees to the Local Government bidding and having discretion to enter into a contract with a demolition contractor for the clearance demolition of a structure.

22	Second Tier of Environmental Review	The Statutory Checklist Completion Form is completed
23	Preparation of bid and contract documents for housing units and clearance demolition units.	
23	Clearance demolition units are let for bids.	
23	The highest rated homeowner units are let for bids. (Round one)	

Solicitation of Bidders: Two methods are commonly used to solicit bids.

- **The Bid List Method:** The bid list method calls for the establishment of a list that contains contractors. When a housing unit is ready to let for bids the bid documents are sent to contractors on the bid list. The Local Government may solicit contractors by telephone, newspaper, personal visits to known contractors, etc.

  When using the bid list method at least one advertisement in the Local Government legal newspaper must be published soliciting contractors for units that will be let for bids at some future time. This advertisement should be made a part of grant records.

- **The Individual Unit Advertising Method:** This method requires that each housing unit (or multiple housing units let under one bid) to be advertised in a newspaper at least one time. Multiple advertisements per bid are not required. Those who respond to the advertisement are invited to obtain a set of bid documents at a specified location.

Bids Prepared for One Prime Contractor Per Housing Unit: Bid documents are to be prepared so that there is one prime contractor per housing or property unit except in cases where an asbestos contractor is called upon to remediate asbestos prior to the main bid on a homeowner's unit or property slated for clearance demolition. The objective of one prime contractor is to provide continuity from start to finish regarding construction activities.

Permits, Codes, Clean-up, and Warranty: The Local Government should also consider including provisions in the bid documents and contracts which require the contractor to:

- obtain and pay for all necessary permits and licenses
- perform all work in conformance with codes and requirements covered by the specifications and drawings
- remove all debris at the completion of work
- not assign the contract without written consent
- be paid for work completed and material installed—not for material stored on the job site
- warrant the work contract for one year from the final acceptance of work

Plans and Specifications: The Local Government, after consulting with the homeowner, will be responsible for obtaining professionally prepared home plans for each unit to be reconstructed. The cost of professionally prepared plans and specifications is an allowable LCDBG cost. If circumstances allow, the same plans may be used for more than one unit. Optionally, a given floor plan may be used on multiple units with, perhaps, different roofing constructions (Example: hip roof or a gable roof). Sometimes, each unit will require a unique set of plans. The homeowner must approve, by signature and date on the plans (or some other written method of approval). If approval between the Local Government and the homeowner is not reached, the unit must not be let for bidding.

Additional Considerations: Additional considerations regarding the preparation of bid documents and plans and specifications include the following:

- **Construction Materials:** The Local Government will prepare a list of construction materials and items which will be specified for use in the reconstruction of each housing unit. The firm which prepares the plans and specifications will be provided this list. The list of materials will be more detailed than those normally listed in professionally prepared house plans and specifications and must be presented to the homeowner for consideration at the time the professionally prepared house plans and specifications are presented. The list may include such items as:

    - Type of countertop for the cabinets
    - Type and quality of windows
    - Flooring type and quality
    - Paint type(s) and quality
    - Appliance types
    - Types of energy for each appliance (gas or electric)
    - Light fixture types
    - Faucet types and quality
    - Bathroom fixture types and quality

- **Bedrooms, Bathrooms, and Square Feet:** Two or three bedroom homes may be chosen (even if there is only one occupant in the home) and will be restricted to an area of no more than 1,000 square feet of heated/cooled area. A one bedroom home will not be an option. The two or three bedroom units will have only one bathroom.

  A home which has more than three bedrooms, normally a four bedroom home, may be chosen if one of the following conditions apply.

a) The number of persons in the household multiplied by 150 square feet per person exceeds the 1,000 square feet allowed for two and three bedroom homes. "Number of persons" as used in the previous sentence will mean the lessor of:

- the number of persons who were listed in the LCDBG application or,
- the number of persons now living in the household or
- the number persons planning to reside in the household after construction is complete.

b) More than three bedrooms are needed so that minor children of different sexes and/or adults of different families can have separate bedrooms.

The maximum square feet allowed for a home that exceeds three bedrooms will be determined by multiplying the number of occupants by 150 square feet per person. A four bedroom unit may have up to two bathrooms.

- **Porches, Garages, Screen Doors:** The plans and specifications may include porches, up to 150 square feet. A carport or garage is not allowable with LCDBG funds even if the original substandard housing unit had an attached carport or garage. Screen doors/storm doors are not an allowable LCDBG expense.
- **Appliances:** The plans and specifications will indicate the following requirements for appliances. Two fire alarms are required and must be hard-wired with battery back-ups. A new water heater and central heating and air conditioning system are required. Costs for the refrigerators and range/ovens are allowable under the LCDBG Program.

  Allowable appliances, when purchased for reconstruction (by the contractor—not the homeowner) must be economy models. For example, the standard baked enamel "no frills" refrigerator with the freezer on top or bottom must be chosen rather than the more expensive stainless steel side by side units. However, a homeowner may choose an existing appliance, such as a favorite refrigerator that is in operation in the substandard housing unit, if the homeowner agrees to remove, store, and reinstall the appliance.

  Costs for the following are not allowable under the LCDBG Program: dishwashers, washers, dryers, and ceiling fans.

The Work Write-up and Cost Estimate for Rehabilitation and Spot Rehabilitation: The Local Government, after consulting with the homeowner, will be responsible for preparing a work write-up for each unit slated for rehabilitation or spot rehabilitation. An inspection of the property should be conducted to determine the type and cost of work necessary to bring the property into compliance with Section 8 standards. (See **Task C-2** for more details about HUD's Section 8 Standards.) The work write-up should be designed so that it can form the basis of bid specifications. The work write-up should specify all the work that must be done to bring the housing unit up to Section 8 Standards.

These write-ups are usually done on a room-by-room basis. See **Exhibit C-8** for a sample of a work write-up. Some communities with experienced staff have blank forms the inspector fills in as he/she inspects the unit. If your staff is very inexperienced, you may need to adopt very detailed check-off forms which list virtually every possible deficiency. The inspector checks for each one and specifies action needed to remedy the problem. Your inspector should certify by signature on the work write-up that the specified repairs will be adequate to bring the unit up to minimum Section 8 Standards, and the homeowner should sign each page of the work write-up.

When preparing the work write-up the Local Government should note the following requirements:

- **Space Heaters:** Unvented fuel burning space heaters violate Section 8 Standards and must be replaced during rehabilitation. If the unvented heater is fueled by gas, the gas line must be capped below the floor and permanently sealed. The unvented fuel burning space heater must be removed from the premises by the contractor and destroyed.
- **Outbuildings:** Attached outbuildings are eligible for rehabilitation if the outbuilding shares a common wall with the structure to be rehabilitated. Many garages and covered walkways are examples of attached buildings. Unattached outbuildings, buildings which do not share a common wall, must not be rehabilitated with LCDBG funds. They may, however, be demolished with LCDBG funds. If an outbuilding is deemed to be in very bad condition demolition may be required. If the local government determines that demolition is necessary the homeowner must agree, in writing, to the demolition.
- **Yard Conditions:** Debris and junk vehicles must be removed from the premises. If the local government determines that debris and/or a junk vehicle(s) is (are) on the premises the homeowner must agree, in writing, that the offending item(s) is (are) to be removed. Specifics that must be agreed upon include who will be responsible to remove the offending items and the timetable for the removal.
- **Flood Insurance Costs:** If the unit to be rehabilitated is within a designated flood zone then flood insurance must be purchased at the time of completion of the unit. Flood insurance, normally purchased for one year, is an eligible LCDBG cost. The cost of the insurance should be included in the work write-up for each applicable unit. The Local Government must purchase flood insurance for the first year.
- **Minimum Rehabilitation Amount:** The Office of Community Development considers that a unit slated for rehabilitation should have at a minimum of $8,000 worth of repairs conducted on it. Any deviation from this must have prior approval from this office. There is a possibility that a unit that has less than $8,000 worth of estimated repair cost may be considered for spot rehabilitation instead of rehabilitation.

Preparation of the Cost Estimate: Once the work write-up has been prepared, the cost of the material and labor has to be estimated. The cost estimate is necessary to know whether or not the work can be done within the allowable amounts as established in the Local Government's Housing Policy and to have a standard against which to judge bid responses. The person preparing cost estimates should be familiar with the current cost of building materials and labor

in the community and be able to estimate the cost required to complete each task. **Exhibit C-8** is a sample work write-up and cost estimate.

The Work Write-up and Cost Estimate for Clearance Demolition: The Local Government will be responsible for preparing a write-up and cost estimate for each property slated for clearance demolition. The work write-up is to be utilized in the bidding process.

Homeowner Approval Form for Reconstruction, Rehabilitation and Spot Rehabilitation: The Local Government must prepare a "Homeowner Approval" form which will serve as evidence of the homeowner's approval of the processes involved in the LCDBG Housing Program and evidence of the homeowner's intention to participate. The following items or statements will be part of the Homeowner Approval form:

- Name of the homeowner, address, and date
- Description of the work to be performed on the particular housing unit as well as any debris removal from the premises
- Affirmation by the homeowner that he or she has reviewed and accepts the plans and specifications or the work-write-up
- Affirmation by the homeowner that he or she has reviewed and accepts the processes stated in the Local Government's Housing Policy. (The Housing Policy was to have been attached to the homeowner Application)
- Description of any hardships that may occur due to steps in the process. (To include the need for any temporary relocation)
- Affirmation by the homeowner that he or she intends to participate in the LCDBG Housing Program by giving consent for the Local Government to let the housing unit for bids
- Affirmation by the homeowner that occupancy information, ownership information, and household income at stated on the homeowner Application is still valid
- Affirmation by the homeowner the he or she understands the Deferred Payment Loan which is explained in the Local Government's Housing Policy
- A statement indicating that the homeowner understands that this document is not a contract for construction. This document only indicates the approval for the Local Government to begin the bidding process. Before construction can begin the homeowner will sign a construction contract that will be a three way agreement between the Local Government, the homeowner, and the construction contractor.
- Other provisions
- Signature of the homeowner and date of the signature

The Local Government should review the Housing Policy and proposed construction with the homeowner to insure that the homeowner understands exactly what he or she is approving. It is necessary for all parties to clearly understand their responsibilities.

If the homeowner does not sign (for any reason, including unavailability) or refuses to sign the homeowner Approval form, the Local Government must not proceed with the bidding process. In that event the Local Government must document the efforts made to obtain approval and reasons that approval was not obtained.

Agreement for the Local Government to Bid and Award for Clearance Demolition: In cases where demolition is by mutual agreement the Local Government will prepare a two way contract between each property owner having property slated for clearance demolition and the Local Government. The Local Government and each property owner will be called upon to enter into an agreement that will allow the Local Government to begin the bidding process, award a demolition contract, and enter into a demolition contract. Unless otherwise specified, the contract for the demolition of a property, when awarded at a future point in time, will be between the Local Government and the demolition contractor.

Environmental Review—Second Tier: The second tier of environmental review must be completed. Since specific housing units and properties which will be improved are now known, the "Statutory Checklist Completion Form", **Exhibit A-11**, must be completed and sent to the Office of Community Development.

Preparation of Bid and Contract Documents: The Local Government prepares a bid and contract documents package that may be sent to or obtained by bidders. A sample package for rehabilitation is provided as **Exhibit C-10**. The package, to be prepared by the Local Government, must include the following:

- Date, time and place of bid opening
- A work-write up or plans and specifications
- Additional considerations, such as a list of construction material type and quality
- A copy of a blank contract to be executed at a later date. (The Local Government should prepare, if necessary, contracts specific to each type of improvement. For instance if the LCDBG Housing Program has all four types of improvements, reconstruction, rehabilitation, spot rehabilitation and clearance demolition, then four different contracts may be prepared which are tailored to the needs of the respective type of improvement. If the bid document is being prepared for a unit slated for reconstruction then the appropriate contract to put in the bid package is the one tailored for reconstruction.)
- Section 3 Certification of the Selected Bidder form
- Special Equal Opportunity Provisions and other federal provisions that are referenced in the blank contract. These items, although in the form of a separate document, become part of the contract by being referenced on the face of the contract.

The Special Equal Opportunity Provisions and other federal provisions must include the following: Title VI Clause, E.O. 11246 Standard Clause, Section 109 clause, Section 3 clause, Segregated Facilities clause, Lead-based Paint clause, Fire Administration Authorization Act of 1992, Access to Records clause, and Conflict of Interest clause.

Davis Bacon Not Normally Applicable: Davis-Bacon does not normally apply to the LCDBG Housing Program because eight or more housing units are not usually let under one contract.

Clearance Demolition Properties are Let for Bidding: Properties slated for clearance demolition which are covered by mutual agreement between the property owner and the Local Government or which have been cleared for demolition by court action may be let for bidding. Those which are still in the court process or which are awaiting documentation of mutual agreement may not be let for bidding until mutual agreement or court order occurs.

Homeowner Units are let for Bidding: The Local Government must have an executed homeowner Approval form for units slated for reconstruction, rehabilitation and spot rehabilitation before letting the unit for bidding. The highest rated among the units which have homeowner approval should be let for bidding first. Often the bidding will be done in rounds with higher rated units bid in the first round and lesser rated units bid in successive rounds of bidding. It is often difficult to bid all units at one time. Even though some bids may be let at the same point in time, each housing unit will normally have a separate bid document, and upon successful award, a separate contract. In the unusual event of more than one unit being let under a bid, the final construction contract should reference supplemental conditions containing details specific to each housing unit.

Homeowner Ineligibility: Homeowners will be ineligible to bid on the rehabilitation or reconstruction of their own residence.

Task C-7: Contracting

Chronology: **Task C-7**, Contracting		
Month	Event	Comments
24	Bids are opened and tabulated.	
24	Units which have bids that exceed the maximum allowable must not be awarded a contract Proceed to the next housing units on the rating list	
24	Eligibility of contractors and whether they are responsible is determined. The lowest eligible responsive and responsible bid is selected	The Office of Community Development will check the federal database to make sure that the contractor is not debarred
24	Award, by the Local Government, of contract(s) for clearance demolition. Execution of the contract	The contract for clearance demolition is between the Local Government and the construction contractor. (Two way agreement)
24	Award, by the Local Government, of construction contracts for the first round of bidding on homeowner units	

24	A three way contract for each unit is entered for reconstruction rehabilitation, and/or spot rehabilitation. The three parties are: (a) The Local Government (b) The Homeowner and (c) The Contractor	The homeowner is called upon to sign the second of three work-related documents—the construction contract. This contract should include all items which need understanding between all three parties
Often there will be more than one round of bidding. The higher rated units are bid in the first round and lower rated units are bid in a later round(s). Construction does not have to be finished on units that were in the first round of bidding before the second round of bidding begins. The next round of bidding can be initiated by the Local Government as soon as conditions become favorable.		

Bid Opening and Tabulation for Clearance Demolition Units: The Local Government opens and tabulates bids for properties slated for clearance demolition at the appointed time and place that was specified during the solicitation for bids.

Bid Opening and Tabulation for Homeowner Units: The Local Government opens and tabulates bids for properties slated for reconstruction, rehabilitation and spot rehabilitation at the appointed time and place that was specified during the solicitation for bids.

Bid and Contractor Eligibility: The bid and the bidding firm must be examined for eligibility and responsibility. The following items are factors which determine eligibility and/or status of being responsible.

- **Licensing Requirements:** All work to be performed under this program will comply with the Louisiana Public Bid Law and federal regulations. The Louisiana Public Bid Law requires that contractors who submit a bid of $50,000 or more for construction must be licensed. These are State requirements as defined in R.S. 37:2150-2175. Relevant excerpts are included as **Exhibit C-9**. (Exceptions to the contract requirement law are also provided in this exhibit.) The contractor's license/registration number (if applicable) must be provided with all bids. Verification of the contractor's license/registration is required to be conducted by the Local Government prior to execution of the individual contract.

- **Insurance Requirements:** Contractors will be required to have General Liability insurance coverage and Worker's Compensation insurance coverage. Proof of coverage will be required as part of the bid response from the contractor. The Local Government is to verify insurance coverage.

- **Verification of Contractor Eligibility:** A Verification of Contractor Eligibility form must be sent to the Office of Community Development prior to contract award. The Office of Community Development will check to make sure the contractor is not debarred at the federal level. This form will be signed by a staff-person in the Office of Community Development and returned, by fax, to the Local Government. An approved Verification of Contractor Eligibility form is a required document in the LCDBG Program before a contract can be awarded. See **Exhibit B-6**, for the forms and

instructions. If you expect to be using the same contractors repeatedly by the establishment of a bid list, you may wish to send a list of those contractors to be cleared at the beginning of your program; this clearance is valid for the duration of the LCDBG Housing Program.

- **Child Support Payments:** The Louisiana Department of Social Services (DSS) must also be contacted to determine if the contractor is delinquent in child support payments (if applicable). A memo or letter must be included in each homeowner's application file verifying that DSS has been contacted and that the contractor is not delinquent in child support payments for each project. If delinquent in child support payments, a contractor must become current or be certified as current by DSS prior to becoming eligible to work in the LCDBG Housing Program.
- **Criminal Misconduct:** It is important to note that under the current LCDBG Program consultants, contractors or inspectors who have been indicted for any criminal misconduct involving work performed on any Community Development Block Grant Program, within or outside of the State of Louisiana, may not participate in the Louisiana Community Development Block Grant Program. This ban on participation will remain in effect until or unless the legal charges against such persons have been resolved in their favor, either through dismissal or a finding of innocence. Those individuals whose indictments result in convictions will be permanently barred from participation in the LCDBG Program.

- **Responsive and Responsible Bid:** The minimum qualifications for a contractor to be awarded a project are that the contractor (and his subcontractors) has proper licenses, insurance coverage and submits the lowest responsive and responsible bid. If a contractor's bid is more than twenty percent below the cost estimate, or in excess of the maximum allowable, it may be considered as non-responsive. Other reasons to deny a contract to the low bidder may include the following items which indicate a lack of being responsible:
    - outstanding invoices/bills due to subcontractors or suppliers;
    - failure by the contractor to meet warranty obligations on previous jobs;
    - failure by the contractor to complete the bid proposal correctly and submit necessary forms or a bid bond with the bid proposal;
    - evidence that liens have been filed on the contractor within the last two years;
    - a backlog of uncompleted rehabilitation or replacement units in the locality or other communities;
    - contractor not having the financial capacity to undertake this project;
    - contractor not cleared by the Office of Community Development;
    - reports of poor performance and/or poor workmanship quality on other projects.

Contract Award and Execution for Clearance Demolition: The Local Government makes a contract award for eligible bids for units slated for clearance demolition. The lowest responsive and responsible bidder gets the award for each respective unit. The Local Government enters into an agreement with the winning bidder(s) for the demolition of each structure.

Contract Award for Homeowner Units: The Local Government makes a contract award for eligible bids for units slated for reconstruction, rehabilitation or spot rehabilitation. Bids that are not within allowable amounts as established in the Local Government's Housing Policy are not eligible. The lowest responsive and responsible eligible bidder gets the award for each respective unit.

Parties to the Contract for Reconstruction, Rehabilitation or Spot Rehabilitation: The contract will be between the homeowner and the contractor with the Local Government being a third party to the contract. The Local Government will act formally as the homeowner's agent. The contract must include, by reference, all of the federal requirements listed in **Task C-6**.

A work write-up prepared by the Local Government should be attached to the contract for rehabilitation and clearance demolition units and the plans and specifications should be referenced in the contract (for reconstruction units). The homeowner normally executes the three-way construction contract first. After the homeowner executes the contract the Local Government and the construction contractor will execute the contract.

A two party contract for construction between the homeowner and the construction contractor with the Local Government acting as the homeowner's agent has also been successfully utilized in the LCDBG Housing Program. The Office of Community Development does not object to the use of the two party contract with the Local Government as the agent of the homeowner.

Second Round of Bidding for Homeowner Units: The Local Government may need to wait for construction progress on the units that have been awarded before letting the second round of bids. The second round, if applicable, of bids can be let when conditions favor such action. Then, if applicable, the third round—and so forth until all eligible units are complete or LCDBG funds are depleted. A contract for construction must not be awarded if there are insufficient LCDBG funds for the entire amount of the construction contract.

Procedures for Bids that Exceed the Maximum Allowable: A selected housing unit for which bids come in higher than the maximum allowable must not be awarded a contract. The remainder of approved units must be let for bids. After all approved housing units have been let for bids and awards made to units which were within allowable amounts as established by the Housing Policy, those units which were too expensive may be considered again. The Local Government may (a) bid out the more expensive units once more in hopes of obtaining a lower bid and/or (b) may revise the Housing Policy regarding maximum allowable amounts and submit the revised Housing Policy to the Office of Community Development for approval. All contract awards must be contingent on the availability of LCDBG funds. A unit that is not with the maximum allowable or that has insufficient LCDBG funding will not be an obligation of the Local Government for inclusion in the LCDBG project.

Task C-8 Construction

Chronology: **Task C-8**, Construction		
Month	Event	Comments
24	Notice to Proceed for clearance demolition Work begins	
25	Pre-construction conference for reconstruction, rehabilitation and spot rehabilitation	
25	Homeowner prepares for the forthcoming construction activity	
25-28	Notice to Proceed for reconstruction, rehabilitation, and/or spot rehabilitation	
25+	The Local Government will perform inspections, approve invoices, prepare Requests for Payment and disburse payment.	
28	Notice of Substantial Completion	This legal notice is filed at the Clerk of Court's office when construction is substantially complete
28	Development of a punch list by the Local Government	Items that are incomplete or not acceptable and minor things not completed are recorded on the punch list
28	Contractor addresses items on the punch list	
29	Notice of Acceptance of Work will be signed by the Local Government and the homeowner	For reconstruction, rehabilitation and spot rehabilitation this is the third major work-related document the homeowner will be called upon to sign. For clearance demolition the Local Government will sign the Notice of Acceptance of Work
29	For reconstruction and rehabilitation the Deferred Payment Loan lien is filed at the Clerk of Court	
29	Homeowners who were temporarily relocated move back home	
30	Clear Lien	
30	Payment of retainage to contractor	

Notice to Proceed Issued for Clearance Demolition: The Local Government issues a Notice to Proceed for units which were awarded clearance demolition contracts.

Preconstruction Conference: A pre-construction conference should be conducted with all three parties present. The Local Government should insure that all parties understand their responsibilities. The timing of the beginning of construction activity is discussed.

Homeowner Preparation for Reconstruction, Rehabilitation or Spot Rehabilitation: The Local Government will notify each homeowner of preparations and actions which are needed to fulfill the homeowner's responsibility. This notification may have been delivered at the pre-construction conference. Homeowner responsibilities at this point in time will include the following:

- Removal of debris, equipment, automobiles, tree limbs, etc., from the lot/property prior to the beginning of the reconstruction, rehabilitation or spot rehabilitation.

- Prior to rehabilitation or spot rehabilitation, the homeowner must: (a) clean the interior, (b) remove pictures from any affected wall, (c) place breakables in a secure location and (d) secure valuables of any housing units that will be rehabilitated.

Temporary and Voluntary Displacement--Reconstruction: During reconstruction and occasionally during rehabilitation the homeowner may voluntarily agree to move to another dwelling place during the construction phase of the LCDBG Program.

The Local Government may write its Housing Policy to allow rental assistance or to not allow rental assistance.

The Office of Community Development recommends the following homeowner responsibilities as part of the Local Government Housing policy for all units awarded for reconstruction:

- The homeowner must be responsible for the removal of all belongings, furniture, possessions, etc. from the unit. Out of pocket moving expenses are allowable costs under the LCDBG Program. Storage space for the duration of construction is an allowable LCDBG cost.

- The homeowner will be responsible to find, and if necessary pay for, temporary housing for themselves and all of the residents of the existing unit during construction. Such accommodations must meet Section 8 standards or the homeowner must sign a waiver releasing the Local Government from liability arising from temporary substandard housing.

Relocation that Exceeds One Year: Any residential tenant who has been temporarily relocated for a period beyond one year must be contacted by the Local Government and offered permanent relocation assistance which is an eligible LCDBG cost. The Local Government will be responsible to try to avoid this situation and report the potential for any temporary relocation to exceed twelve months prior to the ending of the twelve month period.

For rehabilitation or reconstruction where the homeowner must vacate their unit while construction occurs, the Local Government must inspect the temporary living facility for Section

8 violations. The displaced persons must be advised as to whether they are moving into a standard or sub-standard unit and a signed statement acknowledging this fact must be maintained in the applicable housing unit file.

Notice to Proceed is Issued for Reconstruction, Rehabilitation, and/or Spot Rehabilitation: The Local Government issues a Notice to Proceed to the construction contractor.

The Local Government's Responsibilities During Construction:

- **Inspections:** Make periodic inspections of work as it progresses and provide documentation including dates, name of inspector, work description, estimated percentage of completion, difficulties encountered, etc.
- **Termination of the Contract:** If serious deficiencies are identified through inspection, the Local Government can terminate the contract, compute the cost of the completed satisfactory work and pay the contractor. The Local Government can then solicit another contractor to complete the work.
- **Invoice Approval, Requests for Payment, Disbursements of Checks:** The Local Government must review each invoice and initial and date each one which is approved. At an appropriate time the Local Government will prepare Requests for Payment and attach the approved invoices to the respective Request for Payment. The request is then sent to the Office of Community Development for processing. The Office of Community Development will review invoices as well as the Request For Payment form. Upon approval by the Office of Community Development funds will be electronically transferred to the Local Government LCDBG checking account. The Local Government will then prepare and disburse checks as necessary for approved progress payments. The Local Government may submit up to three Requests For Payment per month.
- **Arbitrate Disputes:** The Local Government will arbitrate disputes and/or complaints involving the contractor and/or homeowner regarding construction.
- **Change Orders:** The Local Government will prepare change orders, and obtain necessary signatures of the homeowner and the contractor. If there is any doubt as to whether the cost of the change order will be an eligible cost of the LCDBG Housing Program, the Local Government should consult with the LCDBG Housing Program Manager prior to executing the change order. Change orders that are executed and for which work has been initiated or completed must be sent with the next Request for Payment. Toward the end of the project any change orders that have not been previously sent must be sent along with other close-out documents.

The Local Government's Responsibilities As Construction Nears Completion:

- **Final Inspection:** Make an inspection of the work that should be complete, insure that all items on the original work write-up or plans and specifications and any change orders are satisfactory, complete an inspection checklist, advise contractors of any incomplete or unacceptable items. If necessary, provide a "punch list" to the contractor which specifies work items that need further attention. Make a final inspection.

- **Warranties:** Obtain a guarantee of work, manufacturer's warranty and supplier warranties from the contractor or other appropriate source(s). A copy should be made for retention by the Local Government in the grant files with the original to be given to the homeowner.
- **Notice of Acceptance of Work:** The Local Government must sign the Notice of Acceptance of Work based on a final inspection that indicates that the work contracted has been properly completed. The homeowner may sign the Notice of Acceptance of Work. Upon completion of execution, the Notice is to be filed with the Clerk of Court (See **Exhibit C-11**).
- **Substantial Completion:** Insure that the Certificate of Substantial Completion is filed with the Clerk of Court. Since this will normally be done by the contractor the Local Government may be notified by receiving a copy of the certificate as provided by the contractor. The date on which the Certificate of Substantial Completion is filed will be the starting point of the 45 day lien period.

  The Certificate of Substantial Completion is a document that indicates that a structure can be used for the intended purpose. If the homeowner had to relocate during construction the Local Government may authorize the homeowner to move in after the Certificate of Substantial Completion has been filed at the courthouse.
- **Deferred Payment Loan Lien:** The Local Government must file a five year deferred payment loan lien for reconstruction and rehabilitation for units that have attained a Certificate of Substantial Completion.
- **Retainage:** Following the 45 day lien period, obtain the contractor's final invoice and Clear Lien Certificate from the Clerk of Court. Upon the obtaining of the Clear Lien Certificate retainage due to the contractor(s) may be paid.

Task C-9 Physical Accessibility

The Physical Accessibility program is a relatively new program designed to provide improvements, such as wheelchair ramps, user friendly plumbing fixtures, lever action doorknobs, grab-bars, etc., for handicapped persons who reside in residential housing units. The Physical Accessibility program is a separate and distinct program from the Housing program; however, many of the features of the Physical Accessibility program are the same as for the Housing program. Task C-9 discusses requirements of the Physical Accessibility program and the similarities and differences between the Housing program and Physical Accessibility program.

- **Eligibility** The improvements must benefit low to moderate income households. Single and multi-family residential “stick-built” housing units are eligible. A housing unit must be deemed to be structurally sound enough to last the expected life of the improvements. Mobile homes and modular homes are not eligible. Both owner-occupied and rental units are eligible but half of the cost of improvements of any rental unit must be paid by the

landlord. Other restrictions for rental units will apply and were listed in the Physical Accessibility application package. Proof of ownership or usufruct must be obtained for owner-occupied units and proof of the landlord's ownership must be obtained for rental units.

- **Deferred Payment Loan Lien** In contrast to the Housing program, the Physical Accessibility program does not require the recording of a five year deferred payment loan lien. (For clarification of the term "deferred payment loan" and the lien associated with the loan see **Exhibit C-1**, Section XVI).

- **Housing Policy of the Local Government** Local governments which receive funding under the Accessibility program must prepare or revise a "Housing Rehabilitation Policy" before any advertisements or individual household surveys are initiated. A sample Housing Rehabilitation Policy (that does not contain Accessibility items) is available as Exhibit C-1. Such a policy may have been prepared by the applicant under a previous housing grant. Whether writing a new policy or simply updating an existing policy, program guidelines for the Physical Accessibility program must be incorporated into the policy. The following should be included:

  - Description of the method which will be used to inform the public of the availability of accessibility improvements in the target area—whether by brochure, advertisement, placement of signs, etc.

  - Description of types of accessibility improvements that are eligible.

  - Minimum and maximum dollar amounts per each home that will receive treatment.

  - Description of the type of household units eligible for accessibility treatment—especially concerning structural soundness test and the 75% rule.

  - Definition of qualified applicants—LMI households with accessibility needs.

  - Requirements, if any, regarding a medical opinion or other proof of disability.

  - Restriction(s) regarding expected duration of disability.

  - Description of a deadline for the receipt of homeowner applications and any extra information associated with the application. For example, the local government may specify that homeowner applications and all additional information needed for consideration must be received no later than 12 months after the authorization to incur costs date.

- Description of the rating/selection process that will be used by the local government to determine which homes are selected for inclusion in the Accessibility application. Factors could include but are not limited to the following: age, expected duration of disability, type of disability, or even a rating on a first come—first serve basis.

- **Section 8 Requirements** Housing units under the Physical Accessibility program are not required to be brought up to Section 8 Housing Quality Standards. The Physical Accessibility program applies only to those improvements pertaining to remedying problems of accessibility that handicapped persons may incur. Example: A wheelchair ramp and porch landing could be installed for a housing unit without having to address windows in that same housing unit that do not meet Section 8 standards.

- **Asbestos and Lead Testing** Under the Physical Accessibility program housing units should be tested for asbestos or lead only when conditions warrant. For example, if a handicapped ramp is being installed to the exterior side of an entry door the need for asbestos testing or lead testing would be rare. In contrast, if the installation of a handicapped shower stall requires the removal of material suspected of containing lead or asbestos prior to installation, then testing would be warranted. If testing is deemed to be necessary, such testing should be done prior to the bidding process. For additional information see **Task C-5**.

- **Housing Program Requirements Applicable to Physical Accessibility Grants** Tasks C-1 through C-8, although written for the Housing program, contain many elements that are required under the Physical Accessibility program. Some of the differences between the two programs have been discussed above, beginning at **Task C-9**. All other items should be considered the same for both Housing and Physical Accessibility programs unless it would not be feasible.

  For example: Task C-6 discusses the allowable number of "Bedrooms, Bathrooms, and Square Feet" for housing units that will be demolished and reconstructed. Since the Physical Accessibility program does not include the demolition and reconstruction of housing units, these requirements would not apply to the Physical Accessibility program.

- Basically, the chronology of the Physical Accessibility program is the same as for the Housing program. Chronological similarities include:
  - The preparation of the LCDBG application to the clearance of contract conditions as discussed in Task C-4.
  - Solicitation and screening of homeowner applications as discussed in Task C-5.
  - Planning and bidding as discussed in Task C-6. Note that the comments under the heading "Environmental Review—Second Tier" is also applicable to the Physical Accessibility program.
  - Contracting as discussed in Task C-7.
  - Construction as discussed in Task C-8.

The Housing Program Manager at the Office of Community Development will be able to assist those who have questions regarding the Housing program or the Physical Accessibility program at (225) 342-7412.

C-1

Name of Local Government: _____

(This document is only a sample. Each Local Government may choose to modify parts of this document or may create their own. However, the Office of Community Development must review each policy prior to the release of LCDBG funds to insure that it has the (a) basic elements required and that (b) all included elements are acceptable. If this document is utilized please delete this explanatory paragraph from the final document.)

I. Authority

The Local Government under authority of the Housing and Community Development Act of 1974, as amended, has been allocated funds in the FY _____ Louisiana Community Development Block Grant (LCDBG) Housing Program. Funds are provided to the State's Office of Community Development through the U.S. Department of Housing and Urban Development (HUD). The Local Government's LCDBG application for funding identified a target area for housing improvements. A map outlining the target area is available for review at _____.

This LCDBG Program Housing Policy was adopted by the Local Government on _____.

II. Objectives

Objectives of the LCDBG Housing Program are the elimination of slum/blight and benefit low to moderate income (LMI) households. The slum/blight objective is accomplished by the demolition of vacant substandard housing units that are determined to be in need of demolition. The LMI objective is accomplished by the repair of existing substandard housing units and the demolition and reconstruction of substandard housing units. Improvements under the LCDBG program may include the following:

(a) Clearance demolition—demolition of vacant substandard housing units
(b) Reconstruction—demolition and reconstruction of substandard housing units
(c) Rehabilitation—Repair of existing substandard housing units

III. Definitions

Program Participants

1. Applicant: The homeowner who applies to the Local Government for assistance. Some applicants, due to income requirements or other program requirements, may not be eligible for assistance.

2. Homeowner Application: The application of the homeowner to the Local Government for funding.

3. Consultant: Professional housing program administrator employed by the Local Government.

4. Local Government: The legal entity applying for LCDBG funding which will be one of the following types of government: (a) City (b) Town (c) Village or (d) Parish.

5. Louisiana Community Development Block Grant (LCDBG) Housing Program: The federally funded (HUD) housing program administered by the Office of Community Development of the State of Louisiana. It may be referred to as Program, LCDBG Program, or Housing Program.

6. Responsible Bidder: Bidder that meets qualifications established by the Local Government including general liability insurance coverage, workmen's compensation insurance coverage, competence, integrity, acceptable past performance on construction projects, contractor clearance by the Office of Community Development, and, if applicable, proof of licensing.

7. Responsive Bidder: Bidder that responds in a timely manner with complete and accurate bid documents to a solicitation by the Local Government for a bid. Additionally, a bidder that does not exceed the maximum (or minimum) amount allowed per unit as established by this Housing Policy, in Section IX, is considered responsive.

Program Terminology

1. Assistance: Funding for housing improvements which has many characteristics of a grant but is technically a "Deferred Payment Loan".

2. Clearance Demolition: The removal of vacant substandard housing units or other nuisance structures in residential areas with no replacement of the demolished unit.

3. Deferred Payment Loan: The type of assistance the homeowner receives for housing improvements is called a "Deferred Payment Loan". At substantial completion of the housing unit, a five year lien against the property is filed with the parish Clerk of Court. The loan balance will be forgiven if the homeowner or a member of the homeowner's immediate family occupies the unit for at least five years. After the lien period is complete the homeowner is free from the encumbrance.

4. Elderly Household: A household headed by a person over 62 years of age.

5. Handicapped Household: A household headed by a person with a disability or handicap (as defined in Section 3 of the U. S. Housing Act of 1937, as amended).

6. LCDBG Application: The original application of the Local Government to the Office of Community Development for funding.

7. Low and Moderate Income (LMI): Household Income levels, established by HUD, which is no more than 80% of the median household income for the Parish.

8. Owner Occupied Unit: A housing unit owned and occupied by the owner for a minimum of 6 months before the submittal of the LCDBG application and still occupied by the owner at the time of the homeowner application. The homeowner must intend to continue to occupy the premises after construction is complete.

9. Property Rehabilitation Standards: The standards adopted by the Local Government to meet the housing improvements of this program. At a minimum, they must meet the requirements of HUD's Section 8 Housing Quality Standards, the Lead-Based Paint Controls and Abatement Standards, and the Fire Administration Authorization Act of 1992 and the International Building Code as adopted by the Louisiana Legislature. See Section VIII.

10. Reconstruction: Demolition and reconstruction of a housing unit on the original site.

11. Rehabilitation: Repair and/or renovation of an existing housing unit in order to bring the unit up to Property Rehabilitation Standards.

12. Section 8 Stantards: Minimum Housing Quality Standards established by HUD. Housing units which meet these minimum standards are considered to be decent, safe and sanitary.

13. Substandard Housing – Housing which does not meet Section 8 minimum standards.

14. Target Area: A geographical area slated for housing improvements as determined by the Local Government and indicated in the LCDBG application.

15. The 75% Rule: A rule designed to determine whether a housing unit should be rehabilitated or reconstructed. The 75% rule states that a housing unit is suitable for rehabilitation if the estimated costs of improvements will be 75% or less of the expected market value of the improved unit. Conversely, if the costs of improvement would exceed 75% of the expected market value of the improved unit, rehabilitation would be cost prohibitive, thus the unit should be demolished and reconstructed.

16. Work Write-Up: A listing and description of proposed work prepared by an agent of the Local Government (administrative consultant, building inspector, etc.) to be used by the construction contractor to prepare a bid for clearance demolition or rehabilitation. Housing units slated for reconstruction will have plans and specifications (instead of a work write-up) on which to base bids.

IV. Eligibility Requirements

4. Ownership/Occupancy: Housing units must be owner-occupied. The owner must (a) have occupied the unit for at least six months prior to the submittal of the LCDBG application, (b) must be occupying the unit at the time of the homeowner application and (c) must be intending to occupy the unit for at least five years after improvements

are complete.

5. Usufruct: The legal right for the use of a property. For the purposes of the homeowner application an applicant who has the legal "usufruct" of a property is considered to be an owner.

6. Eligible Property Types: A housing unit must be a conventional "stick built" structure to be eligible for rehabilitation. Mobile homes and modular homes are not eligible for rehabilitation. However, reconstruction, which includes demolishing and rebuilding on the same site, is an eligible activity for both conventional "stick built" structures and mobile homes. Clearance demolition of substandard structures in residential areas is eligible.

7. Target Area and LCDBG Application: Housing units must be in the target area as defined by the Local Government in the LCDBG application in order to be eligible for assistance. The housing unit must also be one of the units identified in the LCDBG application as in need of improvement.

8. Suitable for Rehabilitation: For houses that will be rehabilitated the 75% rule is a measure of the condition of a housing unit. (See definition of "The 75% Rule" in Item III.)

9. Income Requirements: Beneficiaries must be of low and moderate (LMI) income as described in Section III.7 and must furnish proof of income status. The following table below indicates income status for a hypothetical parish. (See Chapter Five of the LCDBG Housing Application Package for current applicable parish figures and associated instructions. The Local Government should modify the table to reflect the current applicable parish figures.)

Household Size	Current Income Status Chart: _____ Parish			
# of Persons	$ Low And Moderate Income (LMI) Status			$ Not LMI Status
	Extremely Low	Low	Moderate	High
1	8,400	13,950	22,350	>22,350
2	9,600	15,950	25,550	>25,550
3	10,750	17,950	28,750	>28,750
4	11,950	19,950	31,900	>31,900
5	12,950	21,550	34,450	>34,450
6	13,900	23,150	37,050	>37,050
7	14,850	24,750	39,600	>39,600
8	15,800	26,350	42,150	>42,150

10. Conflict of Interest: The following individuals or firms must not have any interest, direct or indirect, in any contract or subcontract or the proceeds from any contract or subcontract for work to be performed in connection with the LCDBG Program:

a. Member, officer, or employee of the Local Government,

b. The Local Government's designee, agent, or consultant

c. Member of the local governing body or other public official of the Local Government who exercises or has exercised any functions or responsibilities with respect to this LCDBG project during his or her tenure.

However, upon written request of the Local Government, the Office of Community Development may agree in writing to waive a conflict otherwise prohibited by this provision whenever there has been full public disclosure of the conflict of interest, and the Office of Community Development determines that undue hardship will result either to the Local Government or the person affected by applying the prohibition and that granting of a waiver is in the public interest. No such request for waiver will be made by the Local Government which would, in any way, permit a violation of federal, State or local law.

11. Withdrawal of Application: The applicant may withdraw the application for any reason prior to execution of the grant agreement. In such event, a memo to the file will be prepared and signed by the homeowner showing the date of notice and the effective date of withdrawal. The file will remain "Inactive" for thirty days after notification of withdrawal, after which it will be officially "Closed". The homeowner may, upon written request, reactivate his/her application during that thirty (30) day period. After the thirty days have elapsed it will be necessary for the homeowner to reapply and to provide current verification of income for the purpose of requalifying.

V. Responsibilities/Obligations of the Local Government

The Local Government will be responsible to perform or insure performance of the following activities.

1. Meet requirements necessary for the release of LCDBG funding and ongoing LCDBG Program requirements. A checking account will be established/maintained for the exclusive use of the LCDBG Program. The implementation of LCDBG Program requirements may be accomplished by an administrative consulting firm employed by the Local Government. The contract between the Local Government and the administrative consultant must clearly specify the responsibilities of both parties.

2. Provide access as requested by the Office of Community Development to all grant records.

3. Interview and advise applicants on the general objectives of the LCDBG Program, and the purpose and meaning of the Property Rehabilitation Standards.

4. Publicize to residents of the target area the offer to accept homeowner applications for assistance to those who reside in the target area. Advise the applicant on the availability, benefits, and restrictions of the LCDBG Program.

5. Inspect the property to determine conformance with the Property Rehabilitation Standards.

6. Verify the applicant's income and ownership/usufruct of property.
7. Prepare an agreement for asbestos testing of each property that has potential to be part of the Housing Program. Such an agreement will precede the bidding process for each property. The results of the asbestos testing will be utilized in the preparation of bid documents.
8. Determine qualification of the homeowner/applicants for assistance and provide them with written notification of the disposition of their application. The Local Government will be careful to state in the notification that all assistance is subject to the availability of LCDBG funds.
9. Prepare or obtain the following items for use in the bidding process:
    a. A work write-up and cost estimate for each property approved for clearance demolition;
    b. Plans and specifications for each property approved for reconstruction;
    c. A work write-up and cost estimate for each property approved for rehabilitation.
10. Prepare the construction contract documents and obtain bids, registration/license number if applicable, and review bids received. Obtain verification of contractor eligibility and obtain licensing verification if the bid for construction exceeds $50,000. Determine if the lowest responsive and responsible bid is within the limits established by this Housing Policy in Section IX. If requirements are met the Local Government will award the contract to the lowest and acceptable bidder.
11. Prepare the deferred payment loan/grant agreement, review conditions of the agreement with the homeowner, obtain the homeowner's signature, assign the deferred payment loan/grant number and activate appropriate files. This is a two way agreement between the Local Government and the homeowner. The Local Government will also determine whether the deferred payment loan will be approved and, upon approval, execute the two way agreement.
12. Assist in the preparation and execution of construction contract between three parties, (a) the homeowner, (b) the construction contractor, and (c) the Local Government.
13. Conduct pre-construction conference with homeowner and contractor and issue a Notice to Proceed for construction work.
14. Make periodic inspection of work as it progresses and provide documentation including dates, name of inspector, work description, estimated percentage of completion, difficulties encountered, etc.
15. Review/approve contractor invoices, prepare requests for payment, prepare and disburse checks as necessary for approved progress payments.
16. Arbitrate disputes and/or complaints involving the contractor and/or homeowner regarding construction to be performed, under way, or completed.

17. Prepare change orders, and obtain necessary signatures of homeowner, contractor and Local Government officials, as appropriate.
18. Make a final inspection of the completed work, insure that all items on the original work order/blueprints and any change orders are satisfactory, complete inspection checklist, advise contractors of any incomplete or unacceptable items.
19. Obtain a guarantee of work, manufacturer's warranty and supplier warranties from the contractor or other appropriate source(s).
20. Obtain homeowner's signature on the acceptance of work and file it with the Clerk of Court.
21. Insure a Certificate of Substantial Completion is filed with the Clerk of Court.
22. File a five year deferred payment loan lien on property upon substantial completion of the housing unit.
23. Insure or arrange access to housing units, outside and inside, for on-site inspection by staff from the Office of Community Development during monitoring of the LCDBG Program.
24. Following the 45 day lien period, obtain the contractor's final invoice and clear lien certificate. Pay retainage due to contractor(s).
25. Maintain accurate files and records on each applicant and construction contractor. Provide maximum confidentiality of the property owner's personal data.
26. If it is necessary to cancel the scheduled improvements to a property because the homeowner is unwilling or unable to proceed with the work, or for other reasons, the Local Government will prepare a written notarized notice to that effect, indicating reasons and effective date. This documentation will be distributed as follows: original to the homeowner, copy to the Local Government’s file, and copy to the Office of Community Development.

VI. Responsibilities/Obligations of Homeowner/Recipient

The homeowner/recipient of assistance (hereinafter referred to as “homeowner”) will be responsible for performing or insuring performance of the following activities.

1. Removal of debris, equipment, automobiles, tree limbs, etc., from the property prior to the beginning of the rehabilitation or reconstruction activity.

2. Removal of any household items prior to the demolition of any housing units or giving permission for items not removed by the homeowner to be removed and/or disposed of by the Local Government.

3. Prior to rehabilitation, the homeowner must (a) clean the interior (b) remove pictures from any affected wall (c) place breakables in a secure location and (d) secure valuables of any housing units that will be rehabilitated.

4. For the rehabilitation of occupied housing units the homeowner must make arrangements to give the contractor access during normal working hours. Additionally, the homeowner must make any reasonable accommodations for the contractor to perform construction duties.

5. Allow inspection of the work by the Local Government, administrative consultant working for the Local Government and Office of Community Development staff.

6. Allow the construction contractor to use, at no cost, existing utilities such as electricity, lights, heat and water when needed to perform the work.

7. Maintain or obtain homeowner insurance coverage as desired. The LCDBG does not provide homeowner insurance.

8. The homeowner waives the right to be a co-signor to checks disbursed to the contractor.

9. During the one year warranty period the homeowner will be responsible for contacting the prime contractor for warranty work. The homeowner will keep the Local Government informed, in writing, regarding warranty work or lack of performance of warranty work.

10. Other homeowner responsibilities, not enumerated in this section, may be deemed appropriate by the Local Government and agreed upon by the homeowner.

VII. Applicant Selection Procedure

1. Publication: The Local Government will make known the opportunity for those who reside in the target area to submit a homeowner application for assistance. This may be accomplished by brochure, flyer, door to door meetings with minutes for each meeting to be recorded, registered mail—return receipt requested, local newspaper advertisement, etc.

   Owners of any vacant structure in the target area which is in need of clearance demolition, as described in the LCDBG application, will be contacted by the Local Government regarding the establishment of a contract for demolition between the Local Government and the property owner.

2. Deadline for the Receipt of Homeowner Applications: The initial publication must contain a deadline for the receipt of complete homeowner applications. The applicants should be encouraged to provide applications and supporting documentation promptly so that the Local Government will have time to request any additional information if necessary. If homeowner applications are not complete as initially submitted, the Local Government will request additional information in writing. The Local Government will not be required to send additional written requests for the information. Homeowner applications which do not meet the

deadline will not be considered for funding nor will bidding for his/her housing unit take place.

The deadline date is to be relative to the date of the Authorization to Incur Cost letter sent by the Office of Community Development to the Local Government at the beginning of the LCDBG Program. This deadline is to be _____ (Enter the specific month, day and year) which is _____ months (Comment: Enter, for example, 9 months or 10 months and delete this comment) after the date of the Authorization to Incur Costs letter.

3. Demolition: All units designated for clearance demolition in the LCDBG application will be considered first. If the lowest and acceptable bid for a demolition unit is more than the maximum allowable then the contract must not be awarded. However, if the lowest and acceptable bid for a clearance demolition unit is within the maximum allowable, a contract is to be awarded.

4. Reconstruction and Rehabilitation: After all clearance demolition units have been considered, the group consisting of housing units to be rehabilitated or reconstructed must be considered.

   A rating system is necessary to establish a chronological order for the consideration of each homeowner application for rehabilitation or reconstruction. Homeowner applications from the target area that meet ownership, income, occupancy, etc., requirements will be assigned points. Grant recipients meeting all eligibility requirements will be selected and processed in numerical descending order of rating.

   The application with the highest points will be considered for funding first, and so on. The bidding and award process will begin for the higher rated applications since it will be anticipated that enough LCDBG funds are available for completion of any associated contract that will be entered. After bids are received for higher rated applications and LCDBG funding for next in line applications is certain, the process of considering the next in line applications will continue until all eligible applications have been considered or LCDBG funds are depleted.

   The rating system for complete applications (for rehabilitation or reconstruction) that have been approved for consideration for funding is as follows. Each household receives the specified point(s) for each qualifying category.*

   - Income (Moderate 1, Low 2, or Extremely Low 3) — 1, 2, or 3 points
   - Elderly Head of Household — 1 point
   - Elderly Occupant(s) (Other than Head of Household) — 1 point
   - Handicapped Head of Household — 1 point
   - Handicapped Occupant(s) (Other than Head of Household) — 1 point
   - Disabled (Head of Household) — 1 point
   - Other _____ — ___ point(s)

(*This is only a sample rating system. The Local Government may choose to revise the categories or the point assignments before the adoption of the Housing Policy. Please delete this notation from the final Housing Policy.)

If the lowest and acceptable bid for a housing unit is not within the allowable monetary limits, as established in Section IX, the contract for that unit must not be awarded at that time.

5. Amendment of the Housing Policy: After all housing units contained in the original application have been considered, no contracts will have been awarded for the units for which bids exceeded the maximum allowable. If LCDBG funds are available, the Local Government may make a written request to the Office of Community Development for approval to amend the Housing Policy to reflect an increase the maximum(s) allowable. Upon approval of the request by the Office of Community Development the Local Government will pass a resolution amending the Housing Policy.

6. Order of Consideration After Housing Policy Amendment: If a higher maximum allowable has been enacted, the remaining units which have had no contract award may be considered again—beginning with the unit with the higher amount of rating points and proceeding to lower rated units in systematic order. It is possible that the last unit(s) will have insufficient LCDBG funds available. An award should not be made if there are insufficient funds available to cover an entire contract amount.

7. Rating Sheet: A rating sheet will be prepared for each approved application. Points will be assigned to each approved application based on the rating system as described in #4. In the event of a tie between two or more applications, priority will be given to the application(s) with the lowest per capita household income.

8. Notification to Applicants: Those applicants which do not meet all requirements including ownership, income and submittal of a complete application with all necessary supporting documentation by the application deadline will be notified in writing of the Local Government's determination.

   Those applicants who did meet requirements will be informed that their application has been rated. Those applicants will be informed that they will receive a housing grant/deferred payment loan subject to the successful establishment of contractual agreements between all parties, availability of LCDBG funds and a successful bidding process which does not exceed the maximum (or minimum) allowable funds as listed in Section IX.

9. Complaints: Complaints are to be expressed in writing by a letter to the Local Government. In response to a complaint, the Local Government will follow the Citizen Complaint Procedure as identified in its Citizens Participation Plan.

10. Insufficient Budget Balance: In the event that the remaining budget balance is not sufficient to provide the necessary amount of LCDBG funds to the next consecutive qualified applicant, the Local Government should select the next qualified applicant whose estimated cost falls within the amount available.

VIII. Property Rehabilitation Standards

Property Rehabilitation Standards are the building standards adopted by the Local Government that apply to reconstruction and rehabilitation relative to the LCDBG Housing Program. All housing units, reconstructed or rehabilitated, must meet, at a minimum, the HUD Section 8 Existing Minimum Housing Quality Standards, the International Building Code as adopted by the State of Louisiana, the Lead-Based Paint Controls and Abatement Standards, and the Fire Administration Authorization Act of 1992.

IX. Minimums, Maximums and Average Costs

The Local Government establishes the following limits to govern activity in the LCDBG Program:

Demolition	
• Average cost of clearance demolition	5,000
• Maximum cost of clearance demolition	9,000
• Minimum cost of clearance demolition	1,000
Reconstruction	
• Average cost of reconstruction	65,000
• Maximum allowable cost of reconstruction	80,000
• Minimum allowable cost of reconstruction	n/a
Rehabilitation	
• Average cost of rehabilitation	$ 22,000
• Maximum allowable cost of rehabilitation	26,000
• Minimum allowable cost of rehabilitation	8,000

(The above listed monetary limits are only sample listings. The Local Government should revise the sample monetary limits. The average limits should be revised to reflect amounts listed in the LCDBG application. The maximums and minimums should also be revised by the Local Government with the exception of $8,000 (not to be changed) for the Minimum allowable cost of rehabilitation. Omit this explanatory note from the final Housing Policy.)

X. Item(s) Pertaining to All Improvement Types (Clearance Demolition, Reconstruction, Rehabilitation)

1. Asbestos Testing Requirement: Asbestos testing and abatement is an allowable LCDBG cost. All units built before 1979 which are earmarked for treatment in the LCDBG application, whether clearance demolition, reconstruction, or rehabilitation units, will be tested for asbestos by a Louisiana Department of Environmental Quality (DEQ) approved firm. The projected cost of asbestos demolition and remediation of existing asbestos products will be taken into consideration when preparing a cost estimate for each unit. The work write ups and plans will reflect DEQ approved measures to deal with asbestos.

2. Asbestos Testing Procedures: After the Local Government determines which structures may be approved for clearance demolition reconstruction or rehabilitation, asbestos testing services must be procured for all potential units to be involved in the project. Asbestos testing may be done on multiple units or on one unit at a time. Such testing will be done prior to work write-ups or the preparation of plans and specifications. The results of the asbestos testing will be utilized in the preparation of the work write-ups or plans and specifications. Each homeowner or structure-owner must enter into a special agreement with the Local Government to allow asbestos testing before the bidding and award process starts.

XI. Clearance Demolition

1. Demolition Policy: The Local Government will prepare and/or update a Demolition Policy when funded under a LCDBG Housing Program. The Demolition Policy must include at a minimum the following: (a) Provision for the inspection of the housing unit to determine the need for demolition (b) Written conclusion of the inspection (c) Written mutual agreement between the Local Government and the owner of the property to be demolished or successful conclusion of condemnation procedures, (d) the requirement for a resolution by the Local Government to initiate the demolition of each unit (e) provision for testing for asbestos by a Department of Environmental Quality (DEQ) qualified inspector, (f) provision for asbestos abatement (g) any other applicable State, local, or federal laws pertaining to demolition and (h) provisions which are needed by the Local Government.

XII. Reconstruction

1. Demolition: Reconstruction in the LCDBG Housing Program includes demolition of an existing unit prior to rebuilding on the same site. The Local Government will prepare and/or update a Demolition Policy as described in Section XI and abide by the requirements of that policy.

2. Plans: The Local Government, after consulting with the homeowner, will be responsible for obtaining professionally prepared home plans for each unit to be

reconstructed. If circumstances allow, the same plans may be used for more than one unit. Optionally, a given floor plan may be used on multiple units with different roofing constructions. (Examples: hip roof, gable roof) Sometimes, each unit will require a unique set of plans. The homeowner must approve, by signature and date on the plans (or some other written method of indication of approval). If approval between the Local Government and the homeowner is not reached, the unit must not be let for bidding.

3. Details Regarding Construction Materials: The Local Government will prepare a list of construction materials and items which will be specified for use in the reconstruction of each housing unit. This list will go beyond what is normally listed in professionally prepared house plans and specifications and must be presented to the homeowner for consideration at the time the professionally prepared house plans and specifications are presented. The list may include such items as:

   - Type of countertop for the cabinets
   - Type and quality of windows
   - Flooring type and quality
   - Paint type(s) and quality
   - Appliance types
   - Light fixture types
   - Faucet types and quality
   - Bathroom fixture types and quality

4. Bedrooms, Bathrooms, Square Feet and Appliances: Two or three bedroom homes may be chosen (even if there is only one occupant in the home) and will be restricted to an area of no more than 1,000 square feet of heated/cooled area. A one bedroom home will not be an option. The two or three bedroom units will have only one bathroom.

   A home which has more than three bedrooms, normally a four bedroom home, may be chosen if one of the following conditions apply.

   c) The number of persons in the household multiplied by 150 square feet per person exceeds the 1,000 square feet allowed for two and three bedroom homes. "Number of persons" as used in the previous sentence will mean the lessor of:

      - the number of persons who were listed in the LCDBG application or,
      - the number of persons now living in the household or
      - the number persons planning to reside in the household after construction is complete.

   d) More than three bedrooms are needed so that minor children of different sexes and/or adults of different families can have separate bedrooms.

The maximum square feet allowed for a home that exceeds three bedrooms will be determined by multiplying the number of occupants by 150 square feet per person. A four bedroom unit may have up to two bathrooms.

5. Accessory Items: Porches, up to 150 square feet are allowed. A carport or garage is not allowable with LCDBG funds even if the original substandard housing unit has an attached carport or garage. Screen doors/storm doors are not an allowable LCDBG expense.

6. Appliances: Two fire alarms are required and must be hard-wired with battery back-ups. A new water heater and central heating and air conditioning system are required. Costs for the refrigerators and range/ovens are allowable under the LCDBG Program. Allowable appliances, when purchased for reconstruction (by the contractor—not the homeowner) must be economy models. For example, the standard baked enamel "no frills" refrigerator with the freezer on top or bottom must be chosen rather than the more expensive stainless steel side by side units. However, a homeowner may choose an existing appliance, such as a favorite refrigerator that is in operation in the substandard housing unit, if the homeowner agrees to remove, store, and reinstall the appliance.

   Costs for the following are not allowable under the LCDBG Program: dishwashers, washers, dryers, and ceiling fans.

7. Homeowner Responsibilities Specific to Reconstruction: The homeowner recipient of assistance involving reconstruction must agree to items listed in section VI and the following items.

   - The homeowner must be responsible for the removal of all belongings, furniture, possessions, etc. from the unit. Out of pocket moving expenses are allowable costs under the LCDBG Program. Storage space for the duration of construction is an allowable LCDBG cost.
   - The homeowner will be responsible to find, and if necessary pay for, temporary housing for themselves and all of the residents of the existing unit during construction. Such accommodations must meet Section 8 standards or the homeowner must sign a waiver releasing the Local Government from liability arising from temporary substandard housing.
   - The Homeowner must agree to the demolition of the existing housing unit and the construction of a new home on the same site.

XIII. Rehabilitation

1. Preparation of Detailed Work Write-Ups/Cost Estimates: An inspection of the properties selected for assistance will be conducted to determine deficiencies relative to HUD's Section 8 standards. A work write-up will be prepared that covers only the improvements necessary to bring the housing unit up to Section 8 standards. The

work write-up will also specify the quality and type of materials to be used in the rehabilitation of each housing unit.

Once the initial work write-up is prepared, the detailed list of work items to be performed will be prepared. A follow-up inspection will occur to verify and finalize the work write-up for bidding purposes. At that time, and prior to bidding the project, the property owner will be required to give his/her approval of the items contained in the work write-up.

Rehabilitation Ineligibility: Should it be determined by the Local Government that a unit cannot be rehabilitated to meet the Property Rehabilitation Standards within the limitations established, or should it be determined that it is not feasible under the 75% rule to rehabilitate a unit and sufficient funds are budgeted for replacements, then demolition of the existing unit and the construction of a new replacement unit becomes an option that must be considered.

Since the Applicant Selection Procedures outlined in Section VII only evaluates and considers income information, ownership documentation and demographic characteristics, there is a possibility that a unit could have been selected for rehabilitation per the LCDBG application which may not require sufficient work to be eligible. The Office of Community Development and this Housing Policy generally require a minimum of $8,000 of improvements needed per unit for the unit to be rehabilitated.

2. Lead-Based Paint: Testing for lead-based paint is an allowable LCDBG cost on housing units constructed before 1978. The work write-up will include any extra costs associated with proper lead-based paint abatement procedures.

XIV. Advertising, Bidding and Awarding Contracts

1. Advertising for the Bid List: At least one advertisement in the Local Government's official legal journal will be made to obtain contractors who wish to be placed on a bid list. From responses to this advertisement and/or from other recruiting methods the Local Government will develop and maintain a list of local contractors, small, minority and female contractors, and contractors performing similar work in neighboring communities. The Local Government will make efforts to recruit small, minority and female contractors to work on this housing program.
2. Licensing Requirements: All work to be performed under this program will comply with the Louisiana Public Bid Law and federal regulations. The Louisiana Public Bid Law requires that contractors who submit a bid of $50,000 or more for construction must be licensed.
3. Insurance Requirements: Contractors will be required to have General Liability insurance coverage and Worker's Compensation insurance coverage. Proof of coverage will be required as part of the bid response from the contractor. The Local Government will verify insurance coverage.

4. Notification to Bidders: The order in which clearance demolition units and housing units are selected for the bidding process is based on the rating criteria as determined by the rating system in Section VII of this Housing Policy. The contractors on the bid list will be mailed an individual notice informing them of each housing unit(s) or clearance demolition unit(s) to be bid. In addition the Local Government has an option to advertise for bidders for a certain housing unit(s) or a clearance demolition unit(s) in its official legal journal (newspaper). The notice, and if applicable the newspaper advertisement, will state where contractors may pick up a bid package and the bid opening date.

5. Verification of Contractor Eligibility: A Verification of Contractor Eligibility form must be sent to the Office of Community Development prior to contract award. The Office of Community Development will check to make sure the contractor is not debarred at the federal level. This form will be signed by a staff-person in the Office of Community Development and returned, by fax, to the Local Government. An approved Verification of Contractor Eligibility form is a required document in the LCDBG Program before a contract can be awarded. See the current LCDBG Grantee Handbook for the forms and instructions.

6. Minimum Qualifications and Reason(s) to Deny the Award of a Contract: The minimum qualifications for a contractor to be awarded a project are that the contractor (and his subcontractors) has proper licenses, insurance coverage and submits the lowest responsive and responsible bid. If a contractor's bid is more than twenty percent below the cost estimate, or in excess of the maximum allowable, it may be considered as non-responsive. Other reasons to deny a contract to the low bidder may include the following items which indicate a lack of being responsible:

   - outstanding invoices/bills due to subcontractors or suppliers;
   - failure by the contractor to meet warranty obligations on previous jobs;
   - failure by the contractor to complete the bid proposal correctly and submit necessary forms or a bid bond with the bid proposal;
   - evidence that liens have been filed on the contractor within the last two years;
   - a backlog of uncompleted rehabilitation or replacement units in the locality or other communities;
   - contractor not having the financial capacity to undertake this project;
   - contractor not cleared by the Office of Community Development;
   - reports of poor performance and/or poor workmanship quality on other projects.

7. Award of Contracts: Contracting will be accomplished on a competitive bid basis. A bid tabulation will be made for each unit let for bids. The Local Government will determine which bids are responsible and responsive. Each unit will have one prime contractor to insure continuity of work from start to finish. The Local Government will award the contract to the lowest responsible and responsive bidder.

8. Parties to the Contract: The contract will be between the homeowner and the contractor with the Local Government being a third party to the contract. The Local Government will act formally as the homeowner’s agent. The homeowner will

execute the contract which includes either the work write-up prepared by the Local Government (for rehabilitation and clearance demolition units) or the plans and specifications (for reconstruction units).

9. Change Orders: Change orders may be executed by the homeowner, the contractor, and the Local Government prior to approval from the Office of Community Development if the Local Government is certain that the change order meets program requirements. Work may then proceed based on the executed change order.

   However, if there is any doubt by the Local Government regarding whether a proposed change order meets program requirements, the Office of Community Development must be contacted prior to the Local Government's approval of a change order. The Office of Community Development will review change orders to determine the extent of LCDBG participation during monitoring of the LCDBG Housing Program and upon receipt of closeout documents.

XV. Inspection, Acceptance and Closeout Procedures

1. Inspection: Upon completion of the work and receipt of the contractor's invoice containing certification of satisfactory completion of all work in accordance with the contract, the Local Government will arrange for inspection of the completed work.

2. Notice of Acceptance of Work: The Local Government will have the unit inspected to determine that all contracted items have been completed satisfactorily. If the inspection determines that all work has been finished satisfactorily, the Local Government will issue a final inspection certificate and the homeowner will sign a Notice of Acceptance of Work prepared by the Local Government.

   After construction is complete, should the homeowner refuse to sign the Notice of Acceptance of Work and the consultant and Chief Elected Official of the Local Government deem the homeowner is being unreasonable, the Local Government may process the payments due the contractor accordingly.

3. Filing of the Deferred Payment Loan Lien: The Local Government will be responsible to file the five year Deferred Payment Loan Lien with the Parish Clerk of Court. (See Section XVII)

4. Final Inspection: When the final inspection shows the work is satisfactorily completed in accordance with the contract, the Local Government will obtain from the contractor a copy of each warranty, including a termite certification. Up to 90% of the contract amount may be disbursed to the contractor at this time. The remaining 10% of the contract amount, (retainage) will be held until a clear lien certificate is presented to the Local Government.

5. Record Keeping: Files will be retained by the Local Government four (4) years after the date of the final closeout of the LCDBG Program.

XVI. Deferred Payment Loan and the Five Year Lien Period

Although the assistance received under the LCDBG Program for rehabilitation or reconstruction has many characteristics of a grant it is actually a Deferred Payment Loan with a lien to be filed on the housing unit with the Parish Clerk of Court. The lien period, which is for five years, begins with the Notice of Acceptance of Work by the homeowner. After five years of occupancy by the homeowner, beginning on the date of the Notice of Acceptance of Work, the lien expires. However, if the homeowner sells, rents, leases or otherwise vacates the premises before five years have elapsed, the LCDBG funds associated with the pro-rated portion of the five years not being occupied by the homeowner/recipient must be returned to the Office of Community Development. The interest rate is zero. If the owner vacates the property for any reason, the Local Government shall notify the Office of Community Development immediately for instructions. Certain circumstances, such as death of the sole owner of the property, voids this occupancy requirement of the homeowner as long as the unit remains occupied by the family and the surviving family member(s) do not sell the unit during the remainder of the deferred loan period.

Example: A homeowner tries to sell a reconstructed housing unit three years after the Notice of Acceptance of Work. The housing unit was constructed under the LCDBG Program for a cost of $50,000. There is a Deferred Payment Loan lien against the property; therefore, the sale cannot be made until the lien is released. The value per year "earned" is calculated at $10,000 because $50,000 divided by a 5 year lien period equals $10,000 per year. Thus, the owner "earned" three years worth of funds, a total of $30,000. The remainder, $20,000 is not "earned" and therefore must be returned to the Office of Community Development before the Local Government can release the lien.

XVII. National Flood Insurance Program

In the event a unit to be rehabilitated or reconstructed is located within an area designated as having special flood hazards by the Federal Flood Insurance Administration (FIA) and the Department of Housing and Urban Development, the homeowner will be required to secure and maintain a policy of flood insurance on the unit for a minimum of one (1) year after completion of the unit, with a maximum of the lien period length. A minimum of one (1) year should be paid with CDBG funds. A copy of the insurance certificate or policy will be required for documentation. The homeowner will be counseled prior to the application approval of this requirement. All reconstruction and rehabilitation will comply with appropriate FIA regulations and related executive orders.

********* DISCARD THIS PAGE *********

C-2

SAMPLE LOAN AGREEMENT

THIS LOAN AGREEMENT, made this ____ day of _____, 20 _____, by and between _____ Louisiana, a Louisiana municipal corporation, party of the first part (hereinafter called "City"); and _____ of the Parish of _____, State of Louisiana, party of the second part (whether one or more collectively called "Borrower");

WITNESSETH:

WHEREAS, the Borrower has requested the City and the City has agreed to lend to the Borrower a maximum outstanding amount as hereinafter specified in this Agreement, provided the Borrower performs the various terms and conditions specified in this Agreement.

NOW THEREFORE, for and in consideration of the City's agreement and obligation to lend to the Borrower, upon the terms and conditions hereinafter set forth, the sums herein specified, to be repaid and secured as herein set forth, the parties hereto do agree as follows:

1. MAXIMUM LOAN -- Upon the Borrower's compliance and continued compliance with all terms and conditions related to this loan, the City will advance to the Borrower from time to time under this Agreement such funds as the Borrower requests up to the maximum outstanding principal amount at any time of _____ _____ _____ dollars ($_____), which sums shall be a deferred payment loan for a period of five years.

2. USE OF PROCEEDS -- The funds loaned shall be used by the Borrower solely for the purpose of rehabilitation of a dwelling located at _____, said rehabilitation to be in accordance with specifications approved by the City.

3. INTEREST RATE -- The interest rate will be _____ percent per annum.

4. TERM -- This Agreement shall be in full force and effective until the final payment due date on the note and deed of trust executed as security for and simultaneously with this Loan Agreement. All advances made in connection with this Loan Agreement shall be made within six (6) months from the date of this Agreement, and the City shall be under no obligation to make any advance hereunder until the City is satisfied that improvements made to the property described in Paragraph 2 hereof have been made in accordance with specifications, plans and bids approved by the City.

5. EVIDENCE OF LOAN -- The executed loan agreement shall constitute evidence of the loan. At the time of each payment made pursuant to this Agreement, the amount of such advance to be made, together with such other information as the City may request, shall be stated on a written request and receipt form supplied by the City, of which shall be signed by the Borrower.

6. SECURITY -- The Borrower agrees to placement of a five year lien upon the property in the event the property is sold or transferred during this period, the full amount of the loan shall be repaid.

7. TERMINATION -- This Agreement shall terminate at the expiration of the specified term hereof unless sooner terminated by (1) the Borrower's giving written notice of the Borrower's desire to terminate together with payment in full of all outstanding principal and interest due the City under this Agreement; (2) the City's giving ten (10) day's written notice to the Borrower of default of one or more of the terms, conditions of this Agreement, and the failure of the Borrower to correct such default(s) within the ten (10) day period. Upon notice hereunder of default or termination being given, the City's obligation to make future payments under this Agreement is suspended until the default is cured or the notice is rescinded.

8. TAXES AND INSURANCE -- the Borrower will pay, when due, all taxes, assessments, levies, and charges upon or against the property described in such deed(s) of trust and other security instruments together with any other buildings now or hereafter on said premises insured against loss and damage by fire, tornado, windstorm, and flood, where required, and against all other hazards as the City may require, in amounts and in companies satisfactory to the City but not less than amounts sufficient to prevent any co-insurance liability of the owner of the property or the City; for the benefit of the City, loss, if any, to be made payable in the policy or policies of insurance to the City as its interests may appear, and the loss payable clauses to be in such a form as the City may require. The policies and renewals thereof shall, when issued, be immediately delivered to the City to be held by it. The proceeds of any insurance, or any part thereof, may be applied by the City, at its option, to be a reduction of the indebtedness or to the restoration or repair of the property damaged.

9. OPTIONAL PAYMENT OF TAXES AND INSURANCE -- The City may, at its option, pay any insurance premiums, taxes, assessments, levies or charges against the premises, and in case of such payment, the amounts so paid shall immediately become debts due by the Borrower, shall bear interest at the rate specified in the note, and the payments shall be secured by the aforesaid deed (so of trust given pursuant to this Agreement, and may be deducted from any advance thereafter becoming due under the terms of this Agreement.

10. ADDITIONAL CONDITIONS PRECEDENT -- The Borrower will, prior to the advancement of any money by the City, obtain the following marked (x) below:

    a. A policy or policies of title insurance satisfactory to the City insuring the title to the property covered by the deed(s) of trust referred to in Paragraph 6 hereof, and insuring that the City is the beneficiary of the FIRST lien on said property and a title opinion satisfactory to the City from a licensed attorney satisfactory to the City.

b. A survey by a surveyor satisfactory to the City showing the actual and/or proposed location of the improvements to be wholly within lines of the property above described and that no violation of any restriction, zoning, or covenant pertaining to said premises exists and a certificate from said surveyor to that effect.

c. If the Borrower is a corporation, certified corporate authority evidencing the corporation's authority to enter into this Agreement to borrow the money hereby authorized to be loaned, and to execute the required documents.

d. An affidavit and indemnification agreement satisfactory to the City that no labor or materials have been provided or furnished on said premises for a period of more than 120 days prior to the execution of this Agreement.

11. RECEIVER ON DEFAULT -- The City shall have the right, after default in any of the terms, covenants, or agreements herein contained or contained in the aforesaid note and deed(s) of trust, to the appointment of a receiver to collect the rents and profits from the premises herein before described without consideration of the value of the premises or the solvency of any person liable for the payment of the amounts then owing, and all amounts collected by the receiver shall, after expenses of the receivership, be applied to the payment of the indebtedness hereby secured, being applied first to interest and insurance premiums due and accrued and then to principal, and the City at its option, shall have the right to do the same without the appointment of a receiver.

12. ACCELERATION -- The Borrower and the City agree that if a default occurs in any of the conditions or covenants of this Agreement or those incorporated hereinafter, the City may declare the entire sum due it by the Borrower and acceleration upon such default shall be at the option of the holder of the note secured by the deed(s) of trust referenced herein in Paragraph 6.

The covenants, terms and conditions herein contained shall bind, and the benefits and powers shall inure to the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used herein, the singular number shall include the plural, the plural the singular, and the term "City" shall include any payee thereof, whether by operation or law or otherwise.

IN TESTIMONY WHEREOF, the individual parties have hereunto set their hands and adopted as their seals and with the word "Seal" appearing beside their names, and the City has caused this instrument to be executed in its corporation name by the Director of Community Development.

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

CITY OF _____, LOUISIANA

By: _____
Mayor

C-3

Inspection Checklist

Housing Choice Voucher Program

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(Exp. 05/31/2004)

Public reporting burden for this collection of information is estimated to average 0.50 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This collection of information is authorized under Section 8 of the U.S. Housing Act of I937 (42 U.S.C. 1437f). The information is used to determine if a unit meets the housing quality standards of the section 8 rental assistance program.

Name of Family	Tenant ID Number	Date of Request (mm/dd/yyyy)
Inspector	Neighborhood/Census Tract	Date of Inspection (mm/dd/yyyy)
Type of Inspection ☐ Initial ☐ Special ☐ Reinspection	Date of Last Inspection (mm/dd/yyyy)	PHA

A. General Information

Inspected Unit **Year Constructed (yyyy)**

Full Address (including Street, City, County, State, Zip)

Number of Children in Family Under 6

Owner

Name of Owner or Agent Authorized to Lease Unit Inspected | Phone Number

Address of Owner or Agent

Housing Type (check as appropriate)
- ☐ Single Family Detached
- ☐ Duplex or Two Family
- ☐ Row House or Town House
- ☐ Low Rise: 3, 4 Stories, IncludingGarden Apartment
- ☐ High Rise; 5 or More Stories
- ☐ Manufactured Home
- ☐ Congregate
- ☐ Cooperative
- ☐ Independent Group Residence
- ☐ Single Room Occupancy
- ☐ Shared Housing
- ☐ Other

B. Summary Decision On Unit (To be completed after form has been filled out)

☐ Pass ☐ Fail ☐ Inconclusive	Number of Bedrooms for Purposes of the FMR or Payment Standard	Number of Sleeping Rooms	

Inspection Checklist

Item No.	1. Living Room	Yes Pass	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
1.1	Living Room Present					
1.2	Electricity					
1.3	Electrical Hazards					
1.4	Security					
1.5	Window Condition					
1.6	Ceiling Condition					
1.7	Wall Condition					
1.8	Floor Condition					

* Room Codes: 1 = Bedroom or Any Other Room Used for Sleeping (regardless of type of room); 2 = Dining Room or Dining Area; 3 = Second Living Room, Family Room, Den, Playroom, TV Room; 4 = Entrance Halls, Corridors, Halls, Staircases; 5 = Additional Bathroom; 6 = Other

Item No.	1. Living Room (Continued)	Yes Pass	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
1.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint?				☐ Not Applicable	
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
	2. Kitchen					
2.1	Kitchen Area Present					
2.2	Electricity					
2.3	Electrical Hazards					
2.4	Security					
2.5	Window Condition					
2.6	Ceiling Condition					
2.7	Wall Condition					
2.8	Floor Condition					
2.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint?				☐ Not Applicable	
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
2.10	Stove or Range with Oven					
2.11	Refrigerator					
2.12	Sink					
2.13	Space for Storage, Preparation, and Serving of Food					
	3. Bathroom					
3.1	Bathroom Present					
3.2	Electricity					
3.3	Electrical Hazards					
3.4	Security					
3.5	Window Condition					
3.6	Ceiling Condition					
3.7	Wall Condition					
3.8	Floor Condition					
3.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint?				☐ Not Applicable	
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
3.10	Flush Toilet in Enclosed Room in Unit					
3.11	Fixed Wash Basin or Lavatory in Unit					
3.12	Tub or Shower in Unit					
3.13	Ventilation					

Item No.	4. Other Rooms Used For Living and Halls	Yes Pass	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
4.1	Room Code* and Room Location ☐	(Circle One) Right/Center/Left			(Circle One) Front/Center/Rear ____Floor Level	
4.2	Electricity/Illumination					
4.3	Electrical Hazards					
4.4	Security					
4.5	Window Condition					
4.6	Ceiling Condition					
4.7	Wall Condition					
4.8	Floor Condition					
4.9	Lead-Based Paint				☐ Not Applicable	
	Are all painted surfaces free of deteriorated paint?					
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10	Smoke Detectors					
4.1	Room Code* and Room Location ☐	(Circle One) Right/Center/Left			(Circle One) Front/Center/Rear ____Floor Level	
4.2	Electricity/Illumination					
4.3	Electrical Hazards					
4.4	Security					
4.5	Window Condition					
4.6	Ceiling Condition					
4.7	Wall Condition					
4.8	Floor Condition					
4.9	Lead-Based Paint				☐ Not Applicable	
	Are all painted surfaces free of deteriorated paint?					
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10	Smoke Detectors					
4.1	Room Code* and Room Location ☐	(Circle One) Right/Center/Left			(Circle One) Front/Center/Rear ____Floor Level	
4.2	Electricity/Illumination					
4.3	Electrical Hazards					
4.4	Security					
4.5	Window Condition					
4.6	Ceiling Condition					
4.7	Wall Condition					
4.8	Floor Condition					
4.9	Lead-Based Paint				☐ Not Applicable	
	Are all painted surfaces free of deteriorated paint?					
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10	Smoke Detectors					

Item No.	4. Other Rooms Used For Living and Halls	Yes Pass	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
4.1	Room Code* and Room Location ☐	(Circle One) Right/Center/Left			(Circle One) Front/Center/Rear ____Floor Level	
4.2	Electricity/Illumination					
4.3	Electrical Hazards					
4.4	Security					
4.5	Window Condition					
4.6	Ceiling Condition					
4.7	Wall Condition					
4.8	Floor Condition					
4.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint?				☐ Not Applicable	
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10	Smoke Detectors					
4.1	Room Code* and Room Location ☐	(Circle One) Right/Center/Left			(Circle One) Front/Center/Rear ____Floor Level	
4.2	Electricity/Illumination					
4.3	Electrical Hazards					
4.4	Security					
4.5	Window Condition					
4.6	Ceiling Condition					
4.7	Wall Condition					
4.8	Floor Condition					
4.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint?				☐ Not Applicable	
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10	Smoke Detectors					
	5. All Secondary Rooms (Rooms not used for living)					
5.1	None Go to Part 6					
5.2	Security					
5.3	Electrical Hazards					
5.4	Other Potentially Hazardous Features in these Rooms					

Item No.	6. Building Exterior	Yes Pass	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
6.1	Condition of Foundation					
6.2	Condition of Stairs, Rails, and Porches					
6.3	Condition of Roof/Gutters					
6.4	Condition of Exterior Surfaces					
6.5	Condition of Chimney					
6.6	Lead Paint: Exterior Surfaces Are all painted surfaces free of deteriorated paint?				☐ Not Applicable	
	If not, do deteriorated surfaces exceed 20 square feet of total exterior surface area?					
6.7	Manufactured Home: Tie Downs					
	7. Heating and Plumbing					
7.1	Adequacy of Heating Equipment					
7.2	Safety of Heating Equipment					
7.3	Ventilation/Cooling					
7.4	Water Heater					
7.5	Approvable Water Supply					
7.6	Plumbing					
7.7	Sewer Connection					
	8. General Health and Safety					
8.1	Access to Unit					
8.2	Fire Exits					
8.3	Evidence of Infestation					
8.4	Garbage and Debris					
8.5	Refuse Disposal					
8.6	Interior Stairs and Commom Halls					
8.7	Other Interior Hazards					
8.8	Elevators					
8.9	Interior Air Quality					
8.10	Site and Neighborhood Conditions					
8.11	Lead-Based Paint: Owner's Certification				☐ Not Applicable	

If the owner is required to correct any lead-based paint hazards at the property including deteriorated paint or other hazards identified by a visual assessor, a certified lead-based paint risk assessor, or certified lead-based paint inspector, the PHA must obtain certification that the work has been done in accordance with all applicable requirements of 24 CFR Part 35. The Lead-Based Paint Owner Certification must be received by the PHA before the execution of the HAP contract or within the time period stated by the PHA in the owner HQS violation notice. Receipt of the completed and signed Lead-Based Paint Owner Certification signifies that all HQS lead-based paint requirements have been met and no re-inspection by the HQS inspector is required.

C. Special Amenities (Optional)

This Section is for optional use of the HA. It is designed to collect additional information about other positive features of the unit that may be present. Although the features listed below are not included in the Housing Quality Standards, the tenant and HA may wish to take them into consideration in decisions about renting the unit and the reasonableness of the rent.
Check/list any positive features found in relation to the unit.

1. Living Room

- ☐ High quality floors or wall coverings
- ☐ Working fireplace or stove
- ☐ Balcony, patio, deck, porch
- ☐ Special windows or doors
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

2. Kitchen

- ☐ Dishwasher
- ☐ Separate freezer
- ☐ Garbage disposal
- ☐ Eating counter/breakfast nook
- ☐ Pantry or abundant shelving or cabinets
- ☐ Double oven/self cleaning oven, microwave
- ☐ Double sink
- ☐ High quality cabinets
- ☐ Abundant counter-top space
- ☐ Modern appliance(s)
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

3. Other Rooms Used for Living

- ☐ High quality floors or wall coverings
- ☐ Working fireplace or stove
- ☐ Balcony, patio, deck, porch
- ☐ Special windows or doors
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

4. Bath

- ☐ Special feature shower head
- ☐ Built-in heat lamp
- ☐ Large mirrors
- ☐ Glass door on shower/tub
- ☐ Separate dressing room
- ☐ Double sink or special lavatory
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

5. Overall Characteristics

- ☐ Storm windows and doors
- ☐ Other forms of weatherization (e.g., insulation, weather stripping)
- ☐ Screen doors or windows
- ☐ Good upkeep of grounds (i.e., site cleanliness, landscaping, condition of lawn)
- ☐ Garage or parking facilities
- ☐ Driveway
- ☐ Large yard
- ☐ Good maintenance of building exterior
- ☐ Other: (Specify)

6. Disabled Accessibility

Unit is accessible to a particular disability. ☐ Yes ☐ No

Disability _____

D. Questions to ask the Tenant (Optional)

1. Does the owner make repairs when asked? Yes ☐ No ☐
2. How many people live there? _____
3. How much money do you pay to the owner/agent for rent? $ _____
4. Do you pay for anything else? (specify) _____
5. Who owns the range and refrigerator? (insert O = Owner or T = Tenant) Range _____ Refrigerator _____ Microwave _____
6. Is there anything else you want to tell us? (specify) Yes ☐ No ☐

E. Inspection Summary/Comments (Optional)

Provide a summary description of each item which resulted in a rating of "Fail" or "Pass with Comments."

Tenant ID Number	Inspector	Date of Inspection (mm/dd/yyyy)	Address of Inspected Unit

Type of Inspection Initial ☐ Special ☐ Reinspection ☐

Item Number	Reason for "Fail" or "Pass with Comments" Rating

Continued on additional page ☐ Yes ☐ No

HOUSING STATUS REPORT

Property Address	Application Status (Rehab, Reconstruct, Demolish)	Completion Status (Rehab, Reconstruct, Demolish)	Project Cost	Comments

D. ACQUISITION/ANTI-DISPLACEMENT/RELOCATION/DEMOLOTION

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D. ACQUISITION/ANTI-DISPLACEMENT/RELOCATION/DEMOLOTION

ACQUISITION

Introduction

This section presents the requirements that apply to property acquisition in connection with the Louisiana Community Development Block Grant (LCDBG) Program. The acquisition of "property", as used in this section of the handbook, will include the acquisition of parcels of land, servitudes, leases and rights-of-way.

Local governments are required to own and provide documentation of property ownership for property involving an LCDBG project. Property will include property owned by the local government before a specific LCDBG project was considered, property obtained in anticipation of an LCDBG project and property obtained as part of an LCDBG project.

Proof of property ownership must be documented by an attorney's opinion or a copy of the title to the property as recorded at the parish courthouse. For streets, there is an additional option which will prove ownership under Louisiana Revised Statute 48:491. LRS 48:491 allows maintenance logs or other substantial written proof of maintenance for at least three years to be considered as written documentation of ownership of the respective streets.

Property acquired for an LCDBG project must be legally recorded. Such recordation is to be filed at the parish courthouse.

Task D-1: Applicability of the Uniform Act

The Uniform Act There was a need for a standardized set of acquisition procedures on federally funded projects in order to avoid the myriad of variations occurring from state to state. In response to this need, Congress passed the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970. This law is commonly called the "Uniform Act".

Acquisition of Specific Parcels of Property by Purchase Much of the property that a state agency acquires for any activity funded in whole or in part with LCDBG funds is subject to the Uniform Act. A state agency is a village, town, city, parish, or any other entity that has "Eminent Domain". Eminent Domain is the legal power to condemn land and acquire privately held property under Article I, Section 2, of the Louisiana Constitution. The term "local government", as used in this section, will refer to the governing bodies of villages, towns, cities or parishes. The following examples illustrate common types of acquisition that are subject to the Uniform Act:

- A certain parcel of property owned by John Doe, a citizen of the community, is needed by the local government for a fire station. It has been determined by the local government that this specific parcel is the best location for the fire station. LCDBG funding has been awarded for the project. The acquisition of this parcel by the local government would be subject to the Uniform Act.
- A certain parcel of property owned by Private Enterprise, Incorporated, is needed for the installation of a water well involving an LCDBG funded project. The life expectancy of the water well is estimated to be as much as 40 years. It is a known fact that Private Enterprise, Incorporated, is willing to enter into a lease with the local government for the long term use of the parcel for a water well. Acquisition of a leasehold interest from Private Enterprise, Incorporated, by the local government would be subject to the Uniform Act.
- The local government needs to obtain permanent roadside rights of way for sewer lines that are part of the installation of a new sewer system which is funded, in part, with LCDBG funding. Some of the rights of way are expected to be donated while others are expected to be purchased. Acquisition of such rights of way, whether by donation or purchase, would be subject to the Uniform Act.

Acquisition By Private Entities Acquisitions by private entities, such as corporations, that do not have condemnation powers are covered by the Uniform Act, even though LCDBG funds are not used to fund the acquisitions. An economic development project that involves a private company acquiring land in most instances is a Uniform Act acquisition. The following is an example of acquisition by a private entity that would be subject to the Uniform Act:

- The local government, on behalf of Widget Incorporated, has been funded for an Economic Development project. A parcel, now privately owned and next to the widget plant, is to be acquired by Widget, Incorporated. The Office of Community Development will provide funds for infrastructure associated with the expansion but Widget Incorporated will be the entity that acquires the parcel of adjacent land. Such acquisition would be subject to the Uniform Act.

Purchases, Donations, Partial Donations Purchases, donations, and partial donations are subject to the Uniform Act when property is obtained for LCDBG projects from individuals or entities that do not have Eminent Domain.

Additional Rights of Way—Street Projects If a road or street is being widened or extended it will often be necessary to obtain additional rights-of-way. It may be that the local government owns the streets and a small right of way along the street but not the larger right of way needed. This additional right of way, when obtained from private individuals or entities which do not have Eminent Domain, would be subject to the Uniform Act.

Timing The timing of an acquisition can also make it subject to the Uniform Act. Regardless of the source of funds, any acquisition made by a local government which takes place on or after the date of submission of your LCDBG application to finance an activity on that property is subject

to the Uniform Act. Also, an acquisition that took place before the application submission may be subject to the Uniform Act if there is clear evidence that the acquisition was done in anticipation of obtaining LCDBG funds.

Leases Subject to the Uniform Act Leases which are for a duration of 15 years or longer are subject to the Uniform Act. Leases which are for a duration of less than 15 years but are automatically renewable are also subject to the Uniform Act.
Lease Approvals Should the local government decide to lease rather than purchase a piece of property, the Office of Community Development must be furnished the terms of the proposed lease and an estimate of the property value prior to the execution of the lease agreement.

The Office of Community Development will examine the lease for at least three factors: duration, cost, and compliance with the Uniform Act. The lease should be for a duration that is, at a minimum, as long as the anticipated life of the project improvements. The cost of the lease must be reasonable and will be compared to the cost of an outright purchase. If the duration of the lease is less than 15 years, this office must determine that the duration was not established for the intentional purpose of avoiding the requirements of the Uniform Act.

HUD Website HUD provides a Real Estate Acquisition and Relocation website at *http://www.hud.gov/relocation*. This site provides access to Handbook 1378, Tenant Assistance Relocation and Real Property Acquisition, and to the HUD brochure, When a Public Agency Acquires Your Property.

Task D-2: Acquisition Procedures Under the Uniform Act

Steps For Meeting LCDBG and Uniform Act Acquisition Requirements Certain steps regarding acquisition of property are necessary to meet LCDBG and Uniform Act requirements. The steps for the purchase of property under the Uniform Act, and the order in which they should occur are as follows:

1. Determine ownership
2. Send the Preliminary Acquisition Notice
3. Determine if an appraisal and review appraisal will be required
4. Obtain a valuation of the property
5. Prepare the Statement of Just Compensation
6. Send the written offer to purchase
7. Conclude final negotiations
8. Prepare a sales contract and complete the sale
9. Provide a Statement of Settlement Costs

Notices, letters, and other documents regarding acquisition must be sent by certified or registered mail, return receipt requested, or hand delivered with receipt documented.

If the owner or occupant does not read or understand English, the local government must provide translations and assistance. Each notice must give the name and telephone number of a person who may be contacted for further information.

Step 1: Determine Ownership The local government is responsible for determining ownership of property which may be needed for an LCDBG project. A title search to determine ownership is often necessary.

Step 2: Send the Preliminary Acquisition Notice As soon as possible after the local government decides that you want to acquire property a Preliminary Acquisition Notice must be sent to the owner (**Exhibit D-1**). One important element of the Preliminary Acquisition Notice is that it explains that it is not a notice to vacate and does not establish eligibility for relocation payments or assistance. The Preliminary Acquisition Notice must be accompanied by the brochure, When a Public Agency Acquires Your Property, which is usually the local government's acquisition policy. If the local government chooses to adopt a different policy, it must at least be as stringent as the Uniform Act; it must be written and sent to the owner along with the Preliminary Acquisition Notice. This brochure is included as **Exhibit D-1**.

Step 3: Determine if an Appraisal and Review Appraisal will be Required Either of two conditions will trigger an appraisal: (1) the value of the property is estimated to be more than $10,000, (2) the owner of the property wants an appraisal. If an appraisal is required the owner of the property must be invited to accompany the appraiser.

When an appraisal is required a review appraisal will automatically be required.

Step 4: Obtain a Valuation of the Property Regardless of whether an appraisal is required it will be necessary to obtain valuation of the property in order to prepare the Statement of Just Compensation as discussed in Step 5.

If an appraisal and review appraisal are required, then the valuation will be based on the appraisals. However, the review appraisal, if higher in monetary valuation than the first appraisal, is considered to be the controlling document.

If an appraisal and review appraisal are not required, then a knowledgeable person may provide a written opinion as to the value of the property. It should be signed and dated and made a part of acquisition records. It does not have to be notarized. A knowledgeable person may be a real estate broker, salesperson, banker, or some other type of locally recognized authority on the value of local property. Often this valuation service could be provided for less than $100.00 and will sometimes be provided free of charge. In all cases the scope of the service and cost of the service should be substantially lower than the cost of an appraisal and review appraisal.

The written valuation does not need to be complicated or detailed. The written opinion is not required to be based on a selection of chosen "comparables" as is often the case with a formal appraisal. The knowledgeable person should state at least three things in the written opinion: (1)

His or her qualifications in one short paragraph, (2) Brief description (but not an official legal description) of the property and (3) Estimate of the value of the property.

Step 5: Prepare the Statement of Just Compensation After valuation of the property, the Statement of the Basis for the Determination of Just Compensation (**Exhibit D-2**) must be prepared. The amount determined to be just compensation must be based on the fair market value as determined in the valuation. It must contain the following elements:

- Legal description and location of the property,
- Description of the interest to be acquired (e.g., full ownership, servitude, etc.),
- Inventory identifying the building, structures, fixtures, etc., which are considered to be a part of the real property,
- The amount of the offer,
- A statement to the effect that the amount offered is the full amount believed by the local government to be just compensation, is not less than the fair market of the property, disregards any increase or decrease in the fair market value attributable to project for which the property was acquired, and does not include any consideration or allowance for relocation costs,
- Definition of fair market value,
- Explanation of the method used to value the property,
- In the case of tenant-owned improvements, the amount determined to be just compensation for the improvement and the basis as set forth in Handbook 1378,
- In the case of the owner retention of improvements, the amount determined to be just compensation for these improvements and the basis as set forth in Handbook 1378,
- Any purchase option agreement should be attached,
- If only a part of the parcel is to be acquired, a statement apportioning the just compensation between the actual piece to be acquired and an amount representing damages and benefits to be remaining portion.

Step 6: Send the Written Offer to Purchase Send the owner a written Offer to Purchase (**Exhibit D-3**), along with the written Statement of the Basis of the Determination of Just Compensation. In addition to the amount of just compensation, the offer must specify the date on which negotiation for the sale of the property will begin. This date must be the same date as the written offer. As with all notices, it should be sent certified or registered mail, return receipt requested.

If the property is tenant or owner-occupied, a written Notice of Displacement must be issued within 30 days of the date specified for the initiation of negotiation. For more details on Relocation Procedures and Antidisplacement under Section 104(d) of the Act, refer to the section on Relocation, Antidisplacement or Handbook 1378.

Step 7: Conclude Final Negotiations The sale is then negotiated. The owner may accept the fair market value and the local government can enter into an agreement with no further action

necessary by the Office of Community Development. The owner must be provided an opportunity to discuss the offer, propose a higher value and document that higher value. The local government may consider an offer exceeding fair market value and submit documentation supporting acceptance to the Office of Community Development, obtain a new valuation, initiate condemnation proceedings, or decide not to acquire the property. Documentation of negotiation proceedings should be placed in the project acquisition file.

There may be occasions when an owner proposes or insists on more than the fair market value. Any amount which exceeds fair market value must be examined and approved by the Office of Community Development if acquisition is to be paid with LCDBG funds. Send the Office of Community Development documentation for prior approval before signing the contract of sale. Approval or disapproval by this office is to be evidenced either by memo transmitted by e-mail communication or faxed copy of the documentation dated and initialed by the acquisition specialist of the LCDBG staff. The use of LCDBG funds which are in excess of fair market value and are not approved prior to disbursement by the Office of Community Development will be disallowed.

Step 8 Prepare a Sales Contract and Complete the Sale Following successful negotiations, an act of sale must be prepared and executed and transfer of documents secured. The local government must also reimburse the owner to the extent deemed fair and reasonable for incidental costs associated with transfer of title (i.e., recording fees, transfer taxes, penalty cost or other charges for prepayment of any pre-existing recorded mortgages, etc.).

Step 9 Provide a Statement of Settlement Costs The local government must give the owner a Statement of Settlement costs which identifies all settlement costs regardless of whether they are paid at, before, or after closing, and must clearly separate charges paid by the owner (**Exhibit D-4**). If a title or escrow company is used, their standard form is acceptable. The Statement of Settlement Costs must be dated and certified as true and correct by the closing attorney or other person handling the transaction.

The local government must also be able to prove the payment of the purchase price by retaining a copy of the canceled check and the Act of Sale.

Deciding Not to Acquire: If the local government decides not to buy or expropriate a property at any time after the Preliminary Acquisition Notice has been sent to the property owner, written notification must be sent to the owner and any tenants occupying the property that the local government does not intend to acquire the property and that any person moving from the property thereafter will not be eligible for relocation payment and assistance. This notice must be sent within 10 days of your decision not to acquire (**Exhibit D-5**).

Donations: The procedure to be followed for donations is somewhat different. If a property is to be fully donated, the local government should inform the owner of his rights under the Uniform Act and obtain a signed waiver. A sample waiver form is included as **Exhibit D-6**. The owner must be given a copy of the HUD brochure, "When a Public Agency Acquires Your Property". If

property is to be partially donated, the local government must follow the procedures of the Uniform Act as detailed in the steps herein and the property owner must sign a waiver of his/her rights for the donated portion of the property. If donations are being made by elderly, very poor, functionally illiterate or non-English speaking persons, the local government should carefully document the efforts made to insure the owner-occupant understands their rights in order to demonstrate the owner is not persuaded or coerced into donating their property.

Task D-3: Appraisals Under the Uniform Act

Selecting Appraisers The local government must select an independent appraiser. The appraiser should have no interest in the property or be related to, or in business with, anyone having any interest in the property to be acquired. The appraiser should be qualified, reputable and professional. Generally, only people who obtain at least 50 percent of their income from doing appraisals and who belong to a professional association that has a code of ethics should be considered. Look for appraisers who have had experience doing the types of appraisals you need. An appraiser who usually establishes values for vacant, unimproved land may not be appropriate to establish accurate values of houses. State-certified or licensed real estate appraisers eligible to perform appraisals for federally related transactions are now listed on the Internet. The National Registry of State-Certified or Licensed Appraisers' Website is: *http://www.asc.gov.*

The local government should request statements of qualifications from a number of local appraisers, review those qualifications, and employ only qualified appraisers. A minimum of one appraisal is required; however, if the project is potentially controversial (as with an unwilling seller or a conflict of interest involving a public official) or where property values exceed $100,000, it is recommended that two independent appraisals be conducted. A review appraisal must be prepared for each appraisal conducted.

The Contract for Appraisal Services The local government must execute a professional services contract with the independent appraiser. **Exhibit D-7** is an appraisal contract that has the required elements for use in the LCDBG program. This contract may be used or another that is prepared which contains the elements found in **Exhibit D-7**. The local government should go over the contents of this contract with your appraiser. The contract must require the appraiser to invite the property owner to accompany the appraiser during the property inspection and not to consider race, color, religion or the ethnic characteristics of a neighborhood in estimating the value of residential real property. Compensation for an appraisal shall not be based on the amount of the valuation.

Exhibit D-8, which states the "Uniform Appraisal Standards for Federal Land Acquisition" sets forth standard requirements for appraisals involving federally funded acquisitions. Standard FHA appraisal forms may be used if they cover all the requirements of the appraisal contract covered in **Exhibit D-7**.

Property Valued at $250,000 or More A contract (fee) appraiser making a "detailed appraisal" on property valued at $250,000 or more must be certified and licensed in accordance with State law implementing Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), P.L. 101-73 and must be currently active on the Louisiana State Certified Appraisers General Appraisal list. The review appraiser must also be on the State's General Appraisal list.

Property Valued at Less Than $250,000 As of September 6, 2001, for property valued below $250,000, the sub-grantee may use a General Appraiser or a Residential Appraiser. This is also applicable to the review appraisal.

Owner Invitation Before the first appraisal is undertaken, the local government or the appraiser on behalf of the local government must formally invite the property owner to accompany the appraiser during inspection of the property (**Exhibit D-9**). This notice should be in writing and a copy placed in your property acquisition file along with evidence of receipt of the owner. The requirement to invite the property owner to accompany the appraiser is optional for the review appraisal.

Servitude Appraisal Forms **Exhibit D-10** is an example of a short form that can be accepted for an appraisal establishing the value of servitude. This form summarizes complete documentation which the appraiser must have on file.

The Review Appraisal Once the appraiser has prepared and submitted the appraisal a review appraisal must be obtained. The review must be done by a qualified staff appraiser or an independent fee appraiser. The review appraiser should be required to visit the property. The review must be written, signed and dated. It should assess the adequacy of the appraiser's supporting data, the appraisal procedures used, and the soundness of the appraiser's opinion of fair market value.

Authority of the Review Appraisal It must also include the reviewer's recommendation of the fair market value of the property. **Exhibit D-11,** the "Review Appraisal Report", contains the required elements needed in a review appraisal. If the review appraiser disagrees with the fair market value of the original appraisal, the locality can request that the original appraiser modify and document any changes in the original report. When judging between differences in the first appraisal and the review appraisal and if differences are not resolved by the modification of the first appraisal then the review appraisal is to be considered authoritative. The local government will also have the option of obtaining another "first appraisal" and review appraisal.

Acquiring Property Without an Appraisal (42 USC 4651 (2); 49 CFR 24.102 (c) (2)): If the local government can determine that the valuation of a parcel of land or servitude is uncomplicated and that fair market value of the property does not exceed $10,000, and if the owner does not desire an appraisal, then an offer can be made to the owner(s) of the property without a formal appraisal but a written valuation of the property by a knowledgeable person will be required. If an appraisal is not required then a review appraisal will not be required.

An option to increase the $10,000 valuation amount to $25,000 may be requested in writing from the Office of Community Development.

Task D-4: Expropriation

Expropriation Proceedings: If the local government cannot negotiate the sale, expropriation proceedings may be instituted. Inexperienced localities sometimes think expropriation is cheaper than negotiated sales. When the owner is an individual, especially elderly or infirm, courts may

be very generous and expropriation can be substantially more expensive than negotiation. The local government is required to pay the amount established by the court.

Initiation of Expropriation Proceedings Expropriation is a legal action and must be carried out by the local government's attorney. The local governing body should authorize the proceedings by resolution. Copies of surveys and maps relating to the subject property in the Parish are recorded. Expropriation proceedings can then be initiated in the district court of the Parish in which the property is located. The local government will have to deposit the amount determined to be "just compensation" in escrow with the court.

The court will establish the compensation to be paid for the property. The judgment of the court will vest full ownership title to the property expropriated in the local government. When title is vested, the local government may enter upon the property taken and takeover and dispose of existing improvements.

Quick Take The 2003 Louisiana Legislature authorized the expropriation of property by "quick-take". Contact the Office of Community Development for instructions, forms and approval prior to undertaking this action.

Task D-5: Acquisition Not Subject to the Uniform Act

Types of Acquisition that are Not Subject to the Uniform Act Five types of acquisition are not subject to the requirements of the Uniform Act; however, these types of acquisition are still subject to Louisiana law and specific LCDBG requirements. These five types are:

1. Acquisition from another public agency
2. Temporary construction servitudes/easements
3. Short term leases
4. Voluntary acquisition
5. Acquisition of streets under LRS 48:491

1. Acquisition from Another Public Agency When a local government acquires property from another public agency which also has the power of Eminent Domain such acquisition is not subject to the Uniform Act.

- Example: A municipality acquires a water well site from a parish for an LCDBG funded project. This acquisition is not subject to the Uniform Act.

2. Temporary Construction Servitudes/Easements When a local government acquires a temporary servitude or easement from a private citizen or corporation such acquisition is not subject to the Uniform Act. When connecting service lines from a privately owned dwelling to a utility line, such as a sewer main, the local government must obtain a construction easement with the private owner(s). (**Exhibit B-25**) A construction easement should also be obtained for any temporary construction to be undertaken on private property.

- Example: A local government is constructing a new sewer system with LCDBG funds that will serve 100 homes. It is determined that these homes qualify for service line connections under the LCDBG program. The local government must obtain a temporary construction servitude from each homeowner before beginning work on each respective parcel of property. Acquisition of the 100 temporary construction servitudes would not be subject to the Uniform Act.

3. Short Term Leases Leases which are for a duration of less than 15 years and are not automatically renewable are considered short term leases not subject to the Uniform Act.

- Example: A sewer lift station must be installed on an emergency basis due to an unexpected chain of events. The lift station is needed for only five more years at which time a new force main system will be installed which will render the lift station obsolete. The local government chooses to obtain a ten year lease, not automatically renewable, from an appropriate property owner. Acquisition of the ten year lease would not be subject to the Uniform Act.

4. Voluntary Acquisition Voluntary acquisition occurs when the local government acquires real property at fair market value from an owner who has submitted a proposal to the community for purchase of their property in response to a public advertisement. The local government may undertake a voluntary acquisition when a site needed for an LCDBG project can be satisfied by more than one property. Property owners can then voluntarily, in response to the advertisement, let the local government of the availability of their property and enter into negotiations for the sale of the property. Voluntary acquisition is not subject to the Uniform Act.

Voluntary Acquisition Property Valuation Valuation of parcels of property will need to be established and may be done by the appraisal process or by a knowledgeable person. If the appraisal process is used a review appraisal is not mandatory because voluntary acquisition is not subject to the Uniform Act. If a knowledgeable person does a valuation of the property it must be in writing. The valuation does not need to be complicated or detailed. The written opinion is

not required to be based on a selection of chosen “comparables” as is often the case with a formal appraisal. The knowledgeable person should state at least three things in the written opinion: (1) His or her qualifications in one short paragraph (2) Brief description (but not an official legal description) of the location of the property and (3) Estimate of the value of the property.

Voluntary Acquisition Example

- Example: A parcel is needed for an LCDBG funded fire station. The fire station could be placed on many different parcels located in the northern part of the municipality. The local government adopts a Voluntary Acquisition Policy. The local government chooses to advertise in the local newspaper for a parcel of property for the fire station. Acquisition of the parcel for the fire station is not subject to the Uniform Act.

Voluntary Acquisition Policy The local government must have or prepare a formal, written policy that authorizes voluntary acquisition. **The policy in Exhibit D-12 must be used**. The public invitation or solicitation should include a description of what the local government wants to buy and all of the rest of the conditions of which a seller should be aware, as stated in **Exhibit D-12**. The solicitation must also indicate that if a mutually satisfactory agreement cannot be reached, the local government will not condemn the property for the same purpose.

Relocation eligibility only becomes effective when a written agreement has been negotiated between the grantee and the owner of the property. If the local government intends to require owner-occupants to waive relocation assistance as a condition of voluntary acquisition, this condition and other pertinent information should be included in the public solicitation and the waiver form should be attached to the purchase offer.

Caution A word of caution—voluntary acquisition is a useful technique in certain situations. It is not a way to "get around” the Uniform Act. Your Local Government Representative can provide advice, early in the process, which can assist in structuring the local government’s policy and any public solicitations to avoid the very unpleasant "clean up" that is necessary if voluntary acquisition goes wrong.

5. Acquisition of Streets under LRS 48:491 Acquisition of streets under LRS 48:491 is not subject to the Uniform Act. LRS 48:491 provides ownership status to local governments that provide evidence of local government or State maintenance of respective streets for a period of three years. In order to document street ownership on an LCDBG project, the three year period should have been completed by the date the LCDBG application was submitted to the Office of Community Development.

Procedures Required for Acquisition not Subject to the Uniform Act Requirements for acquisition of property which are not subject to the Uniform Act include the following steps: (1) determination of ownership, (2) valuation of the property, (3) offer and acceptance, (4) act of sale, donation or transfer (5) a statement of settlement costs (6) recordation and (7) in general, any documentation of acquisition activity from start to finish.

If property is obtained via voluntary acquisition an additional requirement is the proof of at least one public advertisement.

Task D-6: Record Keeping

List of Parcels. For each project, the grantee's files shall include a list identifying all parcels to be acquired for the project. Such a list may be maintained in a suitable computer generated format that also indicates, for project management purposes, progress made in carrying out the acquisition program.

Acquisition Case File Acquisition notices, letters and other documents which are mailed are required to be sent by registered or certified mail, return receipt requested. If hand delivered the delivery should be evidenced by signature and date. An Acquisition Composite List (**Exhibit D-13**) must be completed on LCDBG projects having any acquisition. A Real Property Acquisition Checklist (**Exhibit D-14**) must be completed for each parcel acquired.

For each parcel acquired the grantee files shall include:

1. Identification of property and property owner(s),
2. Determination of ownership,
3. If applicable, evidence that owner received a Preliminary Acquisition Notice accompanied by the notice entitled "When a Public Agency Acquires Your Property",
4. A copy of valuation for each parcel obtained by purchase whether by appraisal or opinion of a knowledgeable person,
5. If applicable, a Statement of the Basis For the Determination of Just Compensation
6. If applicable, a copy of the written purchase offer and documentation of the date of delivery,
7. If applicable, as in the case of a donation, a Property of Servitude Acquisition Waiver,
8. Copy of a Contract of Sale or Act of Donation,
9. Copy of a Statement of Settlement Costs and evidence (via a copy of a cancelled check) that the owner received net proceeds (if applicable) due from sale,
10. Copy of recordation at the appropriate parish courthouse,
11. If applicable, a copy of an appeal or complaint filed and Agency response.

Persons Not Displaced Documentation on persons not displaced shall include:

1. Evidence that the person received timely written notice that he/she would not be displaced by the project;
2. Evidence that tenants occupying a dwelling received a timely offer of: (a) a reasonable opportunity to lease and occupy a suitable, affordable, decent, safe and sanitary dwelling on the real property and (b) reimbursement of any out-of-pocket expenses incurred in connection with any temporary relocation or a move to another unit on the real property;

3. For each occupant that is not displaced but elects to move permanently from the real property, indicate the reason for the move and any personal contact to explain that the person will not qualify for relocation payments as a "displaced person".

Displaced Persons. For persons displaced, there shall be separate case files that include:

1. Identification of the person's name, address, racial/ethnic group classification and date of initial occupancy. For residential tenant-occupants, include age, sex, and income of all members of the household and monthly rent and utility costs. For homeowners, include Agency "acquisition cost" of unit. For nonresidential occupants, include type of enterprise;
2. Evidence that person received timely written notice of possible displacement and a general description of the relocation payments and advisory services for which he/she may be eligible, basic eligibility conditions and the procedures for obtaining payments;
3. Evidence that person received timely written notice of eligibility for relocation assistance and, for those displaced from a dwelling, the specific comparable replacement dwelling and the related cost to be used to establish the upper limit of the replacement housing payment;
4. Identification of relocation needs and preferences, dates of personal contacts and services provided;
5. Identification of referrals to replacement properties, date of referral, rent/utility costs or sale price (if dwelling), date of availability, reason(s) person declined referral;
6. Copy of 90-day notice and vacate notice, if issued;
7. Identification of actual replacement property, rent/utility costs or sale price (if dwelling) and date of relocation;
8. Copy of replacement dwelling inspection report showing condition of unit and date of inspection;
9. Copy of each approved claim form and related documentation, evidence that person received payment, and if applicable, Section 8 Certificate or Housing Voucher;
10. Copy of any appeal or complaint filed and grantee response.

ANTIDISPLACEMENT

Introduction

On August 17, 1988, HUD published an interim rule (53FR31234) setting forth policies and requirements governing displacement, relocation, real property acquisition, and replacement of low/moderate income housing under the CDBG programs. One of the major purposes of the rule was to implement revisions to Section 104 (d) of the Housing and Community Development Act of 1974 (the "Act") made by Section 509 of the Housing and Community Development Act of 1987, approved February 5, 1988. The revised section provides that grants under Sections 106 and 119 of the Act may be made only if the grantee certifies that it has adopted and is complying by following a Antidisplacement and Residential Relocation Plan.

Task D-7: Residential Antidisplacement and Relocation Assistance Plan

Every grantee is required to adopt a Residential Antidisplacement and Relocation Plan and Certification before any funds may be dispersed to that grantee. This plan must be adopted by resolution through your governing body and you must designate in the plan who the contact person is for Antidisplacement Activities. (See **Exhibit D-15** and **D-16**)

The plan must certify that the grantee is following a residential antidisplacement and relocation assistance plan which contains two major components:

a. A requirement to replace all occupied and vacant occupiable low/moderate-income dwelling units that are demolished or converted to a use other than low/moderate-income housing in connection with an activity assisted under the HCD Act (see CFR 570.496a(c)(1) and 24 CFR 570.606(c)(1); and

b. A requirement to provide certain relocation assistance to any lower income persons displaced as a direct result of (1) the demolition of any dwelling unit or (2) the conversion of a low/moderate-income dwelling unit to a use other than a low/moderate-income dwelling in connection with an assisted activity.

Task D-8: Displaced Person

The term "displaced person" means any lower income family or individual that moves from real property, or moves his or her personal property from real property, permanently and involuntarily, as a direct result of the conversion of an occupied or vacant occupiable low/moderate-income dwelling unit or the demolition of any dwelling unit, in connection with an assisted activity.

In administering your LCDBG Program it will be helpful to understand when a person is considered displaced under Section 104(d). The following example should be noted:

(1) A person who moves permanently from the real property, after the person receives a notice from the Agency to move permanently, is considered a displaced person if the move occurs after the Agency initially submits a request for financial assistance that is later provided for the requested activity.

(a) Whenever the Agency is a private property owner, e.g., a private developer or nonprofit organization, the request for financial assistance is the initial application by the property owner (or person in control of the site) that is submitted to the grantee (includes State recipient).

(b) Whenever the Agency is the grantee (includes State recipient), the request for financial assistance is:

(i) For the State CDBG Program, the initial submission of an application to the State by the State recipient requesting assistance under 24 CFR Subpart G;

(2) A person who moves permanently from the real property before notification is considered a displaced person if HUD or the grantee (includes State recipient) determines that the displacement resulted directly from the conversion of an occupied or vacant occupiable low/moderate-income dwelling unit to another use or the demolition of any unit in connection with the assisted activity.

(3) Each tenant-occupant of a dwelling unit who will not be displaced must be provided timely notice and reimbursed for any out-of-pocket expenses. Any such tenant who <u>moves permanently</u> from the real property will qualify as a displaced person if any <u>one</u> of the following three situations ((a), (b), or (c)) has occurred:

(a) The tenant moves permanently after the execution of the Agreement without prior written notice offering the tenant the opportunity to occupy a suitable decent, safe, and sanitary dwelling unit in the same building/complex following the completion of the project under reasonable terms and conditions. Reasonable terms and conditions include:

(i) No unreasonable change in the character or use of the property;

(ii) A monthly cost for rent and utilities that does not exceed the greater of:

(A) The tenant's monthly rent and estimated average monthly utility costs before the execution of such agreement; or

(B) The "Total Tenant Payment" for that person.

(b) The tenant was required to relocate temporarily for the project but (i) the tenant was not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including moving expenses to and from the temporary unit and any increased housing costs, or (ii) other conditions of the temporary relocation were not reasonable. (If the tenant returns to the building/ complex, he or she is not a displaced person, but this does not relieve the Agency of its obligation to reimburse the person for such out-of-pocket expenses); or

(c) The tenant is required to move to another unit in the same building/complex, but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move.

(d) Persons Not Considered a "Displaced Person." If a comparable dwelling unit is available to the displaced person at a monthly cost (rent plus estimated average monthly utility cost) that does not exceed the "total tenant payment per month or a Section 8 certificate or voucher is made available to that person."

(e) When In Doubt. The Agency should, at any time, ask the State or the HUD field office administering these relocation assistance requirements to determine whether a specific displacement is or would be covered by these rules.

Task D-9: Relocation Assistance Under Section 104(d)

The basic relocation assistance payments under Section 104(d) that an individual can receive are either at the Uniform Relocation Assistance (URA) levels or at greater levels under Section 104(d).

For specific guidance on this subject you should refer to HUD Handbook 1378, available from the Office of Community Development. The level of assistance under Section 104(d) should be looked at very closely before any individual is displaced under the LCDBG Program.

Task D-10: Rental Assistance and Purchase Assistance

Under Section 104(d) there are very specific and detailed requirements associated with Rental Assistance and Purchase Assistance that must be followed when anyone is displaced. In lieu of repeating these detailed requirements in this subpart, please refer to HUD Handbook 1378.

The Antidisplacement regulations are somewhat new to the CDBG Program. There has been much discussion in Washington, D.C. and regionally as to their impact on the CDBG Program.

There are still major issues surrounding Section 104(d) that need to be clarified. We have attempted to cite only a portion of the requirements of Section 104(d) above as the specific procedures and record keeping requirements set forth by law can be found in HUD's Handbook 1378.

Prior to any demolition or displacement or any individuals because of the ramifications of Section 104(d) you must contact the Office of Community Development for instructions on how to proceeds.

RELOCATION/DEMOLITION

Introduction

"Displacement" means the involuntary movement of persons (individuals, families, businesses, organizations, or farms) from their properties as a result of: (1) an activity assisted in whole or in part with CDBG funds; or (2) a non-CDBG assisted activity, where such activity is a prerequisite

for an activity carried out with CDBG funds (e.g. acquisition of land with local funds for a neighborhood facility to be constructed with CDBG funds).

Title I of the Housing and Community Development Act of 1974 as amended through 1983 requires States to have their local government recipients certify that they will minimize displacement of persons as a result of activities assisted with Title I funds.

Task D-11: Developing a Local Relocation/Demolition Policy

Section 570.606 of the federal regulations governing the LCDBG program states that where one or more CDBG activities could result in displacement, as defined in 570.606, the grantee shall develop, adopt, and make public a statement of local policy indicating the steps that will be taken, consistent with other goals and objectives of the CDBG program, to minimize displacement of persons from their homes and neighborhoods and to mitigate the adverse effects of any such displacement on low and moderate income persons. **Exhibit D-17** contains a recommended local Relocation policy/Grievance procedure.

The State cannot provide CDBG funds to any local government or agency to pay all or part of the cost of any project or property or in the displacement of any person, unless the State receives satisfactory assurance from the local government or agency that certain requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act 1970 (Uniform Act) and Title I will be met. The State requires all applicants for CDBG funds to evaluate their proposed activities to assess their potential to cause temporary or permanent displacement or other hardships to low and moderate-income persons. Applicants proposing CDBG activities that will result in temporary or permanent displacement of low and moderate income persons are required to develop a written plan for assisting such persons. They are also required to describe in their application for funding, actions that will be taken to mitigate any adverse effects resulting from CDBG funded activities that cause displacement.

When the CDBG funded project or activity results in the acquisition of real property or the displacement of persons as a result of CDBG funded acquisition activities, the Uniform Act and its implementing regulations set forth in 24 CFR 42 shall apply. If there is no real property acquisition involved in the displacement of persons resulting from CDBG funded activities the displacement is not subject to the Uniform Act. Such payments and assistance may be higher than the levels established in the Uniform Act; however, the recipient can make such payments and assistance only upon a written determination that the payments are appropriate. The recipient must adopt a written policy available to the public setting forth the relocation payments and assistance it elects to provide and providing for equal payments and assistance within each class of displacee. The policy must insure fair, consistent, and equitable treatment of persons displaced as a result of CDBG funded activities regardless of race, color, religion, national origin, sex, age, handicap, status or source of income.

The State requires, at a minimum, that the local relocation policy provide for:

1. The payment of reasonable moving expenses;

2. The provision of advisory services as needed to help the displacee in moving, including: 1) Replacement site requirements, 2) Need for outside specialists required for move, 3) Early identification and resolution of realty/personal property issues, 4) Estimated time needed to vacate, 5) Anticipated difficulty in locating replacement site, 6) Identification of advanced relocation payments required for the move;

3. For residential tenants and owners, financial and advisory assistance sufficient to enable the tenant displaced to obtain decent, safe, and sanitary housing at an affordable rental cost to the tenant. In providing advisory assistance to displaced persons to obtain such housing, recipients shall advise them of their rights under the Federal Fair Housing Law (Title VIII), and of replacement housing opportunities in such manner that, wherever feasible, the displacees have a choice between relocating within their own neighborhoods consistent with the recipient's responsibility to affirmatively further fair housing;

4. Under the local policy, rental cost shall be considered to be affordable, if the rent plus the high cost of utilities when not included in the rental rate, does not exceed the greater of the rent plus utilities paid by the tenant prior to the displacement activity or does not exceed 30 percent of the gross monthly income of all adult members of the tenant's household, including supplemental income from other public agencies, whichever is higher. Purchase cost shall be considered affordable if the monthly housing cost, including the cost of all mortgage payments, real property taxes, and reasonable utility charges, does not exceed the greater of the monthly housing cost paid by the displacee prior to the displacement activity or does not exceed 30 percent of the displacee's household, including supplemental income from other public agencies, whichever is higher;

5. The basis for determining the amount of relocation payments;

6. A relocation plan to provide decent, safe, and sanitary housing at affordable costs;

7. Transportation to inspect replacement housing;

8. The grantee cannot propose or request a displaced person to waive his/her rights or entitlements to relocation assistance and benefits provided by the Uniform Act and this regulation.

Elements that must be included in the local policy are:

1. The conditions under which displacement may occur.

   - A statement that identifies the community development program that will cause displacement to occur and the area in which the displacement will take place; and basis for displacement (both temporary and permanent),
     e.g. acquisition, code enforcement, specifying codes involved, relocation/demolition, or rehabilitation.

2. Eligibility requirements for benefits and assistance.

   - Conditions for eligibility;
   - Conditions for providing temporary relocation payments;
   - Occupancy requirements for benefits and assistance (including types of occupancy, e.g. owner/renter, and term of occupancy of at least 180 days for homeowner occupants and 90-days for tenants.

3. Benefits and assistance.

   - Types and amounts of payments for owner/renters;
   - Conditions of each type of payment;
   - Moving expenses, including the amount and conditions under which such expenses will be paid or not paid;
   - Under which benefits and assistance will be denied, e.g. early move and relocation into substandard housing;
   - Availability of other social services, if applicable.

4. Replacement housing.

   - Procedures for selecting safe, sanitary, and decent, including inspections, approval process, and use of realtors and Civil Rights statement; counseling and advisory service to be provided by the recipient to the displacee in locating replacement housing;
   - Under the local policy, replacement housing need not be functionally equivalent to and substantially the same as the housing from which the displacee is required to move. However, the replacement housing must be safe, sanitary and decent and meet local housing and occupancy codes. See HUD Handbook 1378 for the definition of safe, decent, and sanitary.

5. Claims for payments and assistance.

- Explanation of how, when, and where claims are to be filed;
- Claim forms with an explanation of where assistance in completing claims can be obtained.

6. Project location maps.

- A copy of detailed maps showing project location in the jurisdiction and specific location of each activity (houses, streets, etc.).

7. Replacement housing inventory.

- The recipient should maintain a list of all know available housing and realtors who manage and typically list low-cost housing.

8. Guidelines for displacees.

- Explanation of displacee rights, responsibilities, and privileges;
- Outline of specific steps they should follow in order to file an appeal;
- Explanation of how the appeal will be reviewed;
- Time limits for processing and reviewing appeals;
- Statement of the displacee's rights to appeal to the State if they are not satisfied with the local agency's decision. This should included identification of the address and telephone number of the Department of Community Affairs;
- Statement of the displacee's rights to appeal to the courts if not satisfied with the local agency's decision;
- Statement of displacee's rights under the Civil Rights Act (Title VI and Title VII).

When developing the local policy, the recipients should use the recommended Local Relocation Policy included in this manual. If the locality decides to develop a relocation policy that is substantially different from the recommended local policy, State approval of the policy should be obtained before adoption.

Task D-12: Understanding Basic Relocation Requirements

Relocation is a critical element of implementing your CDBG project. If you do not have relocation experience, it is essential that you understand the requirements, develop procedures to handle them and educate yourself both by reading the available written materials and contacting localities near you that have relocation experience.

Most relocation in connection with your CDBG project may be subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. This law is commonly called the Uniform Act. If your project entails relocation, you need to refer to ***www.hud.gov*** and download Handbook 1378, Tenant Assistance Relocation and Real Property Acquisition, and copies of the HUD brochures, Relocation Assistance to Displaced Homeowners and Relocation Assistance to Displaced Tenants (**Exhibit D-18**). TAKE TIME TO READ THESE CAREFULLY. These brochures are for residential relocation only. There are different requirements for the relocation of farms, commercial and industrial uses. If your program involves non-residential relocation, DOA will give you additional materials and guidance since non-residential relocation is a more complicated process. Your Local Government Representative is a major resource you should use if you are uncertain how to proceed.

Persons displaced may be eligible for two types of relocation payments: moving costs and replacement housing payments. For a summary of relocation eligibility and benefit guidelines, see **Exhibit D-19**.

Moving Costs: All displaced persons are eligible for moving costs if the move occurs after initiation of acquisition negotiations or after acquisition. The displaced person can choose to receive either actual moving and related expenses, supported by bills and other documentation or receive a fixed payment. Actual moving and related expenses include:

- Transportation up to 50 miles for moving him/herself, his/her family, and personal property;
- Packing and unpacking personal property;
- Disconnecting, dismantling, reassembling and reinstalling relocated household appliances and other personal property;
- Storage;
- Replacement value of property lost, stolen or damaged during the move;
- Insurance in connection with move and storage;
- Other costs related to move if approved by recipient as reasonable.

Alternatively, an eligible displaced person may also elect to take a fixed payment for moving expenses that is based on the Federal Highway Administration allowances.

Replacement Housing Payments: These payments are available to 180-day owner-occupants and 90-day owner-occupants and tenants. The 180-day owner-occupants must meet the following criteria:

- Owned and occupied the acquired dwellings for 180-days prior to initiation of acquisition negotiations;
- Purchases and occupied decent, safe and sanitary units within one year after the date of receipt of final acquisition payment or the date of the move from the acquired unit, whichever is later;

- Filed a claim within 18 months of the time the move is completed.

An 180-day owner-occupant who relocates to an ownership unit is eligible for a maximum replacement housing payment of up to $22,500, unless otherwise stipulated in the grantee's locally adopted Relocation Policy. The payment represents the combined costs of:

- The cost difference between the acquisition price of the acquired unit and the purchase price of comparable replacement housing or the price of the actual unit purchased, whichever is less;
- Increased interest costs;
- Eligible incidental settlement costs.

However, section 205(c)(3) of the URA precludes displacement from a dwelling unless a comparable replacement dwelling is available. Therefore, if the payment exceeds $22,500, the additional assistance will be provided, according to the grantee's locally adopted Relocation Policy.

The 90-day tenants and owner-occupants must meet the following criteria:

- Occupied the acquired units 90-days prior to initiation of acquisition negotiations;
- Relocated into decent, safe and sanitary unit within one year after --

    1. In the case of a tenant, the date he/she moves from the acquired unit;

    2. In the case of an owner-occupant, the date of receipt of final acquisition payment or the date of the move filed a claim within 18 months of the time the move is completed.

A tenant or owner-occupant that relocates into a rental unit is eligible for a maximum $5,250 Rental Assistance Payment. This payment represents 42 times the monthly difference between his/her housing cost at the original dwelling and the monthly housing cost of comparable replacement housing, or the actual unit rented, whichever is less. This payment must be made in a lump sum unless the displaced person specifically requests that the payment be made in installments.

A tenant who relocates to an ownership unit is eligible for a maximum $5,250 Down Payment Assistance Payment. This payment may be increased according to eligible circumstances described in HUD Handbook 1378.

The Down payment Assistance Payment must be applied to the purchase price of the replacement dwelling and related incidental expenses. The payment is determined on the basis of the amount required to obtain conventional financing for the decent, safe and sanitary dwelling actually purchased and occupied.

Certain benefits may be prorated for unrelated individuals living together. For guidance, check Handbook 1378.

You should clearly understand and indicate that the benefits under the Uniform Act are rights to which the individual is entitled and that your job is to ensure that all displacees receive the maximum amount of benefit to which they are entitled. There are no income or need criteria for benefits. The wealthy as well as the poor are eligible if they are relocated.

Task D-13: Defining Relocation Procedures

The basic benefits described in **Task D-11** must be provided by your program. You may choose to provide payments higher than these. You do this by formal action of your governing body. If higher benefits are adopted, your local relocation policy must define those higher benefits.

The community must determine how the Uniform Act will be implemented. Among other things, procedures should be developed covering responsibility for the following: notification of eligibility and available assistance, processing claims, making payments, handling grievances, and providing documentation.

Grievance Procedure

Your procedures should cover grievances. The Grievance Procedure must outline the appeals process, including the grounds for filing an appeal, to which appeals should be filed in your locality, appropriate time limits, and the right of appeal to the State. Requirements concerning appeals are contained in the Handbook. For our program, simply substitute the word State each time the word HUD is used. Also, the Commissioner of Administration will function in place of the HUD Area Director.

Task D-14: Providing Information and Counseling

It is your responsibility to inform occupants of their rights, send them the required notices and assist them to find replacement housing. Therefore, you should identify the people to be relocated as soon as possible. A Notice of Eligibility for Relocation Assistance (**Exhibit D-20**) must be sent to all owner-occupants or tenants in occupancy within 30 days of the written offer to purchase the property if the occupant is going to be relocated. This Notice must be accompanied by a copy of your relocation procedures or the appropriate brochure. A copy of your Grievance Procedure taken from your local policy should be sent with these materials.

All notices must be written in plain, understandable language. THEY MUST BE EITHER HAND DELIVERED WITH RECEIPT DOCUMENTED, OR SENT CERTIFIED MAIL,

RETURN RECEIPT REQUESTED. The Notices must also contain the name and phone number of a person who may be contacted for answers to questions or other needed help. The Grievance Procedure should be mailed or hand delivered with the Notice of Displacement and receipt documented. The mailed Notice is appropriate for recipients able to read and understand. If there is any reason to believe the recipient may have difficulty understanding the printed materials, hand delivery is preferable. Receipt must be documented.

If relocatees do not speak or read English, you must make all notices available in appropriate translations. Some large cities have already translated these notices in various foreign languages and your Local Government Rep will help you obtain copies. If you use another City's translation, make sure you request a copy of the English version so you can make sure that its notices/procedures are the same as yours.

As soon as these initial notices are sent out, you must interview each recipient, in person, to determine his/her need for assistance. A sample interview format, the first section of a Sample Household Case Record, is provided to show the type of information that is required (**Exhibit D-21**). This includes data identifying the parcel and dwelling; number of individuals and family units; family composition (including age, sex, location of employment, source and amount of income); description of current dwelling (number and type of rooms); length of time of occupancy; amount of housing payment or rent; replacement housing preferences regarding type of tenure, location and willingness to increase monthly payments; and other important characteristics (health/disability problems, special needs such as furniture, public assistance, etc.).

The staff conducting these surveys and having personal contact with the individuals to be relocated should be very patient, sensitive people capable of understanding the distress of displacement and of dealing with the relocatee in a non-threatening, helpful manner. In general, women are less threatening than men; black interviewers in black areas are less threatening than whites and vice versa. Non-Spanish speaking interviewers in Hispanic areas are less effective than fluent, bilingual interviewers.

You should also remember that some of the persons you are going to relocate may be elderly, with a substantial emotional investment in their present home. In your view, it may be a substandard dwelling unit; to the owner, it is a home that contains a lifetime's memories and mementos. Many will not want to relocate. Some may be frightened of government; others may be suspicious of your intentions. Some may be functionally illiterate or senile. The counseling and assistance required to help these people adequately is significant; and it is the area in which many programs experience greatest difficulty.

In many cases, especially with regard to the elderly, it may be useful to ask if there are any relatives living in the surrounding area. If permission to contact these relatives can be obtained, these contacts can assist in developing a responsible relocation plan for the displacee. Some relatives may

contribute money to the purchase of a dwelling; others will have special skills (e.g., lawyer, realtor) that can facilitate re-housing transactions. Sometimes relatives can also encourage cooperation in the disclosure of information necessary to complete claim forms.

At the same time the interviewers are conducting the family survey, they should review the relocation process with the relocatee. Special attention must be give to: (1) the assistance to be provided by you; (2) the benefits available; (3) the fact that replacement housing payments cannot be made unless the household relocates into a standard unit; (4) the importance of keeping in touch with you; and (5) the need to notify you before they move. It is very important that all significant contacts with displacees be logged into Section 5 of **Exhibit D-21**, Household Case Record.

Task D-15: Identifying Replacement Housing Needs

REPLACEMENT HOUSING CANNOT BE PROVIDED UNLESS YOU ARE ACTING UNDER A CODE ENFORCEMENT POLICY OR PLAN IN CONJUNCTION WITH STATE LAW AND LOCAL ORDINANCE.

A primary purpose of the household survey is to provide the information needed to determine replacement-housing needs. All replacement housing must be "decent, safe and sanitary". This means that the replacement unit must meet local housing or occupancy codes.

The only times that local housing or occupancy codes do not define "decent, safe and sanitary" are when such codes do not exist or when the replacement unit is Section 8 assisted. In the latter instance, Section 8 Existing Housing Quality Standards define "decent, safe and sanitary". The unit must also be free of lead-based paint hazards and or architectural barriers, if serving a handicapped person. A Sample Inspection Report format is shown as **Exhibit D-22**.

Comparability/Functionally Similar

In addition to being "decent, safe and sanitary", the replacement unit must also be "functionally similar" to the acquired unit with respect to the number of rooms and living space. The term "functionally" similar means that the comparable replacement unit must perform the same function, provide the same utility and be capable of contributing to the same lifestyle as the acquired dwelling. While it need not contain every feature of the acquired dwelling, the principal features must be present.

This applies unless additional or larger rooms are needed to meet "decent, safe and sanitary" criteria (especially overcrowding). This means that a family of six living in a two-bedroom unit may require a four-bedroom replacement unit to meet local codes or Section 8 standards, if applicable. On the other hand, an elderly widow living alone in a three-bedroom unit is entitled to a three-bedroom unit. They may choose a smaller unit, but you must provide three (3) reasonable choices of comparable replacement units before issuing a 90-day notice to vacate.

Affordability

Further, the referral units must be affordable; that is, the monthly housing costs shall not exceed 30 percent of the household's income with the replacement housing payments. Since the acquisition price for a substandard house may be low, the purchase price coupled with even the maximum replacement housing payment ($22,500) may be insufficient to purchase (free and clear) a comparable unit with monthly mortgage, taxes and utility costs that do not exceed 30 percent of monthly income or established fair market rents.

If you cannot identify comparable, affordable replacement housing using these standards, the inability to relocate site occupants will jeopardize the project. You may seek other means of assisting displacees under the "Last Resort Replacement Housing" provisions of the regulations.

Such alternatives include rehabilitation of, and/or additions to, an existing replacement dwelling; a replacement housing payment in excess of normal limits; construction of new units; relocation of a replacement dwelling; and removal of barriers to the handicapped in a replacement dwelling.

Task D-16: Locating Replacement Housing

Having identified the replacement housing needs, you must begin to inventory available housing resources. In doing this, you must be aware of affirmative action criteria that must be met when relocating low-income and minority persons. The regulations require that the community make comparable replacement housing available to low-income or minority relocatees in areas that do not have concentrations of either low-income or minority households if such opportunities are available. This means that if there are vacant, standard, affordable units available in middle/upper income areas or predominantly white areas of your community, low-income or minority relocatees must be given at least one replacement housing choice in those areas before you can give such relocatees a 90-day notice to vacate.

Furthermore, you are required to make available to low-income and minority families special counseling and related services, (e.g., transportation and escort services). You may secure these services through fair housing or civil rights groups. Many cities have focused their search for replacement units in low-income or minority areas because those areas were where the less expensive housing was concentrated. Now, every community must broaden its search to include middle income and predominantly white areas. We will closely monitor this requirement.

In inventorying available resources, you should contact landlords, realtors, and movers; read the classified ads; and tour neighborhoods looking for "For Rent" and "For Sale" signs. Often affordable units are not advertised. When a landlord puts a vacancy sign on his/her building, those most likely to learn about the vacancy sign are neighborhood residents interested in moving out of their current quarters. Depending on the timing of displacement, these listings can be inspected; and, if found to be decent, safe and sanitary, placed on a list to be used for referrals.

Public housing resources may prove less helpful than anticipated. Displacees may refuse to apply for public housing, either because they simply do not want to live in it or because they resent the investigation necessary to qualify them (the investigation of their incomes, in particular). Also, there have been cases in which the public housing authority has failed to cooperate by refusing to disclose the number and size of vacancies it has, or by refusing to grant preference to displacees.

The process of finding comparable housing will involve continuous contact with displacees to solicit information, establish rapport, provide referrals to re-housing resources, and accompany displacees to inspect possible dwellings. Up-to-date information on the availability and prices of comparable sales and rental housing must be provided. All units must be inspected and certified as meeting local housing and occupancy codes before being placed on a referral list.

Self-Relocations

Some relocatees will not wait for you to locate comparable units. They will search for their own units and relocate themselves. Self-relocations can prove to be a problem. Occupants who relocate themselves risk not receiving the compensation to which they are entitled. This can happen because: (1) the occupants do not know they are entitled to money and fail to apply; (2) the locality is unable to trace them to their new quarters; or (3) the new quarters are substandard (in which the relocatees still receive moving expenses). Self-relocatees who do not inform you of their plans forego a pre-move inspection of their new quarters.

An inspection after a move is often ineffective in securing needed repairs. You have little leverage with the landlord at this point. Neither does the occupant unless they initiate code enforcement proceedings. However, actions of this kind can result in a tenant's eviction, either as a result of retaliation by the landlord or because the required repairs are so extensive that they cannot be made until the building is vacated.

Self-Relocation Into a Substandard Unit

If an individual locates or moves into a replacement unit that is not decent, safe and sanitary, you must really try to upgrade the unit to minimum code in order to entitle the relocatee to benefits. This can include providing any assistance for which the unit is eligible with CDBG funds or securing comparable assistance from other sources. In the event that you cannot get the unit brought up to code, you must inform such relocatees that if they remain in or move to another substandard unit, they will not be eligible for replacement housing payments although they will be eligible for moving expenses. You must also inform them that if they move into a standard dwelling within one year from the date they received payment for their acquired dwelling or from the date they moved from the acquired dwelling, whichever is later, and file a claim within 18 months, they will be eligible for a replacement housing payment. A sample of such a letter is **Exhibit D-23**.

Housing Discrimination in Relocation

There is often a special problem in moving non-white displacees to privately owned replacement units. Many times a white city/county employee will be told by the landlord or owner that a unit is vacant and available. Yet when a non-white person goes to look at the unit as possible replacement housing, they will be told it is not available. Private landlords may be discriminatory in their renting practices. Individual displacees who have been discriminated against may not know how to take action on their own; and legal action is often too expensive to be a practical solution for them. You must provide assistance in cases of housing discrimination; you need not become a prosecutor, but you must press displacees' claims of discrimination. Please review your local Fair Housing Ordinance for guidance.

If a displacee has been discriminated against, there are two (2) alternatives. Suit may be filed in a federal court, in which case he/she should either consult an attorney or the local Legal Aid Society for assistance. The relocation officer should advise him/her regarding both sources of help. If the court finds in favor of the displacee, it can stop the sale of the house or the rental of the apartment to someone else, and award the displacee damages and court costs. Instead of taking his/her complaint directly to court, the second alternative is for the displacee to send the complaint to DOA within 180-days of the incident, simply telling them of this option and explain their rights to them. Upon receipt of the complaint, the State's Human Rights Commission may take one or more of the following steps: (1) investigate to see if the law has been broken; (2) contact the person accused of the violation and try to get him/her to end the discrimination; (3) refer the complaint to the Human Rights Commission -- if there is one where the incident occurred -- for investigation and possible resolution; and/or (4) recommend that he/she go to court.

Common Deficiencies

Failure to provide assistance in locating suitable housing. Failure to provide replacement housing opportunities outside areas of low-income and/or minority concentration.

Failure to provide assistance in identifying and remedying instances of discrimination in sales and rentals of housing units.

Task D-17: Completion of Relocation

When you have made a reasonable choice of comparable replacement housing opportunities available to the relocatee, you may issue the 90-day Notice to Vacate (**Exhibit D-24**). This notice cannot be issued before the Notice of Displacement has been issued or before a reasonable choice of comparable replacement housing has been made available that meet the criteria described in **Task D-20**. The notice must state the date by which the property must be vacated, and indicate that a second notice will be issued at least 30 days in advance of the date the property must be vacated. The date on which the property must be vacated cannot be less than 30

days after you have obtained title to the property or legal right of possession, whichever comes earlier. This means that if negotiations for acquisition drag on for six months, the occupant cannot be required to move until at least 30 days after you have obtained the title. Thus, timing of the notices is very important.

Prior to, and following, the 90-day notice, you continue to work with the relocatees -- inspecting units, certifying they meet code; assisting or preparing mortgage applications, sales agreements, or leases as appropriate; assisting or preparing claim forms which are available from your State Program Rep.; processing and verifying claims; documenting claims and making payments. You should make every effort to expedite relocation since claims may be filed up to 18 months following the completion of the move. This means that claims can be filed months, perhaps years, after the conclusion of your program.

Therefore, if you have unsettled relocation cases at the time you want to close out your grant, you should show maximum payments for each potential claimant as unpaid costs on your Closeout Form.

Otherwise, we may cancel the funds remaining in your Letter of Credit and you would be financially liable for relocation costs. For more detail on closeout procedures, refer to the program closeout section of the material you have received.

Claim forms for relocation payments are included in the Exhibits. They include: Claim for Moving Costs, **Exhibit D-25**; Claim for Replacement Housing Payment for Homeowners, **Exhibit D-26**; and Claim for Rental Assistance or Down payment Assistance, **Exhibit D-27**. Instructions for completing each claim form are provided.

Timely Payment

You are responsible for ensuring that all payments are made in a timely fashion. Payments should be issued within 30 days following the submission of sufficient documentation to support the claim. The regulations further state that advance payments must be made where they would avoid or reduce a hardship. When advance payments are made, you must document that the payment was used for the purpose intended. You should have the recipient sign a letter acknowledging receipt of relocation payments (**Exhibit D-28**).

Use of Relocation Payments

Payments for down payment assistance must be applied to the purchase price of a replacement dwelling and related incidental expenses. Payments for rental assistance to owners or renters need not be applied to housing costs. The rental assistance payment must be made in a lump sum unless the recipient specifically requests otherwise. You have no right to question the uses to which that payment is put; it need not be accounted for beyond receipt by the claimant.

Denying a Claim

If you intend to deny a claim because the replacement unit is not free of lead-based paint, you must notify us 15 days in advance of the denial and indicate the efforts you made to secure compliance with the lead-based paint poisoning prevention requirement. You should make every effort to satisfy this requirement. Denial of a claim on this basis is unwise unless extraordinary efforts were made and failed. In **Task D-16**, we discussed your responsibilities if a person makes a claim for payment which must be denied because the unit is substandard. Briefly, you must inform the claimant why the claim is being denied; indicate the assistance available for bringing the current unit up to code, and the ongoing opportunity to qualify for assistance by moving to a standard unit.

You must further inform the claimant that the move to a standard unit must be completed within 12 months of the date of removal from the acquired dwelling or receipt of final payment (if owner-occupant), whichever is later; and that the claim must be submitted within 18 months of the completion of the move. As noted, **Exhibit D-23** is a sample letter containing this information.

In any instance in which payments are not made, you must be able to fully document your efforts to provide payments, the reasons payments were not made, and signed waivers of payment if possible.
The regulations mandate that any claim for payment be submitted to you within a period of 18 months after displacement. You should strictly adhere to this limitation and fully document when you initially notified the recipient of this requirement and all subsequent reminders.

Waiver of Relocation Benefits

The only circumstance in which relocation benefits will be waived involves a voluntary acquisition in which a owner-occupant was required to waive relocation benefits as a condition of sale. A tenant's relocation benefits cannot be waived by the owner, nor can such a waiver be required as a condition of voluntary acquisition.

Relocation benefits are rarely waived because they are tax-free and there is not a tax benefit associated with waiving these payments. Should a relocatee choose to waive relocation benefits, be absolutely certain a Waiver of Relocation Benefits and Other Services is completed (**Exhibit D-29**). Also be certain the individual's relocation file documents the individual's decision to waive benefits. Any case involving a waiver of relocation benefits will be carefully examined to insure no coercion was involved.

Task D-18: Record Keeping

Record keeping is a very important part of your relocation responsibilities. You must maintain a separate case file on each displaced household for four years after final project closeout or after

the relocation payments, whichever is later. The relocation file checklist (**Exhibit D-31**) identifies all the information required for each file. You should keep a copy of the checklist in front of each relocation file for tracking purposes and to facilitate state and local review. You must also complete **Exhibit D-31** and maintain in your files.

Confidentiality of Records. Records maintained by the grantee/Agency to demonstrate compliance with the policies in this handbook are confidential. They shall not be made available as public information, unless required by applicable law. Only authorized staff of the grantee/Agency or the State or HUD shall have access to them. However, upon the written request of an affected person, the grantee/Agency shall give the person or his designated representative the opportunity to inspect and copy all pertinent records during normal business hours, except material which the grantee/Agency determines should not be disclosed to the person for reasons of confidentiality.

In addition, the following information at a minimum shall be maintained for at least three years after each owner of the property and each person displaced from the property have received the final payment to which they are entitled.

1. List of Occupants. For each project, the grantee's files shall include a list or lists identifying the name and address of:

    a. All persons occupying the real property at the beginning of the project. Generally, this is the date of the initial submission of the application for assistance by the property owner to the grantee or by the grantee to HUD; however, if site control is not obtained until after submission of the application, the date of site control is usually considered the beginning of the project;

    b. All persons moving into the property on or after the date on which the project begins but before completion of the project; and

    c. All persons occupying the property upon completion of the project.

    The list(s) may be maintained in a suitable computer generated format that also indicates, for project management purposes, progress made in carrying out the program.

2. Tenants Not Displaced. Documentation on tenants not displaced shall include:

    a. Evidence that the tenant received timely written notice that the tenant would not be displaced by the project.

    b. For a tenant-occupant of a dwelling, evidence that the tenant received (a) a timely offer of an opportunity to lease and occupy a suitable, affordable,

decent, safe and sanitary dwelling in the building/complex upon completion of the project under reasonable terms and conditions, and (b) reimbursement of any out-of-pocket expenses incurred in connection with any temporary relocation or a move to another unit in the building/complex.

c. For each tenant that is not displaced but elects to relocate permanently, an indication of the reason for the move and any personal contact to explain available alternatives and that the tenant will not qualify for relocation payments as a "displaced person." This information must be available for all tenants who occupied the property before project completion but did not occupy the property after project completion and did not receive relocation assistance as a displaced person.

d. Racial/ethnic/gender identification as required by program rule (implementing section 562 of the Housing and Community Development Act of 1987 and section 808(e)(6) of the Fair Housing Act).

e. A copy of any appeal or complaint filed and Agency response.

3. Displaced Persons: For persons displaced, there shall be separate case files that include:

a. Identification of the person's name, address, racial/ethnic group classification and date of initial occupancy. For residential tenant-occupants, include age, sex, and income of all members of the household and monthly rent and average monthly utility costs for the displacement dwelling. For homeowners, include Agency "acquisition cost" of unit. For nonresidential occupants, include type of enterprise.

b. Evidence that the person received early written notice of the possible displacement and a general description of the relocation payments and advisory services for which the person may be eligible, basic eligibility conditions and the procedures for obtaining payments.

c. Evidence that person received timely written notice of eligibility for relocation assistance and, for those displaced from a dwelling, the specific comparable replacement dwelling and the related cost to be used to establish the upper limit of the replacement housing payment.

d. Identification of relocation needs and preferences, dates of personal contacts and services provided.

e. Identification of referrals to replacement properties, date of referral,

rent/utility costs or sale price (if dwelling), date of availability, and reason(s) person declined referral.

f. Copy of 90-day notice and vacate notice, if issued.

g. Identification (address) of actual replacement property, rent/utility costs or sale price (if dwelling) and date of relocation.

h. Copy of replacement dwelling inspection report showing condition of unit and date of inspection.

i. Copy of each approved claim form and related documentation, evidence that person received payment and, if applicable, Section 8 Certificate or Housing Voucher.

j. Copy of any appeal or complaint filed and grantee response.

For additional record-keeping requirements, refer to Part A, Program Administration, **Task A-17**: Record Keeping and Reporting.

C-5

LEAD-BASED PAINT INFORMATION

WATCH OUT FOR LEAD PAINT: This house may contain lead-based paint. The hazard to children presented by lead-based paint is related to both the lead content of the paint and to poor maintenance of painted surfaces. The problem is most prevalent in older houses built before 1955.

WHAT IS LEAD POISONING? Lead poisoning is a serious problem in this country. Peeling, flaking, painted surfaces, crumbling plaster, cracking wallpaper and painted accessible, chewable surfaces are the primary sources causing childhood lead poisoning. Lead contained in air, dust, soil, household utensils and industrial sources further contributes to childhood lead poisoning.

WHO IS AFFECTED BY LEAD POISONING? Children 1 through 6 years old are the main victims of lead poisoning. The inner city areas, where dilapidated housing prevails, are the areas of highest risk. The problem is also geographically widespread to smaller communities and rural areas. Recent data revealed that in some localities 50 percent of the cases came from outside the inner city area.

Lead-based paint presents a problem not only when peeling, chipping and flaking conditions exists, but also as a source of lead in house dust and garden soil when it wears and powders. In well-maintained homes, lead-based paint is a potential source of danger during renovation and remodeling. Adults attempting to renovate old houses should use safety precautions to prevent inhalation of lead fumes. Ventilation is a key factor. The area which is being redone should be well ventilated, and workers should wear an approved respirator. Also, pregnant women and women of child-bearing age should not be involved in renovating homes containing lead-based paint.

WHAT ARE THE SYMPTOMS OF LEAD POISONING? Initially, there may not be any visible symptoms; however, later symptoms may include:

(a) a decrease or loss of appetite;
(b) increased irritability;
(c) slowdown of playful activity;
(d) occasional vomiting;
(e) slowness in development.

If large amounts of a lead-containing material is repeatedly eaten, the child may have episodes of drowsiness, stupor and increasing vomiting. If you suspect your child may have eaten paint chips or is exposed to other sources of lead, contact your nearest health department or public health service for screening.

HOW DOES THE DOCTOR DETERMINE WHETHER OR NOT A CHILD IS SUFFERING FROM LEAD POISONING? The doctor usually takes a small amount of blood from the finger or the arm, and performs a simple test that determines whether or not the blood level is in the danger zone.

WHAT SHOULD BE DONE TO PREVENT LEAD POISONING? Because the primary source of lead poisoning is in the consumption of chips of paint that contain lead, it is very important that all paint chips be kept out of the reach of children. Other sources of lead poisoning such as: ashes and fumes from burning lead-painted wood and battery casings, automobile emissions, soil containing paint flakes around the exterior of the house, improperly glazed earthenware, etc., should be identified and eliminated.

ELIMINATION OF LEAD-BASED HAZARDS: Hazardous amounts of lead-based paint can temporarily be removed on an emergency basis by:

(a) covering cracked or chewable surfaces with contact paper, cloth, canvas, or a similar substance to prevent plaster and paint chips from falling;
(b) sweeping up all plaster chips and paint flakes;
(c) discarding old woodwork, if replaced. DO NOT BURN IT!

The best way to prevent lead paint poisoning is to keep your house in good shape. The primary source of the lead paint hazard is peeling and flaking paint. Water leaks from faulty plumbing or defective roofs often cause paint to peel or flake from walls and ceilings. Adequate repair of such leaks can prevent damage.

Lead-based paint can be permanently removed by removing the paint to the bare wood and/or scraping, sanding and brushing the wall; then repainting with a new, safe, non-lead-based paint. Simply painting over deteriorated painted surfaces will not remove the lead hazard.

Federal law required that before any buildings are purchased, rented, rehabilitated or assisted in any manner with Federal funds or under any HUD program, lead-based paint hazards must be identified and eliminated.

The following notification "Watch Out For Lead-Based Paint Poisoning" must be signed by each homeowner or tenant receiving LCDBG funds if their house is being rehabilitated under the state's program.

HUD STANDARDS FOR SAFE AND PROHIBITED METHODS FOR TREATING LEAD-BASED PAINT

Examples of Safe Treatment Methods

Removal of Defective Paint By:
Wet scraping;
Wet sanding;
Chemical stripping on or off site;
Replacing painted components;
Scraping with an infrared or coil-type heat gun with temperatures below 1,100 degrees Fahrenheit;
HEPA vacuum sanding;
HEPA vacuum needle gun;
Abrasive sanding with HEPA vacuum.

Covering of defective paint surface with:
Durable materials (such as wallboard or vinyl siding) with joint sealed and caulked.

Prohibited Treatment Methods

Open flame burning or torching;
Machine sanding or grinding without a HEPA local exhaust;
Abrasive blasting or sandblasting without a HEPA exhaust;
Heat guns operating above 1,100 degrees Fahrenheit or charring paint;
Dry scraping or dry sanding except in conjunction with heat guns or within one foot of electrical outlets; and
Paint stripping in a poorly ventilated space using a volatile stripper that is a hazardous substance.

The following notification "Watch Out For Lead-Based Paint Poisoning" must be signed by each homeowner or tenant receiving LCDBG funds if their house is being rehabilitated under the State's program. The following "Protect Your Family From Lead In Your Home" pamphlet must also be given to each of these homeowners and tenants.

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

To: Owners, and Tenants & Purchasers of Housing Constructed before 1978

Notification

Watch Out For Lead-Based Paint Poisoning

This property was constructed before 1978. There is a possibility it contains lead-based paint. **Please read the following information concerning lead-based paint poisoning.**

Sources of Lead Based Paint

The interiors of older homes and apartments often have layers of lead-based paint on the walls, ceilings, window sills, doors and door frames. Lead-based paint and primers may also have been used on outside porches, railings, garages, fire escapes and lamp posts. When the paint chips, flakes or peels off, there may be a real danger for babies and young children. Children may eat paint chips or chew on painted railings, window sills or other items when parents are not around. Children can also ingest lead even if they do not specifically eat paint chips. For example, when children play in an area where there are loose paint chips or dust particles containing lead, they may get these particles on their hands, put their hands into their mouths, and ingest a dangerous amount of lead.

Hazards of Lead-Based Paint

Lead poisoning is dangerous – especially to children under the age of seven (7). It can eventually cause mental retardation, blindness and even death.

Symptoms of Lead-Based Paint Poisoning

Has your child been especially cranky or irritable? Is he or she eating normally? Does your child have stomachaches and vomiting? Does he or she complain about headaches? Is your child unwilling to play? These may be signs of lead poisoning. Many times though, there are no symptoms at all. Because there are no symptoms does not mean that you should not be concerned if you believe your child has been exposed to lead-based paint.

Advisability and Availability of Blood Lead Level Screening

If you suspect that your child has eaten chips of paint or someone told you this, you should take your child to the doctor or clinic for testing. If the test shows that your child has an elevated blood lead level, treatment is available. Contact your doctor or local health department for help or more information. Lead screening and treatment are available through the Medicaid Program for those who are eligible. If your child is identified as having an elevated blood lead level, you should immediately notify the Community Development or other agency to which you or your landlord is applying for rehabilitation assistance so the necessary steps can be taken to test your unit for lead-based paint hazards. If your unit does have lead-based paint, you may be eligible for assistance to abate that hazard.

Precautions to Take to Prevent Lead-Based Paint Poisoning

You can avoid lead-based paint poisoning by performing some preventive maintenance. Look at your walls, ceilings, doors, door frames and window sills. Are there places where the paint is peeling, flaking, chipping, or powdering? If so, there are some things you can do immediately to protect your child:

(a) Cover all furniture and appliances;
(b) Get a broom or stiff brush and remove all loose pieces of paint from walls, woodwork, window wells and ceilings;
(c) Sweep up all pieces of paint and plaster and put them in a paper bag or wrap them in newspaper. Put these packages in the trash can. DO NOT BURN THEM:
(d) Do not leave paint chips on the floor in window wells. Damp mop floors and window sills in and around the work area to remove all dust and paint particles. Keeping these areas clear of paint chips, dust and dirt is easy and very important; and
(e) Do not allow loose paint to remain within your children's reach since children may pick loose paint off the lower part of the walls.

Homeowner Maintenance and Treatment of Lead-Based Paint Hazards

As a homeowner, you should take the necessary steps to keep your home in good shape. Water leaks from faulty plumbing, defective roofs and exterior holes or breaks may admit rain and dampness into the interior of your home. These conditions damage walls and ceilings and cause paint to peel, crack or flake. These conditions should be corrected immediately. Before repainting, all surfaces that are peeling, cracking, chipping or loose should be thoroughly cleaned by scraping or brushing the loose paint from the surface, then repainted with two (2) coats of non-leaded paint. Instead of scraping and repainting, the surface may be covered with other material such as wallboard, gypsum, or paneling. Beware that when lead-based paint is removed by scraping or sanding, a dust is created, which may be hazardous. The dust can enter the body either by breathing it or swallowing it. The use of heat or paint removers could create a vapor or fume which may cause poisoning if inhaled over a long period of time. Whenever possible, the removal of lead-based paint should take place when there are no children or pregnant women on the premises. **Simply painting over defective lead-based paint surfaces does not elimin the hazard. Remember that you as an adu.. play a major role in the prevention of lead poisoning. Your actions and awareness about the lead problem can make a big difference.**

Tenant and Homebuyer Responsibilities

You should immediately notify the management office or the agency through which you are purchasing your home if the unit has flaking, chipping, powdering or peeling paint, water leaks from plumbing, or a defective roof. You should cooperate with that office's effort to repair the unit.

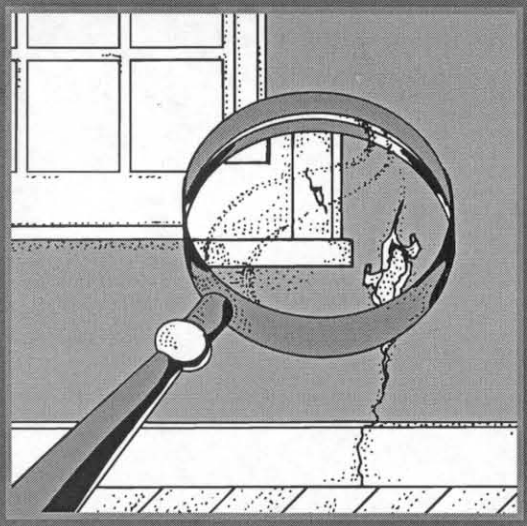
☐ I have received a copy of the Notice entitled "Watch Out for Lead Paint Poisoning."

Date

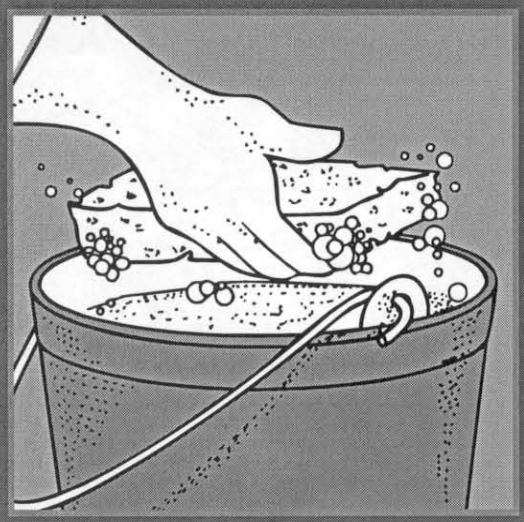
Print Full Name

Signature

Municipality Representative



Protect Your Family From Lead In Your Home



EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Simple Steps To Protect Your Family From Lead Hazards

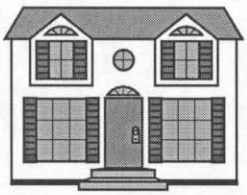
If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

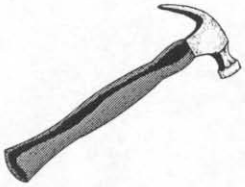


OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:

LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.

SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

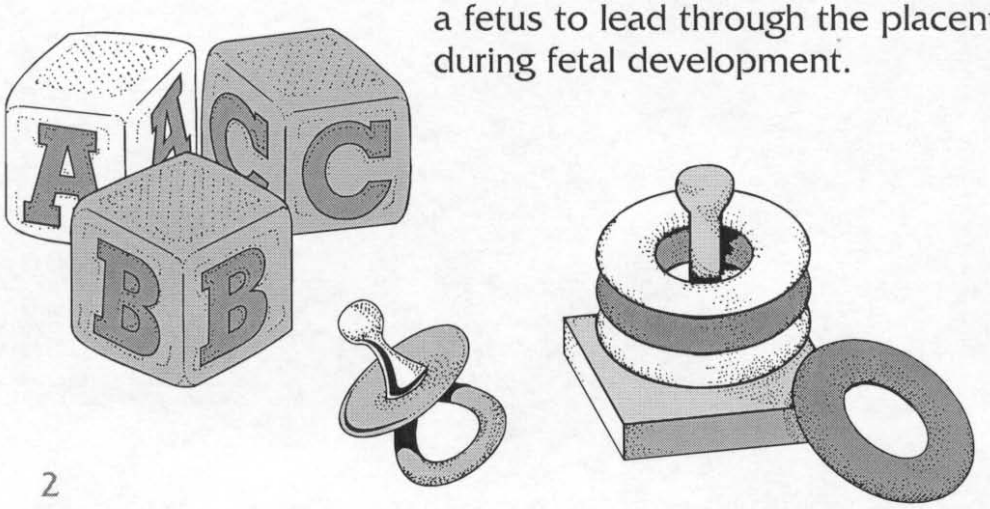
- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

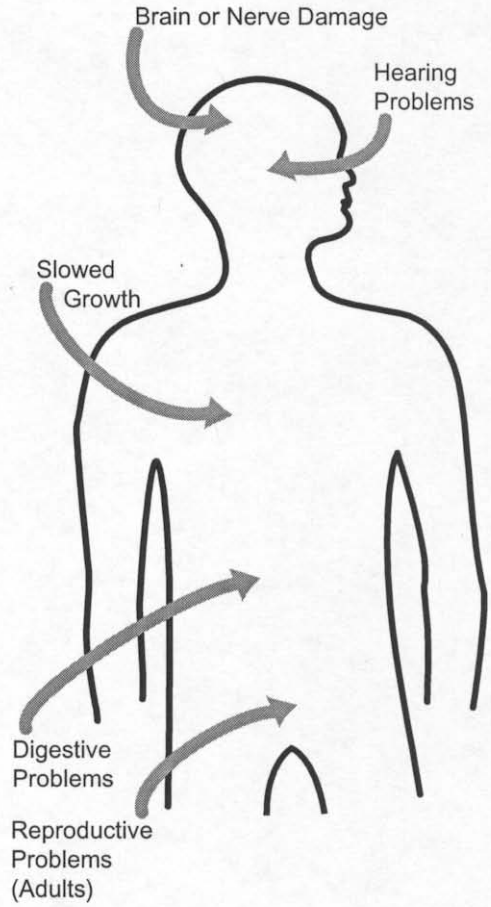
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.

Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

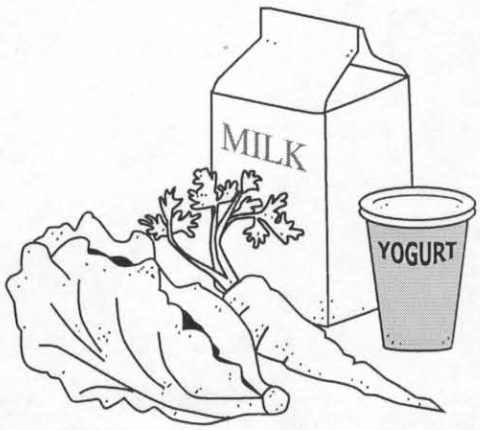
Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:

- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly**. Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.

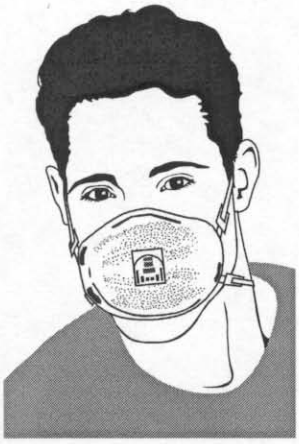
- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas**.
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.



Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

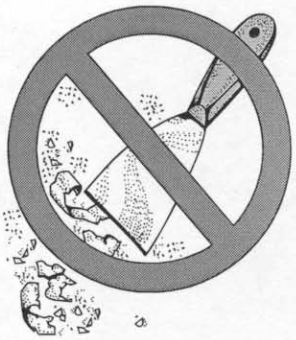
Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):

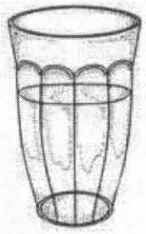


- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

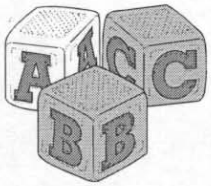
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.

- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.

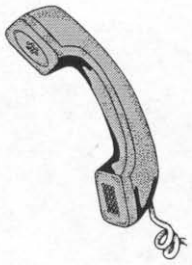


- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.

- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

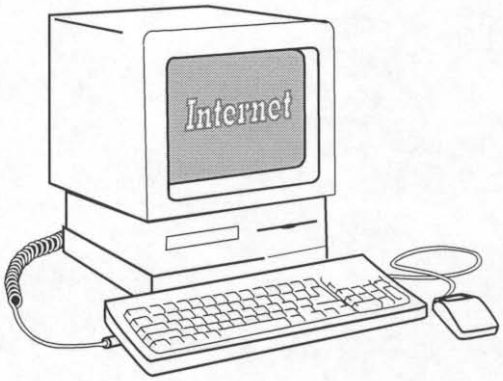


Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline



To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
June 2003

APPLICANT RELEASE TO OBTAIN VERIFICATION OF INCOME

As an applicant for the Community of _____ Residential Rehabilitation Grant/Loan Program, I do hereby give my permission to the Community staff administering the program to contact my employer, bank, or other appropriate person(s) to verify the information I have supplied the Community concerning my income.

Signed: _____

Signed: _____

Signed: _____

Dated: _____

Name of Bank: _____

Address of Bank: _____

_____

Bank Account Numbers:

Checking: _____

Savings: _____

INCOME VERIFICATION SOURCES

The applicant must either provide evidence of financial information obtained at the interview or give the interviewer permission to verify the information with an employer or bank. The following kinds of documentation are adequate to verify financial information.

Type of Information	Verification Source
Employment and other income.	Copies of checks or stubs from paychecks or pension,
	Social security, welfare, veterans' benefits, or unemployment benefit checks.
	Copies of rent checks from tenants; copies of receipts given to tenants for cash payment; copies of entries if made in accounting journals.
	Confirmation from employer, tenant.
	Copy of previous year's income tax (can verify previous income, should not be used to verify current income.)
Savings bonds and other security	Copy of bond or statement of purchase.
	Copy of previous year's income tax (can verify dividends)
Bank accounts	Copy of three most recent bank statements.
	Copy of passbook.
	Confirmation from bank.
	Copies of previous year's income tax (can verify interest).

REHABILITATION HOUSEHOLD SURVEY

DATE OF ORIGINAL INTERVIEW: _____

NAME OF INTERVIEWER: _____

Name of Occupant: _____

Address: _____

_____

Lot _____ Section _____ Subdivision _____

Phone: Day _____ Night _____

Racial/Ethnic Classification: _____

Female Headed Household: _____

Age of Head of Household: _____

Date First Moved into Unit: _____

Size of Household: _____

Single Family _____, Duplex _____, Triplex _____, Other _____

How Many Units in Structure _____

No. of Rooms _____

No. of Bedrooms _____

Approximate Year Built _____

Housing Costs of Current Unit

Tenant

Rent $ _____

Average Utilities $ _____

_____

Total Monthly Housing Cost $ _____

Owner

Monthly Mortgage $ _____

Second Mortgage $ _____

Average Utilities $ _____

Insurance $ _____

Real Taxes $ _____

Total Monthly Housing Cost $ _____

Monthly Expenses

Monthly Housing	$ _____	Subtotal	$ _____
Car	$ _____	Other:	
Gasoline/Services	$ _____	_____	$ _____
Life Insurance	$ _____	_____	$ _____
Medical Insurance	$ _____	_____	$ _____
Installment Loans	$ _____	Fixed Monthly Costs:	
_____	$ _____	Social Security	$ _____
_____	$ _____	Income Taxes	$ _____
_____	$ _____	Retirement	$ _____
_____	$ _____	Other	
_____	$ _____	_____	
Subtotal	$ _____	Total Monthly Expenses	$ _____

HOUSEHOLD INCOME

NAME	AGE	SEX	RELATIONSHIP WITH HOUSEHOLD HEAD	GROSS MONTHLY INCOME	EMPLOYER OR OTHER* SOURCE OF INCOME		
					NAME AND ADDRESS	PHONE	DATE/INITIALS PERSON VERIFYING INCOME/ HOUSEHOLD DATA

Release:

*Social Security, Welfare, Retirement, Veteran, Rental Property Income, Bonds and Other securities, etc.

CONFIDENTIAL

FINANCIAL INFORMATION VERIFICATION CHECKLIST

Name of Applicant: _____
Address: _____
_____
Date: _____

1.	Income	Date Verified*	Method of Verification	Amount Verified
	Applicant salary/wage	_____	_____	_____
	Applicant previous job	_____	_____	_____
	Spouse salary/wage	_____	_____	_____
	Spouse previous job	_____	_____	_____
	Pension	_____	_____	_____
	Social Security	_____	_____	_____
	Welfare	_____	_____	_____
	Railroad Retirement	_____	_____	_____
	Veterans' Benefits	_____	_____	_____
	Unemployment Benefits	_____	_____	_____
	Rental Property Income	_____	_____	_____
	Interest	_____	_____	_____
	Dividends	_____	_____	_____
	Other	_____	_____	_____

*If income is not applicable to applicant, mark N/A on the line provided.

FINAL VERIFICATION CHECKLIST

		DATE
(1)	Final date all applicant social data and household information verified	_____
(2)	Final date all applicant financial information verified	_____

_____
Community Representative

C-7

Metro Areas	FY 2007 LCDBG Moderate Income Limits by Household Size (80% Median)							
New Orleans-MSA	1 Person	2 Person	3 Person	**4 Person**	5 Person	6 Person	7 Person	8 Person
Jefferson Parish	31,900	36,500	41,050	45,600	49,250	52,900	56,550	60,200
Orleans Parish	31,900	36,500	41,050	45,600	49,250	52,900	56,550	60,200
Plaquemines Parish	31,900	36,500	41,050	45,600	49,250	52,900	56,550	60,200
St. Bernard Parish	31,900	36,500	41,050	45,600	49,250	52,900	56,550	60,200
St. Charles Parish	31,900	36,500	41,050	45,600	49,250	52,900	56,550	60,200
St. John the Baptist Parish	31,900	36,500	41,050	45,600	49,250	52,900	56,550	60,200
St. Tammany Parish	31,900	36,500	41,050	45,600	49,250	52,900	56,550	60,200
Baton Rouge-MSA-FMR								
Ascension Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
East Baton Rouge Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
East Feliciana Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
Livingston Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
Pointe Coupee Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
St. Helena Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
West Baton Rouge Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
West Feliciana Parish	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
Lafayette-MSA								
Lafayette Parish	29,500	33,700	37,950	42,150	45,500	48,900	52,250	55,650
St. Martin Parish	29,500	33,700	37,950	42,150	45,500	48,900	52,250	55,650
Lake Charles-MSA								
Calcasieu Parish	28,500	32,550	36,650	40,700	43,950	47,200	50,450	53,700
Cameron Parish	28,500	32,550	36,650	40,700	43,950	47,200	50,450	53,700
Shreveport-MSA								
Bossier Parish	27,800	31,750	35,750	39,700	42,900	46,050	49,250	52,400
Caddo Parish	27,800	31,750	35,750	39,700	42,900	46,050	49,250	52,400
De Soto Parish	27,800	31,750	35,750	39,700	42,900	46,050	49,250	52,400
Monroe-MSA								
Ouachita Parish	26,950	30,800	34,650	38,500	41,600	44,650	47,750	50,800
Union Parish	26,950	30,800	34,650	38,500	41,600	44,650	47,750	50,800
Alexandria-MSA								
Grant Parish	25,150	28,700	32,300	35,900	38,750	41,650	44,500	47,400
Rapides Parish	25,150	28,700	32,300	35,900	38,750	41,650	44,500	47,400
Houma-MSA								
Lafourche Parish	27,650	31,600	35,550	39,500	42,700	45,850	49,000	52,150
Terrebonne Parish	27,650	31,600	35,550	39,500	42,700	45,850	49,000	52,150

Non-Metro Areas	FY 2007 LCDBG Moderate Income Limits by Household Size (80% Median)							
Non-Metropolitan Parishes	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Acadia Parish	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850
Allen Parish	23,400	26,750	30,100	33,450	36,150	38,800	41,500	44,150
Assumption Parish	26,650	30,500	34,300	38,100	41,150	44,200	47,250	50,300
Avoyelles Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Beauregard Parish	25,950	29,700	33,400	37,100	40,050	43,050	46,000	48,950
Bienville Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Caldwell Parish	23,050	26,300	29,600	32,900	35,550	38,150	40,800	43,450
Catahoula Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Claiborne Parish	22,500	25,750	28,950	32,150	34,750	37,300	39,900	42,450
Concordia Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
East Carroll Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Evangeline Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Franklin Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Iberia Parish	24,650	28,150	31,700	35,200	38,000	40,850	43,650	46,450
Iberville Parish	23,350	26,700	30,000	33,350	36,000	38,700	41,350	44,000
Jackson Parish	24,750	28,300	31,800	35,350	38,200	41,000	43,850	46,650
Jefferson Davis Parish	22,850	26,100	29,400	32,650	35,250	37,850	40,500	43,100
La Salle Parish	24,700	28,250	31,750	35,300	38,100	40,950	43,750	46,600
Lincoln Parish	26,650	30,500	34,300	38,100	41,150	44,200	47,250	50,300
Madison Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Morehouse Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Natchitoches Parish	22,450	25,700	28,900	32,100	34,650	37,250	39,800	42,350
Red River Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Richland Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Sabine Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
St. James Parish	28,200	32,250	36,250	40,300	43,500	46,750	49,950	53,200
St. Landry Parish	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850
St. Mary Parish	22,600	25,850	29,050	32,300	34,900	37,450	40,050	42,650
Tangipahoa Parish	25,200	28,800	32,400	36,000	38,900	41,750	44,650	47,500
Tensas Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Vermilion Parish	24,800	28,350	31,900	35,450	38,300	41,100	43,950	46,800
Vernon Parish	24,000	27,400	30,850	34,250	37,000	39,750	42,450	45,200
Washington Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Webster Parish	26,900	30,700	34,550	38,400	41,450	44,550	47,600	50,700
West Carroll Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Winn Parish	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250

Metro Areas	FY 2007 LCDBG Low Income Limits by Household Size (50% Median)							
New Orleans-MSA	1 Person	2 Person	3 Person	**4 Person**	5 Person	6 Person	7 Person	8 Person
Jefferson Parish	19,950	22,800	25,650	28,500	30,800	33,050	35,350	37,600
Orleans Parish	19,950	22,800	25,650	28,500	30,800	33,050	35,350	37,600
Plaquemines Parish	19,950	22,800	25,650	28,500	30,800	33,050	35,350	37,600
St. Bernard Parish	19,950	22,800	25,650	28,500	30,800	33,050	35,350	37,600
St. Charles Parish	19,950	22,800	25,650	28,500	30,800	33,050	35,350	37,600
St. John the Baptist Parish	19,950	22,800	25,650	28,500	30,800	33,050	35,350	37,600
St. Tammany Parish	19,950	22,800	25,650	28,500	30,800	33,050	35,350	37,600
Baton Rouge-MSA-FMR								
Ascension Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
East Baton Rouge Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
East Feliciana Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
Livingston Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
Pointe Coupee Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
St. Helena Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
West Baton Rouge Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
West Feliciana Parish	19,650	22,500	25,300	28,100	30,350	32,600	34,850	37,100
Lafayette-MSA								
Lafayette Parish	18,450	21,100	23,700	26,350	28,450	30,550	32,650	34,800
St. Martin Parish	18,450	21,100	23,700	26,350	28,450	30,550	32,650	34,800
Lake Charles-MSA								
Calcasieu Parish	17,800	20,350	22,900	25,450	27,500	29,500	31,550	33,600
Cameron Parish	17,800	20,350	22,900	25,450	27,500	29,500	31,550	33,600
Shreveport-MSA								
Bossier Parish	17,350	19,850	22,300	24,800	26,800	28,750	30,750	32,750
Caddo Parish	17,350	19,850	22,300	24,800	26,800	28,750	30,750	32,750
De Soto Parish	17,350	19,850	22,300	24,800	26,800	28,750	30,750	32,750
Monroe-MSA								
Ouachita Parish	16,850	19,250	21,650	24,050	25,950	27,900	29,800	31,750
Union Parish	16,850	19,250	21,650	24,050	25,950	27,900	29,800	31,750
Alexandria-MSA								
Grant Parish	15,700	17,950	20,200	22,450	24,250	26,050	27,850	29,650
Rapides Parish	15,700	17,950	20,200	22,450	24,250	26,050	27,850	29,650
Houma-MSA								
Lafourche Parish	17,300	19,750	22,250	24,700	26,700	28,650	30,650	32,600
Terrebonne Parish	17,300	19,750	22,250	24,700	26,700	28,650	30,650	32,600

Non-Metro Areas	FY 2007 LCDBG Low Income Limits by Household Size (50% Median)							
Non-Metropolitan Parishes	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Acadia Parish	16,500	18,900	21,250	23,600	25,500	27,400	29,250	31,150
Allen Parish	14,650	16,700	18,800	20,900	22,550	24,250	25,900	27,600
Assumption Parish	16,650	19,050	21,400	23,800	25,700	27,600	29,500	31,400
Avoyelles Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Beauregard Parish	16,250	18,550	20,900	23,200	25,050	26,900	28,750	30,600
Bienville Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Caldwell Parish	14,400	16,450	18,500	20,550	22,200	23,850	25,500	27,150
Catahoula Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Claiborne Parish	14,050	16,100	18,100	20,100	21,700	23,300	24,900	26,550
Concordia Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
East Carroll Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Evangeline Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Franklin Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Iberia Parish	15,400	17,600	19,800	22,000	23,750	25,500	27,300	29,050
Iberville Parish	14,600	16,700	18,750	20,850	22,500	24,200	25,850	27,500
Jackson Parish	15,450	17,700	19,900	22,100	23,850	25,650	27,400	29,150
Jefferson Davis Parish	14,300	16,300	18,350	20,400	22,050	23,650	25,300	26,950
La Salle Parish	15,450	17,650	19,850	22,050	23,800	25,600	27,350	29,100
Lincoln Parish	16,650	19,050	21,400	23,800	25,700	27,600	29,500	31,400
Madison Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Morehouse Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Natchitoches Parish	14,050	16,050	18,050	20,050	21,650	23,250	24,850	26,450
Red River Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Richland Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Sabine Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
St. James Parish	17,650	20,150	22,700	25,200	27,200	29,250	31,250	33,250
St. Landry Parish	16,500	18,900	21,250	23,600	25,500	27,400	29,250	31,150
St. Mary Parish	14,150	16,150	18,200	20,200	21,800	23,450	25,050	26,650
Tangipahoa Parish	15,750	18,000	20,250	22,500	24,300	26,100	27,900	29,700
Tensas Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Vermilion Parish	15,500	17,700	19,950	22,150	23,900	25,700	27,450	29,250
Vernon Parish	15,000	17,100	19,250	21,400	23,100	24,800	26,550	28,250
Washington Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Webster Parish	16,800	19,200	21,600	24,000	25,900	27,850	29,750	31,700
West Carroll Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400
Winn Parish	14,000	16,000	18,000	20,000	21,600	23,200	24,800	26,400

Metro Areas	FY 2007 LCDBG Extremely Low Income Limits by Household Size (30% Median)							
New Orleans-MSA	1 Person	2 Person	3 Person	**4 Person**	5 Person	6 Person	7 Person	8 Person
Jefferson Parish	11,950	13,700	15,400	17,100	18,450	19,850	21,200	22,550
Orleans Parish	11,950	13,700	15,400	17,100	18,450	19,850	21,200	22,550
Plaquemines Parish	11,950	13,700	15,400	17,100	18,450	19,850	21,200	22,550
St. Bernard Parish	11,950	13,700	15,400	17,100	18,450	19,850	21,200	22,550
St. Charles Parish	11,950	13,700	15,400	17,100	18,450	19,850	21,200	22,550
St. John the Baptist Parish	11,950	13,700	15,400	17,100	18,450	19,850	21,200	22,550
St. Tammany Parish	11,950	13,700	15,400	17,100	18,450	19,850	21,200	22,550
Baton Rouge-MSA-FMR								
Ascension Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
East Baton Rouge Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
East Feliciana Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
Livingston Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
Pointe Coupee Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
St. Helena Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
West Baton Rouge Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
West Feliciana Parish	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
Lafayette-MSA								
Lafayette Parish	11,050	12,650	14,200	15,800	17,050	18,350	19,600	20,850
St. Martin Parish	11,050	12,650	14,200	15,800	17,050	18,350	19,600	20,850
Lake Charles-MSA								
Calcasieu Parish	10,700	12,200	13,750	15,250	16,450	17,700	18,900	20,150
Cameron Parish	10,700	12,200	13,750	15,250	16,450	17,700	18,900	20,150
Shreveport-MSA								
Bossier Parish	10,450	11,900	13,400	14,900	16,100	17,300	18,500	19,650
Caddo Parish	10,450	11,900	13,400	14,900	16,100	17,300	18,500	19,650
De Soto Parish	10,450	11,900	13,400	14,900	16,100	17,300	18,500	19,650
Monroe-MSA								
Ouachita Parish	10,100	11,550	13,000	14,450	15,600	16,750	17,900	19,050
Union Parish	10,100	11,550	13,000	14,450	15,600	16,750	17,900	19,050
Alexandria-MSA								
Grant Parish	9,400	10,750	12,100	13,450	14,550	15,600	16,700	17,750
Rapides Parish	9,400	10,750	12,100	13,450	14,550	15,600	16,700	17,750
Houma-MSA								
Lafourche Parish	10,350	11,850	13,350	14,800	16,000	17,200	18,400	19,550
Terrebonne Parish	10,350	11,850	13,350	14,800	16,000	17,200	18,400	19,550

Non-Metro Areas	FY 2007 LCDBG Extremely Low Income Limits by Household Size (30% Median)							
Non-Metropolitan Parishes	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Acadia Parish	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700
Allen Parish	8,800	10,050	11,300	12,550	13,550	14,550	15,550	16,550
Assumption Parish	10,000	11,450	12,850	14,300	15,450	16,600	17,750	18,900
Avoyelles Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Beauregard Parish	9,750	11,100	12,500	13,900	15,000	16,100	17,250	18,350
Bienville Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Caldwell Parish	8,650	9,900	11,100	12,350	13,350	14,350	15,300	16,300
Catahoula Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Claiborne Parish	8,450	9,650	10,850	12,050	13,000	14,000	14,950	15,900
Concordia Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
East Carroll Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Evangeline Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Franklin Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Iberia Parish	9,250	10,550	11,900	13,200	14,250	15,300	16,350	17,400
Iberville Parish	8,750	10,000	11,250	12,500	13,500	14,500	15,500	16,500
Jackson Parish	9,300	10,600	11,950	13,250	14,300	15,350	16,450	17,500
Jefferson Davis Parish	8,600	9,800	11,050	12,250	13,250	14,200	15,200	16,150
La Salle Parish	9,300	10,600	11,950	13,250	14,300	15,350	16,450	17,500
Lincoln Parish	10,000	11,450	12,850	14,300	15,450	16,600	17,750	18,900
Madison Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Morehouse Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Natchitoches Parish	8,450	9,650	10,850	12,050	13,000	14,000	14,950	15,900
Red River Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Richland Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Sabine Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
St. James Parish	10,550	12,100	13,600	15,100	16,300	17,500	18,700	19,950
St. Landry Parish	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700
St. Mary Parish	8,450	9,700	10,900	12,100	13,050	14,050	15,000	15,950
Tangipahoa Parish	9,450	10,800	12,150	13,500	14,600	15,650	16,750	17,800
Tensas Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Vermilion Parish	9,300	10,650	11,950	13,300	14,350	15,450	16,500	17,550
Vernon Parish	9,000	10,300	11,550	12,850	13,900	14,900	15,950	16,950
Washington Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Webster Parish	10,100	11,500	12,950	14,400	15,550	16,700	17,850	19,000
West Carroll Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Winn Parish	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850

C-8

SAMPLE WORK WRITE-UP AND COST ESTIMATE

Applicant: Mrs. Beasley
Application #129
425 Fourth Street

Inspector: Orry Marrinous Date Inspected: 3/9/04

		Estimated Cost
LIVING ROOM 10' x 15'		
Floors	Remove existing subfloor (approximately 210 square feet) and replace with plywood subfloor at least 5/8".	$_____
	Install sheet vinyl over wood surface, "Armstrong Standard" or equal (approximately 210 square feet).	$_____
Walls	Patch holes and cracks in existing plaster (approximately 6 square feet). Include lathing on south and west walls.	$_____
	Paint walls (approximately 480 square feet) With two coats of interior latex paint, “Sherman Williams Good" or equal, with roller.	$_____
BEDROOM #2 9' x 11'		
Window	Install screen and lock (3'x4').	$_____
Closet	Install 16"x36" #2 pine shelf and 1-3/8" clothes pole.	$_____
Walls	Paint with 2 coats of interior latex “Sherwin Williams Good" or equal with roller (approximately 900 square feet).	$_____
Doors and Woodwork	Paint using semi-gloss "Sherman Williams Good" or equal using brush.	$_____

_____ _____
Signature of Homeowner Date

		Estimated Cost
HALL 4' x 10'		
Floor	Remove existing subfloor (approximately 40 square feet) and replace with plywood subfloor at least 5/8".	$_____
	Install vinyl asbestos floor tile "Armstrong Standard" or equal (approximately 40 square feet).	$_____
	Install shoe and baseboard (approximately 20 linear feet).	$_____
Ceiling	Install frame and cover on access hole (approximately 3'x3').	$_____
Electric	Remove existing hanging light cord and replace with UL approved ceiling fixture with switch.	$_____
Closet	Rebuild existing closet 3'9" x 2'0"; door size 2'0" x 6'8"; install 12" #2 pine shelf and 1-3/8" clothes pole.	$_____
Walls	Apply 2 coats interior latex "Sherman Williams Good" or equal with roller (approximately 200 square feet).	$_____
	Apply semi-gloss paint to 2 doors, door jams and baseboard. "Sherman Williams Good" or equal with brush.	$_____
KITCHEN 11'6" x 14'5"		
Walls	Install shoe and baseboard (approximately 50 linear feet).	$_____
	Apply 2 coats interior latex, "Sherman Williams Good" or equal with roller (approximately 250 square feet).	$_____

_____ _____

Signature of Homeowner Date

		Estimated Cost
Ceiling	Install 12"x12" celotex tile over existing wood ceiling (approximately 165 square feet) with adhesive.	$_____
Windows	Remove existing wood windows, reset and install new trim (approximately 2'x3").	$_____
	Paint window trim using semi-gloss "Sherman Williams Good" or equal with brush.	$_____
Cabinets	Remove 3 base kitchen cabinets and counter top.	$_____
	Install 36" door base cabinets with 2 drawers and 2 cabinets and formica counter top and 4" back-splash.	$_____
	Install 36" wall cabinets 26" high over base cabinet.	$_____
	Install stainless steel sink in top 32"x21".	$_____
Electric	Install 10" ventilation fan, vent fan through wall over stove.	$_____
	Remove existing electric panel box and install a new panel box (200 amp. minimum with breaker breaker switch) and replace all wiring inside wall. Replace all hazardous wiring as per code.	$_____
	Install 2 new electrical outlets in kitchen, check wiring, replace as necessary.	$_____

BATHROOM 6'x8'0"

Floor	Remove existing subfloor (approximately 54 square feet), replace with plywood subfloor at least 5/8".	$_____
	Install vinyl asbestos floor tile, "Armstrong Standard" or equal (approximately 48 square feet).	$_____

_____ _____

Signature of Homeowner Date

		Estimated Cost
Ceiling	Remove water damage plaster down to lathes, replace lathes if damaged, re-plaster (approximately 48 square feet), and paint with 2 coats of interior latex "Sherman Williams Good" or equal.	$_____
Walls	Scrape, seal, and repaint all walls with 2 coats of interior latex "Sherman Williams Good" or equal.	$_____
Toilet	Remove and replace existing toilet with new toilet. "Standard Quality".	$_____
EXTERIOR		
Joists	Remove four rear joists, size 2"x10"x14', and replace with same size joists.	$_____
Fascia and Trim	Remove 2 deteriorated barge rafters size 2"x6"x12'. Replace with same size rafters.	$_____
Screen Doors	Replace 2 existing deteriorated screen doors 3'x6'8" with new aluminum screen doors.	$_____
Exterior Windows	Weatherstrip 8 windows with spring bronze.	$_____
Exterior Walls	Caulk around all openings and seal all cracks in exterior siding. Scrape all exterior walls, paint all exterior wood surfaces with 2 coats of exterior oil base paint.	$_____
Termite Control	Spray for termites and other pests by a licensed contractor.	$_____
Attic	Install 6" blown fiberglass insulation.	$_____
Plumbing	Route all waste lines (by a rooter sewer contractor). Call plumbing inspector to inspect this operation.	$_____
Wrap Pipes	Wrap pipes or ducts in crawl space with 1-1/2" foil scrim fiberglass.	$_____

_____ _____

Signature of Homeowner Date

		Estimated Cost
Vapor Barrier	Install 4 mil vapor barrier on ground in crawl space.	$_____

PERMITS REQUIRED:

Electric, Building, & Plumbing

I hereby certify that the foregoing repairs will be sufficient to bring this unit up to Section 8 minimum property standards.

_____ _____

Date Community Inspector

I understand that the foregoing repairs represent the full and exact extent of work to be undertaken on this property and that no changes to this list can be made without prior written approval of the Community, the contractor and myself.

_____ _____

Date Homeowner

Contractor Requirements

2150. Purpose; legislative intent

The purpose of the legislature in enacting this Chapter is the protection of the health, safety, and general welfare of all those persons dealing with persons engaged in the contracting vocation, and the affording of such persons of an effective and practical protection against the incompetent, inexperienced, unlawful, and fraudulent acts of contractors with whom they contract. Further, the legislative intent is that the State Licensing Board for Contractors shall monitor construction projects to ensure compliance with the licensure requirements of this Chapter.

2150.1. Definitions

As used in this Chapter, the following words and phrases shall be defined as follows:

(1) "Board" means the State Licensing Board for Contractors.

(2) "Commercial purposes" means any construction project other than residential homes, a single residential duplex, a single residential triplex, or a single residential fourplex. A construction project consisting of residential homes where the contractor has a single contract for the construction of more than two homes within the same subdivision shall be deemed a commercial undertaking.

(3) "Contract" means the entire cost of the construction undertaking, including labor, materials, rentals, and all direct and indirect project expenses.

(4)(a) "Contractor" means any person who undertakes to, attempts to, or submits a price or bid or offers to construct, supervise, superintend, oversee, direct, or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or furnishing labor, or furnishing labor together with material or equipment, or installing the same for any building, highway, road, railroad, sewer, grading, excavation, pipeline, public utility structure, project development, housing, or housing development, improvement, or any other construction undertaking for which the entire cost of same is fifty thousand dollars or more when such property is to be used for commercial purposes other than a single residential duplex, a single residential triplex, or a single residential fourplex. A construction project which consists of construction of more than two single residential homes, or more than one single residential duplex, triplex, or fourplex, shall be deemed to be a commercial undertaking.

(b) The term "contractor" includes general contractors, subcontractors, architects, and engineers who receive an additional fee for the employment or direction of labor, or any other work beyond the normal architectural or engineering services.

(c) A contractor holding a license in the major classification of hazardous materials, or any subclassifications thereunder, shall be defined in terms of work performed for which the cost is one dollar or more.

(d) "Contractor" shall not mean any person, supplier, manufacturer, or employee of such person who assembles, repairs, maintains, moves, puts up, tears down, or disassembles any patented, proprietary, or patented and proprietary environmental equipment supplied by such person to a contractor to be used solely by the contractor for a construction for a construction undertaking.

(5) "Executive director" means the person appointed by the board to serve as the chief operating officer in connection with the day-to-day operation of the board's business.

(6)(a) "General contractor" means a person who contracts directly with the owner. The term "general contractor" shall include the term "primary contractor" and wherever used in this Chapter or in regulations promulgated thereunder "primary contractor" shall mean "general contractor".

(b) "General contractor" shall not mean any person, supplier, manufacturer, or employee of such person who assembles, repairs, maintains, moves, puts up, tears down, or dissembles any patented, proprietary, or patented and proprietary environmental equipment supplied by such person to a contractor to be used solely by the contractor for a construction undertaking.

(7) "Home improvement contracting" means the reconstruction, alteration, renovation, repair, modernization, conversion, improvement, removal, or demolition, or the construction of an addition to any pre-existing owner occupied building which building is used or designed to be used as a residence or dwelling unit, or to structures which are adjacent to such residence or building. "Home improvement contracting" shall not include services rendered gratuitously.

(8) "Home improvement contractor" means any person, including a contractor or subcontractor, who undertakes or attempts to, or submits a price or bid on any home improvement contracting project.

(9) "Person" means any individual, firm, partnership, association, cooperative, corporation, limited liability company, limited liability partnership, or any other entity recognized by Louisiana law; and whether or not acting as a principal, trustee, fiduciary, receiver, or as any other kind of legal or personal representative, or as a successor in interest, assignee, agent, factor, servant, employee, director, officer, or any other representative of such person; or any state or local governing authority or political subdivision performing a new construction project which exceeds the contract limits provided in R.S. 38:2212 and which does not constitute regular maintenance of the public facility or facilities which it has been authorized to maintain.

(10) "Qualifying party" means a natural person designated by the contractor to represent the contractor for the purpose of complying with the provisions of this Chapter including without limitation meeting the requirements for the initial license and/or any continuation thereof.

(11) "Residential building contractor" means any corporation, partnership, or individual who constructs a fixed building or structure for sale for use by another as a residence or who, for a price, commission, fee, wage, or other compensation, undertakes or offers to undertake not more than three floors in height, to be used by another as a residence, when the cost of the undertaking

exceeds fifty thousand dollars. The term “residential building contractor” includes all contactors, subcontractors, architects, and engineers who receive an additional fee for employment or direction of labor, or any other work beyond the normal architectural or engineering services. It shall not include the manufactured housing industry or those persons engaged in building residential structures that are mounted on metal chassis and wheels.

(12) “Subcontract” means the entire cost of that part of the contract which is performed by the subcontractor.

(13)(a) “Subcontractor” means a person who contracts directly with the primary contractor for the performance of a part of the principle contract or with another contractor for the performance of a part of the principle contract.

(b) “Subcontractor” shall not mean any person, supplier, manufacturer, or employee of such person who assembles, repairs, maintains, moves, puts up, tears down, or disassembles any patented, proprietary, or patented and proprietary environmental equipment supplied by such person to a contractor to be used solely by the contractor for a construction undertaking.

2157. Exemptions

A. There are excepted from the provisions of this Chapter:

(1) Any public utility providing gas, electric, or telephone service which is subject to regulation by the Louisiana Public Service Commission or the council of the city of New Orleans, or to any work performed by such public utility in furnishing its authorized service.

(2) Owners of property who supervise, superintend, oversee, direct, or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or maintenance of any building, railroad excavation, project, development, improvement, plan facility, or any other construction undertaking, on such property, for use by such owner and which will not be for sale or rent, and the control of access to which shall be controlled by the owner so that only employees and non-public invitees are allowed access.

(3) Persons donating labor and services for the supervision and construction of or for the maintenance and repair of churches.

(4) Farmers doing construction for agricultural purposes on leased or owned land.

(5) Persons bidding or performing work on any project totally owned by the federal government.

(6) Persons bidding work partially funded by the federal government if a federal regulation or law prohibits the requirement of said license; however, the successful bidder shall apply for a license and meet all requirements of the law and rules and regulations of the board prior to commencement of work.

(7) Persons engaged in the rail or pipeline industry with respect to rail or pipeline construction activities performed on property owned or leased by such persons.

(8) Citizens volunteering labor for the construction of a project which is funded by the Louisiana

Community Development Block Grant, Louisiana Small Towns Environmental Program.

(9) Persons, suppliers, manufacturers, or employees of such persons who assemble, repair, maintain, move, put up, tear down, or disassemble any patented, proprietary, or patented and proprietary environmental equipment supplied by such persons to a contractor to be used solely by the contractor for a construction undertaking.

(10) The manufactured housing industry or those persons engaged in any type of service, warranty, repair, or home improvement work on factory-built, residential dwellings that are mounted on chassis and wheels.

B. However, the provisions of this Chapter shall apply to any contractor employed by persons exempted hereinabove. Further, nothing herein shall be construed to waive local and state health and life safety code requirements.

2160. Engaging in business of contracting without authority prohibited; penalty

A. (1) It shall be unlawful for any person to engage or to continue in this state in the business of contracting, or to act as a contractor as defined in this Chapter, unless he holds an active license as a contractor under the provisions of this Chapter.

(2) It shall be unlawful for any contractor, licensed or unlicensed, who advertises in any form or in any news medium, to advertise that he is a licensed contractor without specifying the type of license to which he is referring.

B. It shall be sufficient for the indictment, affidavit, or complaint to allege that the accused unlawfully engaged in business as a contractor without authority from the State Licensing Board for Contractors.

C. Anyone violating this Section of this Chapter shall be guilty of a misdemeanor and, upon conviction, shall be fined a sum not to exceed five hundred dollars per day of violation or three months in prison, or both.

2167. Licensure required; qualifications; examination; waivers

A. No person shall work as a residential building contractor, as defined in this Chapter, in this state unless he holds an active license in accordance with the provisions of this Chapter.

B. In order to obtain a license as a residential building contractor an applicant shall demonstrate to the subcommittee that he:

(1) Has submitted certificates evidencing workers' compensation coverage in compliance with Title 23 of the Louisiana Revised Statutes of 1950, and liability insurance in a minimum amount of one hundred thousand dollars or liability protection provided by a liability trust fund as authorized by R.S. 22:5(9)(d) in a minimum amount of one hundred thousand dollars.

(2) Has passed the examination administered by the State Licensing Board for Contractors.

(3) Has submitted a financial statement prepared by an independent auditor and signed by the applicant and auditor before a notary public, stating that the applicant has a net worth of at least ten thousand dollars.

C. The State Licensing Board for Contractors shall administer an examination for licensure of residential building contractors at such times and places as it shall determine in accordance with the testing procedures of the board. The examination shall test the applicant's knowledge of such subjects as the subcommittee may consider useful in determining the applicant's fitness to be a licensed residential building contractor. The subcommittee shall determine the criteria for satisfactory performance.

D. The subcommittee shall waive the examination and grant a residential building contractor's license to any person working in the residential building industry who meets at least one of the following requirements:

(1) Holds a builder construction license issued by the State Licensing Board for Contractors prior to February 1, 1996.

(2) to (4) Terminated by Acts 1997, No. 925, 1, eff. January 1, 1998.

2170. Exceptions

A. There are excepted from the provisions of this Chapter:

(1) Owners of property who supervise, superintend, oversee, direct, or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or maintenance of their personal residences, provided the homeowner does not build more than one residence per year. The one-year period shall commence on the date of occupancy of the residence. However, an owner of property may build more than one personal residence in a one-year period if the construction of an additional residence occurs as a result of a change in the legal marital status of the owner or change in the employment status of the owner whereby the owner must relocate to another employment location, which is located in excess of fifty miles form his personal residence.

(2) Persons performing the work of a residential building contractor in areas or municipalities that do not have a permitting procedure.

(3) Farmers doing construction for agricultural or related purposes on leased or owned land.

B. However, the provisions of this Chapter shall apply to any contractor employed by persons exempted in Subsection A except those contractors employed for remodeling purposes. Further, nothing in this Section shall be construed to waive local and state health and life safety code requirements.

PART II. HOME IMPROVEMENT CONTRACTING

Re-designations in Chapter 24

Acts 2003, No. 1146, 2 added Chapter 24, Part I, "Home Improvement Contracting", containing R.S. 37:2175.1 to 37:2175.5. This Part I as added by Acts 2003, No. 1146 was re-designated, pursuant to the statutory revision authority of the Louisiana State Law Institute, as Part II of Chapter 24. On the same authority, R.S. 37:2150 to 37:2173 of Chapter 24 were designated as Part I, "General" of that Chapter.

2175.1 Home improvement contracting; written contract required

A. Every agreement to perform home improvement contracting services, as defined by this Part, in an amount in excess of seventy-five hundred dollars shall be in writing and shall include the following documents and information:

(1) The complete agreement between the owner and the contractor and a clear description of any other documents which are or shall be incorporated into the agreement.

(2) The full names, addresses, and the registration number of the home improvement contractor.

(3) A detailed description of the work to be done and the materials to be used in the performance of the contract.

(4)(a) The total amount agreed to be paid for the work to be performed under the contract including all change orders and work orders.

(b) An approximation of the cost expected to be borne by the owner under a cost-plus contract or a time-and–materials contract.

(5) The signature of all parties.

B. At the time of signing, the owner shall be furnished with a copy of the contract signed by both the home improvement contractor and the owner. No work shall begin prior to the signing of the contract and transmittal to the owner of a copy of the contract.

C. Contracts which fail to comply with the requirements of this Section shall not be invalid solely because of noncompliance.

2175.2 Home improvement contracting; registration required

A. No person shall undertake, offer to undertake, or agree to perform home improvement contracting services unless registered with and approved by the Residential Building Contractors Subcommittee of the State Licensing Board of Contractors as a home improvement contractor.

B. In order to be registered as a home improvement contractor, an applicant must make a written application under oath to the subcommittee. The application shall set forth information that includes the following:

(1) The applicant's name, home address, business address, and social security number.

(2) The names and addresses of any and all owners, partners, or trustees of the applicant including, in case of corporate entities, the names and addresses of any and all officers, directors, and principal shareholders. The Section shall not apply to publicly traded companies.

(3) A statement whether applicant has ever been previously registered in the state as a home improvement contractor, under what other names he was previously registered, whether there have been previous judgments or arbitration awards against him, and whether his registration has ever been suspended or revoked.

C. The applicant shall furnish the board proof of workers' compensation insurance.

D. The subcommittee shall fix fees, in an amount not to exceed fifty dollars, in a manner established by its rules for the registration and renewal for home improvement contractors.

E. No application for registration or renewal conforming to the requirements of this Section may be denied or revoked except for a finding by the subcommittee that the applicant has done one or more of the following acts which are grounds for denial:

(1) Made material omissions or misrepresentations of fact on their application for registration or renewal.

(2) Failed to pay either the registration fee or renewal fee.

(3) Failed consistently to perform contracts or has performed contracts in an un-workmanlike manner or has failed to complete contracts with no good cause or has engaged in fraud or bad faith with respect to such contracts.

F. The subcommittee shall issue and deliver a certificate of registration to all applicants who have been approved for registration. Each certificate of registration issued by the subcommittee shall bear a number which shall be valid for one year from the date of its issuance and may be renewed upon approval of the subcommittee. The certificate shall not be transferable.

2175.3. Home improvement contracting; prohibited acts; violations

A. The following acts are prohibited by persons performing home improvement contracting services:

(1) Operating without a certificate of registration issued by the subcommittee.

(2) Abandoning or failing to perform, without justification, any contract or project engaged in or undertaken by a registered home improvement contractor, or deviating from or disregarding plans or specifications in any material respect without the consent of the owner.

(3) Failing to credit the owner any payment they have made to the home improvement

contractor in connection with a home improvement contracting transaction.

(4) Making any material misrepresentation in the procurement of a contract or making any false promise likely to influence, persuade, or induce the procurement of a contract.

(5) Violation of the building code of the state or municipality.

(6) Failing to notify the subcommittee of any change of trade name or address, or conducting a home improvement contracting business in any name other than the one in which the home improvement contractor is registered.

(7) Failing to pay for materials or services rendered in connection with his operating as a home improvement contractor where he has received sufficient funds as payment for the particular construction work, project, or operation for which the services or material were rendered or purchased.

(8) Making a false representation that the person is a state licensed general contractor.

B. Violations of this Section shall subject the violator to the administrative sanctions as prescribed in this Part.

2175.4. Home improvement contracting; administrative penalties

A. If the subcommittee determines that any registrant is liable for violation for any of the provisions contained in this Part, the subcommittee may suspend the registrant's certificate of registration for such period of time as shall be determined by the subcommittee; revoke the registrant's certificate of registration, or reprimand the registrant.

B. The subcommittee may assess an administrative penalty not to exceed one hundred dollars or twenty-five percent of the total contract price, whichever is greater, payable within thirty days of their order, for each violation of any of the provisions of this Part, committed by the home improvement contractor who is registered or who is required to be registered, plus any administrative costs incurred by the subcommittee.

C. In determining whether to impose an administrative penalty, the administrator shall consider the seriousness of the violation, the effect of the violation on the complainant, any good faith on the part of the home improvement contractor, and the home improvement contractor's history of previous violations.

2175.5. Home improvement contracting; exceptions

A. The following persons are excepted from the provisions of this Part:

(1) The state or any of its political subdivisions.

(2) A homeowner who physically performs the home improvement work on their personal residence.

(3) Persons licensed as a contractor, subcontractor, or residential building contractor pursuant to Chapter 24 of Title 37 of the Louisiana Revised Statutes of 1950.

(4) Electricians, plumbers, architects, or other persons who are required by law to attain standards of competency or experience as a prerequisite to licensure for and engaging in such profession who are acting exclusively within the scope of the profession for which they are currently licensed pursuant to such other law.

(5) Any person who performs labor or services for a home improvement contractor for wages or salary and who does not act in the capacity as a home improvement contractor.

(6) Any person who works exclusively in any of the following home improvement areas:

(a) Landscaping
(b) Interior painting or wall covering.

B. Nothing in this Section shall be construed to waive local and state health and life safety code requirements.

SAMPLE
CONTRACT PACKAGE FOR REHABILITATION

KNOW ALL MEN BY THESE PRESENTS:

Community of _____

This agreement made the __ day of _____, 20_____ by and between

_____ hereinafter referred to as the

"Owner" and

_____ hereinafter referred to as

"Contractor", with the Community of _____,

hereinafter referred to as the

"Community", acting as the Owner's agent.

W I T N E S S E T H

The Owner does hereby employ the contractor to do all the work and provide all materials, tools, machinery, supervision, etc., necessary for the Rehabilitation of the property known as:

_____

for the total sum of _____

Dollars ($_____), all in accordance with the work write-up, estimate, plans, and specifications which are attached hereto as Attachment "A" and expressly incorporated herein by reference and made a part hereof.

1. The Contractor does hereby agree that he will perform the work diligently and in a good workmanship manner, using the materials specified or materials of at least equal quality.

2. The Contractor shall be responsible for obtaining all necessary permits for the work to be performed, and the work being done or any part thereof shall not be deemed completed until same has been accepted as satisfactory by the Owner or by the Community.

3. When adjacent property is affected or endangered by any work done under this contract, it shall be the responsibility of the Contractor to take whatever steps are necessary for the protection of the adjacent property and to notify the Owner thereof of such hazard.

4. The Contractor hereby agrees not to assign or sublet this contract without the written consent of the Owner. The request for assignment shall be addressed to the Owner, c/o the Office of Community Development.

5. In the event of any breach of this contract, the Owner, may at his option engage the services of another contractor to complete the work and deduct the cost of such completion from the amount due the Contractor hereunder.

6. Upon satisfactory completion of the work, the Owner will pay the Contractor 90 percent of the contract price and will issue a written acceptance of work, and the Contractor shall immediately file the same with the Clerk of the Court for Community. After the expiration of 45 days from the registry of the notice of acceptance and after the Contractor shall have delivered to the Owner a certificate from the Clerk of the Court in the name of the Owner and Contractor, showing no liens or claims arising out of the work are recorded and that more than 45 days have elapsed since the registry of the notice, this contract shall be completed and the Contractor and his surety shall be discharged and the Contractor paid the 10 percent retainage.

7. The City does hereby agree to make progress payments, if any, in accordance with the following conditions:

   (a) Progress payments shall not exceed 90 percent of the value of the specified work satisfactorily completed.

   (b) Contracts over $3,500 but not exceeding $5,000; One (1) partial payment may be requested by the contractor after a minimum of 50 per cent of the total contract work is satisfactorily completed.

   (c) Contracts over $5000; Two (2) partial payments may be requested by the Contractor, (1) First Partial Payment -- after a minimum of 40 percent of the work is satisfactorily completed; (2) Second Partial Payment -- after an additional 40 percent of the total contract work is satisfactorily completed.

8. The Contractor covenants and agrees to, and does hereby, indemnify, and hold harmless and defend the Owner, the Office of Community Development, The Community, and State of Louisiana, their agents, servants of employees, from and against any and all claims for injuries or damages to persons or property of whatsoever kind of character, whether real or asserted, arising out of this agreement of the work to be performed hereunder. The Contractor hereby assumes all liability and responsibility for injuries, claims or suits for damages, to persons or property of whatsoever, kind of character,

whether real or asserted, occurring during the time the work is being performed and arising out of the performance of same.

9. Neither the Contractor nor any subcontractor shall commence work under this agreement until all insurance required under this paragraph has been secured and such insurance has been approved by the Owner:

Compensation Insurance: The Contractor shall take out and maintain during the life of this contract, Workmen's Compensation Insurance for all of his employees at the site of the project; and in case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees.

General Liability and Property Damage Insurance: The Contractor shall take out and maintain during the life of this contract, such general liability and property damage insurance that shall protect him and any subcontractor performing work covered by this contract from claims for damages or personal injury, including accidental death, as well as from claims for property damage which may arise from operation under this contract, whether such operation be by himself or by one directly or indirectly employed by either of them; and the amounts of such insurance shall be as follows:

Public Liability Insurance in an amount not less than One Hundred Thousand Dollars ($100,000) for injuries, including accidental death, to any one person; and in an amount of not less than One Hundred Thousand Dollars ($100,000) on account of one accident.

It is further agreed that the Contractor, at his sole cost and expense, shall acquire and maintain fire and extended coverage insurance upon the entire structure on which the work on this contract is to be one, to one hundred (100) percent of the insurable value which is declared to be $_____, on a form of policy approved by the Insurance Commissioner of the State of Louisiana, of an agency duly delegated by him for insuring such a risk in the State of Louisiana. Loss, if any, is to be payable to the Owner having legal title to the property that is to be rehabilitated, except in such cases as may require payment of the proceeds of such insurance to a mortgagee as his interest may appear.

10. It is agreed that the Owner is hereby obligated to issue a written proceed-order to the Contractors within thirty (30) days from the date of execution of this contract. It is further agreed that the Contractor will, after the receipt of such order, begin the work to be performed under this contract within ten (10) calendar days of the date of such order. Upon commencement of work the Contractor hereby agrees to complete the same within sixty (60) days, time being of the essence.

11. Contractor hereby guarantees the improvements herein provided for, for a period of one year from the date of final acceptance of all work required by this contract. It is further agreed that the Contractor will furnish the Owner, c/o Office of Community

Development, with all manufacturers and suppliers written guarantee and warranties covering materials and equipment furnished under this contract.

12. The Contractor shall at all times keep the premises free from accumulations of waste materials or rubbish caused by his employees at work; and at the completion of the work he shall remove all his rubbish from and about the building and all his work "broom clean" or its equivalent. It is further agreed that all materials and equipment that have been removed and replaced as a part of the work hereunder shall belong to the Contractor.

13. The Contractor shall, upon completion of the work, and upon final payment by the Owner, furnish the Owner with an affidavit certifying that all charges for execution of this contract, have been paid in full, to the end that no liens of any kind or character (save and except those between the parties hereto) may be affixed against the above described property. Final payment of the contract amount will be made only after final inspection and acceptance of all work to be performed by the contractor, and the contractor's satisfactory releases of liens or claims for liens by the contractor, subcontractors, laborers, and materials suppliers.

14. The Contractors shall remove any and all cracking, scaling, pealing, chipping and loose paint and repaint all surfaces using two coats of a non-lead based paint. Where the paint film integrity of the applicable surface cannot be maintained, paint shall be completely removed or the surface covered with a suitable material such as gypsum, wallboard, plywood, or plaster before any repainting is undertaken.

15. The State grantor agency, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to this specific contract, for the purpose of audits, examinations, and making excerpts and transcriptions. All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of four (4) years from the official date of close-out of the grant.

16. No official of the Owner who is authorized in such capacity and on behalf of the Owner to negotiate, make accept or approve, or to take part in negotiating, making, accepting or approving any architectural, engineering, inspection, construction or material supply contract or any subcontract in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part hereof. No officer, employee, architect, attorney, engineer or inspector of or for the Owner who is authorized in such capacity and on behalf of the Owner to exercise any legislative, executive, supervisory or other similar functions in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part thereof, any material supply contract, subcontract, insurance contract, or any other contract pertaining to the project.

17. This instrument which includes Part II Terms and Conditions constitutes the entire agreement between the parties and no written or oral agreement of any kind exists to change the provisions hereof. No other work shall be done, nor additional monies paid, unless provided for in a previously written contract, signed by the parties hereto, and approved in writing by the Community of _____, Office of Community Development.

18. In the event there is any conflict between the provisions of this contract and the provisions of Attachment "A", the provisions of this contract shall in all cases prevail.

19. After Rehabilitation, if a unit is sold, rented, leased or otherwise vacated within five (5) years from the end of the lien period, the grant funds used to Rehabilitate that unit must be pro-rated over the five (5) year period and that portion of time not lived in the house by the homeowner be converted to a dollar amount and returned to the State. (Example: A $15,000 rehabbed unit sold after two (2) years would equate to $15,000 divided by 5 = $3,000 per year or $6,000 of grant money forgiven and $9,000 of grant money returned to the State.) If this should occur you should notify the State immediately for instructions.

20. In the event the unit to be Rehabilitated is located within an area designated as having special flood hazards by the Federal Flood Insurance Administration and the Department of Housing and Urban Development, the homeowner shall be required to secure and maintain a policy of flood insurance on the unit for a minimum of one (1) year after completion of the unit, with a maximum of the lien period length. A minimum of one (1) year should be paid with CDBG funds. A copy of the insurance certificate or policy shall be required for documentation and the community shall retain same in the rehabilitation file. The homeowner shall be counseled prior to application approval of this requirement. In all such cases, all Rehabilitation construction shall comply with appropriate FIA regulations and related executive orders.

21. Davis-Bacon Act (40 U.S.C. 276a-276a5) requirements do not apply to Housing Rehabilitation contracts unless eight or more units are bid under one contract.

EXECUTED AT *Community*, Louisiana, this _____ day of _____, 20_____.

Contractor_____

Owner_____

Witness

_____

Witness

_____

Certifications:

I, _____,

certify that I am the_____ of the corporation

named as Contractor herein, that _____,

who signed this Agreement on behalf of the Contractor, was then _____of

said corporation; that said Agreement was and is within the scope of its corporate powers.

_____

Corporate Seal

SPECIAL EQUAL OPPORTUNITY PROVISIONS

A. Activities and Contracts Not Subject to Executive Order 11246, as Amended (Applicable to federally assisted construction contracts and related subcontracts of $10,000 and under.)

During the performance of this contract, the Contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

2. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

3. Contractors shall incorporate foregoing requirements in all subcontracts.

B. Executive Order 11246 (contracts/subcontracts above $10,000)

1. Section 202 Equal Opportunity Clause

During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.

(3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the Contractor's commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and others.

(6) In the event of the Contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such

direction by the Department, the Contractor may request the United States to enter into such litigation to protect the interest of United States.

2. Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246). (Applicable to contracts/subcontracts exceeding $10,000).

(1) The Offeror's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.

(2) The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Goals for minority participation	Goals for female participation
(Insert goals)	(Insert goals for current year)

These goals are applicable to all the Contractor's construction work (whether or not it is federal or federally assisted) performed in the covered area. If the contractor performs construction work in a geographic area located outside of the covered area, it shall apply the goals established for such geographic area where the work is actually performed.

With regard to this second area, the Contractor also is subject to the goals for both its federally involved and non-federally involved construction.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a) and its efforts to meet the goals

established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

(3) The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

(4) As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is (insert description of the geographical areas where the contract is to be performed, giving the State, parish, and city, if any).

3. Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246)

(1) As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);

(ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South America or other Spanish Culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original people of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iiii) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

(2) When the Contractor, or any subcontractor at anytime, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract, in excess of $10,000, the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

(3) If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in compliance with the provisions of any such Hometown Plan. Each Contractor or sub-contractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

(4) The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through 7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing contracts in geographical areas where they do not have a federal or federally-assisted construction contract shall apply the minority and female goals established for the geographic area where the contract is being performed. Goals are published periodically in the Federal Register in notice form and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

(5) Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

(6) In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

(7) The Contractor shall take specific affirmative action to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The

Contractor shall specifically ensure that all foremen, superintendents and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organization's responses.

c. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement have not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly includes minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in

meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on a bulletin board accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foreman, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are non-segregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitation to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

(8) Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and time-tables, and can provide access to documentation which demonstrates the effectiveness of actions

taken on behalf of the Contractor. The obligation shall not be a defense for the Contractor's non-compliance.

(9) A single goal for minorities and a separate single goal for women has been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is under-utilized).

(10) The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any persons because of race, color, religion, sex, or national origin.

(11) The Contractor shall not enter into any subcontract with any person or firm debarred from government contracts pursuant to Executive Order 11246.

(12) The Contractor shall not carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended.

(13) The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

(14) The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the government and to keep records. Records shall at least include for each employee, the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number where assigned, social security number, race, sex, status (e.g., mechanic,

apprenticeship trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and location at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, Contractors shall not be required to maintain separate records.

(15) Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application or requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

C. Certification of Non-segregated Facilities (Over $10,000)

By the submission of this bid, the bidder, offeror, applicant or subcontractor certifies that he/she does not maintain or provide for his/her establishments, and that he/she does not permit employees to perform their services at any location, under his/her control, where segregated facilities are maintained. He/she certifies further that he/she will not maintain or provide for employees any segregated facilities at any of his/her establishments, and he/she will not permit employees to perform their services at any location under his/her control where segregated facilities are maintained. The bidder, offeror, applicant or subcontractor agrees that a breach of this certification is a violation of the equal opportunity clause of this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, *transportation and housing facilities provided for employees which are segregated on the basis of race, color, religion, or otherwise. He/she further agrees that (except where he/she has obtained for specific time periods) he/she will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the equal opportunity clause; that he/she will retain such certifications in his/her files; and that he/she will forward the following notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

D. Civil Rights Act of 1964

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

E. Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

F. "Section 3" Compliance in the Provision of Training, Employment and Business Opportunities

(a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

(d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the sub-contractor is in violation of the regulations in 24 CFR part 135. The

contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

(e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

(f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

(g) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

G. <u>Section 503 Handicapped (for contracts of $10,000 or Over) Affirmative Action for Handicapped Workers</u>

(a) The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is otherwise qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(c) In the event of the Contractor's noncompliance with the requirements of

this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(d) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 504 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The Contractor will include the provisions of this clause in every subcontract or purchase order of $2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 504 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

H. Age Discrimination Act of 1975

No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS
(Applicable to federally assisted construction contracts and related subcontracts exceeding $100,000.)

Compliance With Air and Water Acts

During the performance of this contract, the Contractor and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

(1) A stipulation by the Contractor or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR Part 15, as amended.

(2) Agreement by the Contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 USC 1857 c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued there under.

(3) A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the EPA List of Violating Facilities.

(4) Agreement by the Contractor that he will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the Contractor will take such action as the government may direct as a means of enforcing such provisions.

SPECIAL CONDITIONS PERTAINING TO HAZARDS, SAFETY STANDARDS AND ACCIDENT PREVENTION

A. Lead-Based Paint Hazards

(Applicable to contracts for construction or rehabilitation of residential structures). The construction or rehabilitation of residential structures is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35. The Contractor and subcontractors shall comply with the provisions for the elimination of lead-based paint hazards under Subpart B of said regulations. The Owner will be responsible for the inspections and certifications required under Section 35.14 (f) thereof.

B. Use of Explosives (Modify as required)

When the use of explosives is necessary for the prosecution of the work, the Contractor shall observe all local, state and federal laws in purchasing and handling explosives. The Contractor shall take all necessary precaution to protect completed work, neighboring property, water lines, or other underground structures. Where there is danger to structures or property from blasting, the charges shall be reduced and the material shall be covered with suitable timber, steel or rope mats.

The Contractor shall notify all owners of public utility property of intention to use explosives at least 8 hours before blasting is done close to such property. Any supervision or direction of use of explosives by the engineer does not in any way reduce the responsibility of the Contractor or his Surety for damages that may be caused by such use.

C. Danger Signals and Safety Devices (Modify as Required)

The Contractor shall make all necessary precautions to guard against damages to property and injury to persons. He shall put up and maintain in good condition, sufficient red or warning lights at night, suitable barricades and other devices necessary to protect the public. In case the Contractor fails or neglects to take such precautions, the Owner may have such lights and barricades installed and charge the cost of this work to the Contractor. Such action by the Owner does not relieve the Contractor of any liability incurred under these specifications or contract.

FLOOD DISASTER PROTECTION

This contract is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). Nothing included as a part of this contract is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in an area identified by the Secretary of HUD as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the National Flood Insurance Program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this contract for such acquisition for construction in such identified areas in communities then participating in the National Flood Insurance Program shall be subject to the mandatory purchase of flood insurance requirements or Section 102(a) of said Act.

Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Contract shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102(a) of Flood Disaster Protection Act of 1973.

ACCESS TO RECORDS-MAINTENANCE OF RECORDS

The State grantor agency, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Contractor which are directly pertinent to this specific contract, for the purpose of audits, examinations, and making excerpts and transcriptions. All records connected with this contract will be maintained in a central location

by the unit of local government and will be maintained for a period of four (4) years from the official date of close-out of the grant.

CONFLICT OF INTEREST OF OFFICERS OR EMPLOYEES OF THE LOCAL JURISDICTION, MEMBERS OF THE LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS.

No officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with respect to this contract, during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed. Further, the contractor shall cause to be incorporated in all subcontracts the language set forth in this paragraph prohibiting conflict of interest.

MINORITY AND FEMALE CONTRACTOR ASSOCIATIONS

Lists of minority and female owned businesses are available from various sources including the Louisiana Department of Transportation and Development, the U.S. Department of Housing and Urban Development, New Orleans Area Office and the Division of Minority/Women Business Enterprise in the Department of Economic Development. These lists are available solely for the benefit of the Contractor for the purpose of assisting him/her in meeting the equal opportunity provisions contained in these supplemental General Conditions. The lists do not contain a complete listing of minority and female businesses. The information may in some cases be out of date.

RESTRICTIONS ON THE AWARD OF CERTAIN CONTRACTS AND SUBCONTRACTS TO FOREIGN COUNTRIES

Section 109 of Public Law 100-202 provides that none of the LCDBG funds appropriated may be obligated or expended to enter into any contract for the construction, alteration, or repair of any public building or public work in the United States or any territory or possession of the United States with any contractor or subcontractor of a foreign country, or any supplier of products of a foreign country during any period in which such foreign country is prohibited from participation by the United States Trade Representative. Currently, Japan is the only country that has been so classified.

SAMPLE

CERTIFICATION OF BIDDER REGARDING SECTION 3
AND SEGREGATED FACILITIES

Name of Prime Contractor	Project Name and Number

The undersigned hereby certifies that

(a) Section 3 provisions are included in the Contract.

(b) A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds $100,000).

(c) No segregated facilities will be maintained.

Name & Title of Signer (Print or Type)

Signature	Date

SAMPLE

CERTIFICATION OF PROPOSED SUBCONTRACTOR REGARDING
SECTION 3 AND SEGREGATED FACILITIES

_____ _____

Name of Subcontractor Project Name & Number

The undersigned hereby certifies that

(a) Section 3 provisions are included in the Contract.

(b) A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds $100,000).

(c) No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

_____

Name and Title of Signer (Print or Type)

_____ _____

Signature Date

C-11

NOTICE OF ACCEPTANCE OF WORK

TO ALL WHOM IT MAY CONCERN, and especially to all subcontractors, workers, laborers, mechanics, and furnishers of material.

Public Notice is hereby given, according to law, that _____

_____ has accepted the work done by _____

_____, the contractor, under this contract with him/her of

date _____, and recorded in Book _____,

Folio _____, of the mortgage records of the _____

_____, such contract being entitled

_____

_____.

All subcontractors, workers, laborers, mechanics, and furnishers of materials must assert whatever claim they have against the said contractor, growing out of the execution of said contract, according to law, within sixty (60) days from registration thereof.

Date: _____ By: _____

SAMPLE

C-12

RELEASE OF LIEN FORMS

GENERAL CONTRACTOR'S AFFIDAVIT, WARRANTY, AND LIEN WAIVER

STATE OF LOUISIANA	LOAN NO.:	_____
vs	OWNER:	_____
ELWYN PARISH	ADDRESS:	_____
		_____
	BLOCK & LOT:	_____

THAT I, the undersigned, being duly sworn, do depose and say that I was contracted to construct, alter, or repair an improvement on the above described property.

THAT the improvements on the subject property have been fully and satisfactorily completed in substantial conformity with the contract.

THAT all the materials used in said improvement, all labor performed thereon, and all fees, industrial insurance, and permits, in connection with the said improvements which might give rise to liens on the within described property have been paid in full.

Listed below are all subcontractors and major materialmen included in this work. Attached are waivers of liens from all of them as substantiation of the above statement.

(Name of Subcontractor or Materialman and Address)

_____

THAT the affiant hereby waives any lien or right to lien which he may have against the described property and warrants to save harmless the said Property Owner and the Office of Community Development of the City of Monitor from any liens which are now in existence, or may hereafter arise by reason of said improvements, and cause the same to be released of record immediately.

THAT the foregoing waiver and these statements are an express warranty and representation to the Office of Community Development of the City of Monitor and the Property Owner of the facts herein sworn to and is made for valuable consideration, receipt whereof is acknowledged.

SUBSCRIBED AND SWORN to before me this ___ day of _____, 20 ___

_____
Notary Public

My Commission Expires _____

SUBCONTRACTOR'S OR MATERIALMAN'S
AFFIDAVIT, WARRANTY, AND LIEN WAIVER

STATE OF LOUISIANA
vs
ELWYN PARISH

LOAN NO.: _____
ADDRESS: _____
_____
BLOCK/LOT: _____

THAT I, the undersigned, to depose and say that I was employed to furnish labor or engaged to furnish material for an improvement being situated on certain real estate in _____ _____ Parish, State of Louisiana.

I hereby declare that I have been paid in full for my labor or the material supplied for said improvement and I waive any lien or right to lien against the described property. I warrant to save harmless the said Property Owner and the Office of Community Development of the City or Monitor from any lien(s) which are now in existence or may hereafter arise by reason of said improvements.

_____
Name of Company

By: _____
Signature

Date: _____

REHABILITATION PROGRAM FILE CHECKLIST

1. Written Rehabilitation Program Guidelines

2. Council/Board Resolution adopting Rehabilitation Guidelines as formal City/Parish policy

3. Copies of all unfunded applications for Rehabilitation assistance. This file must also include the REASONS the application was not funded.

4. Individual Rehabilitation contract files for EACH Rehabilitation job. Each file is to include:

   - Family Survey
   - Final Verification Form for Social, Household, and Income
   - Home Write-up and Cost Estimate
   - Signed Lead Based Paint Notice
   - Executed Contract Documents
   - Verification of Temporary Living Facility Inspection
   - Contractor Clearance
   - Verification of Contractor's License/Registration
   - Notice to Proceed
   - Verification of Contractor's Workman's Compensation and General Liability Insurance
   - Site Inspection Reports
   - Requests for Partial Payment and Documentation
   - Final Inspection Report and Punch List
   - Notice of Acceptance of Work
   - Date Property Liened for 5 years
   - Affidavit, Warranty and Release of Lien for Contractor, Subcontractors and Suppliers
   - Record of Follow-up Inspection Visit
   - Copies of any Written Complaints
   - Resolution of Complaints, if any, and copies of any correspondence related to the complaint.

REHABILITATION GUIDELINE CHECKLIST

The following information should be used as an aid in developing your community's Housing Rehabilitation Plan.

A. Have Rehabilitation Program Guidelines (policies and procedures) been developed and approved by the local governing body?

B. Do the guidelines:

1. State general objectives of the Rehabilitation program that are consistent with regulations and community needs?

2. Clearly state eligibility requirements for participation to include household income, ownership, occupancy, need for Rehabilitation, geographical boundaries, Rehabilitation feasibility, conflict of interest, lead-based paint, etc?

3. Are the eligibility requirements appropriate and consistent with program objectives?

4. Establish and appropriate grant and/or loan limitation considering the condition of the target housing stock and needs of the target population?

5. Identify a Property Rehabilitation Standard (Section 8 H.Q.S., Southern Standard Housing Code, local housing code, etc.)?

6. Require each Rehabilitated unit to comply at a minimum with the Section 8 H.Q.S. and Cost Effective Energy Conservation Standards at the completion of rehabilitation?

7. Clearly identify eligible Rehabilitation costs?

8. Define the roles and responsibilities of all program staff the property owner and contractor, through all phases of program implementation?

9. Include the necessary procedures and forms for application processing and financial and construction management?

10. Establish a coordinated relationship with the local code enforcement program, if there is a local code enforcement program?

11. Identify actions to recruit and assist contractors, particularly small, minority, and female contractor?

12. Include minimum qualifications for contractors and provide for the evaluation of contractor credentials?

13. Include appropriate measures to deny participation to contractors who fail to perform in a satisfactory manner?

14. Require the preparation of a detailed work write-up and cost estimate for each unit?

15. Include General Rehabilitation Specifications that adequately prescribe materials, methods, and workmanship quality?

16. Establish procedures to ensure compliance with the Lead Base Paint Regulations?

17. Specify all work to be warranted for a period of one (1) year?

18. Specify all work to be completed in a timely, professional and workmanlike manner?

19. Require owner occupation for 6 months prior to application submission.

20. Establish usufruct requirements.

21. Ensure that all property Rehabilitated be liened for a minimum period of five (5) years.

22. Establish a procurement policy and procedures (to include procurement method, form of contract, etc.) that comply with 24 CFR 85.36, which requires that procurement actions be conducted in a manner that promotes open and free competition.

SAMPLE NOTICE
DEMOLITION OF VACANT, SUBSTANDARD UNITS

Re: Demolition of Vacant, Substandard Units

Dear _____:

I wish to advise that Louisiana R.S. 33:4761 et seq. and Chapter 18, Sections 18.2 et seq. of the__ _____ Municipal Code provides that dangerous buildings may be condemned and removed by the City of _____ by following this procedure:

1. The Building Inspector of the City of _____ must submit a written report to the Mayor and Council, recommending the demolition or removal of the building. The report must be signed by the inspector.

2. The Mayor shall then serve notice on the owner of the building, requiring him to show cause, at a hearing of the Mayor and Council, why the building should not be condemned. The date and the hour of the hearing must be stated in the notice, and it must be served at least ten days prior to the date of the hearing. The notice may be served by the Chief of Police, or by any Sheriff or Deputy Sheriff.

3. The serving officer must make a return of the service as in ordinary cases.

4. If the owner is absent from the State, or unknown, the Mayor must appoint an Attorney at Law upon whom the notice will be served.

5. The notice shall be filed with the Recorder of Mortgages.

6. After the hearing, the Mayor and Board must pass a resolution ordering the condemnation of the building, and that it be demolished or removed within a certain timeframe, or, if possible, that repairs be made within a certain timeframe. In the case of repairs, the nature and extent must be specified.

7. The owner may appeal the order of the Council/Board within five (5) days after the written order is rendered.

8. If the owner does not voluntarily demolish the building, the City/Parish may proceed with the demolition and removal and will not be liable in damages.

9. Prior to the demolition the Mayor must serve notice on the owner or his agent and on the occupant, if any, or upon the Attorney at Law appointed to represent an absent owner, giving the time when work will begin upon the demolition or removal.

10. The fee of any Attorney at Law appointed to represent an absent owner may be taxed as a part of the cost of demolition.

Sincerely,

Mayor's Name
Mayor

D-1

SAMPLE

September 10, 2004

CERTIFIED MAIL
RETURN RECEIPT

Mr. Willie Smith
Post Office Box 515
Anytown, Louisiana 71357

RE: Preliminary Acquisition Notice/Brochure
FY 20__ LCDBG Program

Dear Mr. Smith:

The Town of Anytown is considering the acquisition of a specific easement to be used in conjunction with the Town's FY 20 __ Louisiana Community Development Block Grant (LCDBG) Program. Our records indicate that the easement being considered is owned by you and Ms. Leola Bart. If our records are incorrect, please comment accordingly in the comment section provided on the Preliminary Acquisition Notice Form.

A brochure describing your rights and the Town's procedures for acquiring easement is enclosed for your information. The brochure states you have the right to donate or sell your easement.

The Town has employed an independent appraiser to establish fair market value for your easement unless you choose to release the Town of such obligations. You or your representative will have the right to accompany him on his inspection of the easement if you wish to do so. A letter inviting you or your representative will be sent by the appraiser at least five days prior to his visit.

Enclosed are one (1) original and one (1) copy of a Preliminary Acquisition Notice Form for your completion. The title opinion, legal description, and a plat map of the easement being considered are attached to the form marked "COPY". Please check the appropriate statement concerning disposition of your easement, return the completed form marked "ORIGINAL" in the enclosed self-addressed, stamped envelope and retain the form marked "COPY" for your files.

If your response is not received within ten (10) calendar days of receipt of this letter, we will assume that you choose to sell your easement to the Town. We will then proceed with the policies set forth by the Uniform Relocation Assistance and Real Properties Acquisition Policies Act of 1970 (Uniform Act) and the U. S. Department of Housing and Urban Development requirements governing HUD-assisted programs.

This letter is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance. If you have any questions, please call me at (225) 342-7412 or our consultant Mr. Jones at (225) 342-7500.

Very truly yours,

Mayor Bob Filo

BF/WG:al

Enclosures: As stated

FILE NO.: _____

PRELIMINARY ACQUISITION NOTICE FORM

After reading your letter and reviewing the enclosed brochure concerning acquisition and donation of my easement, I have made the following decision:

_____ I DO INTEND TO SELL my easement to the Town after an appraisal has been obtained and I have been offered just compensation.

_____ I DO INTEND TO DONATE my easement after having been informed of the right to receive just compensation based on an appraisal of the easement and do hereby release the Town from such obligations of obtaining an appraisal.

_____ I DO NOT INTEND TO SELL OR DONATE my easement.

COMMENTS:_____

_____

_____

_____

_____

_____

_____

_____

_____

SIGNATURE: _____

DATE: _____

ADDRESS: _____

STATE: _____ ZIP CODE: _____

TELEPHONE: _____

WHEN A PUBLIC AGENCY ACQUIRES YOUR PROPERTY

US Department of Housing and Urban Development
Office of Community Planning
HUD-1041-CPD, March 2005
www.hud.gov/relocation

Introduction

This booklet describes important features of the **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970**, as amended (URA) and provides general information about public acquisition of real property (real estate) that should be useful to you.

Most acquisitions of real property by a public agency for a Federal project or a project in which Federal funds are used are covered by the URA. If you are notified that your property will be acquired for such a project, it is important that you learn your rights under this important law.

This booklet may not answer all of your questions. If you have more questions about the acquisition of your property, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you sell your property. Afterwards, it may be too late.

General Questions

What Right Has Any Public Agency To Acquire My Property?

The Federal Government and every State government have certain powers which are necessary for them to operate effectively. For example, they have the power to levy taxes and the power to maintain order. Another government power is the power to acquire private property for public purposes. This is known as the power of eminent domain.

The rights of each of us are protected, however, by the Fifth and Fourteenth Amendments of the U.S. Constitution and by State constitutions and eminent domain laws which guarantee that if a public agency takes private property it must pay "just compensation" to the owner. The URA provides additional protections, as explained in this booklet.

Who Made The Decision To Buy My Property?

The decision to acquire a property for a public project usually involves many persons and many determinations. The final determination to proceed with the project is made

only after a thorough review which may include public hearings to obtain the views of interested citizens.

If you have any questions about the project or the selection of your property for acquisition, you should ask a representative of the Agency which is responsible for the project.

How Will The Agency Determine How Much To Offer Me For My Property?

Before making you an offer, the Agency will obtain at least one appraisal of your property by a competent real property appraiser who is familiar with local property values. The appraiser will inspect your property and prepare a report that includes his or her professional opinion of its current fair market value. After the appraiser has completed his work, a review appraiser will examine the appraisal report to assure that the estimate is fair and the work conforms with professional appraisal standards.

The Agency must offer you "just compensation" for your property. This amount cannot be less than the appraised fair market value of the property. "Just compensation" for your property does not take into account your relocation needs. If you are eligible for relocation assistance, it will be additional.

What Is Fair Market Value?

Fair market value is sometimes defined as that amount of money which would probably be paid for a property in a sale between a willing seller, who does not have to sell, and a willing buyer, who does not have to buy. In some areas a different term or definition may be used.

The fair market value of a property is generally considered to be "just compensation." Fair market value does not take into account intangible elements such as sentimental value, good will, business profits, or any special value that your property may have for you or for the Agency.

How Does An Appraiser Determine The Fair Market Value Of My Property?

Each parcel of real property is different and therefore no single formula can be devised to appraise all properties. Among the factors an appraiser typically considers in estimating the value of real property are:

- How it compares with similar properties in the area that have been sold recently.
- How much rental income it could produce.
- How much it would cost to reproduce the buildings and other structures, less any depreciation.

Will I Have A Chance To Talk To The Appraiser?

Yes. You will be contacted and given the opportunity to accompany the appraiser on

his or her inspection of your property. You may then inform the appraiser of any special features which you believe may add to the value of your property. It is in your best interest to provide the appraiser with all the useful information you can in order to insure that nothing of allowable value will be overlooked. If you are unable to meet with the appraiser, you may wish to have a person who is familiar with your property represent you.

How Soon Will I Receive A Written Purchase Offer?

Generally, this will depend on the amount of work required to appraise your property. In the case of a typical single-family house, it is usually possible to make a written purchase offer within 45 to 60 days of the date an appraiser is selected to appraise the property.

Promptly after the appraisal has been reviewed (and any necessary corrections obtained), the Agency will determine just compensation and give you a written purchase offer in that amount along with a "summary statement," explaining the basis for the offer. No negotiations are to take place before you receive the written purchase offer and summary statement.

What Is In The Summary Statement Of The Basis For The Offer Of Just Compensation?

The summary statement of the basis for the offer of just compensation will include:

- An accurate description of the property and the interest in the property to be acquired.

- A statement of the amount offered as just compensation. (If only part of the property is to be acquired, the compensation for the part to be acquired and the compensation for damages, if any, to the remaining part will be separately stated.)

- A list of the buildings and other improvements covered by the offer. (If there is a separately held interest in the property not owned by you and not covered by the offer (e.g., a tenant-owned improvement), it will be so identified.)

Must I Accept The Agency's Offer?

No. You are entitled to present your evidence as to the amount you believe is the fair market value of your property and to make suggestions for changing the terms and conditions of the offer. The Agency will consider your evidence and suggestions. When fully justified by the available evidence of value, the offer price will be increased.

May Someone Represent Me During Negotiations?

Yes. If you would like an attorney or anyone else to represent you during negotiations,

please inform the Agency. However, the URA does not require the Agency to pay the costs of such representation.

If I Reach Agreement With The Agency, How Soon Will I Be Paid?

If you reach a satisfactory agreement to sell your property and your ownership (title to the property) is clear, payment will be made at a mutually acceptable time. Generally, this should be possible within 30 to 60 days after you sign a purchase contract. If the title evidence obtained by the Agency indicates that further action is necessary to show that your ownership is clear, you may be able to hasten the payment by helping the Agency obtain the necessary proof. (Title evidence is basically a legal record of the ownership of the property. It identifies the owners of record and lists the restrictive deed covenants and recorded mortgages, liens, and other instruments affecting your ownership of the property.)

What Happens If I Don't Agree To The Agency's Purchase Offer?

If you are unable to reach an agreement through negotiations, the Agency may file a suit in court to acquire your property through an eminent domain proceeding. Eminent domain proceedings are often called condemnations. If your property is to be acquired by condemnation, the Agency will file the condemnation suit without unreasonable delay.

An Agency may also decide not to buy your property, if it cannot reach agreement on a price, and find another property to buy instead.

What Happens After The Agency Condemns My Property?

You will be notified of the action. Condemnation procedures vary, and the Agency will explain the procedures which apply in your case.

Generally, when an Agency files a condemnation suit, it must deposit with the court (or in an escrow account) an amount not less than its appraisal of the fair market value of the property. You should be able to withdraw this amount, less any amounts necessary to pay off any mortgage or other liens on the property and to resolve any special ownership problems. Withdrawal of your share of the money will not affect your right to seek additional compensation for your property.

During the condemnation proceeding, you will be provided an opportunity to introduce your evidence as to the value of your property. Of course, the Agency will have the same right. After hearing the evidence of all parties, the court will determine the amount of just compensation. If that amount exceeds the amount deposited by the Agency, you will be paid the difference, plus any interest that may be provided by law.

To help you in presenting your case in a condemnation proceeding, you may wish to employ an attorney and an appraiser. However, in most cases the costs of these professional services and other costs which an owner incurs in presenting his or her

case to the court must be paid by the owner.

What Can I Do If I Am Not Satisfied With The Court's Determination?

If you are not satisfied with the court judgment, you may file an appeal with the appropriate appellate court for the area in which your property is located. If you are considering an appeal, you should check on the applicable time limit for filing the appeal and consult with your attorney on whether you have a basis for the appeal. The Agency may also file an appeal if it believes the amount of the judgment is too high.

Will I Have To Pay Any Closing Costs?

You will be responsible for the payment of the balance on any mortgage and other liens on your property. Also, if your ownership is not clear, you may have to pay the cost of clearing it. But the Agency is responsible for all reasonable and necessary costs for:

- Typical legal and other services required to complete the sale, recording fees, revenue stamps, transfer taxes and any similar expenses which are incidental to transferring ownership to the Agency.

- Penalty costs and other charges related to prepayment of any recorded mortgage on the property that was entered into in good faith.

- Real property taxes covering the period beginning on the date the Agency acquires your property.

Whenever possible, the Agency will make arrangements to pay these costs directly. If you must incur any of these expenses yourself, you will be repaid--usually at the time of closing. If you later discover other costs for which you should be repaid, you should request repayment from the Agency immediately. The Agency will assist you in filing a claim. Finally, if you believe that you were not properly repaid, you may appeal the decision to the Agency.

May I Keep Any Of The Buildings Or Other Improvements On My Property?

Very often, many or all of the improvements on the property are not required by the Agency. This might include such items as a fireplace mantel, your favorite shrubbery, or even an entire house. If you wish to keep any improvements, please let the Agency know as soon as possible.

If you do arrange to keep any improvement, the Agency will deduct only its salvage value from the purchase price you would otherwise receive. (The salvage value of an item is its probable selling price if offered for sale on the condition that the buyer will remove it at his or her own expense.) Of course, if you arrange to keep any real property improvement, you will not be eligible to receive a relocation payment for the cost of moving it to a new location.

Can The Agency Take Only A Part Of My Property?

Yes. But if the purchase of only a part of your property reduces the value of the remaining part(s), you will be paid for the loss in value. Also, if any remaining part would have little or no utility or value to you, the Agency will offer to buy that remaining part from you.

Occasionally, a public project will increase the value of the part which is not acquired by the Agency. Under some eminent domain laws, the amount of such increase in value is deducted from the purchase payment the owner would otherwise receive.

Will I Have To Pay Rent To The Agency After My Property Is Acquired?

If you remain on the property after the acquisition, you may be required to pay a fair rent to the Agency. Such rent will not exceed that charged for the use of comparable properties in the area.

How Soon Must I Move?

If possible, a mutually agreeable date for the move will be worked out. Unless there is an urgent need for your property (e.g., your occupancy would present a health or safety emergency), you will not be required to move without at least 90 days advance written notice.

If you reach a voluntary agreement to sell your property, you will not be required to move before you receive the agreed purchase price. If the property is acquired by condemnation, you cannot be required to move before the estimated fair market value of the property has been deposited with the court so that you can withdraw your share.

If you are being displaced from your home, you will not be required to move before a comparable replacement home is available to you.

Will I Receive Relocation Assistance?

Title II of the URA requires that certain relocation payments and other assistance must be provided to families, individuals, businesses, farms, and nonprofit organizations when they are displaced or their personal property must be moved as a result of a project that is covered by the URA.

The Agency will furnish you a full explanation of any relocation assistance to which you may be entitled. If you have any questions about such assistance, please contact the Agency. In order for the Agency to fulfill its relocation obligations to you, you must keep the Agency informed of your plans.

My Property Is Worth More Now. Must I Pay Capital Gains Tax On The Increase?

Internal Revenue Service (IRS) Publication 544 explains how the Federal income tax would apply to a gain or loss resulting from the sale or condemnation of real property, or its sale under the threat of condemnation, for public purposes. If you have any questions about the IRS rules, you should discuss your particular circumstances with your personal tax advisor or your local IRS office.

I'm A Veteran. How About My VA Loan?

After your VA home mortgage loan has been repaid, you will be permitted to obtain another VA loan to purchase another property. Check on such arrangements with your nearest Veterans Administration Office.

Is It Possible To Donate Property?

Yes. You may donate your property or sell it to the Agency for less than its fair market value. The Agency must obtain an appraisal of the property and offer just compensation for it, unless you release the Agency from these obligations.

Additional Information

If you have any questions after reading this booklet, contact the Agency and discuss your concerns with the Agency representative.

Agency:

Address:

Office Hours:

Telephone Number:

Person to Contact:

D-2

SAMPLE

STATEMENT OF THE BASIS FOR THE DETERMINATION
OF JUST COMPENSATION

Description and Location of Property

The City of West Linn proposes to purchase land and improvements on Gus Young Avenue (Lot 8, Square 6, Palmer Extension) from owner Elizabeth Richardson at 134 Gus Young Avenue, West Linn, Louisiana. It is a single-family residential unit which conforms to zoning, present use, surrounding land use, and area trends.

Purpose of Purchase

The City of West Linn intends to use the whole parcel for the construction of an addition to the Eden Park Community Service Center.

Improvements

It is a one-story single-family residence of wood frame construction with concrete foundation, stucco siding, a tar and gravel roof and aluminum gutters and downspouts.

It contains a living room, kitchen, center hall, two bedrooms and one bath.

The kitchen has counters and painted wood cabinets. There are no built in appliances.

Heat is gas-fired, forced air from Atlas, 120,000 BTU furnace.

The house is 25 years old. Design is good. Maintenance is poor.

Declaration of Offer

Based on the two appraisals, the City of West Linn hereby makes you an offer in the amount of $32,500.00 for the purchase of your property. This offer is for the fair market value of your property and does not include any consideration of decrease or increase in value attributable to the project for which it is being acquired. It reflects no relocation payments which the owner/tenant may be entitled to receive under the Louisiana Community Development Block Grant Regulations.

Definition of Fair Market Value

"Fair Market Value is the highest price estimated in terms of money which the property would bring if exposed for sale in the open market, allowing a reasonable time in which to find a purchaser buying with knowledge of all the uses and purposes for which it is adapted and for which it is capable of being used."

Appraisal Techniques

Two major techniques, cost approach and market data approach, were utilized to determine the fair market value of this property.

Cost Approach

Land:

To estimate the value of the land, as if unimproved, the market was searched for vacant land sales which might throw some light on the value of subject land.

Estimated Replacement Cost:

To estimate the cost of replacing the home minus depreciation based on age and observed condition, 20 percent.

Total by Cost Approach $32,500.00

Market Data

To estimate the value of the property by this approach, the market was searched for sales of properties in the area which might throw some light on the value of subject property by comparison.

After adjusting these sales, approximately six comparable properties, for time and points of difference, the indicated value of subject property, by comparison, is $32,100 - $33,000.

_____

Signature of Authorizing Official Date

MUST BE SENT CERTIFIED/REGISTERED MAIL
RETURN RECEIPT REQUESTED

SAMPLE

D-3

WRITTEN OFFER TO PURCHASE

November 25, 2007

Mrs. Elizabeth Richardson
4134 Gus Young Avenue
West Linn, Louisiana 00000

Dear Mrs. Richardson:

This will introduce to you Mr. Bob Adams, who represents the City of West Linn, Louisiana, in the capacity of Right-of-Way Agent and who will discuss with your the acquisition by the City of the property which our records indicate is owned by Elizabeth Richardson. This property is required for construction of the proposed addition to Eden Park Community Service Center.

We have had the property appraised by a competent and unbiased fee appraiser and this report has been thoroughly analyzed by a competent review appraisal analyst and found to be well supported. Based on the appraisal and review, the City hereby makes you a firm offer in the amount of $32,500 for the purchase of your property.

We feel that the above offer is most equitable and we urge your favorable consideration and acceptance of it. If this meets with your approval, Mr. Adams will assist in any way convenient to you in finalizing the acquisition. Negotiations for the purchase of your property begin November 25, 2007.

Thank you very much for your cooperation and favorable consideration of this offer.

Very truly yours,

Deron Troy
Mayor

Enclosure: Statement of the Basis for the Determination of Just Compensation.

MUST BE SENT CERTIFIED/REGISTERED MAIL RETURN RECEIPT REQUESTED

If a preliminary acquisition notice is not sent, be sure and reference in the letter and include a copy of the brochure, "When a Public Agency Acquire your Property".

SAMPLE

STATEMENT OF SETTLEMENT COSTS

Owner _____

Identification of Property _____

Purchase Price $ _____

Expenses Incidental to Transfer of Title	Paid by City	Paid by Owner	Total
1. Recording Fees			
2. Transfer Taxes			
3. Revenue Tax Stamp			
4. City/County Tax Stamps			
5. Survey and Legal Description			
6. Penalty Costs Associated with Prepayment of Pre-existing Recorded Mortgages			
7. Pro Rate Portion of Prepaid Taxes and Public Service Charges:			
a. Real Property Taxes - County			
b. Real Property Taxes - City			
c. Water Service			
d. Sewage Service			
e. Trash Collection _____			
TOTAL	$	$	

This statement of settlement costs is certified as true and correct.

Signed: _____ Date _____
Closing Official

_____ Date _____

SAMPLE

D-5

NOTICE OF INTENT NOT TO ACQUIRE

December 20, 2004

Mr. Wade Breaux
4150 Gus Young Avenue
West Linn, Louisiana 00000

Dear Mr. Wade Breaux,

The City of West Linn has determined not to acquire your Fourth Street property. Any person moving from the premises from the date of this notice will not be eligible for relocation payment or benefits.

Sincerely,

Deron Troy
Mayor

c: Mrs. Julia Mastus, Tenant

MUST BE SENT CERTIFIED/REGISTERED MAIL RETURN RECEIPT REQUESTED

D-6

PROPERTY AND/OR SERVITUDE ACQUISITION WAIVER

I, _____, state that I have been approached by a representative of the community of _____ (herein known as the Agency) who has informed me of the Agency's intent to obtain a servitude across certain property-(ties) owned by me or obtain a certain parcel of property-(ties) owned by me.

1. I hereby acknowledge that said representative has explained to me the legal boundaries as they are set forth in the Exhibit(s) attached to this document.

   The representative of said agency has further advised me of my rights under the Uniform Relocation and Real Property Acquisition Policies Act of 1970 as implemented in HUD Handbook 1378 which requires the following:

   a. That I have received the HUD brochure. "When a Public Agency Acquires Your Property."

   b. That I have the RIGHT to have a formal appraisal of the property to be acquired by the Agency prepared by an independent professional appraiser. I understand that I am entitled to receive no less than the FAIR MARKET $ VALUE of the property as established by the appraisal.

   c. That if I choose to have an appraisal, I have a RIGHT to accompany the appraiser who prepares such appraisal when he inspects my property and that I am entitled to a written notice called an "Invitation to Accompany the Appraiser" stating the time and date on which the appraiser will examine my property and that this written document must be delivered to me by certified mail.

   d. That if I choose to have an appraisal, I have the RIGHT to a written Purchase Offer that states the amount of money said agency will pay me for this servitude or property and that this written Purchase offer must be delivered to me by certified mail.

   e. That if I choose to have an appraisal, I have the RIGHT to a written Statement of the Basis of Just Compensation which explains in detail the basis of the amount offered to me by said Agency for said servitude or property, and that this document must be delivered to me by certified mail.

2. I acknowledge that the rights listed above in Section 1 have been explained to me in detail by a representative of the Agency and that I waive these rights and agree to donate to the Agency a servitude or parcel of property which boundaries are described in the Exhibit(s) attached to this document.

IN WITNESS WHEREOF, I have signed this document as my free and voluntary act this _____ day of _____, 20 ___.

_____
Landowner

_____
Witness: Name and Title of Community Official or Staff

STATE OF LOUISIANA
PARISH OF _____

Signed and acknowledged before me this _____ day of _____, 20 __ by _____, and his/her free and voluntary act and deed.

_____
Notary Public

My Commission expires _____, 20 _____.

AGREEMENT FOR APPRAISAL SERVICES (ACQUISITION) **D-7**

THIS PROFESSIONAL SERVICES AGREEMENT entered into this ____ day of _____ _____, 20__, by and between _____ of the City of_____, State of _____, hereinafter referred to as the "Agency", and _____, hereinafter referred to as the "Appraiser".

WITNESSETH THAT:

WHEREAS, the Agency proposes to acquire certain real property and desires that the Appraiser furnish the Agency certain services with respect to such property, including an appraisal of each parcel of the property, and the Appraiser represents that he is fully qualified to perform such services and will furnish such services personally; and

WHEREAS, the services to be provided under this Agreement are necessary to achieve the purposes of _____ and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act).

NOW, THEREFORE, the Agency and the Appraiser, for the consideration and under the conditions hereinafter set forth, do agree as follows:

ARTICLE 1. Property To Be Appraised. A description of the real property to be appraised, including an identification of any interests in the real property to be specifically excluded from appraisal, are set forth in the attached Attachment A. A separate appraisal is to be furnished for each "parcel". (The term "parcel" means any tract or continuous tracts of land in the same ownership, whether any such tract consists of one or more platted lots for a fractional part of a lot. An easement or other separately held interest in two or more parcels shall be considered to be a separate parcel for appraisal purposes and an exception to the title to the parcels so encumbered. An easement in a parcel that is appurtenant to another parcel to be acquired by the Agency shall be considered parcel encumbered). Each parcel shall be considered to include all right, title, and interest of the owner in or to any adjacent or abutting streets, alleys, or other public rights of way.

ARTICLE 2. Purpose and Basis of Valuations.

(a) Purpose and Significance of Appraisals. The appraisals to be furnished under this agreement are required by the Agency for its guidance in making fair and impartial determinations of fair market value and the just compensation to be offered to each property owner. The Appraiser shall be guided by those objectives when estimating values. Appraisal reports will be reviewed carefully by the Agency.

Accordingly, the text of each appraisal report must cover all matters germane to the required valuation findings and must provide a full explanation of the Appraiser's reasoning and his analyses of the evidence of value, so that a reviewer will be able to follow the Appraiser's analyses and understand how he reached his valuation conclusions.

(b) Appraisal Requirements. The appraisals under this agreement shall be based on nationally recognized appraisal standards and techniques to the extent that such principals are consistent with the concepts of value and the rules on the admissibility of evidence of value under the eminent domain law of the State. Factors relating to race, color, religion, sex or national origin or to racial, religious and ethnic identification of neighborhoods are not relevant to the estimation of value and shall not be considered in connection with appraisals of residential real property.

(c) Date of Valuation. The Appraiser's valuation shall be as of a date concurrent with the preparation of his report, unless the Agency has specified some other date of valuation.

(d) Relocation Assistance. The Appraiser's analyses and opinions or property value shall not reflect any allowance for the relocation payments and other assistance provided under Title II of the Uniform Act.

(e) Influence of Project on Property Value. In forming his opinion(s), the Appraiser shall disregard any decrease or increase in the fair market value of the real property to be acquired, prior to the date of valuation, caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for such project, other than that due to physical deterioration within the reasonable control of the owner. (In the case of a partial acquisition, using the before-and-after method of valuation, the Appraiser's opinion of the value of the remaining not-to-be-acquired portion of the property shall reflect any increase or decrease in value attributable to the project.) If the determination of changes in value caused by the project is a problem, the Appraiser's report shall cite the ruling followed and its source and shall explain the effect of the ruling on his opinion of value.

ARTICLE 3. Scope of Appraiser's Services. The Appraiser agrees to perform the following services.

(a) Appraise each parcel and prepare and deliver to the Agency, within _____ calendar days after the date of this agreement, _____ copies of the appraisal reports conforming to the provisions of this agreement. The Appraiser shall personally inspect each parcel, including all buildings, structures, fixtures, and other improvements to the property. The Appraiser shall give the owner or his designated representative an opportunity to accompany the Appraiser during his detailed inspection of the property. If the owner is of a compensable interest in the property or a representative of such owner does not accompany the Appraiser during the inspection, the Appraiser shall include in his appraisal report a copy of his notification to the owner of the opportunity to accompany the Appraiser and evidence of the owner's receipt of such notification. In the process of

inspecting the property, the Appraiser shall, to the extent practicable, ascertain the rights of all parties in possession and note for consideration all factual information and comments furnished by the owner or his representative relevant to the appraisal.

(b) Testify as an expert witness in behalf of the Agency in any judicial proceeding involving any property appraised under this agreement. Such services shall include such reasonable time as may be required for re-inspection of the property, updating the Appraiser's valuation, participation in pretrial conferences with counsel for the Agency, and testifying in the judicial proceeding. The compensation for such services shall be determined in accordance with Article 6.

(c) Modify or furnish supplements to any appraisal report furnished under this agreement, without additional cost to the Agency, if (1) applicable principles of law with respect to the valuation of the property require the modification or supplementing of such appraisal, (2) material omissions, inaccuracies, or defects in the appraisal report are discovered after delivery and acceptance of the report by the Agency or (3) the Appraiser receives or becomes aware of relevant additional appraisal information in existence prior to the date the Appraiser signed the report. If there is a significant delay between the date of valuation and the date of acquisition of any parcel or if the property has been materially altered since the appraisal by a fire, a revised determination of the boundaries of the property to be acquired, or other cause, the Appraiser shall, if requested by the Agency, furnish the Agency a supplementary report updating this valuation and the supporting data and analysis to a current date. The compensation for such updating of an appraisal shall be determined in accordance with Article 6.

(d) Estimate the value of any right or interest proposed to be reserved by the owner in a property appraised by the Appraiser, such as an easement for access to other property of the owner, the right to continue occupancy for an extended period after the Agency acquires the property, or the right to remove any building, structure, fixture, or other improvement. The compensation to be paid to the Appraiser for furnishing any such valuation shall be determined in accordance with Article 6.

(e) Consultant with the Agency and its legal counsel regarding services to be performed by the Appraiser, at such time(s) as may be mutually convenient for the parties to this agreement. The Appraiser shall initiate such consultations whenever he is in doubt as to whether an element of property is real or personal property or needs legal advice on any aspect of the appraisals to be furnished under this agreement. There shall be no charge by any party for such consultations.

ARTICLE 4. Contents of Appraisal Reports. Each appraisal report to be furnished by the Appraiser under this agreement shall contain certain information and the Appraiser's conclusions and opinions, together with the data and analysis by which they were derived, as set forth below. A separate report shall be submitted for each parcel. However, if more than one parcel is to be appraised, all general data may be included in a separate data volume that is referenced in the separate appraisal reports on the individual parcels. The appraisal report on each parcel shall

include the following:

(a) A summary headed "Appraisal Report for (name of Agency)" that provides the following:

(1) Project name and number.

(2) Date of the report.

(3) Parcel number, address of the property, brief identification of all interests in the property appraised, and the name of the owner(s) including any tenant-owners.

(4) Date(s) of the Appraiser's inspection of the property with the owner(s) or the owner's designated representative, including the name of each owner or representative of an owner who accompanied the Appraiser during his inspection and the interest held in the property or the representative capacity of each such person.

(5) The Appraiser's estimate of the fair market value of the entire parcel and the fair market value of the same interest in the land, as if vacant.

(6) The limiting conditions of the appraisal, which may include assumptions (i) that the title is good and marketable, (ii) that no responsibility is assumed by the Appraiser for legal matters, especially those affecting the title to the property, (iii) that the legal description of the property and the interest in the property to be appraised, furnished to the Appraiser by the Agency, is correct, and (iv) that no survey of the property has been made. Any other appropriate assumption or limiting condition may be added if it has been specifically approved in writing by the Agency.

(7) The certifications of the Appraiser (i) that he personally made a through inspection of the property (ii) that, to the best of his knowledge and belief, everything contained in the report is true and no relevant and important fact has been omitted, (iii) that neither his employment nor his compensation is contingent on the valuation reported, and (iv) that he has no past, present, or prospective interest (including that of real estate agency or broker) in the property, the parties involved, or any other interest that would conflict in any way with the services performed or the making of an impartial report.

(8) A certification that, in the Appraiser's opinion, the fair market value of the property is (an amount to be stated) as of (the date of valuation).

(9) The signature of the Appraiser

(b) The name and address of the owner of the property and the name of any other party known or believed to hold a separate compensable interest in the property.

(c) The street address and an accurate description of each parcel and all interests in the parcel appraised. The property description shall identify all conditions, restrictions, easements, servitudes, and reservations affecting the title. The property description shall specifically exclude and describe any separately held interest in the property that is to be acquired separately or as part of another parcel. The description shall also specifically exclude all separately held interests which are not to be acquired and will not be affected adversely by the Agency's project. If there are any separately held interests in a parcel, which are to be acquired with other interests in the same parcel, such as leaseholds, tenant-owned improvements, life estates, easements, and water, gas, oil, or mineral rights, a description of each such separate interest and the name of its owner shall be furnished.

(d) Off-record title information concerning interests or instruments that affect title, but are not of record, such as leases, options to renew a lease, contracts of sale, and other interests or rights of parties in possession. Such information shall be reported, and if available facts are sufficient, the Appraiser's report shall be based on such additional title information and so noted in the appraisal report. Otherwise, the Appraiser shall refer the matter to the Agency and defer completion of the appraisal until the question is resolved.

(e) Basic property data including pertinent information with respect to such matters as (1) the environment and location of the property, (2) the zoning and any restrictive covenants, conditions, or servitudes affecting the available use or occupancy of the land, (3) the assessed value of the real property and the current annual real estate tax burden, (4) the use and occupancy of the property at time of appraisal, (5) the public improvement, services, and utilities serving and providing access to the property, (6) the character, topography, dimensions, and area of the land, (7) the freedom of the property from special hazards, (8) the current rental and rental history of the property, if rented, (9) the estimated annual costs of ownership and for operation and maintenance of the property, and (10) a description of the buildings, structures, and other improvements, if any, including relevant information as to type of improvement, designed use, construction materials and finish, equipment, dimensions, floor area, age, condition, space or room arrangement, functional utility, and any other characteristics or attributes of the improvements germane to the value of the real property. The appraisal report shall contain a general sketch plat showing the shape and dimensions of the land, the location of the principal improvements on the land, the location of any easements in the land, and the abutting streets, alleys, or other public right of way. The report shall also include such photographs, clearly identified, as may be appropriate.

(f) Report of any condition or occupancy of the property in violation of law that may affect the value of the property.

(g) The Appraiser's opinion as to the highest and best use for the property. The appraisal report shall also include the Appraiser's opinions as to any other use(s) for which the property is reasonably suitable or adaptable. If the property is unused vacant land or the highest and best use is not self-evident or is found to differ significantly from the present

use, the appraisal report shall contain the analysis by which the Appraiser reach his conclusions as to the highest and best use and as the relative suitability or adaptability of the property for any other use(s) for which the property could reasonably be considered to be suitable or adaptable. The analysis of a potential use shall include consideration of relevant matters, such as the suitability of the location, the environment and the legal and physical attributes of the property for such use, the estimated cost, if any, of converting the property to such use, and the supply, sale price levels, and relative desirability of other properties that would compete for the same kind of use. The analysis of the property for the future use or uses found to be the highest and best use is part of the process of appraising the property and, therefore, may be included in the valuation analysis furnished in accordance with Paragraph 4 (h) below.

(h) The opinion of the Appraiser as to the fair market value of the property. The appraisal report shall contain a description of the reasoning process used by the Appraiser in reaching his conclusion as to value and all data and analysis needed to explain and support his valuation. The supporting data and analysis furnished in the appraisal report shall include the following:

(1) An analysis of the property, from the point of view of evaluating the effect of its characteristics and attributes on its value for the available use or uses for which the property is best suited. Particular attention shall be given to the characteristics or the property most relevant to its value, such as, in the case of an investment property, the income potential and the expenses of ownership, maintenance, and operation.

(2) An identification of the most recent sale of each property appraised and any other sales of such property during the last five (5) years preceding the appraisal. Such sale(s) of the property appraised and all recent sales of comparable properties considered by the Appraiser in forming his opinion(s) of fair market value shall be verified insofar as practical. The information furnished with respect to each such sale shall include, among other pertinent facts, the names of the grantor and grantee, the date of the sale, the sale price, any special terms or conditions or circumstances of the sale that affected the transaction, and a description of the property and its condition at time of sale in sufficient detail for use in making the appraisal.

(3) The analysis that constitute the principal basis for the Appraiser's opinion of the fair market value. The appraisal report shall contain the Appraiser's evaluation with respect to previous sales of the property appraised and any recent offer of the owner to sell the property. The appraisal report shall also contain the Appraiser's analysis of each comparable property and its sale in relation to the property appraised. The Appraiser's analysis shall reflect appropriate allowances for the difference in the time of the sale of the comparable properties and the date of appraisal and the differences in the utility, desirability, and productivity of the properties that are pertinent to their relative value. The appraisal report shall

contain a valuation data map showing the location of the property appraised and the comparable properties referred to in the appraisal report.

(4) All other information, analysis, and estimates considered by the appraiser to be relevant to the estimation of the fair market value of the property.

(5) If the property appraised is part of a larger parcel in the same ownership or is less than the entire interest of the owner in the property, the appraisal report shall contain the Appraiser's opinion of just compensation for taking of such property or interest, using the before-and-after method of valuation as interpreted under State law unless it is obvious that there would be no damages or benefits to the remaining property or interest of the owner. However, if the part or interest to be taken can be more accurately estimated directly, that method may be used if permitted under State law, without estimating the fair market value of the entire property of the owner. The foregoing opinions of the Appraiser shall be supported in his report by the data and analysis by which he reached his conclusions.

For information purposes, the appraisal report shall also contain the Appraiser's estimates of the fair market value of the to-be acquired part of the whole property and the net damages or benefits to the remaining property of the owner. If in the opinion of the Appraiser, acquisition of the part of, or interest in, the property proposed for acquisition would leave the owner with an uneconomic remnant, the Appraiser shall furnish a separate estimate of the fair market value of a "parcel" comprising both the parcel proposed for acquisition and the uneconomic remnant. (A remainder parcel or interest shall be considered to be an uneconomic remnant if by itself it has little or no utility or value to the owner.)

(6) Such maps, plans, photographs, or other exhibits, as necessary, to explain or illustrate the analysis of the Appraiser.

(7) The Appraiser's evaluation of the indications of value deduced from his separate analysis of the various evidences of value and an explanation of how he reached his final conclusion as to the fair market value of the property.

(i) The opinion of the Appraiser as to the fair market value of the land, as if vacant. The valuation shall be for the same interest in the land as is to be acquired in the real property. The report shall contain information with respect to the available use or uses for which the land would be suitable if vacant, the opinion of the Appraiser as to its highest and best use, and the Appraiser's analysis of the evidences of value and of the use potential by which he reached his conclusions as to the highest and best use of the and the land value.

(j) A property analysis if the property is a commercial, industrial, institutional, governmental, or farm property that involves substantial quantities and kinds of fixtures such as machinery and equipment. Any building, structure fixture, or other improvement, which would be real property if owned by the owner of the land, shall be considered to be real property (even if the improvement is the property of a tenant who has the right to remove it or the obligation to remove it at the expiration of his term). The property analysis must be approved by the Agency before the appraisal is completed and, as approved by the Agency, shall be included as an exhibit in the Appraiser's report. The property analysis shall list, identify, and classify as to ownership and type of improvement, all items of physical property considered to be part of the real property. The property analysis shall also identify tangible personal property located on the premises to the extent reasonably necessary to prevent misunderstandings as to what is regarded as being real or personal property. Buildings, structures, fixtures and other improvements, including their accessories and spare parts, shall be identified and classified as to ownership and type of property as follows:

(1) Ownership.

(i) Owner of the land.

(ii) Each tenant in occupancy.

(iii) Each non-occupant owner of any fixtures or other improvements, or personal property on the premises.

(2) Type of property.

(i) Building, structure, or fixed improvement.

(ii) Building equipment, removable.

(iii) Fixtures, classified as to whether economically removable for reuse, removable for salvage only, or irremovable.

(iv) Personal property, identified as to types and approximate amounts, or otherwise, as needed to prevent misunderstandings as to the classification of any item.

If any building, structure, fixture of other improvement is not to be acquired, it will not be adversely affected by the Agency's project, and will not be required by the agency to be removed, such as a pipeline in an easement not to be acquired, such improvement shall be identified as excluded from the appraisal.

(k) If machinery and equipment or other fixtures used in a trade or business, farm operation, or institutional or governmental function constitute part of the real property, the appraisal report shall contain a separate schedule which provides separate estimates for each item, as prescribed below. If there is more than one owner of such items, a separate schedule shall be furnished for each owner. The information and conclusions to be furnished on each item are as follows:

(1) Description of the item, including, as appropriate, the manufacturer, model and serial number, size or capacity, age and condition, and degree of obsolescence. Accessories and spare parts, special foundations, and power wiring and process piping generally shall be listed separately, following the listing of the item(s) to which they apply.

(2) Estimate of the replacement cost installed of the item as listed and identified (exceeding any elements listed separately). Separately identify the basis of estimated replacement cost (new or used).

(3) The contributive (enhancement) value of the item to the fair market value of the real property as a whole.

(4) Estimated fair market value of the item for removal from the property at a purchaser's expense. Such value shall be considered to be the probable selling price if the item were offered for sale for removal from the property at the purchaser's expense, allowing a reasonable time to find a purchaser buying with knowledge of the uses and purposes for which it is adaptable and capable of being used, including salvage for serviceable components and scrap when it appears that will provide the highest value.

The schedule(s) of estimates shall be consistent, with the property analysis approved by the Agency, as provided in Paragraph 4 (j). The Appraiser is permitted to use the services of such technical specialists as may be needed to enable the Appraiser to provide valid estimates and sound valuations. The schedule(s) shall be supported by an explanation of the procedures followed in gathering the necessary market information and technical data. The principal purpose of the Appraiser's accompanying narrative, however, must be to explain his analysis and his evaluations of the dollar amount of the overall contribution of the machinery, equipment, and fixtures to the fair market value of the real property as a whole. The report shall contain any layout plans, sketches, or photographs that are reasonably necessary for locating or identifying the facilities or illustrating the Appraiser's analysis.

(l) If there are separately held interests in the real property to be acquired, such as easements, leasehold, air rights, life estates, and oil, gas, or mineral rights, and the division or ownership is not of such character as to destroy the practical unity of the property, the Appraiser shall apportion his estimate of the fair market value to the property (all interests in the property to be acquired) to each separately held interest. (However, tenant-owned improvements shall be valued in accordance with Paragraph 4 (m) below.) The report shall contain the data, analysis, and reasoning by which the Appraiser made the apportionment. If the "unit rule" is regarded as not applicable because the division of ownership is such as to diminish the fair market value of the property as a whole, the separate interests involved shall be appraised separately.

(m) Tenant-owned improvements. If any building, structure, fixture, or other improvement to the property is identified as being the property of a tenant who has the right or obligation to remove it as the expiration of his term, the Appraiser's estimate of the fair market value of the improvement shall be the greatest of (1) the amount which the improvement contributes to the fair market value of the property, (2) the in-place value of the improvement as part of the real property (the depreciated replacement cost of the improvement installed), or (3) the fair market value of the improvement for removal from the property at the purchaser's expense. The appraisal report shall state the basis for the valuation of the improvement and furnish the data and analysis on which the valuation was made.

(n) If the property is a multi-family or mixed-use (residential and non-residential) property and owner of a compensable interest in the property also occupies a dwelling in the property, the Appraiser shall furnish an apportionment of his estimate of the fair market value of the whole property to such dwelling and to the remainder of the property. For the purpose of this paragraph, an occupant of a dwelling shall be considered to own a compensable interest in the property if he holds fee title, a life estate, a 99-year lease, or a lease with not less than 50 years to run from the date of valuation, or holds an interest in a cooperative housing project which includes the right to occupy the dwelling, or is the contract purchaser of any of the foregoing estates or interests, or has a leasehold interest with option to purchase. The Appraiser's report shall explain how he made the apportionment.

ARTICLE 5. Services To Be Provided By Agency. The Agency agrees to furnish the Appraiser with the following:

(a) A map or plat, based on official records, of the property described in Article 1, showing the boundaries and dimensions of the parcels to be appraised. Each parcel shall be designated by a number, and the parcel numbers shown on the Appraiser's reports shall correspond to the parcel numbers shown on the map or plat. However, additional parcel numbers may be assigned by the Appraiser for easements appraised separately or for additional parcels revealed while making the appraisals. The Appraiser shall promptly advise the Agency of any such additions.

(b) An ownership data report for each parcel. That report will show all estates and interests in the parcel as shown of record and consequently shall not be assumed to accurately define the interests to be appraised. The ownership data report on each parcel as shown on the parcel map will include the following:

(1) The name (and address, if available) of the owner appearing on record;

(2) The legal description of the parcel as shown by the conveyance(s) by which the record owner acquired title;

(3) Identification of the conveyance(s) by which the present owner acquired title, including the date of the conveyance(s); the date, book and page numbers, and place of recordation; the name (and address, if available) of the grantor of such conveyance; the stated consideration; the amount of any mortgages or encumbrances placed on record or to which title was subject at time of conveyance (so far as determinable from an examination of the conveyance); and the amount of any State or local transfer taxes that were based on the amount of the consideration;

(4) Outstanding estates and other rights or interests of record, including easements, use restrictions, mineral rights, leases, and any know, but unrecorded, interests of other parties. Sufficient information shall be furnished to disclose the probable effect of such outstanding interests on the title of the record owner:

(5) Outstanding special assessments, if any, for public improvements such as streets, sidewalks, public utilities, and similar public facilities;

(6) The amount of real estate taxes for the current year and the assessed valuation stated separately for land and for improvements.

(c) Legal advice, upon request of the Appraiser, on legal matters affecting the appraisal of any property to be appraised.

ARTICLE 6. Payment. In consideration of the services provided by the Appraiser under this agreement, the Agency agrees to make payment to the Appraiser upon the submission to the Agency of properly certified invoices, as follows:

(a) For appraisal reports accepted by the Agency, and for all other services furnished in accordance with Article 3, except services furnished in connection with judicial proceedings under Paragraph 3 (b), the updating of appraisals under Paragraph 3 (c), and the valuation of reservations of rights in owners under Paragraph 3 (d), the lump sum of _ _____ dollars, which shall constitute full payment to the Appraiser for all of such services and for all supplies, materials, and equipment used or furnished by the Appraiser and all expenses incurred by the Appraiser in connection with the performance

of such services.

(b) For services furnished by the Appraiser in connection with judicial proceedings as provided in Paragraph 3 (b) (except services as an expert witness in such a proceeding), the updating of appraisals as provided in Paragraph 3 (c), and the valuation of reservations of rights in owners as provided in Paragraph 3 (d), _____ dollars per hour or fraction of an hour actually engaged in performing the services, including travel expense and subsistence, shall be borne by the Appraiser.

(c) For services and an expert witness for the Agency in judicial proceedings as provided in Paragraph 3 (b), the Appraiser and the Agency hereby agree that the fair and reasonable compensation for the Appraiser's services shall be _____ dollars for each day's attendance in court.

ARTICLE 7. Agreements of Appraiser. As an inducement to the execution of this agreement by the Agency in consideration of the agreements to be performed by the Agency, the Appraiser agrees to the following:

(a) Qualifications. The Appraiser is qualified to perform the services to be furnished under this agreement and is permitted by law to perform such services, and all personnel engaged in the work shall be qualified and so permitted to do the work they perform. Attached as Attachment B, is a statement by the Appraiser, certified by him to be true and correct, setting forth his technical qualifications, general appraisal experience, specific experience in appraising properties of the type involved in this agreement, the courts in which he has testified as an expert witness, and other information pertinent to establishing his technical qualifications.

(b) Solicitation of Agreement. The Appraiser has not employed any person to solicit this agreement and has not made, and will not make, any payment or any agreement for the payment of any commission, percentage, brokerage, contingent fee, or other compensation in connection with the procurement of this agreement.

(c) Interests of Appraiser and Appraiser's Employees. The Appraiser does not have any interest (including that of real estate agent or broker), direct or indirect, present or prospective, in any property described in Article 1 or in its sale, or any other interest, whether or not in connection with the property, which would conflict in any manner or degree with the performance of the services and the submission of impartial reports, and has not employed and will not employ, in connection with the services to be furnished under this agreement, any person having any such interest. Until the property is acquired by the Agency or excluded from its project by resolution of its governing body, the Appraiser and any employees of the Appraiser, so long as they are employed by the Appraiser, will not acquire any such interest and will not, for their own account or for other than the Agency, negotiate for any of the property, perform services in connection with the property, or testify voluntarily as a witness in a condemnation or other proceeding with respect to the property.

(d) Services To Be Confidential. All services, including reports, opinions, and information, to be furnished under this agreement are confidential and shall not be divulged, in whole or in part, to any person, other than to duly authorized representatives of the Agency, without prior written approval of the Agency, except by testimony under oath in a judicial proceeding or as otherwise required by law. The Appraiser shall take all necessary steps to ensure that no member of his staff or organization divulges any such information except as may be required by law.

(e) Facilities and Personnel. The Appraiser has and will continue to have proper facilities and personnel to perform the services and work agreed to be performed. If the Appraiser proposes to employ any person or persons to make any appraisals of machinery and equipment or other specialized elements or attributes of a property appraised under this agreement, the employment of such person or persons for such purpose shall not place the Agency under any obligation of such employee, nor relieve the Appraiser of full responsibility for the faithful performance of the services to be furnished under this agreement.

(f) Assignment. The Appraiser's rights, obligations, and duties under this agreement shall not be assigned in whole or in part, but shall not prohibit the assignment of the proceeds due under this agreement to a bank of financial institution. This agreement may be assigned by the Agency to any corporation, agency, or instrumentality having authority to accept the assignment.

(g) Subcontracting. None of the work or services covered by the agreement shall be subcontracted without the prior approval of the Agency.

(h) Records. The Appraiser shall maintain records of all details with respect to the services to be performed under this agreement, including one complete copy of each appraisal report and related notes, for three (3) years after delivering the report or until the property is acquired by the Agency or the acquisition is abandoned, whichever is later.

(i) Affidavits of Compliance. The Appraiser will, if requested by the Agency, furnish the Agency affidavits certifying compliance with the provisions of this Article 7.

ARTICLE 8. Changes. The Agency, by written notice to the Appraiser, may modify the scope of quantity of the services to be furnished under this agreement. If such changes cause and increase or decrease in the amount of services to be provided by the Appraiser or in the time required for their performance, equitable adjustment shall be made in the provisions of this agreement for payments to the Appraiser or for the time for performance of the services or for both, and this agreement shall be modified by agreement of the parties accordingly.

ARTICLE 9. Notices. Any action by the Agency under this agreement may be taken by _____ _____, or such other person(s) as the Agency may, by written notice to the Appraiser, designate for such purpose. All notices to the Appraiser shall be

considered to be properly given if mailed to the address specified below, or delivered personally to the Appraiser. All notices or other papers given to the Agency shall be considered to be sufficiently given if mailed, postage prepaid to _____, at _____ _____, or to such other representative or address as the Agency may designate to the Appraiser in writing.

ARTICLE 10. Contract For Professional Services. Contract must include the special Equal Opportunity and Supplemental Conditions found in the Public Facilities chapter of the Handbook.

IN WITNESS WHEREOF, the Agency and the Appraiser have executed this agreement on or as of the date first above written.

_____
(Appraiser)

_____
(Street Address)

_____
(City) (State) (Zip Code)

_____
(Agency)

By: _____

_____

UNIFORM APPRAISAL STANDARDS FOR FEDERAL LAND AQUISITIONS

Background and Overview

The Uniform Appraisal Standards for Federal Land Acquisitions represents an effort to establish basic appraisal standards applicable to all real estate related transactions involving Federal agencies.

Federal agencies are a major consumer of appraisal services. Estimates show that a high percentage of all appraisal reports are in response to Federal programs involving direct loans, insured and guaranteed loans, direct acquisitions of guaranteed loans by a Federal agency to satisfy a default or other guarantee claim, and the sale, exchange, or acquisition of property, including through eminent domain. Consequently, Federal agencies have a responsibility for establishing and assuring implementation of appraisal standards which are cost-effective and protect the Government's financial interest. Depending on specific agency needs, additional requirements may be included in agency policy, manuals, or handbooks.

These standards were developed in consultation with the Federal Interagency Real Property Appraisal Committee (FIRPAC). This Committee was convened to encourage the development of uniform real property appraisal standards applicable to Federal agencies. In addition, the Committee seeks to assure the protection of the Federal Government's interest in the development and implementation of Title XI, Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989.

Individuals involved in appraising real property must comply with applicable State laws. Private appraisers performing assignments directly for an agency or under policies of a regulatory agency must meet applicable state regulatory requirements.

Federal agency staff appraisers (including agency reviewing appraisers) may be exempt from licensing or certification under State law, or Federal regulation or policy. However, it may be in the agency's interest to encourage staff appraisers and reviewing appraisers to meet State qualification standards. Each agency has the necessary flexibility to decide the qualifications necessary for individual appraisal problems as well as to maintain public confidence in its appraisal program.

Federal Standards

The Uniform Appraisal Standards for Federal Land Acquisitions recognize current Federal standards incorporated into law or referenced by various agencies in their regulations or manuals. These include:

> "Uniform Appraisal Standards for Federal Land Acquisition" (1973) prepared by the Interagency Land Acquisition Conference; for a copy of these standards refer to the OCD website (www.doa.state.la.us/cdbg/policy_manuals.htm) or contact Mr. Cory Williams at (225)342-7412; and
>
> "Government-wide appraisal standards contained in 49 CFR Part 24, published March 2, 1989 by the Department of Transportation, implementing appraisal provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended."

Both documents are applicable to the acquisition of real property. The Department of Transportation standards apply to 18 executive branch departments and agencies administering federal of federally assisted projects under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. These agencies will continue to comply therewith. Other agencies, including those that administer Federal credit programs, have regulations and procedures covering appraisal activity.

The Federal Real Property Appraisal Standards also take into consideration those standards developed by regulatory financial agencies in response to Title XI, FIRREA. Standards developed by the financial regulatory agencies reference the "Uniform Standards of Professional Appraisal Practice" (USPAP) and include additional appraisal requirements.

The Appraisal Subcommittee, created by Title XI, FIRREA, has responsibility for monitoring requirements established by States for _____ and licensing of appraisers, and appraisal standards developed by the Federal financial institutions regulatory agencies. The Subcommittee is also responsible for monitoring and reviewing practices, procedures, activities, and organizational structure of the Appraisal Foundation.

Professional Standards

The original USPAP was developed in an ad hoc committee composed of representatives of major appraisal organizations. These standards were later copyrighted in 1987 by the non-profit Appraisal Foundation. The Appraisal Standards Board of the Appraisal Foundation adopted the original USPAP at its organizational meeting on January 10, 1989. Sections I-III of the Standards has been revised with the most recent revisions approved June 5, 1990.

USPAP represents standards developed by professional appraisal organizations. These standards are applicable to activities involving the act or process of estimating value. The provide guidance regarding appraiser competency, preparation and documentation of appraisal reports

and performance of the appraisal review function. To maintain the highest level of professional appraisal practice, appraisers are required to observe these standards.

Appraisal standards adopted by the States will be in accordance with generally accepted standards issued by the Appraisal Standards Board (ASB) of the Appraisal Foundation. State licensed and certified appraisers will be required to meet these standards.

Qualification standards for appraisers are established by the Appraiser Qualifications Board, a separate and independent board within the Appraisal Foundation.

These standards and those contained in 49 CFR Part 24 are consistent with provisions of USPAP as they relate to the preparation of unbiased, written appraisal reports estimating market value. Any deviations in 49 CFR Part 24 are attributable to legal and regulatory requirements associated with public acquisition of private property. Agencies identified in the government wide regulation shall continue to comply therewith.

Code of Practice

Appraisers involved in preparing appraisals for Federal or federally assisted programs shall observe high standards of honesty, integrity, and fairness in preparing written appraisal reports. Appraisers shall:

- Possess the knowledge and experience necessary to complete the appraisal assignment competently;

- Not accept an assignment in which payment for appraisal services is contingent on reaching a predetermined conclusion of value, or on the estimated value of the property interest;

- Not knowingly commit errors or withhold pertinent information that would affect the estimate of market value;

- Report conclusions of value in a manner that is meaningful and does not mislead the client, parties to the transaction, or the public;

- Apply realistic assumptions and valuation methods consistent with market information;

- Disclose any instructions or extraordinary assumptions that may affect the estimate of market value; and

- Cooperate with investigators and authorities in providing factual information regarding an appraisal assignment.

Definitions

Applicable law, agency regulations, and practice may require the use of definitions other than those set forth below.

Appraisal or Appraisal report: A written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

Appraiser: An individual who is qualified under applicable requirements to prepare or review appraisals in conjunction with real estate related transactions.

Complex real estate related transaction: Any transaction identified by agencies requiring the services of a certified or equivalent level appraiser.

Agencies should take into consideration the following:

(1) improved commercial or industrial properties;

(2) rural properties where the intended use is for the production of agricultural income or products;

(3) commercially valuable timber and mineral interests;

(4) acquisition of private property under eminent

(5) raw land with development potential; and

(6) requirements for a detailed appraisal (49 CFR Part 24, Subpart B).

Market value: The most probable price in cash, or terms equivalent to cash, which a property should bring in a competitive and open market under all conditions requisite to a fair sale, namely, that the buyer and seller each act without obligation, prudently, and knowledgeably, and the price is not affected by undue stimulus.

Qualified appraiser: An individual who meets applicable requirements and is accepted, approved, or designated by the agency.

Real estate related transaction: Any transaction involving:

(1) the sale, lease, purchase, investment in, or exchange of real property, including interests in property or the financing thereof;

(2) the refinancing of real property of interests in real property; and

(3) the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

Review appraiser: A qualified appraiser or technically qualified individual designated to independently examine and evaluate an appraisal report for purposes of recommending, preparing, or approving an estimate of value.

State certified appraiser: Any individual who has satisfied the requirements for State certification or equivalent requirements in a State or territory whose criteria for a real estate appraiser currently meet the minimum criteria for certification issued by the Appraiser Qualification Board of the Appraisal Foundation.

State licensed appraiser: An individual who has satisfied the requirements for State licensing or equivalent requirements in a State or territory.

Appraiser Qualifications

Appraiser involved in real estate related transactions shall comply with applicable laws and requirements regarding appraiser qualifications. In those States not having State requirements, or where State laws governing the activities of appraisers have been found to be inadequate, agencies may implement standards consistent with those developed by the Appraisal Qualifications Board of the Appraisal Foundation.

In those States having State certification requirements, State certified appraisers shall be used for complex transactions identified by the agency. However, Federal agencies shall have discretion to establish qualification standards for its staff appraisers, including reviewing appraisers.

Appraisal Report Guidelines

Agency appraisal criteria should be consistent with USPAP and/or 24.103 of 49 CFR Part 24 and also with paragraph 5-3e HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition. As necessary, agencies may establish appraisal standards in accordance with program specific objectives. Those standards may also include applicable provisions of USPAP.

Appraisal Review

Agency appraisal review criteria should be consistent with USPAP and/or 24.104 of 49 CFR Part 24 and also with paragraph 5-3e HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition. Agency standards may include review appraisal provisions of the USPAP.

Review criteria for appraisals made in connection with direct or indirect loan transactions shall be consistent with the level of risk in the loan transactions and at a minimum shall provide for a

volume and level of review adequate to identify levels of risk in the loan portfolio as well as a representative sample of individual transactions.

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SAMPLE

INVITATION TO ACCOMPANY AN APPRAISER

September 27, 2004

Mrs. Elizabeth Richards
4143 Gus Young Avenue
West Linn, Louisiana 70801

Dear Mrs. Richards:

I have been requested by the City of West Linn to prepare an appraisal of your property on Gus Young Avenue. I will visit the property on October 4, 2004. If you wish to accompany me, please phone me at 331-4705 to arrange a mutually convenient time. If I do not hear from you by October 1, I will attempt to contact you by phone. If you do not make contact by October 3, I will assume that you do not wish to come with me when I go to inspect your property.

Sincerely,

Robert Baxter
Senior Appraiser

c: City Secretary
City of West Linn, Louisiana

MUST BE SENT CERTIFIED/REGISTERED MAIL
RETURN RECEIPT REQUESTED

D-10

SHORT APPRAISAL FORM FOR SERVITUDE TAKINGS

Project Name _____

Parcel Address _____

PROPERTY OWNER _____

ADDRESS _____

Owner invited to accompany Appraiser _____

Past Sales or Property (5 years) _____

Improvement to Property since last Sale _____

_____

LOT: Zoning _____ Area _____ Sq. Ft. _____ Acres _____

Highest and Best Use of Property: BEFORE _____ AFTER _____

Assessed valuation: Land _____ Buildings _____ Total _____

Unlawful Usage of Violation of Codes and Ordinances _____

_____

_____

VALUATION: BEFORE AND AFTER VALUE ESTIMATES

1. BEFORE Property Value . . . . . $_____

2. AFTER Property Value . . . . . $_____

3. VALUE PART TAKEN AND DAMAGES, IF ANY $_____

If damages to Property by reason of taking -- Explain _____

_____

_____

NOTE: Appraiser has summarized above data based on his investigation and appraisal of subject property. Full documentation for values assigned can be furnished upon request.

PHOTO OF PROPERTY

SKETCH OF PROPERTY
(Showing Part taken)

FINAL VALUE ESTIMATE IS:

LAND $_____ BUILDINGS $_____ TOTAL $_____

Date _____ Appraiser _____

Parcel or Tax Number _____ Address _____

_____

_____

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REVIEW APPRAISAL REPORT

Project: _____

Block No: _____ Parcel No.: _____

Project Address: _____

City, State, Zip Code: _____

Appraisers Name(s)

1. _____

2. _____

Owner of Record _____

Type of Appraisals: _____ Fee Simple _____ Easement _____ Partial Take

Property Type _____ Zoning _____

Restrictions if any:

Date of Appraisal(s):

Was owner invited to accompany appraiser on the property inspection?

_____ Yes _____ No

Did the Appraiser(s) comply with the appraisal contract?

1. _____ Yes _____ No 2. _____ Yes _____ No

			Appraiser No.1			Appraiser No.2		
			Yes	No	N/A	Yes	No	N/A
I.	DESCRIPTION							
	A.	City Analysis Acceptable?	__	__	__	__	__	__
	B.	Neighborhood Analysis Acceptable? (Location, % Buildup, Value Range Stated, Present/Proposed Land Uses, Trends, Occupancy, Employment, Distances to Shopping, Recreation, Fire and Police Protection)	__	__	__	__	__	__
	C.	Acceptable Site Description	__	__	__	__	__	__
	D.	Acceptable Improvements Description	__	__	__	__	__	__
	E.	Acceptable Tax Information	__	__	__	__	__	__
	F.	Acceptable Highest and Best Use Analysis	__	__	__	__	__	__

	Appraiser No.1			Appraiser No.2		
	Yes	No	N/A	Yes	No	N/A
II. APPRAISAL PROCESS						
A. Direct Sales Comparison Approach						
1. Is the comparable sales data complete, i.e., sales date, grantor grantee, comparable address, deed book and page no., sales price, complete description.	__	__	__	__	__	__
2. Is the adjustment analysis satisfactory?	__	__	__	__	__	__
3. Did the appraiser explain the reason for each adjustment and is this reasonable?	__	__	__	__	__	__
4. Is the market value reconciled correctly? (That is, no averaging and explanation is satisfactory.)	__	__	__	__	__	__
B. Cost Approach						
1. Did the appraiser provide adequate support for the land cost estimate?	__	__	__	__	__	__
2. Did the appraiser provide adequate support for the building cost estimate?	__	__	__	__	__	__
3. Did the appraiser use acceptable method of estimating accrued depreciation?	__	__	__	__	__	__
4. Were all forms of depreciation supported?	__	__	__	__	__	__
5. Is the Cost Approach Summary Acceptable?	__	__	__	__	__	__
C. Gross Rent Multiplier Analysis (Residential Property)						
1. Was the GRM properly developed by market supported rentals of recent sales?	__	__	__	__	__	__

	Appraiser No.1			Appraiser No.2		
	Yes	No	N/A	Yes	No	N/A
2. Is the market rent for the subject supported by market evidence?	__	__	__	__	__	__
3. Is the market value by Gross Rent Multiplier Analysis acceptable?	__	__	__	__	__	__
D. Income Approach (Income Property						
1. Is the Gross Potential Income supported and is it reasonable?	__	__	__	__	__	__
2. Is the Vacancy and Credit Loss Supported	__	__	__	__	__	__
3. Is other income included?	__	__	__	__	__	__
4. Is the Effective Gross Income acceptable?	__	__	__	__	__	__
5.Are all fixed and variable operating expenses included and are they reasonable?	__	__	__	__	__	__
6. Is the Net Operating Income acceptable?	__	__	__	__	__	__
7. Was the capitalization rate properly developed?	__	__	__	__	__	__
8. Is it reasonable?	__	__	__	__	__	__
9. Is the capitalization value acceptable?	__	__	__	__	__	__
If an approach was not used, was an acceptable explanation provided?	__	__	__	__	__	__
RECONCILIATION AND FINAL VALUE ESTIMATE						
A. Did the appraiser adequately explain how final value estimate was selected and was the explanation reasonable?	__	__	__	__	__	__
B. Are all math computations correct?	__	__	__	__	__	__

Signature of Reviewer Title Date

III. First corrections required to make appraisal reports adequate and acceptable including deficiencies not listed above).

Appraiser #1

Appraiser #2

IV. Reviewer's Recommendation of Fair Market Value $

V. Explain the basis for the reviewer's recommendation of Fair Market Value (if there are two or more appraisals for each parcel, the reviewer should give a comparative analysis of each parcel, the reviewer should give a comparative analysis of each appraisal report, and his/her reasoning for accepting the appraised value of one of the appraisal reports).

VI. I hereby certify that I have inspected the subject property and the appraiser's comparable sales; that I have no interest in the property, either past, present, or contemplated; that except as noted, the appraisals are complete and technically acceptable; and that the appraisals meet the requirements of the Department of Housing and Urban Development, and of the appraiser's contracts.

Date: _____ Reviewer's Name & Title: _____

VII. It is recommended that the appraiser's fee of $_____

_____ Be Paid _____ Not be paid for the following reasons:

_____

_____

_____

_____The reviewer recommends that the locality hire another appraiser to appraise this parcel.

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VOLUNTARY ACQUISITION POLICY

On _____, the _____ passed Resolution _____, to establish a Voluntary Acquisition Policy for _____. The Policy Statement implements that Resolution. It will be published in the _____ to acquaint the citizens of this new policy.

Voluntary Acquisition shall be permitted if the property being acquired is not site specific and at least two properties in the community meet the criteria established be the _____ for the property or interest to be acquired. All voluntary acquisitions must be approved by _____ in principal prior to publication of a public notice or attendance at a property auction.

The _____ must publish a public notice inviting offers from property owners. This notice must:

1. accurately describe the type, size, and location of the property it wishes to acquire;

2. describe the purpose of the sale;

3. specify all terms and conditions of the sale, including a maximum price;

4. indicate whether or not an owner/occupant must waive relocation benefits as acondition of the sale;

5. announce a time and place for receipt of offers; and

6. announce that the _____ shall not invoke its powers of condemnation to secure any property offered if a mutually satisfactory sale is not concluded, in order to acquire the property for the same purpose.

The _____ may also acquire property at public auction.

ACQUISITION COMPOSITE LIST

(For "Uniform Act" Activities Only)

Property Owner and/or Parcel Number	Purpose/ Use of Property	METHOD				Date Acquired	Amount Paid
		Purchase	Donation	Long Term Lease	Exappropriated		
							$
							$
							$
							$
							$
							$
							$
							$
							$
							$
							$
							$
							$

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REAL PROPERTY ACQUISITION CHECKLIST

(A separate file for each parcel acquired)

1.	Title Search/Clearance of Title	_____
2.	If Applicable, Preliminary Acquisition Notice and Evidence of Receipt	_____
3.	If Applicable, Evidence of Invitation to Accompany Appraiser and Evidence of Receipt	_____
4.	Appraisal Report or Valuation	_____
5.	If Applicable, Review Appraisal Report	_____
6.	If Applicable, Written Statement of Just Compensation, and;	_____
7.	Written Offer to Purchase and Evidence of Receipt	_____
8.	Contract of Sale	_____
9.	Statement of Settlement Cost	_____
10.	Receipt for Purchase Price and Copies of Canceled Checks	_____
11.	Waiver, if a Donation	_____
12.	If Acquisition is Terminated, Notice of Intent Not to Acquire	_____
13.	If Expropriation, Seven Days Notice (State law requires a substantially longer notice period)	_____
14.	If Expropriation, a Court Judgement	_____

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RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN UNDER SECTION 104(d) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED

The (jurisdiction) will replace all occupied and vacant occupiable low/moderate-income dwelling units demolished or converted to a use other than as low/moderate-income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended as described in 24 CFR 570.606(b)(1). The (jurisdiction) Antidisplacement contact person is _____ who can be reached at (_____)_____.

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the (jurisdiction) will notify the public and submit to the Division of Administration the following information in writing:

1. A description of the proposed assisted activity;

2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than low/moderate-income dwelling units as a directly result of the assisted activity;

3. A time schedule for the commencement and completion of the demolition or conversion;

4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;

5. The source of funding and a time schedule for the provision of replacement dwelling units; and

6. The basis for concluding that each replacement dwelling unit will remain in a low/moderate-income unit for at least 10 years from the date of initial occupancy.

The (jurisdiction) will provide relocation assistance, as described in 570.606(b) (2), to each low/moderate-income household displaced by the demolition of housing or by the conversion of a low/moderate-income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the Act, the (jurisdiction) will take the following steps to minimize the displacement of persons from their homes;

1. All public facilities projects (water, sewer, gas, etc.) will be designed so that there will be no displacement of any residences or businesses;

2. No homes will be demolished that can be rehabilitated; and

3. There will be no displacement of any residential or business occupants on LCDBG projects.

RESOLUTION TO ADOPT RESIDENTIAL ANTIDISPLACEMENT AND

RELOCATION ASSISTANCE PLAN

WHEREAS, the (jurisdiction) has received approval of a Louisiana Community Development Block Grant Program for fiscal year _____ and

WHEREAS, the LCDBG Program requires that all grant recipients adopt by resolution a Residential Antidisplacement and Relocation Assistance Plan,

THEREFORE BE IT RESOLVED, that the (jurisdiction) hereby adopts the attached Residential Antidisplacement and Relocation Assistance Plan.

THUS DONE this _____ day of _____, 2003 in legal session in the (jurisdiction), Parish of _____ and State of Louisiana.

ATTEST:

_____ _____

MAYOR

_____ _____

CLERK

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RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE CERTIFICATION

The _____(jurisdiction)_____ hereby certifies that it is following a residential antidisplacement and relocation assistance plan and that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as required under S570.606(a) and HUD implementing regulations at 24 CFR Part 42; the requirements in S570.606(b) governing the residential antidisplacement and relocation assistance plan under Section 104(d) of the Housing and Community Development Act of 1974; the relocation requirements of S505.606(c) governing displacement subject to Section 104(d) of the Act; and the relocation requirements of 505.606(d) governing optional relocation assistance under Section 105(a)(11) of the Act.

_____ _____

DATE CHIEF ELECTED OFFICIAL

RECOMMENDED LOCAL RELOCATION POLICY

Name of Agency to Contact:

_____

_____

_____

Address:

_____

_____

_____

Phone Number: _____

Hours of Availability: _____

Date Passed by City/Parish Council: _____

LOCAL RELOCATION POLICY

WHEREAS, _____, Louisiana hereinafter referred to as the locality, is undertaking a Community Development Program under the provisions of the Housing And Community Development Act of 1974 (Public Law 93-383) and amendments thereto;

WHEREAS, the Housing and Community Development Act of 1974 requires compliance with the relocation requirements of the Uniform Relocation and Real Property Acquisition Policies Act of 1970, hereinafter referred to as the Uniform Act, and implementing regulations issued by the Department of Housing and Urban Development (CFR Title 24, Part 42) when the acquisition of real property occurs; and

WHEREAS, the locality wishes to provide a local policy covering all probable types of relocation which may be necessary in accomplishing CDBG related activities, the following policy is hereby adopted:

I. Permanent Relocation Including Acquisition

All persons, families, or businesses displaced as a result of acquisition, in whole or in part, shall be provided with relocation assistance and compensation as authorized by the Uniform Act. Procedures and forms shall be in accordance with the HUD Relocation Handbook 1378, as revised.

II. Temporary Relocation - Owner Occupied Unit

Program activities shall be planned and carried out in a manner that minimizes hardships to occupants of houses being rehabilitated in accordance with the CDBG program.

When a homeowner requests and receives a grant or loan for the purpose of rehabilitating his home, he becomes eligible for temporary relocation assistance providing the nature of the rehabilitation is such that the occupants could not continue to live in the dwelling during rehabilitation as determined by the contractor and the Housing Rehabilitation Specialist and approved by the Planning and Evaluation Administrator.

Arrangements will be made to provide temporary relocation assistance in accordance with the needs of those being temporarily displaced, including social services, counseling, guidance, assistance, and referrals.

Costs associated with a temporary move may be included in the rehab grant if no personal resources are available to the occupant of the dwelling to the rehabilitated. These costs normally may not exceed _____. Hardship situations will be considered on an individual basis. Costs which may be charged to the rehabilitation contract include:

Actual reasonable moving costs to the temporary relocation.

Actual reasonable cost of renting the temporary unit.
(Normally not to exceed _____ days.)

Actual reasonable cost for storage of furniture that cannot be housed in the temporary unit in the event that the family can find shelter for themselves but not their belongings.

Actual reasonable cost of moving from the temporary location back to the rehabilitated dwelling.

Eligible recipients shall not be relocated until the contractor is prepared to begin rehabilitation work and shall be returned to their homes immediately upon final inspection of their homes. All reasonable costs must be documented by dated invoices from the parties receiving the renumeration. Procedures and forms shall be in accordance with the HUD Relocation Handbook 1378, as revised.

If the unit was identified in the application for funding as a replacement unit, then the substandard unit can be demolished and a new replacement unit constructed provided all of the other provisions of these guidelines and the program are satisfied. If the unit was not identified in the application for funding as a replacement unit, then only if sufficient funding exists after all of the other units identified in the application for funding as eligible have been addressed, then the unit(s) not identified in the application for funding can be addressed based on their ranking by the grantee.

III. Tenant Assistance Policy

No tenant shall be considered displaced if the tenant has been offered a decent, safe, and sanitary dwelling unit in the project to be rehabilitated at an affordable rent.

No person displaced by rental rehabilitation activities will be discriminated against. All displaced persons shall be equally provided information, counseling, referrals, and relocation services.

No person shall be displaced because of age, race, color, religion, sex, handicap, or national origin.
All persons will be provided with information and counseling to familiarize tenants in the projects to be rehabilitated with (1) opportunities to select replacement dwellings

from a full range of neighborhoods within the total housing market; (2) individual rights under the Fair Housing Law; and (3) how to search for suitable replacement housing.

IV. Permanent Relocation Without Acquisition

A. Basis:

The Demolition/Relocation Policy is designed to provide an avenue for addressing the housing needs of persons affected by actions of Federally supported Community Development Block Grant program. The basic purpose is to establish a local procedure whereby adequate, affordable, safe and sanitary housing can be provided to those persons displaced or forced to relocate as a result of housing rehabilitation activities and/or local code enforcement within the target neighborhood.

B. Approach:

This aspect of the policy addresses relocation activities which do not fall within the guidelines of the Uniform Act. This policy will be invoked in those cases where voluntary displacement and/or code related demolition of severely substandard housing units are required. Various alternatives are to be considered in providing relocation assistance to displacees, as follows:

1. Homeowners

Provision of a one-time relocation cash payment not to exceed _____, and total moving costs within a 25-mile radius.

The relocation payment will be based upon a per square foot replacement rate of _____, as defined in Section 3. This rate will be reviewed at least annually to ensure current application.

Any homeowner electing to move to rental property shall be entitled to rental relocation only.

The relocation-housing unit shall meet safety, decency, and sanitation codes.

2. Tenants

Provision of a one-time relocation payment not to exceed $4,000, and total moving expenses within a 25-mile radius.

The total relocation payment will be based upon local rental rates for the specific bedroom category as defined by Section 8 Guidelines.

The relocation housing must meet safety, decency, and sanitation codes.

3. Payment

The relocation payment must be approved by the appropriate official.

4. Affordability

Under the local policy, rental cost shall be considered to be affordable, if the rent plus the high cost of utilities when not included in the rental rate, does not exceed the greater of the rent plus utilities paid by the tenant prior to the displacement activity or does not exceed 30 percent of the gross monthly income of all adult members of the tenant's household, including supplemental income from other public agencies whichever is higher. Purchase cost shall be considered affordable if the monthly housing cost, including the cost of all mortgage payments, real property taxes, and reasonable utility charges, does not exceed the greater of the monthly housing cost paid by the displacee prior to the displacement activity or does not exceed 30 percent of the gross monthly income of all adult members of the displacee's household, including supplemental income from other public agencies whichever is higher.

C. Basis for Relocation Payment

1. Homeowner Occupants

The payment for relocation is to be based on per square foot replacement rate of _____, to a maximum of_____, with minimum square foot allowances defined as follows:

ROOM SIZES

Location (l)	O-BR	1&2-BR	3-BR	Least Dimen. (2)
LR	N/A	140	150	10’-10”
DR	N/A	80	100	7’-8”
K	N/A	50	60	5’-4”
K’ette	20	25	40	3’-6”
BR(Dbl)	N/A	110	110	8’-8”
BR(Sgl)	N/A	70	70	7’-10”
LR/DA	N/A	180	200	(3)
LR/DA/K	N/A	220	250	(3)
LR/DA/SL	220	N/A	N/A	(3)
LR/SL	190	N/A	N/A	(3)
K/DA	80	80	160	(3)
K’ette/DA	60	60	90	(3)

NOTES:

(1) Abbreviations:

LU – Living Unit
LR – Living Room
DR – Dining Room
DA – Dining Area
K – Kitchen

K’ette – Kitchenette
BR - Bedroom
SL – Sleeping Area
N/A – Not Applicable
O-BR – No Separate BR

Variations to these areas and dimensions may be permitted when existing partitions preclude precise compliance, and the available area of dimensions do not hinder furniture placement and the normal use of space.

(2) The lease dimension of each room function applies, except for the overlap or double use of space in combination rooms. It is anticipated that the square footages shown will be exceeded in virtually all cases.

2. Tenants

a. The payment for relocation is to be based upon comparable rental rates for local area as defined by current Section 8 Guidelines published in the Federal Register. The payment will be based upon a one-year period, but in no instance will the total relocation payment (excluding moving expenses) exceed _____. Any variation from this will be fully documented in the subject case file.
b. Reasonable expenses within a _____ radius of the neighborhood include such items as: (1) rental of vehicle trailer for moving purposes; (2) reimbursement of utility deposits; and (3) temporary relocation costs, as necessary.
c. In the event a displacee is relocated to subsidized rental unit (such as Section 8, 202, public housing, etc.), the relocation payment will be based upon the unsubsidized portion of the monthly rental payment only.

V. Characteristics of the Area

The specific target area, locally known as _____, is one of the most depressed areas within the locality. The area has a total population of 3,225 persons, of which 56 percent is minority and 86 percent is in the low/moderate income category. Of the total resident population, 17 percent is over the age of 62. Of the total housing stock, approximately 55 percent is substandard, and of these units, a significant number should be vacated and demolished.

VI. Example Relocation Plan

It is anticipated that few cases will require utilization to the Uniform Act provisions. There is no plan to acquire subject properties unless absolutely necessary. There are 2-3 occupied units which should be razed and the occupants relocated (in addition to those vacant units scheduled for demolition). These units are severely deteriorated beyond any possibility for rehabilitation. Even emergency repair is inadequate to address any significant portion of the problem. These units should be vacated through local code enforcement or voluntary action, and families should be relocated. Of the total number, three are owner occupied and the balance is composed of rental units.

Relocation will be under taken in accordance with procedures established herein. In order to assure maximum choice, referrals and relocation assistance will be provided to all displaces. This will include at a minimum:

contacting local housing lenders as necessary.

referrals to local realty agencies (multiple listing services).

transportation assistance as necessary.

provide contact lists of local rental complexes (both subsidized and unsubsidized).

assist with processing for Section 8, 202, PHA, etc., as applicable.

Whenever possible, tenant displaces will be afforded the opportunity to relocate to a subsidized unit under the Section 8 Existing or similar program.

VII. Applicable Regulations

The Demolition/Relocation Policy will be implemented in accordance with the following HUD regulations:

Section 1 of the Civil Rights Act of 1966 (42 U.S.C. 1982 et. seq.)

Title VI of the Civil Rights Act of 1965 (42 U.S.C. 200 d et. seq.)

Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et. seq.)

The National Governmental Policy Act of 1969 (42 U.S.C. 4321-4347)

Executive Order 11063, Equal Opportunity in Housing (2 CFR Comp. 1964-65, page 652)

Executive Order 11246, Equal Employment Opportunity (3 CFR Comp. 1971, page 339, as amended)

Executive Order 11625, Minority Business Enterprise (3 CFR Comp. 1971, page 213 (ref. 1276.1:9/79-11-4))

VIII. Grievance Procedures

See Attached Procedure.

GRIEVANCE PROCEDURE

Grounds

You have the right to appeal any action of the City/Parish on the following grounds:

failure to properly determine your eligibility for, or the amount of, a relocation or other payment due you under the Uniform Act;

refusal to waive the time limit for filing a claim or the one-year purchase and occupancy requirement;

failure to properly inspect the replacement dwelling;

failure to comply with a requirement of 24 CFR 42.209 (Availability of Comparable Replacement Dwellings Prior to Displacement); and

failure to comply with a requirement of 24 CFR 42.207 (Notice of Right to Continue in Occupancy).

Your acceptance of the amount offered you by the City/Parish does not limit your right to appeal the City/Parish's determination and seek a larger payment.

Methods and Time Limits for Initiating an Appeal

If your appeal concerns your eligibility for, or the amount of, a payment, you must file your appeal with 6 months after the City/Parish notifies you of its determination on your claims.

If your appeal concerns an alleged failure to provide appropriate housing referrals or to properly inspect the replacement dwelling or to comply with 24 CFR 42.209 (Availability of Comparable Replacement Dwellings Prior to Displacement), you must file your appeal with 6 months after you have been displaced from your home or apartment.

If your appeal concerns an alleged failure to comply with 24 CFR 42.207 (Notice of Right to Continue in Occupancy), you must file your appeal no later than 6 months after (a) your permanent move from your home or apartment; or (b) the end of the four-year occupancy period, whichever comes first.

If you appeal concerns the City/Parish's refusal to waive the one-year purchase and occupancy requirement, your appeal must be filed within 30 days after the refusal.

You may make a request to the City/Parish, either orally or in writing, to make an oral repeal. The City/Parish will provide you with the opportunity for an oral presentation within 15 days of your request. If the City/Parish does not grant your grievance, you will be so notified and informed you have the right to make a written appeal. However, the request for an oral presentation does not entitle you to any postponement of displacement.

You may also file a written request for review. In your written request for review, you may include any statement of fact or other material which you feel has a bearing on your appeal. If more time is needed to gather and prepare additional material for review, you may be granted additional time so you have at least 30 days from the date of receiving notification of the decision concerning your appeal. If you need assistance in preparing your material, the City/Parish will help you and will also tell you about other available sources of assistance. After you have submitted the new information in support of your request for review, the City/Parish will reach a decision within 30 days. It will send you a copy of the decision, a statement of the facts and legal basis upon which it is based, a description of how any new payments or relief will be provided to you, and, if your appeal was not totally granted, a statement of your right to appeal the City/Parish's decision to the Louisiana Division of Administration where you can file such an appeal.

Appeal to the State of Louisiana

If the City/Parish disapproves your appeal, you are entitled to a review by the Louisiana Division of Administration. You may obtain a State review by sending a written request to the Division of Administration, Office of Community Development, within 30 days after you receive the review findings from the Division. You will receive a letter containing the State's decision, together with a written statement of the facts upon which the decision is based.

In any review of your appeal by the City/Parish or the State, you have the right to be represented by a lawyer of other counsel, and you may appeal any final decision by the State to the Courts.

If you have any questions concerning these procedures, do not hesitate to contact:

Ms. Ellen Smith, Relocation Officer
City Hall, West Linn, Louisiana 70801
or telephone: 555-1212

_____	_____
Occupant's Signature	City/Parish Representative
_____	_____
	Date
_____	
Occupant's Address	

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

RELOCATION ASSISTANCE TO TENANTS DISPLACED FROM THEIR HOMES

Introduction

This booklet describes the relocation payments and other relocation assistance provided under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) to tenants displaced from their homes. This includes any family or individual that must move as a direct result of rehabilitation, demolition or acquisition for a project in which Federal funds are used.

If you are notified that you will be displaced, it is important that you **do not move** before you learn what you must do to receive the relocation payments and other assistance to which you are entitled.

Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

This booklet may not answer all of your questions. If you have more questions about your relocation, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you move. Afterwards, it may be too late.

Summary of Relocation Assistance

As an eligible tenant displaced from your home, you will be offered the following advisory and financial assistance:

- **Advisory Services**. This includes referrals to comparable and suitable replacement homes, the inspection of replacement housing to ensure that it meets established standards, help in preparing claim forms for relocation payments and other assistance to minimize the impact of the move.

- **Payment for Moving Expenses**. You may choose either a:

  * **Payment for Your Actual Reasonable Moving and Related Expenses**, or
  * **Fixed Moving Expense and Dislocation Allowance**.

- **Replacement Housing Assistance**. To enable you to rent, or if you prefer, buy a comparable or suitable replacement home, you may choose either:

* **Rental Assistance**, or
* **Purchase Assistance**.

If you disagree with the Agency's decision as to the relocation assistance for which you are eligible, you may appeal that decision.

General Questions

How Will I Know I Am Eligible For Relocation Assistance?

You should receive a written notice explaining your eligibility for relocation assistance. You should not move before receiving that notice. If you do, you may not receive relocation assistance.

How Will The Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your relocation needs and preferences for replacement housing and advisory services. The interviewer will ask certain questions about you and other members of your household, including questions about your income. It is to your advantage to provide the information so that the Agency can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

How Soon Will I Have To Move?

If possible, a mutually agreeable date for the move will be worked out. You will be given enough time to make plans for moving. Unless there is a health or safety emergency, you will not be required to move without at least 90-days advance written notice of (1) at least one "comparable replacement home" that is available to you and (2) the earliest date by which you must move.

What Is A Comparable Replacement Home?

A comparable replacement home is:

- Decent, safe, and sanitary.
- Functionally equivalent to (and equal or better than) your present home.
- Actually available for you to rent.
- Affordable.
- Reasonably accessible to your place of employment.
- Generally as well located with respect to public and commercial facilities, such as schools and shopping, as your present home.
- Not subject to unreasonable adverse environmental conditions.
- Available to all persons regardless of race, color, religion, sex, or national origin.

What is Decent, Safe, and Sanitary Housing?

Decent, safe, and sanitary housing is housing that:

- Meets applicable housing and occupancy requirements.
- Is structurally sound, weather tight, and in good repair.
- Contains a safe, adequate electrical wiring system.
- Has adequate living space for the occupants.
- Has a kitchen with a sink, hot and cold running water, and connections for a stove and refrigerator (if you were displaced from a housekeeping unit).
- Has a separate, complete bathroom with hot and cold running water.
- Has heating as required by climatic conditions.
- Has an unobstructed exit to safe, open space at ground level.
- Meets standards protecting occupants from lead-based paint hazards.
- If you are physically handicapped, is free of any barriers which would preclude your reasonable use of the unit.

Will The Agency Help Me Find A Replacement Home?

Yes. You will be provided with referrals to housing that has been inspected to ensure that it meets established standards. If possible, you will be referred to at least three comparable replacement homes. The maximum financial assistance for which you may qualify will be based on the cost of the most representative comparable replacement home that is available to you. Promptly after you become eligible for relocation assistance, the Agency will inform you of such unit and the maximum payment available.

Once the Agency representative has a clear understanding of your needs and preferences, he or she will work with you to assure that you are given the best possible choice of housing. The Agency will offer you appropriate transportation to inspect these units.

If you would like to move to government-owned housing or obtain a Section 8 "housing voucher" or "certificate," let the Agency representative know of your interest. Generally, an eligible displaced person receives preference for such long-term housing assistance. You will be given assistance in completing any required application forms.

What If I Find My Own Replacement Housing?

You have every right to find your own replacement housing. However, before you rent or buy, ask the Agency to inspect the unit to make sure that it is decent, safe, and sanitary. If the housing unit is not decent, safe, and sanitary, you will not receive a replacement housing payment.

What If I Encounter A Problem In Obtaining Housing Of My Choice?

If you encounter a problem in buying or renting housing of your choice, notify the Agency immediately. The Agency will look into the matter and try to resolve it. You will receive this help whether you were referred to the housing unit or found it yourself.

If you are unable to buy or rent a housing unit because of discriminatory practices on the part of a real estate broker, rental agent, lender, or a property owner, the Agency will help you file a formal housing discrimination complaint with the U.S. Department of Housing and Urban Development or the appropriate State or local fair housing agency.

What Other Services Will I Receive?

In addition to help in obtaining a comparable replacement home, other assistance, as necessary, will be provided in order to minimize the impact of your move. This assistance may include referral to appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance. The range of services depends on the needs of the person being displaced. You should ask the Agency representative to tell you about the specific services that will be available to help you and your family.

What Is a Payment For Actual Reasonable Moving and Related Expenses?

You may choose to receive a relocation payment to cover the reasonable cost of your move. If you choose a Payment For Actual Reasonable Moving And Related Expenses, you may include in your claim the reasonable and necessary costs for:

- Transportation for you and your family.
- Packing, moving and unpacking your household goods.
- Disconnecting and reconnecting household appliances and other personal property (e.g., telephone and cable TV).
- Storage of household goods, as may be necessary.
- Insurance for the replacement value of your property during the move and necessary storage.
- The replacement value of property lost, stolen or damaged in the move (but not through your neglect) if insurance is not reasonably available.

The Agency will explain all eligible moving costs, as well as those which are not eligible. You must be able to account for any costs that you incur, so keep all your receipts. Select your mover with care. The Agency can help you select a reliable and reputable mover.

You may elect to pay your moving costs yourself and be repaid by the Agency or, if you prefer, you may have the Agency pay the mover. In either case, let the Agency know before you move.

What Is A Fixed Moving Expense And Dislocation Allowance?

If you choose a Fixed Moving Expense and Dislocation Allowance, you will receive an allowance which is based on the number of rooms in your home or the number of rooms of furniture you will be moving, as shown on a schedule. The Agency has a copy of the schedule and will help you decide whether choosing this allowance is in your best interest.

If you do not have a large amount of personal property to move, this payment should be more advantageous. No special documentation is required to support your claim. You need only move your personal property and complete the appropriate claim form in order to receive your payment.

How Much Rental Assistance Will I Receive?

You may be eligible to receive Rental Assistance for a 42-month period. The assistance is computed in the following manner:

The assistance needed for one month is determined by subtracting the "base monthly rent" for your present home from the cost of rent and utilities for your new home (or a comparable replacement home, if that cost is lower). That monthly need, if any, is multiplied by 42, to determine the total amount that you will receive. This amount will be paid directly to you. The Agency must provide the assistance in monthly installments or other periodic payments. Generally, the base monthly rent for your present home is the lesser of: (1) the monthly rent and average monthly cost for utilities, or (2) thirty (30) percent of your average monthly gross household income.

Examples: Let's say that the monthly rent and average cost for utilities for your present home are $250; the monthly rent and estimated average utility costs for a comparable replacement home are $350; and your monthly gross income is $700. In this case your "base monthly rent" would be $210 because that amount (30 percent of your income) is less than the monthly cost of rent and utilities at your present home ($250).

* If you rent a replacement home for $360 per month, including estimated average monthly utility charges, you will receive $5,880. That amount is 42 times $140 (the difference between the "base monthly rent" for your present home ($210) and the cost for a comparable replacement home ($350)).

* If you rent a replacement home for $310, including estimated average monthly utility charges, you will receive $4,200. That amount is 42 times $100 (the difference between the "base monthly rent" for your present home ($210) and the actual cost of your new home ($310)).

To qualify for rental assistance, you must rent and occupy a decent, safe, and sanitary home within one year after the date you move. However, the Agency will extend this period for good cause.

If I Decide to Buy, Rather Than Rent, How Much Assistance Will I Receive?

If you buy a replacement home, you may be eligible for assistance to make a down payment equal to the amount you would receive if you rented a comparable replacement home (i.e., 42 times the amount obtained by subtracting the "base monthly rent" for your present home from the monthly rent and estimated average monthly utility costs for a comparable replacement home). A down payment assistance payment will be paid in a lump sum.

Example: Assuming the information in the prior examples, the down payment assistance payment would be $5,880. That amount is 42 times $140 (the difference between the "base monthly rent" for your present home ($210) and the monthly rent and estimated average monthly utilities cost for a comparable replacement home ($350). The full amount of the payment must be applied to the purchase of the replacement dwelling.

Must I File A Claim To Obtain A Relocation Payment?

Yes. You must file a claim for each relocation payment. The Agency will, however, provide you with the required claim form, help you to complete it, and explain the type of documentation, if any, that you must submit in order to receive the payment.

If you must pay any relocation expenses before you move (e.g., a security deposit when you sign a lease for your new home), discuss your financial needs with the Agency. You should be able to obtain an advance payment to meet these costs. An advance payment may be placed in "escrow" or paid directly to a contractor to ensure that the move will be completed on a timely basis.

You must file your claim within 18 months after the date you move. However, it is to your advantage to file as soon as possible after you move. The sooner you submit your claim, the sooner it can be processed and paid. If you are unable to file your claim within 18 months, ask the Agency to extend this period.

Be careful not to confuse this 18-month period with the 12-month period within which you must rent (or buy) and occupy a replacement dwelling in order to be eligible for a replacement housing payment.
You will be paid promptly after you file an acceptable claim. If there is any question regarding your right to a relocation payment or the amount of the payment, you will be notified, in writing, of the problem and the action you may take to resolve the matter.

Will I Have To Pay Rent To The Agency Before I Move?

If the Agency acquires the property in which you live, you may be required to pay a fair rent to the Agency for the period between the acquisition of the property and the date that you move. Such rent will not exceed the market rent for comparable properties in the area.

Do I Have To Pay Federal Income Taxes On My Relocation Payments?

No. Section 216 of the URA states that you need not report relocation payments as part of your gross income for Federal tax purposes. For information on State or local income taxes, you should check with the State or local income tax office in your area or with your personal tax advisor.

What If I Don't Receive The Required Assistance. Can I Appeal?

If you disagree with the Agency's decision as to your right to relocation assistance or the amount of a payment, or the adequacy of the housing to which you have been referred, you may appeal the decision to the Agency.

The Agency will inform you of its appeal procedures. At a minimum, you will have 60 days to file your appeal with the Agency after you receive written notification of the Agency's determination on your claim. Your appeal must be in writing. However, if you need help, the Agency will assist you in preparing your appeal.

If you are a low- or moderate-income person and are dissatisfied with the Agency's determination on your appeal, you may have an additional right to request administrative review of that decision (e.g., by HUD or the State).

You can expect a fair decision on any appeal. However, if you are not satisfied with the final administrative decision on your appeal, you may seek review of the matter by the courts.

I Have More Questions. Who Will Answer Them?

If you have further questions after reading this booklet, contact the Agency and discuss your concerns with an Agency representative.

Agency _____

Address _____

_____

Office Hours _____ Telephone No. _____

Person to Contact _____

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(Previous Edition Obsolete)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

RELOCATION ASSISTANCE TO DISPLACED HOMEOWNERS

Introduction

This booklet describes the relocation payments and other relocation assistance provided under the **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended** (URA) to most homeowners whose home is acquired by a public agency for a Federal project or a project in which Federal funds are used.

To be eligible for the assistance described in this booklet, you must have owned and occupied your home for at least 180-days before the Agency offered to buy it.

If you are notified that your home will be acquired and you will be displaced, it is important that you **do not move** before you learn what you must do to receive the relocation payments and other assistance to which you are entitled.

Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

This booklet may not answer all of your questions. If you have more questions, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you move. Afterwards, it may be too late.

Summary of Relocation Assistance

As an eligible displaced homeowner, you will be offered the following advisory and financial assistance:

- **Advisory Services**. This includes referrals to comparable and suitable replacement homes, the inspection of replacement housing to ensure that it meets established standards, help in preparing claim forms for relocation payments and other assistance to minimize the impact of the move.

- **Payment for Moving Expenses**. You may choose either a:

  - **Payment for Your Actual Reasonable Moving and Related Expenses**, or
  - **Fixed Moving Expense and Dislocation Allowance**.

- Replacement Housing Assistance. To enable you to buy or, if you prefer, rent a comparable or suitable replacement home, you may choose either:

  * **Purchase Assistance, or**
  * **Rental Assistance.**

If you disagree with the Agency's decision as to the relocation assistance for which you are eligible, you may appeal that decision.

General Questions

Will I Be Paid For My Property Before I Have To Move?

If you reach a voluntary agreement to sell your property to the Agency, you will not be required to move before you receive the agreed purchase price. If the property is acquired through an eminent domain proceeding, you cannot be required to move before the estimated fair market value of the property has been deposited with the court. (You should be able to withdraw this amount immediately, less any amounts necessary to pay off any mortgage or other liens on the property and to resolve any special ownership problems. Withdrawal of your share of the money will not affect your right to seek additional compensation for your property.)

Will I Have To Pay Rent To The Agency Before I Move?

You may be required to pay a fair rent to the Agency for the period between the acquisition of your property and the date that you move. The rent will not exceed that charged for the use of comparable properties.

How Will I Know I Am Eligible For Relocation Assistance?

You should receive a written notice explaining your eligibility for relocation assistance. You will become eligible for relocation assistance on the date you receive the Agency's written offer of "just compensation" to purchase your home. You should not move before receiving that purchase offer. If you do, you may not receive relocation assistance. For information about the acquisition of your home, ask the Agency for a copy of the booklet, "When a Public Agency Acquires Your Property."

How Will The Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your relocation needs and preferences for replacement housing and advisory services. The interviewer will ask certain questions about you and other members of your household. It is to your advantage to provide the information so that the Agency can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

How Soon Will I Have To Move?

If possible, a mutually agreeable date for the move will be worked out. You will be given enough time to make plans for moving. Unless there is a health or safety emergency, you will not be required to move without at least 90-days advance written notice of (1) at least one "comparable replacement home" that is available to you and (2) the earliest date by which you must move. Moreover, you will not have to move for at least 30 days after your property is acquired.

What Is A Comparable Replacement Home?

A comparable replacement home is:

- Decent, safe, and sanitary.
- Functionally equivalent to (and equal or better than) your present home.
- Actually available for you to buy.
- Affordable. (Ordinarily, there is no increase in monthly mortgage payments for principal and interest.)
- Reasonably accessible to your place of employment.
- Generally as well located with respect to public and commercial facilities, such as schools and shopping, as your present home.
- Not subject to unreasonable adverse environmental conditions.
- Available to all persons regardless of race, color, religion, sex, or national origin.

What is Decent, Safe, and Sanitary Housing?

Decent, safe, and sanitary housing is housing that:

- Meets applicable housing and occupancy requirements.
- Is structurally sound, weather tight, and in good repair.
- Contains a safe, adequate electrical wiring system.
- Has adequate living space for the occupants.

- Has a kitchen with a sink, hot and cold running water, and connections for a stove and refrigerator.
- Has a separate, complete bathroom with hot and cold running water.
- Has heating as required by climatic conditions.
- Has an unobstructed exit to safe, open space at ground level.
- Meets standards protecting occupants from lead-based paint hazards.
- If you are physically handicapped, is free of any barriers which would preclude your reasonable use of the unit.

Will The Agency Help Me Find A Replacement Home?

Yes. You will be provided with referrals to housing that has been inspected to ensure that it meets established standards. If possible, you will be referred to at least three comparable replacement homes. The maximum financial assistance for which you may qualify will be based on the cost of the most representative comparable replacement home that is available to you. When the Agency gives you its initial written purchase offer, it will inform you of such unit and explain the maximum assistance available.

Once the Agency representative has a clear understanding of your needs and preferences, he or she will work with you to assure that you are given the best possible choice of housing and offer you transportation to inspect these units.

If there is a mortgage on your present home, the Agency will refer you to lenders that can provide mortgage financing for your new home. If the money paid for your old home is applied to the purchase of your new home, there should not be any increase in the number or amount of your monthly payments for mortgage interest and principal.

What If I Find My Own Replacement Housing?

You have every right to find your own replacement housing. However, before you buy or rent, ask the Agency to inspect the unit to make sure that it is decent, safe, and sanitary. If the housing unit is not decent, safe, and sanitary, you will not receive a replacement housing payment.

What If I Encounter A Problem In Obtaining Housing Of My Choice?

If you encounter a problem in buying or renting housing of your choice, notify the Agency immediately. The Agency will look into the matter and try to resolve it. You will receive this help whether you were referred to the housing unit or found it yourself.

If you are unable to buy or rent a housing unit because of discriminatory practices on the part of a real estate broker, rental agent, lender, or a property owner, the Agency will help you file a formal housing discrimination complaint with the U.S. Department of Housing and Urban Development or the appropriate State or local fair housing agency.

What Other Services Will I Receive?

In addition to help in obtaining a comparable replacement home, other assistance, as necessary, will be provided in order to minimize the impact of your move. This assistance may include referral to appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance. The range of services depends on the needs of the person being displaced. You should ask the Agency representative to tell you about the specific services that will be available to help you and your family.

What Is a Payment For Actual Reasonable Moving And Related Expenses?

You are entitled to a relocation payment to cover the reasonable cost of your move. If you choose a Payment For Actual Reasonable Moving And Related Expenses, you may include in your claim the reasonable costs for:

- Transportation for you and your family.
- Packing, moving and unpacking your household goods.
- Disconnecting and reconnecting household appliances and other personal property (e.g., telephone and cable TV).
- Storage of household goods, as may be necessary.
- Insurance for the replacement value of your property during the move and necessary storage.
- The replacement value of property lost, stolen or damaged in the move (but not through your neglect) if insurance is not reasonably available.

The Agency will explain all eligible moving costs, as well as those which are not eligible. You must be able to account for any costs that you incur, so keep all your receipts. Select your mover with care. The Agency can help you select a reliable and reputable mover.

You may elect to pay your moving costs yourself and be repaid by the Agency or, if you prefer, you may have the Agency pay the mover. In either case, let the Agency know before you move.

What Is A Fixed Moving Expense and Dislocation Allowance?

If you choose a Fixed Moving Expense and Dislocation Allowance, you will receive an allowance which is based on the number of rooms in your home or the number of rooms of furniture you will be moving, as shown on a schedule. The Agency has a copy of the schedule and will help you decide whether choosing this allowance is in your best interest.

If you do not have an unusually large amount of personal property to move, this payment should be more advantageous. No special documentation is required to support your claim. You need only move your personal property and complete the appropriate claim form in order to receive your payment.

I Want To Buy Another Home. How Much Purchase Assistance Will I Receive?

To help you buy a comparable replacement home, you will receive Purchase Assistance equal to the sum of the following three costs:

- **Purchase Price Differential**. If the cost of replacement housing exceeds the amount the Agency pays for your present home, you will be paid the difference. The Agency will inform you in writing of the location and cost of comparable replacement housing (and explain the basis of its determination) so that you will know in advance how much assistance you may receive. That information should help you decide how much you wish to pay for replacement housing.

You are free to purchase any decent, safe and sanitary housing unit of your choice. If the purchase price is less than the cost of a comparable replacement home, the payment will be limited to the actual difference. If it exceeds the cost of a comparable replacement home, the payment will be based on the cost of a comparable home.

Examples: Let's say that the Agency pays $20,000 to purchase your home and that a comparable replacement home costs $30,000.

* If you pay $29,000 for a replacement home, you would receive a $9,000 differential payment (the difference between the Agency's payment for the acquisition of your home and the cost of your replacement home).

* If you pay $32,000 for the replacement home, you would receive a $10,000 differential payment (the difference between the Agency's acquisition payment and the cost of the comparable replacement home).

- **Mortgage Interest Differential Payment**. This amount covers the "present value" of the additional costs required to finance the purchase of a replacement home that result if the interest rate you must pay for a new mortgage is higher than the interest rate on the mortgage on your present home. It also covers other debt service costs. The payment is based on the lesser of: the mortgage balance on your present home or your new mortgage amount. To be eligible, the mortgage on your home must have been a valid lien for at least 180-days before the Agency's initial written purchase offer for your home.

  You should provide the Agency with a copy of your mortgage(s) as soon as possible. Based on that information and the prevailing terms and conditions of new mortgage financing, the Agency will compute the approximate mortgage interest differential payment for which you will be eligible, inform you of that amount and explain the conditions on which it is based. The payment will be made available with the purchase price differential in a timely manner to reduce the amount you must borrow to buy your new home.

- **Incidental Expenses**. This amount covers those extra costs typically charged when one buys real property, such as the cost of preparing the deed and recording fees; the cost of title insurance, revenue stamps and transfer taxes (not to exceed the cost for comparable replacement housing); loan application, loan origination and appraisal fees; the cost of a credit report; and the cost for a certification of structural soundness or termite inspection when required. It does not cover prepaid expenses, such as property taxes and insurance.

Remember, your total payment is the sum of the purchase price differential, mortgage interest differential, and incidental expenses. If you are not eligible for one of these costs, you may still be eligible for the others.

To qualify for the payment, you must purchase and occupy a decent, safe and sanitary replacement home within one year after the later of: the date you move or the date you receive

the final payment for the acquisition of your present home. However, the Agency will extend this period for good cause.

If I Decide To Rent, Rather Than Buy, Another Home, How Much Assistance Will I Receive?

If you decide to rent rather than buy a replacement home, you may be eligible to receive **Rental Assistance**. The assistance covers a 42-month period and is computed in the following manner.

The assistance needed for one month is determined by subtracting the "base monthly rent" for your present home from the cost of rent and utilities for your new home (or a comparable replacement home, if that cost is lower). That monthly need, if any, is multiplied by 42 to determine the total amount that you will receive. This amount will be paid directly to you. However, the Agency may elect to provide the assistance in monthly installments, other periodic payments or in a lump sum.

Generally, the base monthly rent for your present home is the lesser of: (1) the estimated "market rent" and average monthly cost for utilities, or (2) thirty (30) percent of your average monthly gross household income.

Examples: Let's say that the monthly "market rent" and average cost for utilities for your present home are $250; the monthly rent and estimated average utility costs for a comparable replacement home are $350; and your monthly gross income is $700. In this case your "base monthly rent" would be $210 because that amount (30 percent of your income) is less than the monthly market rent and cost of utilities at your present home.

* If you rent a replacement home for $360 per month, including estimated utility charges, you will receive $5,880. That amount is 42 times $140 (the difference between the "base monthly rent" for your present home ($210) and the cost for a comparable replacement home ($350)).

* If you rent a replacement home for $310, including estimated average monthly utility charges, you will receive $4,200. That amount is 42 times $100 (the difference between the "base monthly rent" for your present home ($210) and the actual cost of your new home ($310)).

To qualify for rental assistance, you must rent and occupy a decent, safe, and sanitary home within one year after the date you move. However, the Agency will extend this period for good cause.

Must I File A Claim To Obtain A Relocation Payment?

Yes. You must file a claim for each relocation payment. The Agency will provide you with the required claim forms, help you to complete them, and explain the type of documentation, if any, that you must submit in order to receive your relocation payments.

If you must pay any relocation expenses before you move (e.g., a deposit when you contract for the purchase of a new home), discuss your financial needs with the Agency. You will be able to obtain an advance payment to meet these costs. An advance payment to purchase a home may be placed in "escrow." An advance payment for moving expenses may be paid directly to the moving contractor to ensure that the move will be completed on a timely basis.

You must file your claim within 18 months after the date you move or receive the final payment for the acquisition of your present home. However, it is to your advantage to file as soon as possible after you move. The sooner you submit your claim, the sooner it can be processed and paid. If you are unable to file your claim within 18 months, ask the Agency to extend this period.

Be careful not to confuse this 18-month period with the 12-month period within which you must buy or rent and occupy a replacement dwelling in order to be eligible for a replacement housing payment.

You will be paid promptly after you file an acceptable claim. If there is any question regarding your right to a relocation payment or the amount of the payment, you will be notified, in writing, of the problem and the action you may take to resolve the matter.

Do I Have To Pay Federal Income Taxes On My Relocation Payments?

No. Section 216 of the URA states that you need not report relocation payments as part of your gross income for Federal tax purposes. For information on State or local income taxes, you should check with the State or local income tax office in your area or with your personal tax advisor.

What If I Don't Receive The Required Assistance. Can I Appeal?

If you disagree with the Agency's decision as to your right to relocation assistance or the amount of a payment, or the adequacy of the housing to which you have been referred, you may appeal the decision to the Agency.

The Agency will inform you of its appeal procedures. At a minimum, you will have 60 days to file your appeal with the Agency. Your appeal must be in writing. However, if you need help, the Agency will assist you in preparing your appeal.

If you are a low- or moderate-income person and are dissatisfied with the Agency's determination on your appeal, you may have an additional right to request administrative review of that decision (e.g., by HUD or the State). The Agency will explain whether this option is available.

You can expect a fair decision on any appeal. However, if you are not satisfied with the final administrative decision on your appeal, you may seek review of the matter by the courts.

I Have More Questions. Who Will Answer Them?

If you have any questions after reading this booklet, contact the Agency and discuss your concerns with an Agency representative.

Agency

Address _____

_____

Office Hours _____ Telephone Number

Person to Contact

HUD-1044-CPD
September 2002

(Previous Edition Obsolete)

RELOCATION ELIGIBILITY AND BENEFITS CHART

Type of Displacee	Type of Benefit					
		Replacement Housing				
	Moving Expenses	Eligibility	Benefit	Method of Determination	Maximum Amount	Time Limit for Filing Claim
180-Day Homeowner	If a move occurs after initiation of negotiations or acquisition, all displacess are entitled to: a) payment of actual reasonable moving and related expenses, based upon invoices or	1. owned and occupied acquired dwelling for at least 180 days prior to initiation of negotiations and 2. purchases and occupies a standard unit within 1 year after receiving final payment for the acquired dwelling or the date s/he moves from it (whichever is later)	Differential amount plus increased interest costs plus incidental expenses	Differential Amount Difference between acquisition cost of acquired dwelling and the lesser of the cost of a comparable replacement dwelling or the cost of the dwelling actually purchased by the homeowner. Increased Interest Sum of the present value of any increase in interest costs of a new mortgage over an existing mortgage Incidental Expenses Related costs normally incurred when purchasing a home	$15,000	All claims must be filed within 18 months after the move is completed, unless this time period is waived by the city
Tenants and 90-Day Homeowners	b) a fixed payment of up to $300, based upon the number of rooms of furniture moved, plus a $200 dislocation payment	1. occupied acquired dwelling for at least 90 days prior to initiation of negotiations 2. is not eligible for 180-day homeowner benefit 3. Rents or purchases a standard unit within 1 year after the date s/he moves from the acquired dwelling or (homeowner) date s/he receives acquisition final payment (whichever is later)	a) Rental Assistance	48 times the monthly difference between rent in acquired unit and new unit or comparable unit (whichever is less)	$ 4,000	
			b) Down-Payment Assistance	First $2,000 of downpayment and incidental expenses, plus one half amount over $2,000, up to an additional $2,000.	$4,000	

GUIDEFORM NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE -- 180-DAY HOMEOWNER

Grantee or Agency Letterhead

(date)

Dear_____:

This is a notice of eligibility for relocation assistance. As discussed with you, it will be necessary for you to move after the _____(Agency)_____ acquires your home at _____(address)_____ for the planned _____(identify project)_____. However, you do not need to move now. You will not be required to move without at least 90-days advance written notice of the date by which you must vacate. And when you do move, you will be entitled to relocation payments and other assistance in accordance with Federal regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA). The effective date of this notice is *(date of initiation of negotiations)*. You are now eligible for relocation assistance.

You may choose either (1) a payment for your actual reasonable moving and related expenses, or (2) if you prefer, a fixed moving expense and dislocation allowance of $_____.

Since you owned and occupied your home for at least 180-days prior to *(date of initiation of negotiations)*, you may qualify for a replacement housing payment to cover the following costs:

1. Purchase Price Differential. Since we have determined that a "comparable replacement home" will cost more than the value of your present home, you may receive a purchase price differential payment up to $_____ as discussed below.

2. Incidental Expenses. You will be reimbursed for all reasonable costs incidental to the purchase of your new home, such as recording fees, the title insurance premium, and transfer taxes.

3. Mortgage Interest Differential. It is our understanding that the interest rate on your current mortgage is _____% and that the current prevailing rate for a similar mortgage is _____%. Assuming these interest rates and an outstanding principal balance of $_____ on your current mortgage, you may qualify for a payment for additional mortgage financing costs up to $_____. The exact amount will be determined at the closing and will depend on the actual interest rate on your new mortgage and the amount you borrow.

Listed below are three "comparable replacement homes" that you may wish to consider buying:

	Address	Asking Price	Name and Tele. No. of Person to Contact
1.			
2.			
3.			

We would be glad to provide you with transportation to inspect these dwelling units. We believe that the unit at ____ (address)_____ is the

most representative of your present home. Since that unit would cost $_____ more than we have offered you for your present home, you may be eligible for a purchase price differential payment up to $_____. This is the maximum differential that you are eligible to receive. If you purchase a decent, safe and sanitary replacement home that costs less than $_____ the price differential payment would be based on the actual purchase price.

Contact us immediately if you do not agree that these units are comparable to your home. We will explain the basis for our selecting these units and, if necessary, we will find other units. We will not base your payment on any unit that is not a "comparable replacement home." Should you wish to rent (rather than buy) a comparable replacement home, let us know. We will help you find comparable rental housing and explain your eligibility for a rental assistance payment.

I am enclosing a brochure entitled, "Relocation Assistance to Displaced Homeowners." Please read the brochure carefully. It explains your rights and some things you must do to obtain a payment. For example, to obtain a replacement housing payment you must purchase and move to a decent, safe and sanitary home within one year after you move (or receive your final acquisition payment, if later). Therefore, do not commit yourself to buy or rent a unit before we inspect it.

I want to make it clear that you are eligible for assistance to help you relocate. In addition to relocation payments and housing referrals, counseling and other services are available to you. A representative of this office will soon contact you to determine your needs and preferences. That

representative will explain your rights and help you find replacement housing and obtain the relocation payments and other assistance for which you are eligible. If you have any questions, please contact _____(name) _____, _____(title)_____ at _____(phone)_____, _____(address)_____.

Remember; do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

(name and title)_____

Enclosure

GUIDEFORM NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE -- RESIDENTIAL TENANT

Grantee or Agency Letterhead

(date)

Dear_____:

On ____*(date)*____, we notified you of proposed plans to ___*(identify project)*____. On ____*(date)*_____, the project was approved.

This is a notice of eligibility for relocation assistance. To carry out the project, it will be necessary for you to relocate. However, you do not need to move now. You will not be required to move without at least 90 days advance written notice of the date by which you must vacate. And when you do move, you will be entitled to relocation payments and other assistance in accordance with Federal regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA).

The effective date of this notice is *(date of initiation of negotiations)*. You are now eligible for relocation assistance, including:

Counseling and Other Advisory Services

Payment for Moving Expenses. You may choose either (1) a payment for your actual reasonable moving and related expenses, or (2) if you prefer, a fixed moving expense and dislocation allowance of $_____.

Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors, including the cost of a "comparable replacement home," the monthly rent and average cost of utility services for your present home, and 30 percent of your average gross household income.

Listed below are three "comparable replacement homes" that you may wish to consider:

Address	Rent and Utility Costs	Name and Tele. No. of Person to Contact
1.		
2.		
3.		

We would be pleased to provide you with transportation to inspect these dwelling units. We believe that the unit at _____(address)____ is the most representative of your present home. The rent and the estimated average cost of utility services for that unit is $_____. Based on the information you have provided about your income, you may be eligible for a rental assistance payment up to $_____ (42 x $_____). This is the maximum amount that you would be eligible to receive. It would be paid in ____ (indicate number of installments or lump sum). If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than $_____, your rental assistance payment would be based on the actual cost of such unit.

Contact us immediately if you do not agree that these units are comparable to your home. We will explain the basis for our selecting these

units. And, if necessary, we will find other units. We will not base your payment on any unit that is not a "comparable replacement home." Should you choose to buy (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a down payment of $_____. Let us know if you would prefer to buy a replacement home, and we will help you find such housing.

I am enclosing a brochure entitled, "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and some things you must do to obtain a payment. For example, to obtain a replacement housing payment you must move to a decent, safe and sanitary home within one year after you vacate your present home. Therefore, do not commit yourself to rent or buy a unit until we inspect it.

I want to make it clear that you are eligible for assistance to help you relocate. In addition to relocation payments and housing referrals, counseling and other services are available to you. A representative of this office will soon contact you to determine your needs and preferences. He/She will explain your rights and help you obtain the relocation payments and other assistance for which you are eligible. If you have any questions, please contact _____ (name)_____, _____(title)_____ at ____(phone)_____, _____(address)_____.

Remember, do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

(name and title)_____

Enclosure

SAMPLE

HOUSEHOLD CASE RECORD

1. HOUSEHOLD SURVEY

Name of Occupant: _____

Address: _____

_____

Census Tract: _____

Phone: Day _____ Night _____

Date of Original Occupancy: _____

DATE OF ORIGINAL INTERVIEW: _____

NAME OF INTERVIEWER: _____

Racial/Ethnic Classification: _____

Contact in Case of Emergency:

Name: _____

Address: _____

Phone: _____

Tenure: _____

CHARACTERISTICS OF CURRENT UNIT

# of Rooms: _____

# of Bedrooms: _____

# of Bathrooms: _____

Approximate Square Footage: _____

Accessibility to Shopping: _____

Medical: _____

Public Transit: _____

Other Services: _____

_____

_____

HOUSING COSTS OF CURRENT UNIT

TENANT		OWNER	
Rent:	$_____	Monthly Mortgage:	$_____
Average Utilities:	$_____	Average Utilities:	$_____
Total Monthly Housing Cost:	$_____	Real Property Taxes:	$_____
		Total Monthly Housing Costs:	$_____

Date Verified: _____

HOUSEHOLD CHARACTERISTICS

NAME	AGE	SEX	RELATIONSHIP WITH HOUSEHOLD HEAD	GROSS MONTHLY INCOME	EMPLOYER/SOURCE OF INCOME			
					AMOUNT	SOURCE OF INCOME	PHONE	DATE/INITIALS PERSON VERIFYING INCOME/ HOUSEHOLD DATA
					$			
					$			
					$			
					$			
					$			
					$			
					$			
					$			

SAMPLE

INSPECTION REPORT FORMAT

Displace Person's Name: _____
Case Number: _____
Special Requirements: Handicapped _____
Other (Specify) _____

Units Inspected

1. Address: _____ Date Inspected: _____

A. Does the building meet Section 8 Housing Quality Standards? YES NO

If NO, what would be required to bring unit to Section 8 Standards?

_____
_____
_____
_____
_____
_____

B. Does the building meet Local Housing Code/ Occupancy Code? YES NO

If NO, what would be required to bring unit to code in addition to items listed in A above?

_____
_____
_____
_____
_____
_____

C. Estimated Date of Construction: _____

D. If prior to 1978, results of paint analysis: _____

_____

If lead-based paint, what is necessary to remove hazard?

_____

_____

_____

_____

E. If there are deficiencies and the unit is slated for use as replacement housing, data of re-inspection: _____

	YES	NO
Were all certified deficiencies corrected?		

List all uncorrected deficiencies:

_____

_____

_____

F. If uncorrected deficiencies, date of re-inspection: _____

G. Description of Unit

_____ Bedrooms _____ Kitchen _____ Family Room

_____ Bathrooms _____ Living Room _____ Basement

_____ Attic

Construction: _____

General Condition: _____

H. I _____, _____ hereby certify that the
(name) (position)

building at _____
(address)

meets all (1) applicable housing and occupancy codes, or (2) Section 8 Existing Housing Quality Standards (cross-out mode standard not met).

Signed: _____ Date: _____
(name, title)

SAMPLE
LETTER TO RELOCATE IN A SUBSTANDARD UNIT

Date

Dear _____:

Relocation regulations established by Federal law will not permit the City to make a rental assistance payment to you until you move into an apartment or house that meets their definition of a "decent, safe and sanitary" replacement unit. Your new apartment does not meet this definition because:

1. The wiring does not meet the City electrical code.

2. A two-bedroom apartment is too small for a family of five (two adults, one 16 year old son, one 14 year old daughter, and an 11 year old son).

In order to be eligible for a replacement housing payment, you must move into an apartment or house that meets all these requirements within one year from the date you moved from your old apartment on Ash Street. You have to move into a qualified apartment or house by November 15, 2003 to be eligible. Ms. Ellen Smith has a list of eligible houses and apartments and will help you find one and will arrange inspections of any apartments or houses you find on your own. Her phone number is 441-4444.

If you move into a "decent, safe and sanitary" house or apartment by November 15, 2003, you would be eligible to receive a rental assistance up to a maximum of $4,000 to cover the difference in the monthly cost between your old apartment and a new apartment for four years, or the difference between your new rent and 30 percent of your gross monthly income, whichever is less. This payment will be made in a lump sum if you file a claim for benefits within 18 months after the date you move into a "decent, safe and sanitary" apartment or house.

If you choose to purchase a home, you would be eligible for $2,000 for down payment assistance. Up to an additional $2,000 would be available if you match it dollar for dollar (i.e., if you put in $500, you would get an extra $500; if you put in $2,000, you would get an additional $2,000) for a total of $4,000 in down payment assistance. You are entitled to these benefits if you move into a "decent, safe and sanitary" replacement until by November 15, 2003 and file a claim within 18 months of completing the move. The City has already set aside money to pay you.

In order to receive these benefits, you must relocate into a standard unit. Please contact Ellen Smith. She will help you find and move into a standard unit. She is available to answer any questions you might have.

Sincerely,

Mary Simmons
City Secretary

SAMPLE
90-day NOTICE TO VACATE

Date

Dear_____:

As you know, the City is purchasing your home (or apartment). The purchase will be completed on (this date; must be no later than 60 days after date of this letter). We have been in contact with you since ___(date)___ to help you locate and move into suitable replacement housing. We have referred you to ___(number)___ such units.

The house (or apartment) you are now living in must be vacated in 90-days, by (this date; must be at least 90-days after date on this letter). We will send you a second notice 30 days before you must vacate.

If you have any questions or need additional assistance in completing your move, please call Ms. Ellen Smith at 555-1212.

Sincerely,

Ellen Smith
City Secretary

SAMPLE
30 DAY NOTICE TO VACATE

Date

Dear _____:

This letter is to inform you that you must vacate this house (or apartment) within 30 days, on (this date, must be 30 days after date of this letter, and 30 days after the City has title).

If you have any questions or need additional assistance to complete your move, please call Ms. Ellen Smith at 555-1212.

Sincerely,

Ellen Smith
City Secretary

Claim for Moving and Related Expenses

Families and Individuals

See back of page for Public Reporting Burden and Privacy Act Statements before completing this form

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB Approval No. 2506-0016
(exp. 04/30/2005)

For Agency Use Only Name of Agency	Project Name or Number	Case Number

Instructions: This claim form is for the use of families and individuals applying for payment of moving and related expenses. You may apply for either (1) a fixed allowance, or (2) an amount to cover the actual moving and related expenses incurred (as described on page 2 of this form). A claim for actual expenses must be supported by receipts or other evidence. The Agency will explain the differences between the two types of payments and will help you complete this form. If the full amount of your claim is not approved, the Agency will provide you with a written explanation of the reason. If you are not satisfied with the Agency's determination, you may appeal that determination. The Agency will explain how to make an appeal.

1. Your Name(s) (You are the Claimant(s)) and Present Mailing Address	1a. Telephone Number(s)

2. Have All Members of the Household Moved to the Same Dwelling? ☐ Yes ☐ No
(If "No," list the names of all members and the addresses to which they moved in the Remarks Section.)

Dwelling	Address (include Apartment No.)	How many rooms did you occupy? *	Was it furnished with your own furniture?	When did you move to this unit?
3. Unit That You Moved From			☐ Yes ☐ No	
4. Unit That You Moved To		* Excluding bathrooms, hallways and closets.		

5. Is This a Final Claim? ☐ Yes ☐ No

6. **Computation of Payment** (complete Item 6a or 6b)

Item	6a. Fixed Allowance	6b. Actual Moving Expenses	**For Agency Use Only**
(1) Moving Cost		$	$
(2) Transportation Cost—Families and Individuals			
(3) Cost of Insurance Covering Move and/or Storage			
(4) Storage Cost (Complete Item 10 on page 2)			
(5) Other (Explain in Remarks Section)			
(6) Total Amount of Claim (Consult Agency for amount of fixed allowance)	$	$	$
(7) Amount Previously Received, if any			
(8) Amount Requested (Subtract line (7) from line (6))	$	$	$

7a. **Certification of Eligibility for Relocation Payments and Services**

Instructions: To qualify for relocation advisory services or relocation payments authorized by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, a "displaced person" must be a United States citizen or national, or an alien lawfully present in the United States. The certification below must be completed in order to receive any benefits. (This certification may not have any standing with regard to applicable State laws providing relocation benefits.) **Your signature(s) on this claim form constitutes certification.**

The individual(s) listed below occupy/occupies the dwelling at _____.

_____ _____ _____

_____ _____ _____

I, _____, as head of household, hereby certify that all individuals are either United States citizens or nationals, or are aliens lawfully present in the United States.

For unrelated individuals, each individual by affixing their signature below certifies that they are either a United States citizen or national, or an alien lawfully in the United States.

(Signature and Date)	(Signature and Date)	(Signature and Date
(Signature and Date)	(Signature and Date)	(Signature and Date

7b. **Certification By Claimant(s):** I certify that this claim and supporting information are true and complete and that I have not been paid for these expenses by any other source. I ask that the amount on line (8) of Item 6 be paid to ☐ me ☐ the contractor(s) (as specified in the Remarks Section).

Signature(s) of Claimant(s) & Date:

X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

To Be Completed by the Agency

Payment Action	Amount of Payment	Signature	Name (Type or Print)	Date (mm/dd/yyyy)
8. Recommended	$			
9. Approved	$			

10. **Supporting Data For Storage Cost** (Describe property stored in Remarks Section or attach list.)

Is this a Final Claim for Storage? ☐ Yes ☐ No

Date moved to Storage (mm/dd/yyyy) | Date moved from Storage (mm/dd/yyyy)

Name & Address of Storage Company

Should Payment be made directly to Storage Company? ☐ Yes ☐ No

Computation of Storage Costs

Item	Amount	**For Agency Use Only**
Monthly Rate for Storage	$	$
Number of Months in Storage		
Total Storage Costs (enter on line (4) of Item 6b)	$	$
Amount Previously Received (Include this Amount in line (7) of Item 6b)	$	$

Remarks (Attach additional sheets, if necessary)

Additional sheets attached? ☐ Yes ☐ No

Moving and Related Expenses Which Are Paid For

1. Transportation of individuals, families and personal property from the displacement site to the replacement site. Transportation costs for a distance beyond 50 miles are not eligible, unless the Agency determines that relocation beyond 50 miles is justified.
2. Packing, crating, uncrating and unpacking of personal property.
3. Necessary charges for the removal and hookup of appliances, equipment and other items, not acquired as real property.
4. Storage of the personal property, as determined necessary by the Agency.
5. Insurance of the personal property in connection with the move and necessary storage.
6. The replacement value of property lost, stolen or damaged in the move where insurance is not reasonably available.

Moving and Related Expenses Which Are Not Paid For

1. Cost of moving any building or other real property in which the displaced person reserved ownership.
2. Interest on a loan to cover moving expenses.
3. Personal injury.
4. Any legal fee or other cost for preparing the claim for moving and related expenses or for representing the claimant before the Agency.
5. Expenses for searching for a replacement dwelling.

Public Reporting Burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Privacy Act Notice: This information is needed to determine whether you are eligible to receive a payment for moving and related expenses. You are not required by law to furnish this information, but if you do not provide it, you may not receive any payment for these expenses or it may take longer to pay you. This information is being collected under the authority of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The information may be made available to a Federal agency for review.

Claim for Replacement Housing Payment for 180-Day Homeowner

U.S. Department of Housing and Urban Development
Offfice of Community Planning and Development

OMB Approval No. 2506-0016
(exp. 04/30/2005)

For Agency Use Only Name of Agency	Project Name or Number	Case Number

Public Reporting Burden for this collection of information is estimated to average 1.0 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Privacy Act Notice: This information is needed to determine whether you are eligible to receive a replacement housing payment for a 180-day homeowner. You are not required by law to furnish this information, but if you do not provide it, you may not receive this payment or it may take longer to pay you. This information is being collected under the authority of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The information may be made available to a Federal agency for review.

Instructions. This form is for the use of families and individuals applying for a replacement housing payment for a 180-day homeowner. The Agency will help you complete this form. If the full amount of your claim is not approved, the Agency will provide you with a written explanation of the reason. If you are not satisfied with the Agency's determination, you may appeal that determination. The Agency will explain how to make an appeal.

1. Your Name(s) (You are the Claimant(s)) and present Mailing Address	1a. Your Telephone Number(s)

2. Have all members of the household moved to the same dwelling? ☐ Yes ☐ No (If "no", attach a list of the names of all members and the addresses to which they moved.)

Dwelling	Address	When did you buy this unit?	When did you move to this unit?	When did you move out of this unit?
3. Unit That You Moved From				
4. Unit That You Moved To				

5. **Computation of Replacement Housing Payment**

Item	To Be Completed By Claimant	**For Agency Use Only**
(1) Purchase Price of Comparable Replacement Dwelling (To be provided by the Agency)	$	$
(2) Purchase Price of the Unit You Moved **To**	$	$
(3) Lesser of line (1) or (2)	$	$
(4) Price Paid by Agency for Unit That You Moved **From**	$	$
(5) Differential Amount (Subtract line (4) from line (3). If amount on line (4) exceeds amount on line (3), enter 0)	$	$
(6) Incidental Expenses (From line (16) of Item 12)	$	$
(7) Mortgage Buydown Payment and Other Debt Service Costs (To be determined by Agency. See instructions in Item 13)	$	$
(8) Total Amount of Replacement Housing Payment Claim (Add lines (5), (6), and (7))	$	$
(9) Amount Previously Received, if any	$	$
(10) Amount Requested (Subtract line (9) from line (8))	$	$

6a. **Certification of Eligibility for Relocation Payments and Services**

Instructions: To qualify for relocation advisory services or relocation payments authorized by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, a "displaced person" must be a United States citizen or national, or an alien lawfully present in the United States. The certification below must be completed in order to receive any benefits. (This certification may not have any standing with regard to applicable State laws providing relocation benefits.) **Your signature(s) on this claim form constitutes certification.**

The individual(s) listed below occupy/occupies the dwelling at _____.

_____ _____ _____

_____ _____ _____

_____ _____ _____

I _____, as head of household, hereby certify that all individuals are either United States citizens or nationals, or are aliens lawfully present in the United States.

For unrelated individuals, each individual by affixing their signature below certifies that they are either a United States citizen or national, or an alien lawfully in the United States.

(Signature and Date)	(Signature and Date)	(Signature and Date)
(Signature and Date)	(Signature and Date)	(Signature and Date)

6b. **Certification By Claimant(s):** I certify that this claim and supporting information are true and complete and that I have not been paid for these expenses by any other source.

Signature(s) of Claimant(s) & Date

X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

To Be Completed by Agency

7. Effective Date of Eligibility for Relocation Assistance (mm/dd/yyyy)	8. Date of Referral to Comparable Replacement Dwelling (mm/dd/yyyy)	9. Date Replacement Dwelling Inspected and Found Decent, Safe and Sanitary (mm/dd/yyyy)

Payment Action	Amount of Payment	Signature	Name (Type or Print)	Date (mm/dd/yyyy)
10. Recommended	$			
11. Approved	$			

12. **Incidental Expenses in Connection With Purchase of Replacement Dwelling**

Instructions: Enter expenses incidental to the purchase of your new home. Do not include prepaid costs such as real estate taxes. Attach a copy of the closing statement and other receipts.

	(a) Claimant	(b) For Agency Use Only
(1) Legal Fees	$	$
(2) Owner's and Mortgagee's Title Insurance or Other Title Evidence		
(3) Property Survey		
(4) Cost of Preparing Deed and Related Conveyance Documents		
(5) Lender, FHA or VA Appraisal Fees		
(6) FHA or VA Application Fees		
(7) Certification of Structural Soundness When Required		
(8) Credit Report		
(9) Escrow Agent's Fees		
(10) Notary Fee		
(11) Termite Inspection		
(12) State Revenue or Documentary Stamps		
(13) Transfer Taxes		
(14) Recording Fees		
(15) Other Costs (specify)		
(16) Total Incidental Expenses (Add lines (1) through (15). Enter this amount on line (6) of Item 5).	$	$

13. **Mortgage Buydown Payment and Other Debt Service Costs**

Instructions: You are entitled to compensation to cover the additional costs you must pay to finance the purchase of a replacement dwelling. The "buydown" payment covers those costs that result because the interest rate you must pay for a new mortgage is higher than the interest rate on your old mortgage. The maximum buydown payment for which you can qualify is the amount needed to reduce your new mortgage balance to the amount which can be amortized with the same periodic payments for principal and interest as those for your old mortgage. (The Agency is required to advise you of its estimate of the maximum buydown payment and the interest rate, term and amount on which it was computed. You will need to borrow that amount over that term to qualify for the full payment.) If you have more that one mortgage on either your old or new home, complete a separate Item 13 for each computation and include the total amount of all such computations on line (7) of Item 5. Note: A mortgage on your old home that was in effect for less than 180 days before the Agency's initial written offer of just compensation for the property cannot be used as a basis for payment.

Part A - Information from Mortgage Documents

Item	(a) Old Mortgage	(b) New Mortgage	(c) Lesser of Col. (a) or (b)
(1) Outstanding principal balance	$	$	
(2) Annual interest rate of mortgage	%	%	
(3) Number of monthly payments remaining on mortgage	Mos.	Mos.	Mos.

Part B - Computation of Payment (Use mortgage amortization table with 6 decimal places.)

(4) Monthly payment required to amortize a loan of $1,000 in _____ months (line (3), column (c)) at an annual interest rate of _____ % (line (2), column (b))		$
(5) Monthly payment required to amortize a loan of $1,000 in _____ months (line (3), column (c)) at an annual interest rate of _____ % (line (2), column (a))		$
(6) Subtract line (5) from line (4)		$
(7) Divide line (6) by line (4) (carry to 6 decimal places)		$
(8) Enter old mortgage balance (amount on line (1), column (a))	$	
(9) Multiply line (7) by line (8)	$	
(10) New loan needed (subtract line (9) from line (8))	$	
Note: If line (10) is less than line (1), column (b), enter amount from line (9) onto line (13) and skip lines (11) and (12)		
(11) Divide line (1), column (b) by line (10) (carry to 6 decimal places)	$	
(12) Multiply line (11) by line (9)	$	
(13) Enter amount from line (9) or line (12), as appropriate (This is the mortgage buydown payment)		$
(14) Other debt service costs (Reimbursement of purchaser's points and loan origination fees is based on the new loan needed (line (10)), or the actual new loan balance (line (1), column (b)), whichever is less. Do not include seller's points or any cost included as an incidental expense in Item 12.)		$
(15) Add lines (13) and (14). Enter this amount on line (7) of Item 5.		$

Claim for Rental Assistance or Down Payment Assistance

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB Approval No. 2506-0016
(Exp. 04/30/2005)

See back of page for Public Reporting Burden and Privacy Act Statements before completing this form

For Agency Use Only Name of Agency	Project Name or Number	Case Number

Instructions: This claim form is for the use of families and individuals applying for rental or down payment assistance. The Agency will help you complete the form. If the full amount of your claim is not approved, the Agency will provide you with a written explanation of the reason. If you are not satisfied with the Agency's determination, you may appeal that determination. The Agency will explain how to make an appeal.

1. Your Name(s) (You are the Claimant(s)) and Present Mailing Address	1a. Telephone Number(s)

2a. Have all members of the household moved to the same dwelling? ☐ Yes ☐ No (If "No", list the names of all members and the addresses to which they moved in the Remarks Section.)

2b. Do you (or will you) receive a Federal, State, or local housing program subsidy at the dwelling you moved to? ☐ Yes ☐ No

Dwelling	Address	When Did You Rent/Buy This Unit?	When Did You Move To This Unit?	When Did You Move Out of This Unit?
3. Unit That You Moved From				
4. Unit That You Moved To				

5. Computation of Payment: Complete Items 13 and 14 on the back of this form before completing this section. If you are filing for down payment assistance, check this box ☐ and skip line (1).	To Be Completed By Claimant (a)	(b)	**For Agency Use Only (c)**
(1) Monthly Rent and Average Monthly Utility Costs for Unit That You Moved To (From line (8), Column (c), Item 13)	$		$
(2) Monthly Rent and Average Monthly Utility Costs for Comparable Replacement Dwelling (From line (8), Column (e) of Item 13) (To be provided by the Agency)			
(3) Lesser of line (1) or (2) (If claim is for down payment assistance, enter amount from line (2))		$	
(4) Monthly Rent and Average Monthly Utility Costs for Unit That You Moved From (From line (8), Column (a) of Item 13)			
(5) 30% of Average Gross Monthly Household Income (From line (4),Column (a) of Item 14)			
(6) Lesser of line (4) or (5)			
(7) Monthly Need (Subtract line (6) from line (3))			
(8) Amount of Payment Claim (Amount on line (7) multiplied by 42)		$	$
(9) Amount Previously Received (if any)			
(10) Amount Requested (Subtract line (9) from line (8))		$	$

6a. **Certification of Eligibility for Relocation Payments and Services**

Instructions: To qualify for relocation advisory services or relocation payments authorized by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, a "displaced person" must be a United States citizen or national, or an alien lawfully present in the United States. The certification below must be completed in order to receive any benefits. (This certification may not have any standing with regard to applicable State laws providing relocation benefits.) **Your signature(s) on this claim form constitutes certification.**

The individual(s) listed below occupy/occupies the dwelling at _____.

_____ _____ _____
_____ _____ _____
_____ _____ _____

I _____, as head of household, hereby certify that all individuals are either United States citizens or nationals, or are aliens lawfully present in the United States.

For unrelated individuals, each individual by affixing their signature below certifies that they are either a United States citizen or national, or an alien lawfully in the United States.

(Signature and Date)	(Signature and Date)	(Signature and Date)
(Signature and Date)	(Signature and Date)	(Signature and Date)

6b. **Certification By Claimant(s):** I certify that this claim and supporting information are true and complete and that I have not been paid for these expenses by any other source.

Signature(s) of Claimant(s) & Date

X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

To be Completed by the Agency	7. Effective date (mm/dd/yyyy) of eligibility for relocation assistance	8. Date of referral (mm/dd/yyyy) to comparable replacement dwelling	9. Date (mm/dd/yyyy) replacement dwelling inspected and found decent, safe and sanitary

10. Payment To Be Made In: ☐ Lump Sum (only for down payment assistance) ☐ Monthly Installments ☐ Other (specify in the Remarks Section)

Payment Action	Amount of Payment	Signature	Name (Type or Print)	Date (mm/dd/yyyy)
11. Recommended	$			
12. Approved	$			

13. **Determination of Rent and Average Monthly Utility Costs**

Instructions: To compute the payment, entries on line (8) must reflect all utility services. Therefore, identify on lines (2) through (5) each utility necessary to provide heat, hot water, cooking, lighting, water and sewer. In those cases where the utility service is not covered by the monthly rent, indicate the estimated out-of-pocket monthly cost. In those cases where the utility service is covered by the monthly rent, enter "IMR" (In Monthly Rent). Determine the estimated average monthly cost of a utility service by dividing the reasonable estimated yearly cost by 12. If a monthly housing program subsidy (e.g., Section 8 Housing Assistance Payment (HAP)) has been provided, enter the applicable amount on line (7).

Item	**Average Monthly Cost**				
	Unit That You Moved From		Unit That You Moved To (Do not complete if claim is for down payment assistance.)		Comparable Replacement Dwelling
	(a) Claimant	**(b) For Agency Use Only**	(c) Claimant	**(d) For Agency Use Only**	**(e) To Be Provided By Agency**
(1) Rent (The amount paid under the terms and conditions of occupancy. It may or may not cover any utilities.)	$	$	$	$	$
(2)					
(3)					
(4)					
(5)					
(6) Gross Monthly Rent and Utility Costs (add lines (1) through (5))	$	$	$	$	$
(7) Monthly Housing Subsidy, if applicable (e.g., Section 8 HAP)					
(8) Net Monthly Rent and Utility Costs (subtract line (7) from line (6)) (Enter these amounts on the appropriate lines in Item 5)	$	$	$	$	$

14. **Determination of Person's Financial Means**		**Household Income**	
Item		Claimant (a)	**For Agency Use Only (b)**
(1) Annual Gross Income of Household. Include income from net family assets. Enter name of each household member with income. (See paragraph 7-21 of HUD Handbook 1378)		$	$
(2) Total Gross Annual Income (Sum of entries in line (1))			
(3) Gross Monthly Income (Divide line (2) by 12)			
(4) 30% of line (3) (Enter this amount on line (5) of Item 5)		$	$

Remarks

Remarks continued on a separate page? ☐ Yes ☐ No

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Privacy Act Notice: This information is needed to determine whether you are eligible to receive a payment to help you rent or buy a new home. You are not required by law to furnish this information, but if you do not provide it, you may not receive this payment or it may take longer to pay you. This information is being collected under the authority of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The information may be made available to a Federal agency for review.

SAMPLE

LETTER OF ACKNOWLEDGEMENT

SERVICES AND PAYMENTS RENDERED

Department of Community Development
City of West Linn
100 Main Street
West Linn, Louisiana 70801

To: _____, Relocation Officer

This is to certify that the Relocation Assistance, Services and Payments rendered by the Department of Community Development at the time of my displacement from _____ to _____ _____ was done to my satisfaction.

I further certify that I have received reimbursement of my moving expense and/or Relocation Payment by the Department of Community Development checked below.

MOVING EXPENSE

_____ Fixed Payment of $ _____.

_____ Reimbursement of paid receipt from a Mover or Direct Payment to a Mover of $ _____.

ADDITIONAL RELOCATION PAYMENTS (Tenants and Certain Others)

_____ Downpayment Assistance of a lump sum of $ _____.

_____ Rental Assistance Payment of $ _____ in a lump sum.

REPLACEMENT HOUSING PAYMENT (Owner-Occupants)

_____ Replacement Housing Payment in a lump sum of $ _____.

_____ _____
Date Claimant

By: _____

GUIDEFORM WAIVER OF RELOCATION ASSISTANCE UNDER THE UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970, AS AMENDED (URA)

1. I,_____ , am presently the owner of a residential tenant of property located at _____ *(address)*_____.

2. I have been formally notified that this property is to be acquired, rehabilitated, demolished for a program or project to be carried out by _____ *(agency)* _____ with Federal financial assistance provided by the United States Department of Housing and Urban Development, and that it will therefore be necessary for me to move permanently from this property. I have been further advised that I am eligible for relocation payments and other relocation assistance under the URA in connection with this displacement. It has been explained to me that the law provides for advisory assistance, including referral to comparable (affordable, decent, safe and sanitary) replacement housing; for payment of actual, reasonable moving and related expenses or for a fixed expense and dislocation allowance, at my election; and, in addition, for a replacement housing payment to assist me in buying or renting a replacement home.

3. The nature and amounts of such payments and other assistance have been specifically described to me in such a manner and in sufficient detail that I fully understand my eligibility.

4. I have determined not to claim the benefits available to me under the URA, and hereby release the _____ *(agency)* _____ from all obligations and liability regarding them. I do this freely, on the basis of my full understanding of all my legal rights. I am under no duress or coercion by the _____ *(agency)* _____and make this decision without reservation or qualification.

5. This waiver shall expire on ___ *(date)*__, unless the assisted program or project has been completed by that date.

Witness:_____ Signature:_____

Witness: _____

_____(Seal)

Notary Public

My Commission Expires On:_____

WAIVER OF RELOCATION BENEFITS UNDER THE UNIFORM RELOCATION ACT [AND SECTION 104(d) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974] -- RESIDENTIAL TENANT

1. I, _____, am presently a residential tenant of property located at _____.

2. I have been formally notified that the property may be [acquired, rehabilitated, demolished] in connection with a program or project to be carried out by *(Agency/Owner)* with Federal financial assistance provided by the Department of Housing and Urban Development and that such action would make it necessary for me to move permanently from the property [pay a higher rent to remain in the property].

3. I have also been advised that such action would make me eligible for relocation payments and other relocation assistance required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) [and section 104(d) of the Housing and Community Development Act of 1974, as amended (section 104(d))] to help me relocate successfully. It has been explained to me that the law provides for relocation advisory assistance, including referral to comparable, affordable, decent, safe and sanitary housing; for either payment of actual, reasonable moving and related expenses or, at my election, a moving expense and dislocation allowance; and for a replacement housing payment to assist me in buying or renting a replacement home.

4. The nature and amounts of such payments and other assistance and benefits have been specifically described to me in such a manner and in sufficient detail that I fully understand them.

5. In consideration of _____, I have determined not to claim the benefits available to me under the URA [and section 104(d)], and I hereby release the *(Agency/Owner)* from all legal obligations and liability regarding them. I do this freely, on the basis of my full understanding of all my rights under the law. I am under no duress or coercion by the *(Agency/Owner)* and make this decision without reservation or qualification.

6. This waiver shall expire on _____, unless the property has been acquired [the rehabilitation/demolition has commenced] by that date.

Witness:_____ Signature:_____

Witness:_____ _____ (Seal)

Notary Public:

My Commission Expires On:_____

NOTE: A tenant may (for appropriate consideration) find it to be in his/her best interest to "waive" (forego right to) URA/section 104(d) relocation assistance if the alternative is less attractive (e.g., infeasible project and no assistance). Examples: (1) A tenant permitted to remain in a property after rehabilitation at a new rent only slightly higher than the "old" rent; (2) A tenant in a substandard unit may be willing to relocate for a cash incentive. A "waiver" is not to be used to coerce a tenant into accepting less assistance than the tenant would otherwise receive. It is HUD policy to monitor all "waivers" to ensure that each tenant was fully informed of his/her rights and waived those rights only for well-documented reasons.

WAIVER OF ACQUISITION AND RELOCATION BENEFITS UNDER THE UNIFORM RELOCATION ACT [AND SECTION 104(d) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974] -- OWNER-OCCUPANT

1. I, _____, am presently the owner of property located at _____.

2. I have been formally notified that the property may be eligible for acquisition in connection with a program or project to be carried out by _____*(Agency)*_____ with Federal financial assistance provided by the Department of Housing and Urban Development and that if I agree to sell the property for this purpose it would be necessary for me to move permanently from the property.

3. I have also been advised that, unless I voluntarily agree to forego relocation assistance, such acquisition would make me eligible for relocation payments and other relocation assistance required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) [and section 104(d) of the Housing and Community Development Act of 1974, as amended (section 104(d)]. I would also receive the benefits of the URA acquisition procedures. It has been explained to me that the law provides for relocation advisory assistance, including referral to comparable, affordable, decent, safe and sanitary housing; for either payment of actual, reasonable moving and related expenses or, at my election, a moving expense and dislocation allowance; for a replacement housing payment to assist me in buying or renting a replacement home; and to an offer to purchase my property for no less than its established fair market value based on an appraisal. The nature and amounts of such payments and other assistance and benefits have been specifically described to me in such a manner and in sufficient detail that I fully understand my eligibility.

4. I understand that if I am unwilling to accept the purchase price offered by the __*(Agency)*__ and to release all claims to relocation payments and other assistance, the ____*(Agency)*____ will make no further attempt to acquire my property and will not bring about my displacement from it.

5. In consideration of the __*(Agency's)*__ offer to acquire my property, I have determined not to claim benefits under the URA [or section 104(d)], and I hereby release the __*(Agency)*__ from all legal obligations and liability regarding them. I do this freely, on the basis of my full understanding of all my rights under the law. I am under no duress or coercion by the _____*(Agency)*_____ and make this decision without reservation or qualification.

6. This waiver shall expire on _____, unless the property has been acquired by that date.

Witness:_____ Signature:_____

Witness:_____ _____ (Seal)

Notary Public:

My Commission Expires On:_____

NOTE: This waiver covers a "voluntary acquisition" that is subject to the URA. (Exclusions from the URA are described in Paragraph 5-1 of HUD Handbook 1378.) It may be used where it is advantageous to the owner-occupant to agree to "waive" (forego right to) URA/section 104(d) relocation assistance because sale of the property for the consideration offered is more attractive than the alternative -- no sale to the grantee. It is HUD policy to monitor all such "waivers" to ensure that each person was fully informed of his/her rights and waived those rights only for well-documented reasons.

Relocation Composite List

• Complete the chart below for all persons relocated.

NAME	ADDRESS	L/M YES NO	180-DAY Homeowner YES NO	Benefits Paid	Claim Amount	Meets Section 8 Standards YES NO
				$	$	
				$	$	
				$	$	
				$	$	
				$	$	
				$	$	
				$	$	
				$	$	

RELOCATION FILE CHECKLIST

D-31

A separate file is to be maintained
for each household displaced.

1. Fully Completed Case Record Form _____
2. Notice of Notice of Displacement or Notice to Continue in Occupancy and HUD Brochure Sent _____
3. Evidence of Receipt by Relocatee _____
4. Evidence of Referrals to Replacement Housing _____
5. Copy of 90 Day Notice and Evidence of Receipt, if applicable _____
6. Copy of 30 Day Notice and Evidence of Receipt, if applicable _____
7. Record of Inspection of Replacement and Referral Units _____
8. Copy of Relocation Claim, Worksheet, and Supporting Documentation _____
9. Evidence of Verification of Claim _____
10. Copies of Cancelled Checks _____
11. Acknowledgement of Payments and Services Rendered _____
12. Appeal, if filed, and Disposition _____
13. Correspondence Copies:

	Date	Subject Matter
1.		
2.		
3.		
4.		
5.		

Use additional sheet if necessary

14. Other Data:

Specify: _____

15. If Relocation not completed within six months of Notice of Displacement, explanation of delay and plan for timely completion.

_____

E. ECONOMIC DEVELOPMENT

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F. ECONOMIC DEVELOPMENT

Introduction

This section presents the special requirements that apply to Economic Development (ED) projects as a part of the Louisiana Community Development Block Grant (LCDBG) Program. ED projects can take several forms. First of all, a project may consist of a loan to a business to procure such items as land, commercial-industrial facilities, commercial-industrial equipment, and inventory, or to finance construction of on-site development. ED projects may also take the form of grants to local governments to purchase land, buildings, et cetera or for public infrastructure improvements to assist a business.

ED projects are subject to the same federal provisions as housing and public facility projects. However, due to different types of activities and participants, certain provisions become more important or apply differently.

This section refers to other sections in the Handbook that apply to most ED projects and lists additional requirements. It also discusses areas that are particular to ED projects.

The text discusses the requirements of each task, references required forms and cites examples of work contained in the supporting materials.

Task E-1: Program Administration

Items previously discussed in the Program Administration Section (Section A) of this Handbook are also applicable to administering an ED program. Following preliminary approval of a project, some application revisions may be requested such as a new performance schedule or a revised cost summary form. The same documents which must be submitted to this office in order to obtain a release of funds for other CDBG programs, i.e. environmental review record, anti-displacement resolution, community development plan, signature cards, depositary cards, et cetera, must also be submitted for ED programs. In addition, other documents which pertain only to ED programs will be required to obtain a release of funds. These documents and other requirements for the ED program are discussed in this Section.

Contracts

After the local governing body receives an authorization to incur cost for planning and administration, the State will send the local governing body a contract (State contract) which details the responsibilities of the assisted business ("developer") and the local governing body. The local governing body will develop a Written Agreement between it and the developer incorporating the provisions of the State contract (24 CFR 570.506 (b)(5)). The Written Agreement will either be in the form of a Two Party Agreement for infrastructure projects or a Three Party Agreement for

projects that provide direct financial assistance in the form of a loan. **Exhibit E-1** contains a sample written agreement. The shaded portions of the sample written agreement are pertinent to a loan and must be used only for the Three Party Agreement. The local governing body can develop a Two Party Agreement from the sample by removing the shaded portions. This is only a sample since each project is unique and the local governing body has some latitude in negotiating the best possible arrangements with the assisted business. There are basically three requirements for either form of the written agreement. The written agreement must set forth at a minimum the following:

1. All basic activities and responsibilities as established in Contract Exhibits A, B, C, and D of the Grant Agreement (Contract between the State and the Local Governing Body).

2. Specification of all related federal and State provisions and regulations as included in Contract Exhibit F of the Grant Agreement.

3. A statement to the effect that the agreement is contingent upon a release of funds, thereby avoiding any environmental concerns.

In addition to the written agreement, other evidentiary materials must be submitted to this office. Contract Exhibits C and D of the Grant Agreement outline all required evidentiary materials that must be sent to this office. Local governments are allowed one hundred and eighty (180) days from the date of the Authorization to Incur Cost to submit all evidentiary materials.

Some items of evidentiary materials that are commonly submitted include but are not limited to the following:

1. Written Agreement - This is a legally binding agreement between the developer and the local governing body, (and the State for a Three Party Agreement) which specifies all parties' responsibilities in implementing the ED project. As indicated earlier, this document should contain all provisions outlined in the State Contract. This document should contain provisions which protect the local governing body and the State as well.

2. Mortgage Agreements – *(Loan projects only)* Security is required for all CDBG loans and fully executed mortgage agreements must be submitted to this office. See the LCDBG ED staff for samples of these documents.

3. Evidence of Developer's Private Investment- Fully executed loan agreements with bank, public entities, et cetera, which indicates the dollar amount and terms of the loans must be submitted. Depending on the source of the Developer's financial commitment, documentation of the evidence will vary. **Exhibit E-2** provides a sample Evidence of Developer's Commitment.

4. A resolution establishing authority of persons to enter into the Written Agreement and other legal documents on behalf of the corporation. See **Exhibit E-3** for a sample resolution.

5. Certification of Legally Binding Agreements - The local governing body's legal counsel certifies the genuineness of the above referenced documents and the authority of all parties to sign the documents. Further, it states that the documents constitute a valid and legally

enforceable contract under the laws of the State of Louisiana and is in conformity with the LCDBG Grant Agreement/Contract (**Exhibit E-4**). It is important for your attorney to be actively involved in this process due to potential liability faced by the local governing body.

As indicated earlier, the above represents some of the evidentiary materials required to be submitted to the State prior to release of funds. However, other documents specified in Section A of this Handbook must also be submitted in order to receive a release of funds.

Environmental Review

ED projects must comply with all environmental review requirements discussed in Section A (**Task A-2**). One of the common problems noted with ED projects is that a finding of "Categorical Exclusion" (24 CFR Part 58.35) is made in many cases where inappropriate. This is most common where it is argued that the project may be categorically excluded due to only a minimal change in use, size, capacity or location, et cetera and because it is consistent with the allowed use of the site, et cetera. These determinations are difficult to make and require an in depth analysis of the proposed changes. You must closely follow the regulations in making the determination. Please contact your Local Government Representative prior to making a finding of categorical exclusion for an ED project.

The most important fact to consider regarding ED projects and environmental review is that no project activities (other than "Exempt" activities) may be undertaken or EVEN LEGALLY OBLIGATED from the time the application is submitted until all project activities are environmentally cleared. No monies may be reimbursed with LCDBG funds except those costs relating to engineering and planning. See **Exhibit E-5** for a listing of common questions regarding Release of Funds.

Requests for Payment

Once your project has received the Notice of Approval of Evidentiary Materials and Release of Funds, you may submit a Request for Payment. This process is described in Section A. However, most ED projects have conditions set forth in the State contract that must occur before funds are drawn. Usually the conditions involve expenditures of private sector funds and accumulation and presentation of invoices. Be especially careful in following the provisions of the State contract.

If all conditions of the State contract are met and a draw request is granted, a financial management system must be in place to receive and account for LCDBG funds (**Tasks A-3** and **A-4**). If the ED project involves a loan to a business, a loan closing should be held for presentation of the check to an appropriate company representative, if needed. Prior to the loan closing, security documents such as mortgages, promissory notes, loan agreements and/or security agreements must have been signed. These documents must be prepared by your City/Parish attorney. If custom equipment is being built for the developer that is to be paid with LCDBG funding, some preliminary payments may be required. If examples are needed, they are available from the State. Funds for equipment will be requested by the local government when the equipment is received and invoiced. If you have questions, contact your Local Government Representative.

It is important that all ED loans be secured as soundly as possible and that the repayment schedule and all requirements set forth in a Three Party Agreement are understood clearly by the payor and payee. Your bank or attorney should be able to produce a payment schedule with principal and

interest clearly delineated. The State will prepare a revised payment schedule for recipients if the actual drawdown deviates from the program schedule. Be sure to follow all LCDBG contract requirements and provisions identified in the State contract. One very important requirement is the submittal of quarterly financial reports. These reports are due no later than 30 days after the end of the quarter. For instructions, see **Task E-10.**

Section A also discusses the subject of procurement. ED projects often involve the private sector party procuring services such as engineering. Private sector entities are not subject to the provision of 24 CFR 85.36 even when the activity is financed with federal funds. However, all contract provisions apply to public sector procurements.

In addition, there are citizen participation requirements outlined in **Task A-13** which the grantee must comply with. Finally, Equal Opportunity and Fair Housing requirements are also part of ED program administration (**Tasks A-11** and **A-12**). Grantees must insure that they comply with all the provisions contained in their Statement of Assurances.

Task E-2: Public Facilities

The requirements discussed in Public Facilities, Section B, pertain to construction work financed in whole or in part with LCDBG funds. This section therefore applies to ED projects. The only difference is that 24 CFR 85.36 does not apply if the construction contract is between the private sector party and the contractor. All other provisions regarding applicability of labor and equal opportunity standards do apply. Therefore, the format and contents of the contract must be basically the same as those provided in Public Facilities, Section B. The contract oversight requirements, such as posted construction sites, employee interviews, payroll reviews, et cetera, are the same.

Task E-3: Acquisition

The Acquisition Section presents the requirements that apply to real property acquisition in connection with LCDBG financed projects. Therefore, this section is important to many ED projects, especially those involving new infrastructure construction or site acquisition.

The most important consideration for ED recipients is whether the Uniform Act (Act) applies to any part of the project.

There are two (2) similar but different instances when your project must follow the Act requirements.

First, the Act will be triggered if the public entity, i.e., a city, parish redevelopment agency or any other entity which has legal power to expropriate land and acquire privately held property under Louisiana law, is acquiring the property with LCDBG funds, whether the activity is funded wholly or in part with Block Grant funds.

Second, the Uniform Act can in most instances be triggered when a private company, which does not have expropriation power, acquires property with LCDBG funds or private funds, prior to or after the award of a LCDBG Award, knowing that the success of their business depends on the receipt of

LCDBG funds.

It is important to note that the Environmental Review Record requirements apply to the area that the developer is improving, as well as the area where infrastructure improvements, paid for by LCDBG is to be located.

Prior to any purchase of real property by the local governing body or the developer, contact the Office of Community Development (OCD). This will avoid costly time delays and/or disallowed costs associated with the ED program.

When you contact OCD about acquisition, we will advise you of your responsibilities regarding the Uniform Act and instruct you on how to proceed. You will also be given a copy of the HUD Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition as a guide for you to initiate the proper steps in the Uniform Act process.

The above applies for easements or servitudes (excluding construction easements) that you may need to acquire in conjunction with your program.

Task E-4: Relocation

Relocation refers to the physical movement of people, families, businesses, whether commercial or industrial, and farm operations as a direct result of activities in connection with any LCDBG project. The requirements for Relocation are discussed in the Relocation Section (Section D) of this Handbook. Regardless of who or what is being relocated within your project, you should meet with the state staff as early as possible in the application development to deal with this complicated process. Again, the State will provide you with HUD's Handbook 1378, Tenant Assistance, Relocation and Real Property Acquisition for your benefit in accomplishing this task.

Task E-5: Davis-Bacon and Related Acts

Public Facilities, Section B, provides information regarding labor provisions applicable to LCDBG projects. It is important that the City/Parish staff read Section B if their project involves construction. Generally, the question of Davis-Bacon applicability to public facility projects is quite clear, and public funds are budgeted for the extra costs that may pertain to covered projects.

The question of applicability takes on greater significance when dealing with ED projects since the private sector portion of the project can be affected financially by labor provision applicability to the entire project. 42 USC 5310 states that Davis-Bacon wage rates must be paid to laborers or mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with LCDBG assistance. If construction is not involved, Davis Bacon requirements will not apply.

Equipment - HUD has provided the framework to determine whether Davis-Bacon and related labor provisions apply to the installation of equipment, and if its application to equipment will trigger

Davis-Bacon to other parts of the project. The policy is provided in **Exhibit E-6**. For your guidance, the following opinions have been written by HUD in response to LCDBG inquiries:

1. LCDBG funds to be used to purchase furniture, fixtures, maintenance equipment, televisions, telephone equipment and registration equipment will not necessitate the application of Davis-Bacon wage rates. This applies if the equipment analysis provided by the developer does not show any installation costs.

2. Department of Labor considers Davis-Bacon coverage of equipment to depend to a great extent on whether the installation of the equipment in question involves more than an incidental amount of construction work.

    a. As an example, installation costs of $68,338.80 were found to be more than incidental for $402,000 of LCDBG financed equipment. Therefore, Davis-Bacon rates were applicable to laborers and mechanics involved in installation of the equipment.

    b. Installation costs of $29,388.80 were found to be incidental for $402,000 of LCDBG financed equipment. Therefore, Davis-Bacon rates were not applicable to laborers and mechanics in that project who were involved in installation of the equipment or in the construction of the physical plant in which it would be located.

3. Where LCDBG was used to finance equipment, the following items were believed to trigger Davis-Bacon: time clock with card racks, overhead crane system/hoist, air lines and fire extinguisher. The reason for this was the attachment to the building.

4. According to the U. S. Attorney General, Section 110 (Davis-Bacon Act) does not require the payment of prevailing wages with respect to installation where federal funds are provided exclusively for the purchase of equipment and not for its installation.

Every effort must be made to address the equipment issue during the application process. If LCDBG funds are to be used to purchase equipment, an equipment analysis form must be submitted to this office. **Exhibit E-7** is a copy of this form. All LCDBG financed items of equipment must be listed. A determination will be made based on the particular listing. Should the items of equipment change or the amount of installation required increase, the determination may not be valid. Therefore, changes in the items will generally not be permitted. Should a change become necessary and be considered appropriate, the project will require a formal Program Amendment and a re-evaluation of the equipment analysis forms.

<u>Site Preparation</u> - LCDBG financed work on-site will trigger Davis-Bacon. This matter is constantly undergoing scrutiny by HUD and the Department of Labor. The State will try to keep LCDBG recipients as informed and protected as possible.

Task E-6: Closeout

Closeout is addressed in Section H of this handbook. Many ED projects can move to closeout fairly quickly due to the fact that many involve a one-time draw. ED projects may not be conditionally closed out until all funds (private, public and local) have been expended, all jobs created, low-mod employees verified and the projects monitored by the State. In addition, all monitoring and audit findings must be resolved and if the project involves a loan, payments must be up-to-date. See Section H for closeout forms and instructions, and the ED staff for any additional information or forms needed for closeout.

Please pay particular attention to the following items in the Program Completion Report (PCR):

1. The amount of total private and public investment in a project must be listed in the PCR and documented in project files. Before grant award is made, the total financial package is judged and the need for LCDBG assistance determined. Therefore, it is very important that a recipient be able to document that all financial injections in the project have been accomplished. Documentation may take the form of loan agreements, construction contracts, invoices, payrolls, audits, canceled checks, etc. A project cannot be closed until all other funds in a project are expended. If all investment has not been made, the project must remain open with periodic reporting. Under the circumstances where the private investment is very large, an amendment to the Grant Agreement may be approved to lower the amount of other funds required.

2. In ED projects, a recipient must report the number of jobs created/retained as direct beneficiaries. **Task E-8** discusses documenting jobs. A grant may not be closed until all jobs are created/retained and the National Objective met.

3. The PCR must include a report of any repayment. This is addressed in **Task E-7**.

4. The PCR must include reporting of family income level, beneficiaries by race, sex, ethnicity, household size, sex and handicapped persons (24 CFR 570.506 (g)). Your reporting arrangement with the respective participating company should make this clear early in your negotiations.

5. In the PCR Section, the housing opportunities form which specifies action taken to further fair housing and increase housing opportunities for lower income households must be completed by the ED recipient. It applies to the community rather than the project.

It is very important that projects be closed in an expedient manner to avoid threshold problems. Final closeout of a contract is issued <u>only</u> when all activities are completed. This means the results of the project are achieved, including compliance with a national objective (all low and moderate income job creation/retention), an audit covering all LCDBG expenditures, PCR, and Certificate of Completion are approved. In addition, when a project involves a loan, all loan payments must be up-to-date and an audit(s) reporting all LCDBG expenditures has been received by the Office of Community Development.

Task E-7: Program Income/Revolving Loan Funds

Program income (repayment) is money earned by a City/Parish that is generated by the use of LCDBG funds distributed by the State. Examples of program income are: (1) payments of principal and interest on loans made using LCDBG funds; (2) proceeds from the lease or disposition of real property acquired with LCDBG funds; (3) interest earned on LCDBG funds held in a Revolving Loan Fund (RLF) account; and (4) interest earned on any program income pending its disposition.

Program income earned by a City/Parish while it is participating in a Community Development program is subject to the requirements of the Housing and Community Development Act of 1974, as amended, and Subpart I of Part 570. (Requirements of the Act include among other things, addressing a national objective and compliance with procurement, equal opportunity, environmental, labor standards regulations and the Uniform Act.) In the case of loan repayments, these shall be continually remitted to the State until the loan has been retired. In the case of lease payments being received from a building purchased, constructed, or renovated, in whole or in part with LCDBG funds, the pro-rata percentage payment will be payable to the State based on a fair market valuation of the leasehold. This "fair market value" shall be considered at least to be the value of the LCDBG contribution amortized over 20 years at no interest. These lease payments will continue to be due to the State until the grant is repaid. Lease payments will not be due; however, when the building is vacant.

Any other program income earned as a result of the LCDBG Program will either be retained by the local governing body or submitted to the State. The Office of Community Development must be contacted for instructions regarding income as soon as the local governing body becomes aware of the income or of the possibility that program income will be received.

Task E-8: Program Benefit/Tracking Job Requirements

To be eligible for LCDBG assistance, an activity must address the objective of benefiting low and moderate-income persons. In the case of ED projects, persons benefiting will be those hired or retained by the company assisted by LCDBG funds. Since these persons must complete an application for employment, they will be direct beneficiaries.

For an activity that creates jobs, the grantee must document that at least 51 percent of the jobs are held by, or were made available to low and moderate-income persons. (24 CFR 570.483.(b)(4))

Obtaining this information is crucial to documenting project eligibility. The income information provided will determine if the Low-Moderate-Income (LMI) Benefit claimed in your application has been met. Even if all jobs cannot ultimately be filled, the LMI requirements stated in the LCDBG Contract must be met. It is important that the company, to avoid possible eligibility problems, clearly understands and agrees to these requirements as early in the application process as possible. These requirements should be included in the written agreement (24 CFR 570.506(b)(5)).

Exhibit E-1, Attachment B is a sample Survey Form for used in collecting information on persons hired or considered for employment. Survey forms must be kept on file by the company and made available to the State or the City/Parish if requested. **Exhibit E-1**, Attachment C, is an Employee

Characteristics Record, where the individual information is compiled showing required employee characteristics such as job title and household income. Please note that employees can be denoted by code if you prefer, to protect their privacy. The employee forms and the Employee Characteristics Record must be kept in the LCDBG files.

Just as for Housing and Public Facilities projects, it is your responsibility to determine specific statistical information on those persons benefiting from the project. According to 24 CFR 570.506(g)(2) beneficiaries must be documented as to race, national origin, age, sex, head of household, and handicapped status. Some of this information cannot be obtained prior to or as a condition of employment. Therefore, once hired, all employees must be surveyed.

Task E-9: Financial Reporting Requirements

When the State or the local governing body requests periodic financial data from the Developer, it is crucial to the monitoring process of any LCDBG ED Grant that the State receives financial reports within the required timeframe from the Developer in order to assist the local governing body in performing its monitoring function. Quarterly reporting will be submitted on the Sources and Uses Report. See **Task E-10**.

When the State or local governing body requests a year-end financial statement from the developer either a complete unqualified opinion or a reviewed statement with a detailed profit and loss statement, balance sheet, statement of changes in financial position, and all required footnotes will be required. When an annual financial report is requested compiled financial information will not be acceptable for an annual financial report. Your State contract and the written agreement will specify whether an audited year-end financial statement or a reviewed statement is required. It is equally important that the Developer employs a Certified Public Accountant that can meet the reporting requirements. Recipients should be aware of statements in the accountant's letter to management such as:

> A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly do not express an opinion or other form of assurance on them. Management has elected to omit substantially all of the disclosures and the statement of changes in financial position required by generally accepted accounting principles.

Statements such as the above can be indicators of less reliable, missing, and possibly distorted information.

Preferably the accountant's letter to the management for the annual financial report should contain language similar to the following:

> We have examined the balance sheet of XXX Corp as of July 31, 2009, and the related statements of income, retained earnings, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting

> records and such other auditing procedures as we considered necessary in the circumstances. In our opinion, the financial statements referred to above present fairly the financial position of XXX Corp as of July 31, 2009, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Not all businesses can afford the expense of an audit. In those cases where a business cannot afford an audited annual financial report and your State contract and the written agreement allows for a review statement, a reviewed statement may be acceptable. In this case the accountant's letter to management would contain language similar to the following:

> We have reviewed the accompanying balance sheet of XXX Corp as of July 31, 2009, and the related statements of income, retained earnings and changes in financial position for the year then ended, in accordance with standards established by the American Institute of Certified Public Accountants. A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion.
>
> Accordingly, we do not express such an opinion. Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

A reviewed statement must include all the required footnote disclosures. The footnotes disclose such critical information as: the basis for the inventory valuation, depreciation methods, maturity and debt structure, and related party transactions (loans to and from stockholders, etc.)

It is incumbent upon the local government to know what kind of audit report is acceptable and take the necessary steps to ensure that the specific kind of audit report required is produced by the business and is provided to you on an annual basis.

The local government should ensure that the terms of engagement between the developer and his accountant require more than just a compilation for the annual report.

Task E-10: Sources and Uses Report

Due to the impossibility of frequent monitoring visits by the State LCDBG-ED staff, it is necessary that the local government which has received these LCDBG-ED funds report regularly on the developer's progress. The LCDBG State contract and written agreement established the periods when the reports are due. This requirement is closely monitored. Failure to submit this report in a timely manner can result in negative consequences to the local government/business.

The use of this report will assist the local governing body in carrying out its contractual responsibilities. It will allow the State to keep up to date on the developer's progress, to ensure that

the money is being spent as scheduled, and that the jobs needed and promised are being created as quickly as possible.

The reports will be required every quarter. The first quarter begins with the date of the first draw from the State. The first reporting period will coincide with the next federal and State quarterly reporting period of 3-31, 6-30, 9-30, or 12-31. The report will be due 1 month after the end of the first reporting period and every 3 months thereafter. (For example, if the first payment request is paid on August 10th then the first report is due before the end of October for the period of July1 through September 30.)

Timely submission of those reports will assist local and State governments to ensure that the program funds are being effectively and efficiently used. It is the best way for both levels of government to stay abreast of the developer's progress. This process will create an early warning system that will allow both levels of government to assist the developer if unexpected problems arise, which could alter his/her schedule of events as approved in the application and in the contract between the local government and developer. To avoid any potential liability all communities providing assistance to for-profit entities must ensure that this contractual obligation is strictly observed. A copy of this report is shown in **Exhibit E-8**.

Beginning with the 2009 Grant Year, OCD will require the report form used for the quarterly reports to be submitted when the job requirement has been met if this occurs between the regular quarterly reporting periods.

Task E-11: Record Keeping

Refer to **Task A-17** in this handbook. For further questions related to the record keeping in this area, please call your Local Government Representative at the Office of Community Development at (225) 342-7412 and reference 24 CFR Section 570.506.

Task E-12: Loan Default Policy

Representatives of many local governments have asked about their monetary liability in case of a loan default by a developer who was assisted with LCDBG funds through their local governments. This is a very appropriate concern of local officials, since the Department of Housing and Urban Development (HUD) does monitor the State's use of LCDBG funds and can require that funds not appropriately spent be repaid by the recipient.

In order for the local government to fulfill its responsibility, and not face potential monetary liability, it must make a "good faith effort" to ensure that the project is successfully developed as outlined in the application package/contract. Briefly summarized, the local government's responsibilities are:

1. to maintain records of total and low-to-moderate income employment;
2. to monitor the financial condition of the business;
3. to inform the State in a timely manner of any difficulties with the project;

4. to take the proper legal remedies to recover the LCDBG investment, if the business becomes insolvent or fails to comply with contract requirements; and,
5. to pursue the appropriate legal action in the event of fraud or other illegal activities.

It is HUD's position that the local government should act as a responsible creditor, both in servicing loans and instituting the proper legal proceedings in the event of default.

In case of a default, a committee consisting of the Program Director, Local Government Representative, ED Staff, the Division of Administration's (DOA) attorney, and Commissioner will review the local government's grant performance as it pertains to the above mentioned criteria.

Each member of the committee will report to the Commissioner on the local government's performance. The committee will then meet to discuss the findings and make a recommendation concerning the disposition of the case.

Before the State relieves a local government of any potential monetary liability, the local government will have to demonstrate substantial progress in recovering the LCDBG funds from the project.

E-1

CONTRACT BY AND BETWEEN:

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION

TOWN OF _____

AND

UNITED STATES OF AMERICA

STATE OF LOUISIANA

FEDERAL EMPLOYER I.D.#

AMOUNT OF CONTRACT:

THIS AGREEMENT, is made and entered into as of this _____ day of _____20 ___, by and between the State of Louisiana, Division of Administration or its Successor, hereinafter called "STATE", represented by Carol Newton, Office of Community Development, and the CITY OF _____, LOUISIANA hereinafter called "CONTRACTOR," represented by _____, duly authorized to act in accordance with resolution attached hereto and made a part hereof and _____, hereinafter called "DEVELOPER," a corporation created and existing under and by virtue of the laws of the State of Louisiana, represented by _____, President, duly authorized to act in accordance with resolution attached hereto and made a part hereof.

1. All parties acknowledge that the CONTRACTOR has applied for a FY ___ Economic Development Grant from the STATE for _____ for Infrastructure Improvements and a loan. In accordance with Attachment A of the contract, hereinafter referred to as the "Grant Agreement" entered into by and between the STATE and CONTRACTOR, said Grant Agreement is adopted and made a part of this contract hereof by reference just as if same had been copied in full.

2. a. DEVELOPER agrees to carry out all activities set forth in Exhibit C and Exhibit D, of the Grant Agreement at a total minimum cost of _____ and agrees to adhere to the time performance schedule in the application or as amended. DEVELOPER assures the CONTRACTOR and STATE that funds will be invested at and above the funds generated through operations in a ratio of $_____ private funds to $1.00 LCDBG funds, according to the program schedule as referenced above.

   Any reduction in private expenditures shall require a corresponding reduction in the LCDBG funds if less than one to one, according to the ratio.

b. DEVELOPER further agrees to the following:

Change of Ownership - DEVELOPER must obtain, in writing, prior authorization from the STATE and CONTRACTOR for any change of ownership interest of DEVELOPER.

3. DEVELOPER further agrees to make available to the CONTRACTOR the following financial information:

a. Financial/Employment Record - The DEVELOPER will upon request by the CONTRACTOR, the Legislative Auditor for the State of Louisiana, the Division, and/or HUD, make available its records with respect to invoices, materials, payrolls, records of personnel, and conditions of employment relating to matters covered by this Contract.

The DEVELOPER shall provide on a quarterly basis a report showing the amount of funds invested by the DEVELOPER in this project and showing jobs created, including low-moderate income jobs, as a result of this project. The reports are due no later than 30 days after the end of each quarter. The first quarter begins the date of the first draw of monies from the State. The first reporting period will be adjusted to coincide with the next federal and State quarterly reporting period of 3-31, 6-30, 9-30, or 12-31. The report will be due 1 month after the end of the first reporting period and every 3 months thereafter. In order to document the information included in these reports, DEVELOPER shall provide paid invoices showing work completed and materials purchased for the project by the DEVELOPER when requested by the State. Current payrolls of the plant operating in _____, Louisiana shall also be provided as requested by the State. DEVELOPER shall also provide an annual report including this same information as well as information described in Exhibits C and D of Attachment A of this contract. These quarterly and annual reports shall be provided to the CONTRACTOR and to the Division by the DEVELOPER no later than thirty (30) days after the end of the time period covered by the report.

The above Expenditure/Employment records, either on a quarterly and/or yearly basis, are to be reviewed by the CONTRACTOR and the Division for administrative purposes only.

4. DEVELOPER further represents that Contractor has applied for a Loan and /or Infrastructure Improvements as described in Exhibit A of the Grant Agreement and for the benefit of the Developer, based upon Developer's representations to the STATE that:

a. DEVELOPER acknowledges its representation in the application for the grant under the Grant Agreement pertaining to the number and types of jobs indicated in the Application, Low-to-Moderate Income Benefit, attached as Exhibit D 1 b) of Attachment A, which shall result in the creation of a total of _____ ( ) full-time jobs of which _____ ( ) shall be held by persons from low to moderate income families.

DEVELOPER agrees to keep employment records including race, ethnicity, gender, and handicap status and shall report this information as required by the STATE. At least fifty-one percent (51%) of all jobs created by the DEVELOPER must be held by persons from low to moderate income families.

b. DEVELOPER shall include on all applications for employment the household income, number of persons in the household, and any other information required by HUD at the date of hiring of all employees. CONTRACTOR will provide income certification forms to DEVELOPER.

c. DEVELOPER acknowledges its representation in the Application, and hereby obligates itself to invest $ _____ in private funds in consideration of receipt of the LCDBG Loan and /or Infrastructure Improvements from CONTRACTOR. DEVELOPER further acknowledges its duty to invest private funds, over and above the funds generated through operations, in a ratio of $_____ of private funds to $1.00 of LCDBG funds.

d. DEVELOPER acknowledges its duty in fulfilling its Contractual duty to CONTRACTOR, and in turn CONTRACTOR'S obligation to meet the National Objective requirements of the program in a timely manner; and obligates itself to create or cause to be created the number of jobs within the quarterly time frames set forth in Exhibit B of the Grant Agreement and that the CONTRACTOR expects these jobs to be created at the specified time intervals, in satisfactory performance of the Grant Agreement.

e. DEVELOPER acknowledges that the STATE and CONTRACTOR in making these Loan and /or Infrastructure Improvements, relied upon representations of the DEVELOPER regarding potential sales, financial performance, employment, market, financial resources and conditions, economic assumptions, technical and managerial expertise, and total projected investment. DEVELOPER further acknowledges that the STATE and CONTRACTOR have relied upon these representations as being realistic, accurate, knowledgeable, and having been made in good faith. The STATE shall consider these factors to the extent that it may grant relief from Contract conditions within overall accomplishments of the National Objective.

5. CONTRACTOR agrees to carry out all activities set forth in Attachment A, Exhibit A, B, and D of the Grant Agreement, at a maximum total cost $ _____ and agrees to adhere to the time performance schedule as submitted in the application or as subsequently amended.

6. CONTRACTOR further represents that it has applied for and is receiving the funds under the Grant Agreement, based upon its representation to the STATE that:

a. The Grant is anticipated to create a specific number of permanent new job opportunities within the quarterly time frames set forth in the Grant Application for persons who, at the time of their employment, will be persons of

low-to-moderate income households. Low to moderate income households are determined by annualizing the household income from three months immediately prior to the date of hiring. Low-to-moderate income persons are defined as persons whose annual income is less than the following amounts, listed by household size, for the Parish of _____

Household Size by Number of Persons

One	Two	Three	Four	Five	Six	Seven	Eight
$xx,000	xx,000	xx,000	xx,000	xx,000	xx,000	xx,000	xx,000

b. The Grant anticipates private funds in the amount of $ _____will be invested, over and above the funds generated through operations; or a minimum of $ _____ of private funds to $1.00 of LCDBG funds.

c. CONTRACTOR obligates itself to use all powers available to enforce the undertaking or assurance of the participating parties, namely DEVELOPER, respecting the creation of jobs which are specified in Exhibit D of the Grant Agreement.

7. CONTRACTOR and DEVELOPER acknowledge that nothing contained in this contract, or by any third person shall be considered to create any relationships of third party beneficiary, principal and agent, limited or general partnership, joint venture of any association or relationship involving CONTRACTOR or DEVELOPER.

8. The CONTRACTOR and DEVELOPER shall comply with all applicable federal, state and local laws, e.g., Equal Opportunity, contracted in Exhibit F of the Grant Agreement or as otherwise required.

9. REMEDIES UPON DEFAULT. Upon the occurrence, or the discovery of the STATE or CONTRACTOR of the occurrence, of any of the foregoing events, circumstances, or conditions of default, the STATE shall have, in addition to its option to halt the infrastructure improvements and loan provisions, all of the rights and remedies of a secured party under the applicable laws of the State of Louisiana. Without in any way limiting the generality of the foregoing, the STATE shall have the following specific rights and remedies:

a. In the event the DEVELOPER is unable to provide the employment opportunities for low and moderate income persons as set forth in Exhibit D, the STATE or CONTRACTOR shall have the right to exercise any and all of the specific steps described in its Corrective and Remedial Actions Policy which was published as a Rule in the August 20, 1987 issue of the Louisiana Register.

b. In addition, if the DEVELOPER fails to create the total of _____ ( ) full-time jobs and of the jobs that are created at least 51% are held by low-to-moderate

income persons, the Division may, in its discretion, require the DEVELOPER to pay to the Division _____ for each job less than the number of jobs which had been agreed to by the DEVELOPER. If at least fifty-one percent (51%) of all jobs created by the DEVELOPER are not held by low to moderate income persons, the Division may require all Grant funds expended to be repaid by the DEVELOPER to the Division.

10. TERMINATION OR SUSPENSION:

a. The CONTRACTOR or STATE may, after giving reasonable written notice specifying the effective date, terminate this Contract in whole or part for cause, which shall include but not be limited to:

(1) failure, for any reason, of the DEVELOPER to fulfill in a timely and proper manner the obligations under this Contract, and such statutes, Executive Orders, and federal directives as may become generally applicable at any time.

(2) submission by the DEVELOPER to the CONTRACTOR or its Auditors, of reports that are incorrect or incomplete in any material respect;

(3) ineffective or improper use of funds provided under this Contract;

(4) suspension or termination of the grant by the STATE under which this contract is made, or the portion thereof delegated by this Contract.

b. If the DEVELOPER is unable or unwilling to comply with such additional conditions as may be lawfully applied to the Grant by the STATE, the CONTRACTOR shall terminate the Contract by giving reasonable written notice to the STATE, signifying the effective date thereof. The CONTRACTOR, if first authorized by the STATE, may at its sole option continue with its own funds on the project until a question is resolved with the understanding that a satisfactory resolution may allow the STATE to reimburse funds at its sole option and discretion.

c. If through any cause, the DEVELOPER shall fail to fulfill in a timely and proper manner, their obligations under this contract, or if the DEVELOPER shall violate any of the covenants, agreements, or stipulations of this contract, the CONTRACTOR or STATE shall thereupon have the right to terminate this contract by giving written notice to the DEVELOPER of such termination and specifying the effective date thereof, at least thirty (30) days before the effective date of said termination.

d. Notwithstanding the above, the DEVELOPER shall not be relieved of any liability to the CONTRACTOR or STATE including liability for damages sustained by the CONTRACTOR or STATE by virtue of any breach of the DEVELOPER.

11. The DEVELOPER shall not assign any interest in this Agreement, and shall not transfer any interest in the same whether by assignment or novation, without the prior written consent of both the CONTRACTOR and STATE.

12. Attachment A, Exhibits A through F, Attachment B, and Attachment C to this Contract are hereby included and made a part of this Contract. DEVELOPER shall ensure that the information required in Attachments B and D is provided to the CONTRACTOR.

13. SPECIAL CONDITIONS

A. In the event DEVELOPER fails to satisfy any special condition of this contract, fails to implement the project described in Attachment A, of this Agreement, or fails to comply with any provision of this Agreement, in addition to the remedies specified elsewhere in this Agreement, DEVELOPER may be liable to the CONTRACTOR for an amount not to exceed the CONTRACTOR'S maximum obligation under this contract.

B. DEVELOPER shall submit to the CONTRACTOR, when requested to do so by the CONTRACTOR, a document which must include the following: (1) the types of positions, number and wage scales of all permanent positions to be created/retained as a result of this project, including specifics on those jobs filled/to be filled by low and moderate income persons; (2) a hiring plan that includes methods of identifying and training potential low/moderate income job applicants; (3) any other relevant details or special conditions placed on this contract.

C. DEVELOPER shall ensure that the CONTRACTOR is provided with the documentation required by Exhibit D of Attachment A of this Agreement. See **Exhibit E-8**.

D. DEVELOPER shall ensure that the CONTRACTOR is provided with a copy of the hazard insurance policy covering all items held as collateral for the Loan funds provided.

E. The DEVELOPER shall within thirty days after the end of each three-month period during the term of this contract, document and furnish to the CONTRACTOR low/moderate income verification forms marked "Attachments B and C and other documentation necessary for CONTRACTOR to satisfy the requirements of Attachment A, with respect to permanent jobs created and that the low and moderate income of DEVELOPER'S employees meet the requirements.

F. The CONTRACTOR shall have access to the DEVELOPER'S Employment Records in order to verify Employment data such as low/moderate income status, ethnicity, et cetera.

G. The DEVELOPER may not sell or lease machinery and/or equipment purchased with Loan Funds without the written permission of the CONTRACTOR and STATE during the term of this contract. During the term of this contract, CONTRACTOR shall have the right to recover some or all of the $_____ paid to DEVELOPER under this contract, based on the sale or lease of such machinery and/or equipment. This paragraph shall apply to all lease agreements or sales of such items except that the CONTRACTOR and STATE shall have the right to approve any such leases or sales, if it deems them favorable.

H. Successors: This contract shall inure to the benefit of and bind the heirs, personal representatives, successors, and assigns of the parties.

I. If Unenforceable: If any provision of this contract is determined to be unlawful or unenforceable by a court having jurisdiction over the parties, such provision shall be severable from the other provisions of this Agreement, and all remaining provisions shall be fully enforceable.

J. Governing Law and Venue: This contract shall be governed by the laws of Louisiana, which State shall also be deemed the place where this agreement was entered into and the place of performance and transaction of business of the parties.

K. Authority to Make and Use Copies: DEVELOPER authorizes CONTRACTOR to make copies, photocopies, reproductions and other facsimiles (copies) of this original Agreement for the purpose of filing and for any other purposes permitted as if such copies were the original.

L. Notwithstanding any other provisions of this contract to the contrary, the schedules concerning the times of the creation of jobs set forth in Exhibit B of Attachment A are extended as guidelines and it shall not be a default under this contract if DEVELOPER fails to create the number of jobs in any particular period as set forth in the LCDBG Program Time Schedule submitted in the grant application or as subsequently amended by all parties' agreement. It being expressly understood and agreed, however, that it shall be considered a default under this contract if DEVELOPER has failed to create _____ ( ) permanent jobs of which at least fifty-one percent (51%) are low/moderate income on or before the termination of this contract. If additional jobs are created beyond the number cited above, fifty-one percent (51%) must be filled by low to moderate income persons.

M. In the event the CONTRACTOR becomes obligated to pay any sum of money to the Louisiana Division of Administration under the Division of Administration Agreement with respect to, because of or arising out of any of the following, to-wit: (1) the failure of DEVELOPER to comply with any of its obligations under this Agreement, (2) the failure of the CONTRACTOR to comply with any of its obligations under the Division of Administration Agreement which failure results

from or arises out of DEVELOPER failing to comply with its obligations under this Agreement or (3) the failure of the CONTRACTOR to comply with any of its obligations under the Division of Administration Agreement, including without limitation, the requirements of Exhibits A through F (to the Division of Administration Agreement), which relate to the creation of jobs or to the income requirements with respect to the persons whose jobs are referred to in such Exhibits A through F thereto, then DEVELOPER shall be obligated to pay such amounts to CONTRACTOR at the office of the Mayor of _____ _____ in the City of _____ in _____ _____ Parish, Louisiana, within fifteen (15) days after the Louisiana Division of Administration makes any written demand on CONTRACTOR for any such amount (there may be different demands for different amount made from time to time). Any written request from the Louisiana Division of Administration for the payment by CONTRACTOR of any amount of money by reason of or based on any of the matters set forth above shall be deemed to be owing by the CONTRACTOR to the Louisiana Division of Administration for the purposes of the foregoing obligation of the DEVELOPER to make payment(s) to CONTRACTOR, subject to DEVELOPER'S right to recover such funds from the CONTRACTOR as hereinafter provided as a result of a final judgment against the Louisiana Division of Administration as provided for below. The failure of DEVELOPER to make any such payment which is required by written notice from the Louisiana Division of Administration as above provided within the time above provided shall give the CONTRACTOR the right at its election to terminate this agreement without any further obligation to DEVELOPER but such termination shall not relieve DEVELOPER of its obligations under this agreement. Provided however, DEVELOPER shall have the right to make any payment requested by CONTRACTOR under the provisions of this paragraph under protest and if it is determined by final judgment, no longer subject to appeal, of a court of competent jurisdiction in a case in which the Louisiana Division of Administration is a party along with CONTRACTOR and DEVELOPER that such amount was not owed by CONTRACTOR to the Louisiana Division of Administration then CONTRACTOR will repay such amount without interest (except for any interest which the CONTRACTOR might be entitled to recover from the Louisiana Division of Administration.) CONTRACTOR and DEVELOPER hereby agree that any such litigation with the Louisiana Division of Administration shall be in a court of competent jurisdiction in East Baton Rouge Parish, Louisiana. The total aggregate liability to the DEVELOPER shall be $_____. The obligations of DEVELOPER under this Section shall remain in effect after termination of this contract.

N. Notwithstanding any other provision of this contract to the contrary, no employee or duly authorized agent of CONTRACTOR may enter upon the premises without the prior consent of an officer of DEVELOPER, which consent shall not be unreasonably delayed or withheld and which consent shall be given with respect to the matters referred to in this Agreement.

O. The DEVELOPER agrees to indemnify, defend and hold harmless CONTRACTOR and the members of the City Council of _____ _____, including the Mayor (all of the foregoing are hereinafter, separate and collectively, referred to in the singular as "Indemnitee"), from and against all claims, causes of action, damages, suits and liability, of every kind, including all expenses of litigation, court costs and attorney's fees, (a) for damage to any property or for injuries, sickness or death of any person caused by, arising out of or related, directly or indirectly, to the premises or DEVELOPER'S occupation of or use of the premises or any Waste on or under the premises or any operations or activities of DEVELOPER or on behalf of DEVELOPER or under its authority or with the express or implied consent of DEVELOPER; which operations, occupation or uses or activities are with respect to or are directly or indirectly related to (1) the purchase or operation of machinery and equipment. The above indemnity shall apply even though any damage to property or any injury, sickness or death referred to therein is caused in whole or in part by any defect in or condition of machinery and/or equipment, whether or not such defect or condition was known by Indemnitee. Under the provisions of this indemnity, the DEVELOPER is agreeing to indemnify Indemnitee from DEVELOPER'S own negligence or fault. However, notwithstanding any other provision of this Special condition to the contrary, this indemnity shall not be applicable to any damage, injury or death caused by the sole negligence of any employee or duly authorized agent of CONTRACTOR which occurred by an action or omission of such CONTRACTOR employee or duly authorized agent, which act or omission occurs on the premises while said CONTRACTOR employee is actually on the premises. Notwithstanding any provision of this Special Condition to the contrary, this indemnity shall not be applicable to any claim arising prior to the date of this Agreement. The CONTRACTOR shall give prompt and timely written notice to DEVELOPER of any claim made or suit or action commenced which in any way would result in indemnification under this paragraph. The obligations of DEVELOPER under this Special Condition shall remain in effect after termination of this Agreement as to any liability which arose during this Agreement. So long as either (1) DEVELOPER is entitled to possession of the machinery and/or equipment of this Agreement or (2) DEVELOPER owns any part of the machinery and/or equipment, it is hereby agreed that DEVELOPER shall carry and maintain, and have in full force and effect comprehensive general public liability insurance, endorsed to include broad form contractual liability insurance coverage and with a cross liability endorsement and such insurance shall name CONTRACTOR as an additional insured thereunder (together with a cross liability endorsement relating thereto), but the CONTRACTOR as an additional insured shall only be such with respect to liability arising out of the machinery and/or equipment purchased by Loan Funds or duties with respect thereto or with respect to or which occurs on the premises and such liability insurance shall provide the first tier, or primary coverage, with respect to any other insurance coverage provided to or for CONTRACTOR or otherwise afforded to CONTRACTOR, which other insurance afforded CONTRACTOR

shall be excess. Such insurance shall be with insurance companies authorized to transact business in the State of Louisiana. Such public liability insurance shall have a combined single limit of not less than $1,000,000.00 per occurrence for bodily injury and property damage. In no event shall the procurement and maintenance of the insurance coverage provided for herein modify, reduce, limit or otherwise restrict DEVELOPER'S indemnification obligations provided for above. DEVELOPER shall furnish to CONTRACTOR a certificate or certificates signed by a duly authorized agent of the company issuing such insurance coverage, detailing the coverage, limits and expiration thereof, and specifying that the same shall not be canceled or materially changed until after ten (10) days notice in writing has been given to CONTRACTOR by such insurance company. The provisions of the above insurance agreement are solely for the benefit of DEVELOPER and CONTRACTOR. Accordingly, third parties shall have no rights under or by reason of the provisions of this paragraph with respect to DEVELOPER providing insurance.

THUS DONE AND SIGNED in the presence of the undersigned Notary Public and competent witnesses at _____ , Louisiana, on this _____day of _____, 20_____.

WITNESSES:

DIVISION OF ADMINISTRATION

_____

_____

CAROL M. NEWTON
DIRECTOR, LCDBG PROGRAM

_____

_____

NOTARY PUBLIC
My Commission expires: _____

WITNESSES:

MANUFACTURING, INC.

_____

_____

PRESIDENT

_____

NOTARY PUBLIC
My Commission expires: _____

WITNESSES:

CITY OF _____

_____

_____

MAYOR

_____

NOTARY PUBLIC
My Commission expires: _____

Please note: Attachment A is the contract between the State and the local governing bodies with Exhibits, A-F.

Attachment B is the Employee Survey Form

Attachment C is the Employee Characteristics Record

EMPLOYEE SURVEY FORM

LCDBG ECONOMIC DEVELOPMENT PROGRAM

COMMUNITY:_____ COMPANY:_____

PROGRAM YEAR _____ CURRENT DATE _____/_____/_____

Employee: LAST NAME _____ FIRST NAME_____

Employee: SSN: _____ DATE HIRED ____/_____/_____

Employee: JOB TITLE OR POSITION:_____

HUD Income Limits for: FY **2009** Program Year

Employee: FAMILY INCOME PARISH:

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Above -more than								
Moderate -less than								
Low -less than								
Very Low -less than								

Please circle the number that corresponds to income category and number of persons in your household. The income number is determinded by computing the total income of all household members for the last 3 months and then multiplying by 4.

Employee: Racial and Ethnicity Category: *Check more than one if appropriate.*

Alaska Native or American Indian
Asian
African American or Black
White
Native Hawaiian or Pacific Islander
Alaska Native or American Indian and white
Alaska Native or American Indian and black
African American or Black and white
Asian and white

Hispanic or Latino

Other Multi Racial

Employee: *Check one if applicable*

Unemployed at time of hire
Female Head of Household
Handicapped Person
Elderly

Note: 18 U.S.C. Sec 1001 provides that " whoever knowingly and willfully makes any materially false fictitious, or fradulent statement or representation; …shall be fined under this title or imprisioned not more than five years or both.

Signature _____

Attachment C
Employee Characteristics Record

Date of Report
_____

NAME	RACE/ETHNICITY																				SEX		HEAD OF HOUSEHOLD		ELDERLY	INCOME			
Code	AI/AN	H	Asian	H	Blk/AA	H	NH/OPI	H	White	H	AI/AN and White	H	Asian and White	H	Blk/AA and White	H	AI/AN and Black	H	Other Multi Racial	H	Male	Female	Female	Handi-capped	62 or Over	Extr Low	Low	Mod	Above
Total No.																													
%																													
H-Number of people in column to the left with Hispanic/Latino ethnicity																													
AI/AN-American Indian/Alaska Native B/AAm-Black/African American NH/OPI-Native Hawaiian/Other Pacific Islander																													
Use this form to compile results of the individual Employee Survey Forms. For further instructions on completing this form, call your Economic Development LGR at (225) 342-7412.																													

SAMPLE EVIDENCE OF DEVELOPER'S COMMITMENT
(On letterhead)

We, _____(Lending Institution)_____, have agreed to provide

_____Name of Developer_____ funds in the principal amount of

$_____ for the following terms _____,

part of the Louisiana Development Block Grant (LCDBG) Economic Development Application

for the Community of _____Town/City_____, _____Parish_____.

Upon approval of the LCDBG application, the above stated amount will be available starting

_____(Date)_____, with the commitment lasting until _____(Date)_____.

Signed: _____

Position: _____

Date: _____

_____
(Street or P.O. Box)

_____
Town State Zip Code

*Any special conditions, provisions, or loan agreements must be attached.

SAMPLE

UNANIMOUS CONSENT OF THE DIRECTORS
OF INTERNATIONAL MFG., LTD.

The undersigned, being all the directors of International Mfg., Ltd., a Delaware Corporation (the "Corporation"), hereby adopt the following resolutions:

RESOLVED, that the appropriate officers of the Corporation be, and each and any of them hereby authorized and empowered to take all action on behalf of the corporation that they may deem necessary or appropriate to obtain a loan from the City of _____, Louisiana, in the amount of $500,000 which has been provided to the City through an LCDBG Economic Development Grant, to be used for capital equipment financing; that the loan shall be due and payable ten years from the date funds are disbursed to the Corporation; that the loan will bear interest at the rate of ten percent per annum; that the loan will be secured by a UCC-1 on capital equipment; that the obtaining of such loan shall be effected on such other terms and conditions as the officers of the Corporation acting in the premises may approve, the consummation of such loan to be conclusive evidence of such approval, and it is

FURTHER RESOLVED, that, (name), (title), of the said Corporation be authorized and empowered to perform such acts and to execute such documents and agreements as may be necessary or appropriate to effectuate the intent of the foregoing resolutions and the transactions contemplated thereby; and it is

FURTHER RESOLVED, that the execution, delivery and performance by the Corporation does not and will not result in any breach of or constitute a default under any indenture or loan or credit agreement on any other agreement, lease, or instrument to which such Corporation is a party or by which it or properties may be bound or affected and cause such Corporation to be in default under any such law, role, regulation, order, writ, judgment, injunction, decree, determination, or award on any such indenture, agreement, lease, or instrument, and it is

FURTHER RESOLVED, the financial statements as of ___(date)_____, copies of which are contained in the LCDBG application are complete and correct and fairly present, according to GAAP, the financial condition of the Corporation and since__(date)_____ there has been no material adverse change in the condition (financial or otherwise), business, or operations of the Corporation, and there are no liabilities of the Corporation fixed or contingent, which are material, but are not reflected in the financial statements including those to come out of the projected future course of operations, and it is

FURTHER RESOLVED, that the Corporation is not in Default in any respect in the performance, observance, or fulfillment of any of the obligations, covenants, or conditions contained in any agreement or instrument material to its business to which it is a party, there is no pending or threatened action or proceeding against or effecting the Corporation before any court, governmental agency, or arbitrator, which may, in any one case or in the aggregate, materially adversely affect the financial condition, operation, properties, or business of the Corporation, and it is

FURTHER RESOLVED, that the Corporation has satisfied all judgments, and the Corporation is not in default with respect to any judgment, writ, injunction, decree, rule, or regulation of any court, arbitrator, or federal, state, municipal, or other governmental authority, commission, board, bureau, agency, or instrumentality, domestic or foreign and it is

FURTHER RESOLVED, the Corporation possesses all licenses, permits, franchises, patents, copyrights, trademarks, and trade names, or rights thereto, to conduct their respective business substantially as now conducted and the Corporation is not in violation of any valid rights of others with respect to any of the foregoing, and it is

FURTHER RESOLVED, that the LCDBG application and required evidentiary materials contain a complete and correct disclosure of all credit agreements, indentures, purchase agreements, quantities, capital leases, and other investments, agreements, and arrangements presently in effect providing for or relating to extensions of credit in respect of which the corporation is in any manner directly or contingently obligated, and it is

FURTHER RESOLVED, that this Board of Directors hereby approves and ratifies all of the actions here-to-fore taken and all of the documents, agreements and other instruments heretofore executed and delivered by the officers of the Corporation on behalf of the Corporation in connection with the loan contemplated in the preceding resolutions.

_____

_____

_____

_____

SAMPLE

RESOLUTION OF AUTHORITY

CERTIFIED RESOLUTION OF BOARD OF DIRECTORS
OF
VENTURES, INC.

I, Elsie Govang, do hereby certify that I am the duly elected and qualified Secretary of Ventures, Inc., a corporation authorized under the laws of Louisiana and that the following is a true and correct copy of the Resolution duly adopted by the Board of Directors in accordance with law and the by-laws of said corporation on January 2, 2009, and that such resolution is now in full force and effect.

It is resolved that:

Ventures, Inc. (Corporation) be and is hereby authorized to enter into a participating agreement, a copy of which is attached hereto, with Elwyn Parish for the purpose of entering into a grant agreement with the State of Louisiana.

Scott Ward, President of Ventures, Inc., is hereby appointed to enter into said Agreement and to execute all documents necessary to effectuate the closing of the Agreement.

In Witness hereof, I hereunto affix my signature on this 2nd day of January, 20__.

_____
Elsie Govang
Secretary

E-4

(TO BE ON ATTORNEY'S LETTERHEAD)

August 3, 20__

Dear Mayor _____:

As the City Attorney for the City of _____, it is my opinion that the copy of the note annexed hereto evidencing legal financial commitment in the amount of $1,000,000, between XYZ Partnership and International Mfg., Ltd. is in compliance with Paragraph ____ of Exhibit _____ of the contract between the City of _____ and the Louisiana Division of Administration or it Successor to obtain a loan in the amount of $500,000.

It is further my opinion that the agreement between XYZ Partnership and International Mfg., Ltd., is a binding and legally enforceable agreement and obligated XYZ Partnership to make a long-term permanent financial loan in the principal amount of $1,000,000 to International Mfg.

It is further my opinion that Mr. X is authorized to commit the partnership to make this loan and officially represent the partnership in all matters pertaining to this loan.

Very truly yours,

City Attorney

CERTIFICATION OF LEGALLY BINDING AGREEMENTS

Pursuant to Article _____ of the LCDBG Contract, I hereby submit the following legal opinion in regard to the evidentiary materials required to be furnished by _____(name of company or individual)_____.

1. I am the attorney for the City/Parish of _____, recipient of the LCDBG Contract referred to above.

2. I am basing the foregoing legal opinion on the written Affidavit of (name, title, and _____function)_____, copies of the enclosed documents, and upon my information and belief. I do not have personal knowledge of any of the facts alleged herein.

3. Evidence of Contracts. Enclosed is a copy of the Agreement entered into by _____ (name and title of City/Parish official)_____, the City of _____, as attested to by (list all persons attesting to contract and titles -- both City officials and representatives of private parties)_____ _____.

   Also enclosed is a copy of the Ordinance authorizing the _____ (title of City/Parish official)_____ to enter into a Contract with _____(name of company or individual)_____.

   It is my opinion that (name of City/Parish official) was authorized to enter into the Contract with _____(name of company or individual)____. My opinion is based on resolution number ___ which was duly passed by the legislative body of the City/Parish of _____ authorizing the _____(title of City/Parish official)_____to enter into the Contract.

   It is my opinion that _____(name)_____ is the _____(title)_____ of _____(name of company)_____ and that he was authorized to enter into the LCDBG Agreement with the City/Parish of _____. My opinion is based upon the attached Affidavit(s) of ___(name(s) and title(s) or person(s) submitting Affidavit(s).

   It is my opinion that the above mentioned contracts are legally enforceable under the laws of this State and conform to the provisions of the Grant Agreement unless otherwise specified herein.

4. Evidence of Loans. Enclosed is a copy of __(amount of money in words and figures) note with a Deed of Trust or other security securing said note, a (amount of money in words and figures)_____ installment note and two (2) financing statements perfecting the lender's(s') lien on the security pledged collateral for said note. Also enclosed is a letter from (name) _____ on the _____(name and location of bank)) letterhead.

It is my opinion that the above two (2) loans have been funded and that ___(name)_____ was authorized to execute the documents on behalf of the lender(s) and that the documents comply with Section _____, LCDBG Contract. My opinion is based upon copies of loan documents provided me by _____(name)_____ and included herein. "It is further my opinion that the note, mortgage, security agreement, and other loan documents are valid and enforceable according to their terms."

5. Evidence of Investor's Equity. Pursuant to the Contract entered into by and between the City of _____ and _____(name of company)_____, agreed to expend ___(sum of money)_____ on ___(enumerate investments or _____ improvements)_____.
It is my opinion that _____(name of company)_____ has expended _____(sum of money)_____as of _(date)_____ for the purpose of _____(enumerate investments or improvements)_____. My opinion is based upon the Affidavit of _____(name and title)_____ and the attached list of assets and values spent by _____(name of company)_____.

6. Evidence of Title to Real Property. Enclosed is a copy of the Deed to the land where _____(name of company)_____ is presently located. The Title policy has been examined or documentation has been submitted which contains sufficient evidence including evidence of recordation which satisfies the State that the recipient or participating party has title as required. It is my opinion that _____(name of company)_____ owns the land in fee simple referred to in the Deed. My opinion is based on the attached Deed and Affidavit of _____(name)_____. The land cost approximately _____(sum of money in words and figures)___ according to the Affidavit of _____(name)_____.

7. Borrower's Representations. Enclosed is the developer's resolution entitled "Unanimous Consent of the Board of Director's of International Manufacturing, GmBH" and dated ___ _____(date)_____, authorizing the officers to take the necessary action to obtain an LCDBG loan on behalf of the developer. In the aforementioned resolution the developer makes certain representations concerning legality of the LCDBG loan in regards to other company obligations, current financial situation, pending litigation, and rights to do business.

It is my opinion that these statements are true and accurate. My opinion is based upon the attached Affidavit from developer's counsel.

If you have any questions in regard to my opinion, please do not hesitate to contact me.

Very truly yours,

Name of City/Parish Attorney

RELEASE OF FUNDS QUESTIONS AND ANSWERS

1. Is it true that no project acquisition or construction activities may begin before the City/Parish receives a formal Release of Funds from the State?

   Yes, this is true. The only related activities that can be undertaken BEFORE this formal Release of Funds are administration, planning and engineering/design. These may be undertaken because they have been determined to be exempt from environmental review requirements.

   It is very important to remember that you cannot use LCDBG funds to reimburse the private sector for activities that they CONTRACTED for prior to the Release of Funds. No private funds that are OBLIGATED or EXPENDED prior to the Release of Funds can be reimbursed with LCDBG funds. You must make the private participant understand this also.

2. Can project activities funded by PRIVATE funds be undertaken prior to the Release of Funds? FOR EXAMPLE, If we are going to pay for servitudes with local money, can we start the acquisition process before the Release of Funds? If we started getting the servitudes before the application was approved, is it OK to continue getting the servitudes before the Release of Funds?

   NO activity that requires environmental review should be undertaken if LCDBG funds will help pay for the project of which the activity is a part. In the example, acquisition should NOT begin prior to the Release of Funds. If it was started before the application was submitted, it should stop as soon as the application is submitted to the state. Any private contracts for work signed prior to the LCDBG application can continue. No further contracts should be executed until the Release of Funds is received.

3. Can I order equipment before the Release of Funds if LCDBG is financing the equipment? If the equipment is financed by company funds? If the order was placed prior to application approval?

   An order for equipment may not be placed before the Release of Funds regardless of which participant is paying for the equipment. An order placed prior to the release of funds CANNOT be paid for with LCDBG funds.

4. My project involves LCDBG funds for renovation and private funds for building equipment and inventory. How can I as a city person keep track of when the company begins ordering inventory? The company started working people on the renovation before we had a Release of Funds and before they spent any LCDBG money. Are we in violation of the contract?

   It is VERY important that SOMEONE familiar with the LCDBG regulations is communicating with the private company. If activities such as renovation begin before Release of Funds, the money cannot be reimbursed. Such activities should be stopped, and resumed after the Release of Funds is received. The cost of renovations made AFTER the Release of Funds would be reimbursable with LCDBG monies.

5. Our project was going to use LCDBG funds to pay for acquisition of a small parcel adjacent to the existing plant. The private sector money was going to be used for construction and acquisition of a much larger parcel for parking facilities. The company went out and bought the little parcel and the parking lot parcel before the Release of Funds. Does this mean we can't reimburse them for the cost?

   Funds cannot be obligated or expended prior to the Release of Funds. The funds spent for acquisition CANNOT be reimbursed. LCDBG funds CANNOT be used to reimburse or pay for any activity if the OBLIGATION of funds occurred before the Release of Funds.

6. With respect to the Release of Funds, should I only be concerned about activities that disturb the site, such as moving dirt or construction. If I have State Historic Preservation Officer (SHPO) approval, is that enough? Do I still have to wait for the comment period to lapse?

   SHPO approval is only one of many necessary approvals prior to the Release of Funds unless they are for exempt activities (planning, administration and engineering/design). NEVER allow ANY construction prior to the Release of Funds. You have to wait not only for the completion of the comment period, but until the CITY/PARISH receives the formal notice of Release of Funds.

DAVIS-BACON EQUIPMENT POLICY

E-6

Davis-Bacon applies to the installation of equipment if the following occurs:

1. Federal funds are used for the installation.
2. The acquisition of the equipment requires upgrading of the building.
3. The installation of equipment requires improvement of utilities.

If Davis-Bacon applies to the installation of equipment, it may apply to the project as a whole. To determine this you must look at factors for separability:

1. Ownership (common)
2. Use and operation (common management company)
3. Construction process (common):
    a. Architects (same or different)
    b. Construction companies (same or different)
    c. Construction contracts (one or several)
    d. Work force (same or different)
    e. Relationship of public/private funding
4. Independence or interrelation
5. Grant documents
6. Vertical vs. horizontal (whether or not the company is doing the entire project)

Activities which traditionally trigger Davis-Bacon:

1. Built-in shelving, display cases or bookcases
2. Walk-in refrigerators
3. Interconnected heating/cooling system
4. Escalators/elevators
5. Hardwired security systems
6. Sinks, bathtubs and toilets
7. Boilers/generators
8. Items requiring outside excavation for laying wire or pipe
9. Gas or electric equipment which requires upgraded services

EQUIPMENT ANALYSIS

1. Equipment Name: _____

2. Description of Use: _____

3. Estimate cost: _____

4. Estimated Cost of Installation: _____

5. Who will Install: Vendor _____ Contractor _____

   Employees _____ Other _____

6. Method of installation including a thorough description of any attachment to building:

_____

_____

_____

_____

7. Any structure modifications: Yes _____ No _____ If yes, explain:

_____

_____

8. Any improvements to infrastructure (water, sewer, gas, electric) to accommodate:

   Yes _____ No _____ If yes, explain:

_____

_____

_____

E-8

QUARTERLY STATUS OF
SOURCES AND USES
LCDBG ECONOMIC DEVELOPMENT FUND

DATE OF REPORT: _____

COMMUNITY: _____

DEVELOPER: _____

TYPE OF GRANT: _____

REPORT # _____ PERIOD COVERING From: _____ To: _____

EXPENDITURES:

	PRIVATE:	LCDBG:
Current Period Only	_____	_____
Total Previous Periods	_____	_____
TOTAL CURRENT	_____	_____

JOBS:

	TOTAL:	LOW/MOD:
Total Employment Previous Periods	_____	_____
New Hires This Period	_____	_____
Discharged Employees	_____	_____
NET TOTAL EMPLOYMENT THIS PERIOD	_____	_____

PERSON PREPARING REPORT: _____

_____ _____
Signature of Local Government Official Signature of Developer

F. MONITORING AND CLOSEOUT

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H. MONITORING AND CLOSEOUT

Task F-1: Monitoring of LCDBG Programs by the State

The LCDBG staff may schedule a monitoring visit with the grantee at any time to review the program performance on site. A visit may be a comprehensive program evaluation or it may be oriented toward assessing performance in specific areas. In either case, you should cooperate with the State staff and provide them with all records and files pertaining to the program, as well as any other information requested. Before the LCDBG staff leaves your community, they will sit down with you to discuss their findings in an exit conference. It is desirable for the chief elected official to be present for this conference. The LCDBG staff, to the extent possible, will work with you on-site to correct any problems. Any problems that cannot be corrected will be discussed in the monitoring letter.

Following the monitoring visit, the State will send you a letter which identifies both the positive and negative findings of the monitoring review. **Exhibit F-1** provides an example of a monitoring letter. Since this letter becomes a part of your record at the State, it is to your advantage to minimize the number and scope of negative findings.

The State generally allows the grantee 30 to 45 days to respond to the findings of deficiency noted in the letter. You must describe all corrective actions taken or provide new information not reviewed during the visit. An example of a response to the State's monitoring letter is given in **Exhibit F-2**. The corrective actions should generally follow the recommendations made by the LCDBG staff. State staff will then inform you if your response is sufficient to permit them to clear the findings. All findings from monitoring visits must be cleared prior to closeout.

Exhibit F-3 contains the monitoring checklists that the LCDBG staff utilizes when monitoring LCDBG programs on-site. These checklists were current at the time this handbook was prepared; however, they are revised continuously to reflect changes in State and Federal regulations.

Task F-2: Preparing the Program Completion Report

Upon completion of the project, the grantee must take the steps necessary to close-out its program. The program cannot be closed out until the improvements/construction undertaken with grant funds is in full operation. For example, the program funding a new sewerage collection and treatment system cannot be closed-out until the households are connected to the system and the system is fully functional.

All grantees are required to submit a Program Completion Report when all activities are complete. The forms which comprise this report are shown in **Exhibit F-4**. The instructions for the completion of each form in this report are also provided.

When preparing these forms, these general guidelines should be kept in mind:

- ~ Identify activities on the forms exactly as they are identified in the contract or as were established by any program amendments.
- ~ Provide current data on obligated and expended amounts by activity. In most instances, the amount obligated will be the same as the amounts expended.
- ~ On all tables, make sure that the rows and columns of figures subtotal accurately.
- ~ Identify methods used to determine beneficiaries. For new water and sewer systems, the beneficiaries will be determined by the persons actually connected to the new system.
- ~ Submit two copies of the report to the Division of Administration/Office of Community Development.
- ~ Submit three copies of the Certificate of Completion all of which have original signatures.

As part of the Completion Report, the grantee must prepare three Certificate of Completion forms, all of which have original signatures. This form summarizes all costs incurred by the program which was paid for with LCDBG funds and program income. If grant funds received exceed grant costs, you will be notified by the State to send a check for the amount of excess grant funds received. The State will also ascertain the amount of grant funds utilized for administrative costs; any funds in excess of those allowed by the State will also have to be returned.

The State will also require a clear lien certificate and copies of any change orders issued to the construction contract prior to closing-out the program.

Upon receipt and approval of your Certificate of Completion and a check for excess grant payments, when applicable, the State will make any necessary adjustments to your LCDBG account. The State will also monitor funds earmarked for the payment of unpaid costs and unsettled third party claims. If unsettled third party claims were included, upon resolution of these claims, you must submit a revised Certificate of Completion for State review before the project can receive a final closeout.

When the State considers the closeout documents to be complete and in order, you will be notified in writing of such.

In most instances, a grantee will receive conditional closeout prior to receiving a final closeout. Conditional closeout is given when all audit/monitoring findings have been cleared, the Program Completion Report has been accepted, the final disposition of funds is accepted by the State, a clear lien certificate has been issued, all change orders have been reviewed and, when applicable, a Final Wage Compliance Report has been accepted. Generally, a conditional closeout is given prior to a final closeout because all financial reports covering the expenditure of the total LCDBG funds have not been received. In such instances, upon receipt and acceptance of the final audit, final closeout is given by the State. Prompt closeout is desirable since the State views it as an indicator of local capacity. Delays in program closeout may be indicators of poor

performance and can influence the State's review of subsequent applications.

For different reasons, some grants are terminated after LCDBG funds have been requested, received, and expended prior to the completion of the project. In such instances, the local governing body must prepare a Certificate of Completion and submit it to the Office of Community Development as part of the closeout process. A Certificate of Completion is not necessary when no LCDBG funds have been expended.

Task F-3: Audit and Financial Review Findings

Under the provisions of the Single Audit Act of 1996 (OMB Circular A-133), a single audit is required whenever the amount of federal financial assistance (LCDBG program funds plus all other federal financial assistance, both direct and indirect) expended in a fiscal year equals or exceeds $300,000. (Beginning with the Fiscal Year Ending December 31, 2003 the threshold rose to $500,000.) For further guidance see **Task A-6: Audit Process**. One of the purposes of audits is to perform a compliance review of the recipient of federal funds with federal and state program requirements. When an auditor finds an area of noncompliance with program requirements he is required to make a supplemental report of findings and/or questioned costs. Grant recipients should insure that their responses are included in the audit report. The Office of Community Development reviews all audit reports to insure audit findings are addressed. Examples of audit findings and questioned costs are found in **Exhibit F-5**. A sample response is found in **Exhibit F-6**.

Task F-4: Understanding Corrective and Remedial Actions

The Office of Community Development has established the following policy for addressing improper or inadequate performance by recipients of LCDBG funds. This policy is commonly known as the "Sanction Policy."

Introduction

This policy describes the types of administrative actions that can be taken by the Office of Community Development in cases of improper or inadequate performance by recipients of LCDBG Program grants. In each instance, to the extent possible under the circumstances, the action taken will be intended, first, to prevent a continuation of the deficiency; second, to mitigate any adverse effects or consequences of the deficiency; and, third, to prevent a recurrence of the same or similar deficiencies.

Types of Deficiencies

A deficiency is an instance of non-performance of activities or non-compliance with requirements set forth in the contract between the State of Louisiana and the recipient of LCDBG funds. Examples of deficiencies include, but are not limited to, the following:

1. Failure to clear monitoring findings within 120 days of the issuance date by the Office of Community Development. An on-site monitoring visit (for the purpose of assuring the grant recipient's compliance with the federal and state requirements governing the LCDBG Program) may be conducted as a matter of routine monitoring or whenever problems come to the attention of the Office of Community Development. Following the monitoring visit, a letter is written to the grant recipient that identifies findings of deficiency as well as findings of merit, the corrective action required to clear findings of deficiency, and a target date for the accomplishment of the corrective actions. Upon receipt and review of the grant recipient's response, the Office of Community Development determines whether or not the response is sufficient to resolve the findings. If any monitoring findings are not properly resolved by the initial target date, the grant recipient is advised of such and is assigned a second target date for the clearance of those findings. All monitoring findings not resolved by the second target date remain open until resolved.
2. Failure to file reports as required or failure to file reports within established timeframes. Such reports include but are not limited to the Minority Business Report, financial reports, and closeout documents.
3. Failure to resolve an audit finding within 120 days of the issuance date by the Office of Community Development.
4. Incurring costs for ineligible activities in accordance with state and federal regulations.
5. Lack of continuing capacity to administer the LCDBG program.
6. Failure to execute approved activities in accordance with the implementation schedule included between the State and the grant recipient.
7. The implementation of a program change without prior written approval from the Office of Community Development.

Notice of Deficiency

The first step in the corrective procedure is for the Office of Community Development to send a written Notice of Deficiency to the grant recipient. The notice will describe the deficiency specifically and objectively, describe actions the grant recipient must take in order to remedy the deficiency and a deadline for doing so, and describe the consequences for failure to remedy the deficiency (i.e. administrative sanctions or legal action).

Sanctions

If the deficiency remains uncorrected, sanction(s) will be imposed. The choice of the sanction(s) to be issued is governed by the objectives identified in the Introduction, the type of deficiency, and the seriousness of the deficiency. Possible sanctions include but are not limited to:

1. Required administrative change: For example, if the consultant administering the program is doing a poor job but the grant recipient has the continuing capacity to administer the grant, the grant recipient may be required to discharge the consultant and engage someone else to administer the program.

2. Suspension of grant payments.
3. Reduction of grant amount.
4. Termination of grant.
5. Reimbursement of costs disallowed by the Office of Community Development.
6. Disqualification from consideration for other LCDBG funds. The criteria for disqualification shall be consistent with, but not limited to, the State's threshold requirements for funding.
7. Legal action pursued by the State.

If the grant recipient does not address the cited problem after having been sanctioned, additional sanctions may be imposed, or the matter may be referred for legal action.

Appeals

The grant recipient may appeal any imposed sanctions through the following process. The grant recipient must submit a written request for an appeal within ten working days after the written notice of sanction has been received. A written decision shall be rendered within ten working days of receipt of the request for appeal unless additional time is agreed to by the recipient.

Duration of Imposed Sanction

The Office of Community Development will maintain a sanction list of those sanctions which render the grant recipient ineligible for additional grant awards. The list will identify the grant recipient, a brief description as to why the sanction was imposed, and what steps must be taken to remove the sanction.

The sanction will remain in effect until the deficiency has been corrected or for no more than ten LCDBG program years with the following exception. Sanctions involving LCDBG funds which were expended for ineligible activities as identified in the federal regulations (24CFR 570.207) cannot be excused unless those funds have been repaid to the State or a satisfactory arrangement for the repayment of those funds have been made and payments are current. The grant recipient will be advised in writing when the sanction has been lifted.

Internal Procedures for Issuing/Clearing Sanctions

1. If a Local Government Rep (LGR) feels that he/she should issue a sanction, he/she should set up a meeting which includes his/her Program Manager, the Policy and Programs Coordinator, and the Community Development Director. The purpose of this meeting will be to determine if a sanction should be issued. If a determination is made to issue a sanction, the penalty/time frame attached to that sanction will also be determined. Every effort will be made to insure consistency among the sanctions imposed.
2. The LGR will advise the grant recipient in writing of the sanction. That letter will identify the deficiency which has resulted in the sanction, the steps that can be taken to correct the deficiency, the penalty which will be imposed, and any timeframe associated with the

sanction. If the grant recipient will be prohibited from receiving LCDBG funds for a specified time period, the timeframe must be clearly and specifically identified. A copy of this letter will be given to the Policy and Programs Coordinator.

3. The Policy and Programs Coordinator will be responsible for maintaining the Sanction List which tracks those sanctions having an effect on a potential applicant's eligibility for future funding. The information contained in the letter issuing the sanction will be summarized on this list.

4. When the grant recipient corrects the deficiency or the timeframe associated with the sanction period ends, the LGR will advise the grant recipient of such in writing. A copy of that letter will be given to the Policy and Programs Coordinator who will remove the grant recipient from the Sanction List, if applicable.

5. The permanent working files for the grant associated with the sanction must remain in the Office of Community Development as long as the sanction is in effect; these files cannot be archived until the sanction has been lifted.

6. The final determination of the issuance and clearance of each sanction rests with the Director of the Office of Community Development.

F-1

Sample

STATE'S MONITORING LETTER

July 5, 2003

RE: Monitoring Report
FY 2002 LCDBG Program
Contract Number 101-0000

Dear Mayor:

On June 7, 2003, members of this office visited your City for the purpose of monitoring your FY 2002 Louisiana Community Development Block Grant (LCDBG) Program. The courtesy and cooperation extended to the staff during their visit is appreciated.

During their visit, a review of selected items was undertaken in the following program areas: (a) National Objectives, (b) Program Performance, (c) Environmental Review, (d) Record Keeping, (e) Public Facility Improvements, (f) Fair Housing/ Equal Opportunity, (g) Labor Standards, (h) Procurement, (i) Citizen Participation, (j) Financial Management, (k) Anti-Displacement, (l) Acquisition, and (m) Disclosure.

Their review indicated that you have the continuing capacity to carry out the program activity in a timely manner. The program has been implemented in accordance with the requirements and primary objectives of the Housing and Community Development Act and other applicable laws, with the exceptions identified herein. Although other deficiencies may exist, they were not detected during our review.

FINDINGS OF DEFICIENCY

LABOR STANDARDS

Our review of this area encompassed the bid/contract document, payrolls sheets, employee interview forms and wage decisions.

Finding Number 101-0000-1-1-030
The Statements of Compliance for the payrolls of Prime Contractor, Inc. were signed by Payroll Clerk Debbie Drake. All Statements of Compliance must be signed by a company official or an "authorized" payroll signor as required in Task B-1 of the Grantee Handbook.

Corrective Action Required: In order to clear this finding, the City must submit a copy of the

written authorization from Prime Contractor, Inc. designating Ms. Drake as the authorized payroll signor.

FINANCIAL MANAGEMENT

A review of the financial management records for the LCDBG Program was conducted. The records were tested for compliance with the requirements of OMB Circulars A-87 and A-102 and with other federal and state laws, regulations, and policies.

Finding Number 101-0000-1-1-010
In reviewing the financial management records, it was noted that bank statements were missing for the months of December, 2002, January, 2003, February, 2003, August through December, 2003, and January, 2004. Also there were no canceled checks for check numbers 1003, 1004, 1005, 1006, and 1007. Without this documentation, the City cannot be considered as having a complete set of financial records.

Corrective Action Required: The City must provide us with copies of the missing bank statements and canceled checks identified herein. Following our review of those items, we will advise you if any other action must be taken.

Finding Number 101-0000-1-1-011
One of the LCDBG program requirements is that all local officials and employees who sign checks and/or handle the program funds be bonded in accordance with State law (refer to Task A-3 in the Grantee Handbook). There was no evidence in the files to indicate that any of the elected officials in your City who are authorized to sign checks are bonded.

Corrective Action Required: Please provide us with documentation to support that those persons signing the LCDBG checks are bonded.

FAIR HOUSING/EQUAL OPPORTUNITY

Our review of this area encompassed recipient employment, Section 3 and Section 504 requirements, fair housing, and program beneficiaries.

Finding Number 101-0000-1-1-040
Although the City has a Section 3 Plan, it does not cover actual and anticipated hiring. Please refer to the sample Section 3 Plan included in Exhibit B-5 in your Grantee Handbook.

Corrective Action Required: The City must revise its Section 3 Plan to include current employment data. The City must fill out the "Anticipated City/Parish Hiring" portion of the Section 3 Plan and submit the revised plan to us.

Finding Number 101-0000-1-1-041
When the City signed the Assurances in its application, it agreed to take actions which would further fair housing in the City. According to information in the files, the only action taken by the City to further fair housing was the adoption of a Fair Housing Ordinance; that ordinance was adopted for a previous funding program and cannot be considered as an action taken to further fair housing during the course of the FY 2002 LCDBG Program.

Corrective Action Required: The City must undertaken some other activity which will further fair housing in the community. Examples of such activities are provided on pages 30 - 31 in the first section of the Grantee Handbook. Although it is not shown on those pages, the City may also choose to hold a fair housing seminar for its citizens. Once you have accomplished this, please send us documentation of such.

PUBLIC FACILITY IMPROVEMENTS

The review of this area encompassed the bid document, construction contract, project plans and specifications, and contractor certifications as related to the construction undertaken by Prime Contractor, Inc.

Finding Number 101-0000-1-2-110
At the time of our visit, no evidence could be found to support that the plans and specs for the sewer project had been reviewed by the appropriate state agency.

Corrective Action Required: Please submit documentation to support that the plans and specs for this project were submitted to the appropriate state agency for their review.

PROCUREMENT

The City's general files on procurement were reviewed in addition to the procurement procedures utilized in hiring engineering, administrative consulting, and construction services.

Finding Number 101-0000-1-2-080
The contract between the City and the engineering firm did not contain the following required language: Termination for Cause; Termination for Convenience: Equal Opportunity; Title VI; Access to Records; Conflict of Interest; Section 3; and Section 109.

Corrective Action Required: The contract must be amended to include all the provisions listed above and a copy submitted for our review.

AREA OF CONCERN

FINANCIAL MANAGEMENT

Two checks written on the LCDBG account had only one signature. As of June, 2002, we require two signatures on all checks written from LCDBG funds.

FINDINGS OF MERIT

NATIONAL OBJECTIVES

The City's local survey revealed that approximately eighty-one percent of the persons benefitting from the sewer project were of low and moderate income. The City is maintaining a copy of the local survey in its files. Based upon our review of the target area during the monitoring visit, this figure appears accurate.

PROGRAM PERFORMANCE

The City's actual progress in completing the program activities in accordance with the schedule (Exhibit B) in the contract with the State was reviewed. That schedule projects that the construction of the project will be complete by February of 2005. Therefore, the program is progressing ahead of the proposed schedule.

ENVIRONMENTAL REVIEW

No activities or project sites have changed from those approved in the original application for funds. Therefore, the previously accepted Environmental Review Record remains relevant and complete.

RECORD KEEPING

The City is maintaining the program records in accordance with the State's program requirements. When the staff requested specific information during the monitoring visit, the supporting documentation was easily retrievable.

ANTI-DISPLACEMENT

No displacement occurred as a result of this grant. A review of the anti-displacement file was made and it was found to be in compliance with the LCDBG program requirements.

CITIZEN PARTICIPATION

The citizen participation files were reviewed for and found to be in compliance with the federal and state program requirements.

DISCLOSURE

The initial and updated disclosure reports were reviewed for compliance with the LCDBG program requirements. It was determined that acceptable disclosure reports were submitted as required.

Please submit the items necessary to address the findings of deficiency to us no later than August 30, 2004. Your cooperation in this matter will be appreciated. If you have any questions or need further clarification, please contact the State at 225/342-7412.

Sincerely,

State LCDBG Director

F-2

EXAMPLE

RESPONSE TO STATE'S MONITORING LETTER

August 25, 2004

Ms. CDBG Director
Division of Administration
Post Office Box 94095
Baton Rouge, Louisiana 70804

Dear Ms. Director:

This letter is in reference to your letter of July 25, 2004.

LABOR STANDARDS

Finding Number 101-0000-1-1-030
Enclosed is a copy of the written authorization from Prime Contractor, Inc. designating Ms. Drake as the authorized payroll signor.

FINANCIAL MANAGEMENT

Finding Number 101-0000-1-1-010
The missing bank statements and canceled checks requested in your letter are enclosed.

Finding Number 101-0000-1-1-011
Enclosed is documentation which supports that all City officials are now bonded in accordance with State Law.

FAIR HOUSING/EQUAL OPPORTUNITY

Finding Number 101-0000-1-1-040
A copy of the revised Section 3 Plan is enclosed.

Finding Number 101-0000-1-1-041

Documentation of other activities that we have now undertaken to further fair housing is enclosed.

PUBLIC FACILITY IMPROVEMENTS

Finding Number 101-0000-1-2-110
Enclosed is a letter from the Department of Health and Hospitals regarding their review of the plans and specs for the sewer project.

PROCUREMENT

Finding Number 101-0000-1-2-080
Our amended contract with the engineering firm is enclosed.

Sincerely,

Mayor

Enclosures

F-3

Monitoring

Checklists

Acquisition of Property (*Part 1*)

Aug-07

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

	Yes	No	N/A
1. Did application include acquisition by purchase or donation or lease?			
~ If ***Yes***, was the acquisition process started after grant award?			
~ If ***No***, should the application have included acquisition?			

Comments: _____

2. Was documentation of ownership or maintenance on file for grantee owned property or servitude acquired under R.S. 9:1253? [i.e., recorded plat map, title, attorney's statement]

Comments: _____

3. **Exempt acquisition** is land acquired from another public agency, temporary construction servitude or easement, voluntary acquisition, leases less than 15 years, etc.

Was exempt acquisition involved?

~ If ***Yes***, identify type of exempt acquisition under A., B., C., and/or D. below.

A. **Acquisition from another public agency?**

1) Identify other public agency: _____

2) Identify documentation; i.e., title, map, transfer, deed. _____

Comments: _____

B. **Temporary Construction Servitudes or Easements?** [Recommendation]

1) Is there a signed agreement from all property owners?
2) Does it include provisions for the contractor to survey, layout and construct the service connections?

Comments: _____

C. **Leases?**

If long-term lease, is it for a term of less than 15 years including options to extend?
[Uniform Act applies if lease is 15 years or longer; 14.99 years with an option to renew.]

[An executed lease must have had prior review from OCD.]

Comments: _____

	Yes	No	N/A
D. **Voluntary acquisition?**	____	____	____
1) Is there an adopted Voluntary Acquisition Policy?	____	____	____
2) Was a public solicitation notice published in the local newspaper prior to any voluntary acquisition activity?	____	____	____
~ If ***Yes***, did the notice explain or were the owners advised that unless the local governing body and the property owners agree on the terms and conditions of the sale, the property could not otherwise be acquired?	____	____	____
~ If ***No***, how was notification achieved? ____			
3) Were there at least two properties in the community which met the criteria established for the property to be acquired?	____	____	____
~ If ***No***, then the Voluntary Acquisition process cannot be completed. Did this occur?	____	____	____
~ If ***Yes***, why wasn't the Uniform Act followed? ____			
4) How many parcels were acquired using the Voluntary Acquisition process? ____			
5) List owners involved: ____			
6) Did an appraisal establish fair market value?	____	____	____
~ If ***No***, was the fair market value of the property established by a person familiar with real estate values in the community?	____	____	____

Comments / Recommended Corrective Action: ____

Acquisition of Property (*Part 2*)

April, 2003

Grantee: _____ Contract #: _____ FY: _____ Type: _____
Reviewer: _____ LGR: _____ Date: _____

1. Address of property acquired. _____

2. Use of property prior to the beginning of the acquisition process.

   ___ single family residential ___ industrial ___ non-profit organization ___ multi-family residential
   ___ commercial ___ other [identify] _____

3. Owners (Indicate whether occupant). _____

4. Tenants. _____

5. Current address and home and business telephone numbers of owners(s) to be interviewed.
   (Interviews should be conducted if review finds there may be some impropriety with the acquisition process.)

   _____

6. Significant dates. (Reviewer must determine that event actually occurred and was in compliance with HUD regulations. Reviewer must review the timing of these events and the reasons for any delays in order to determine if the owner was caused an unnecessary hardship that would warrant negative findings.)

   a. Date of Determination to Acquire: (Date of LCDBG Application). _____

   b. Date of "Notice of Intent to Acquire": _____

   c. When a Public Agency Acquired Your Property. Date grantee provided owner with the notice of land acquisition procedures? (usually the same date as b. above) _____

Appraisal Process…

7. Was an appraisal required? ***Yes*** ___ ***No*** ___

   ~ If **No**, explain why an appraisal was not required. (i.e., if the value of property was less than $10,000; voluntary acquisition; etc.)

   _____

   _____

   ~ If an appraisal was not conducted because the property was valued at less than $10,000, list the documentation used to determine the fair market value of the property.

   _____

   _____

~ If ***Yes*** ,

a. If requested by owner, did the grantee obtain an appraisal?

Yes ___ ***No*** ___ ***Amt.*** _____ ***Date*** _____

> If ***Yes*** , continue.

b. Was a review appraisal conducted? ***Yes*** ___ ***No*** ___ ***Amt.*** _____ ***Date*** _____

c. Does the appraisal and review appraisal disregard the influence of the project on the fair market value? ***Yes*** ___ ***No*** ___

d. Do you find the amount determined to be just compensation an acceptable conclusion of the fair market value of the property? ***Yes*** ___ ***No*** ___

e. Was the amount determined to be just compensation less than the grantee's approved appraisal of the fair market value of the property?

Yes ___ ***No*** ___ ***Amt.*** _____ ***Date*** _____

~ If ***Yes*** , explain. _____

_____

f. Were the owners invited to accompany the appraisers on their inspection of the property? ***Yes*** ___ ***No*** ___

Act of Sale/Donation/Condemnation/Quick Take…

8. a. Purchase Offer. Prior to any bargaining, did grantee furnish owner a firm written offer stating all basic terms and conditions to purchase his property at the full amount determined to be just compensation?

Yes ___ ***No*** ___ ***Date*** _____

b. Date owner accepts offer to donate, or rejects offer. _____

~ If donated, was the donation process carried out in a proper manner? ***Yes*** ___ ***No*** ___

> If **No**, randomly pick 2 donations. Call and ask how the process was handled.

~ Did the owners indicate they felt pressured into waiving their right to just compensation? ***Yes*** ___ ***No*** ___

> If ***Yes*** , explain. _____

c. Date final contract entered into: (all parties) _____

d. Date condemnation proceedings initiated, if applicable: _____

e. Date Quick Take proceedings initiated, if applicable: _____

f. Date estimated just compensation deposited with court: _____

g. Date title vested in agency: _____

h. Date 90-day notice to vacate property: _____

i. Summary Statement. Did the grantee provide the owner with a "Statement of the Basis for the Determination of Just Compensation" at the time the grantee furnished the owner with the written purchase offer? (Section 301 (3)) ***Yes*** ___ ***No*** ___

j. Payment of Just Compensation. Did the owner receive the amount determined to be just compensation for his property? (Section 301) ***Yes*** ___ ***No*** ___

k. Settlement Costs. Has grantee paid all settlement costs as required? (Sect. 303) ***Yes*** ___ ***No*** ___

9. General Acquisition Process. Based on the available evidence, did the grantee carry out the acquisition process in a manner that minimized hardships to the owners, and was the grantee consistent with its' treatment of other owners? (Section 301)

Yes ___ ***No*** ___

Comments / Recommended Corrective Action: _____

_____

_____

_____

_____

_____

Anti-displacement (Part 1)

November, 1996

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

	Yes	No	N/A
1. Is there a Residential Anti-displacement and Relocation file?			
~ If ***Yes***, does it contain the following information?			
a. Residential Anti-displacement and Relocation Plan			
b. resolution adopting the Plan			
c. Residential Anti-displacement/Relocation Certification			
d. if applicable, regulations, information booklets, relocation claim forms			
2. Does the Plan identify a person who is responsible for displacement and relocation compliance?			
~ If ***Yes***, identify: _____			
3. Was a person or business displaced as a result of this program?			

~ **If *Yes*, complete the Anti-displacement Checklist (Part 2).**

Comments / Recommended Corrective Action: _____

Compliance with National Objectives

November, 1996

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Activity(ies):	National Objective(s)*:	Verification:

Comments / Recommended Corrective Action: _____

* L/M = principal benefit to low-to-moderate income persons
S/B = prevention/elimination of slum and blight
U/N = urgent need
N/A = not applicable

[Review of Section 504 applicable through FY 2005. Not applicable beginning FY 2006.]

	Yes	No	N/A
"Summary of Previous Actions Taken"			
17. Has the grantee prepared a "Summary of Previous Actions Taken"?	____	____	____
a. Does it identify when the grantee conducted its Self-Evaluation?	____	____	____
b. According to the "Summary", did the Self-Evaluation address:			
⇨ Physical Accessibility	____	____	____
⇨ Communications	____	____	____
⇨ Employment	____	____	____
Physical Accessibility			
18. According to the "Summary of Previous Actions Taken", …			
a. did Self-Evaluation identify all non-housing facilities that provide services to the grantee?	____	____	____
b. were facilities identified as "new" and "existing"? ("existing" means constructed, altered or designed before July 11, 1988; "new" means after this date.)	____	____	____
c. did the Self-Evaluation identify any physical barriers that impede accessibility to any programs or activities?	____	____	____
~ If ***Yes***, continue.			
d. did the grantee make physical alterations to provide for accessibility?	____	____	____
e. were all physical barriers identified in the Self-Evaluation removed?	____	____	____
~ If ***No***, continue.			
19. For "existing" facilities with continuing physical barriers, according to the "Summary of Previous Actions",			
a. have new policies or practices been adopted or existing ones modified or revised in order to achieve accessibility such as relocation, home visits, selective alterations? (24 CFR 8.21(2))	____	____	____
b. has community's adopted policies and/or practices been modified to achieve accessibility for all physical barriers identified?	____	____	____
~ If ***No***, continue.			
c. has grantee determined that making facility accessible and usable by individuals with handicaps would impose either an undue financial and administrative burden, or demonstrated that it would result in a fundamental alteration in the nature of the program or activity? (24 CFR 8.21 (b)(I)(ii))	____	____	____
d. did the grantee identify any facilities as "new"? ~ If ***Yes***, continue.	____	____	____
e. did the grantee identify all "new" facilities as accessible?	____	____	____
~ If ***No***, inaccessibility must be addressed in **Transition Plan** below.			
Communications			
20. According to the "Summary of Previous Actions Taken", …			
a. did the Self-Evaluation identify any impediments to communications accessibility? ~ If ***Yes***, continue.	____	____	____
b. did the grantee adopt policies to remedy impediments?	____	____	____
Current Policies			
c. does the grantee use the LA Relay System, and if so, is it advertised?	____	____	____
d. does the grantee operate a 24 hour emergency service?	____	____	____
~ If ***Yes***, continue.			
e. does the grantee have a functioning TDD?	____	____	____

	Yes	No	N/A

Employment

21. According to the "Summary of Previous Actions Taken", …
    a. did the Self-Evaluation identify any practices discriminatory towards disabled persons? (i.e., advertising, tests, selection criteria, job assignment, etc.) _____ _____ _____
       ~ If ***Yes***, continue.
    b. did the grantee adopt policies to remedy impediments? _____ _____ _____

    Current Policies

    c. does the grantee have any disabled employees? _____ _____ _____
       ~ If ***Yes***, continue.
    d. are reasonable accommodations made for a qualified applicant or employee with a disability? (restructuring/relocating job, modifying schedule, acquiring or modifying equipment, providing reader/interpreter. This can be a policy statement). _____ _____ _____

Other Section 504 Requirements, as applicable

`If grantee has less than 15 employees, go to 'Transition Plan'. Otherwise continue.`

22. a. Has grantee designated a Section 504 coordinator? _____ _____ _____
    b. Adopted a grievance procedure for complaints alleging prohibited actions? _____ _____ _____
    c. Complied with notice in Section 504 handbook which states that grantee "does not discriminate against participants, beneficiaries, applicants, employees or unions or organizations with whom they have collective bargaining agreements, in admission or access to or treatment or employment treatment or employment in its federally assisted programs or activities"? _____ _____ _____
       i. If ***Yes***, does notice list the Section 504 coordinator? _____ _____ _____
       ii. Note method grantee used to make notification.

       _____

Grantee's Transition Plan

23. Has grantee acquired an "existing" facility that is not physically accessible and intends to renovate it before occupation? _____ _____ _____

    OR,

    Has the U.S. Justice Dept. required the grantee to make a facility physically accessible? _____ _____ _____
       ~ If ***Yes***, continue.
24. Has a plan been developed listing all steps needed to complete the changes? _____ _____ _____
       ~ If ***Yes***,
    a. Does the plan identify a compliance officer? _____ _____ _____
    b. Does it list handicap resources used in writing the plan? _____ _____ _____
    c. Does the plan identify all impediments? _____ _____ _____
    d. Does it describe how all facilities will be made accessible? _____ _____ _____
    e. Is there a time schedule for rectifying all impediments? _____ _____ _____
       Note time period - _____
       i. Are the renovations on schedule? _____ _____ _____
       ii. If ***No***, should the time schedule be revised? _____ _____ _____

Comments / Recommended Corrective Action: _____

	Yes	No	N/A

Allowable Costs

19. Were purchases of supplies and leasing of equipment justified? _____ _____ _____

20. Was a lease vs. purchase analysis carried out and documented? _____ _____ _____

21. Are purchases documented with purchase orders and requisitions? _____ _____ _____

Comments: _____

Source Documentation

22. Are accounting records [journal entries] supported by adequate source documentation? [cancelled checks, invoices, contracts] _____ _____ _____

23. Was employee time charged to the LCDBG Program adequately documented with time sheets and/or other source documents? _____ _____ _____
    ~ If ***Yes*** , are the transactions regarding employee time recorded properly in general and ledger? _____ _____ _____

Comments: _____

Cash Management

24. Are LCDBG funds deposited in a non-interest bearing account? _____ _____ _____

25. Are all checks pre-printed and pre-numbered? _____ _____ _____

26. Are 'other' funds deposited in the LCDBG account? _____ _____ _____

27. Are bank statements reconciled upon receipt? _____ _____ _____

28. Is there evidence of a violation of the '3-day rule'? _____ _____ _____

	Date Rec'd	Check #	Dollar Amt.	Check Written	Check Cleared *
RFP#:					
RFP#:					
RFP#:					

* If more than *30 days* has lapsed, a written explanation must be requested in writing.

29. Financial Institution: _____ Account Number: _____

30. Last cash disbursement: Check # _____ Date _____ Amount _____

Comments: _____

	Yes	No	N/A
31. Were the grantee's accounting records and financial practices sufficient to:			
a. permit the preparation of required financial reports? (24CFR 85.20(a)(1)) **and / or**	_____	_____	_____
b. permit the tracing of LCDBG funds to establish that such funds have not been used in violation of the restrictions & prohibitions of applicable statues and regulations? (24CFR 85.20 (a)(2))	_____	_____	_____

What are the specific problems? _____

_____

inform grantee that no more money can be requested or disbursed until deficiencies are corr

Comments / Recommended Corrective Action: _____

_____

_____

_____

Labor Standards

Dec-08

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

	Prime Contractor 1	Prime Contractor 2	Prime Contractor 3
Contractor			
Bid Opening Date			
Date of Eligibility			
Date of Contract Award			
Lock-In Date			
Total Contract Award			
Work Description			
A. Decision Type			
Effective Decision #			
Effective Mod #			
Effective Issue Date			
B. Decision Type			
Effective Decision #			
Effective Mod #			
Effective Issue Date			

	Prime 1 Interviews	Prime 2 Interviews	Prime 3 Interviews
Employee Interviews			
List Worker Classifications and Rates as Determined by Employee Interviews			

Name of Sub(s) →	4	5
Employee Interviews		

Name of Sub(s) →	6	7
Employee Interviews		

Primes | Subs (from page one)	1	2	3	4	5	6	7

1. Were interviews, as described on page 4, completed?

2. Were weekly payrolls submitted and properly reviewed?

3. Did a company owner/officer or a person with written authorization sign the payrolls?

4. Did the inspection reports provide the basic elements needed to verify Davis-Bacon such as a description of work performed, worker classifications, and equipment on the jobsite?
   Yes _____ No _____

5. Did the wage decision(s) have all job classifications needed by each contractor based on factors such as inspection reports, project type, site visits, etc. ?
   Yes No

6. Were proper additional classifications requested?

7. Did the payrolls (or corrected payrolls) properly classify workers?

8. Did the wage decision(s) require fringes for any classification used by each contractor?
   No Yes

9. If fringes were required, did the contractor check Box 4-b indicating payment in cash?
   Yes No

10. Did Box 4-a indicate fringe benefit payment(s) into an approved plan?
    No Yes

    When answering #12 below, allow credit for no more than the fringe amount listed on the wage decision unless a schedule of fringe benefit payments indicates a higher amount(s).

11. Is there any reason to further investigate "Box 4-a" fringe payments?
    Yes No

12. Were Davis-Bacon compensation requirements met? (Without having to make restitution)
    Yes No

    Describe deficiency(ies): _____

Primes	Subs	(from page one)	1	2	3	4	5	6	7

13. Who detected the Davis-Bacon deficiency(ies)? _____

14. Have Davis-Bacon restitution procedures been initiated and/or completed?

15. Was there any overtime?
No Yes

16. Was there any deficiency in the calculation of overtime rates?
No Yes

17. Describe the overtime deficiency(ies): _____

18. Who detected the overtime deficiency(ies)? _____

19. Have overtime restitution procedures been initiated and/or completed?

20. Have liquidated damages procedures been initiated and/or completed?
(Applicable only to contracts over $100,000.00 under CWHSSA)

> A Labor Standards Enforcement Report (LSER) is required during a project if restitution by a contractor exceeds $1,000.00. In contrast, the Final Wage Compliance Report (FWCP) is required at a later date with closeout documents after construction is complete and should include all restitution paid whether previously reported or not.

21. Has the requirement for a LSER been triggered?
No Yes

22. Has the process of submitting a LSER been initiated and/or completed?

23. Based on activity thus far, should the Final Wage Compliance Report reflect restitution?
(If yes, inform the Consultant.)

24. Were there "other" deductions on the payroll reports?
No Yes

25. If there were "other" deductions, were employee consent forms used?

Prime Contractors Only 1 2 3

26. Was the proper wage decision(s) made part of the bid document before the bid opening? (By original inclusion in the bid document(s) or by addendum to the bid document(s))

_____ _____ _____

27. Did the local government receive a fully executed Verification of Wage Decision and Contractor Eligibility form from OCD prior to the award of the construction contract?

Yes No _____ _____ _____

28. Does a resolution from the local government state that the award will be contingent on verification of wage decision and contractor eligibility?

_____ _____ _____

29. Was the "Notice of Contract Award" sent to OCD?

No Yes _____ _____ _____

30. Was the Notice of Contract Award rec'd by OCD within 30 days of the award date?

_____ _____ _____

31. Was the construction contract awarded more than 90 days after the bid opening?

_____ _____ _____

32. Was the proper wage decision made a part of the construction contract?

_____ _____ _____

33. Were the Davis-Bacon and EEO posters accessible to workers?

_____ _____ _____

34. Was the Project Wage Rate Sheet or the Wage Decision, one of the two, accessible?

_____ _____ _____

Employee Interviews

Interviews shall include employees of the following contractors:

- All Prime Contractors and any subcontractor with a contract of $100,000 or more
- Subcontractors with a large number of payroll problems with contracts of less than $100,000
- Other subcontractors, not listed above, that are on the jobsite on the date of the above interviews

One person of each classification present on the interview date(s) and 50% of all laborers should be interviewed.

Comments / Recommended Corrective Action: _____

_____

_____

_____

Grantee: _____ Contract #: _____ FY: _____ Type: _____
Reviewer: _____ LGR: _____ Date: _____

1. Identify all professional services contracts and amounts executed by grantee, and determine whether the contract amounts exceed the amounts allowed by OCD.

	Contract Amounts:	OCD approved amounts:
Administrative Consultant	(Admin, Pre-agreement)	(Admin, Pre-agreement)
	(General Admin-Consultant)	(General Admin Consultant)

If the contract amount for pre-agreement and general admin. exceeds the OCD approved amounts, is there documentation of prior approval? ***Yes*** ___ ***No*** ___ ***N/A*** ___

	Contract Amounts:	OCD approved amounts:
Project Engineer	(Engineer, Pre-agreement)	(Engineer, Pre-agreement)
	(Basic Engineering)	(Basic Engineering)
	(Inspections)	(Inspections)
	(Topo Survey)	(Topo Survey)
	(Property Survey)	(Property Survey)
	(Testing)	(Testing)
	(Construction Staking)	(Construction Staking)
	(Other)	(Other)

If contract amount for any item listed above exceeds the OCD approved amount, is there documentation of prior approval? ***Yes*** ___ ***No*** ___ ***N/A*** ___

Testing: _____ $ _____

Appraiser: _____ $ _____

Review Appraiser: _____ $ _____

Legal: _____ $ _____

Auditor: _____ $ _____

Other: _____ $ _____

Program Performance

November, 1996

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

Contract End Date: _____ Percent Drawn To- Date: _____

		Yes	No
1.	Is the program progressing in accordance with the current time schedule?	____	____

~ If ***No*** , list the activity(ies) that is behind schedule and explain why.

Activity: _____ Reason for delay: _____

_____

Activity: _____ Reason for delay: _____

_____

2.	Do you think the grantee can meet the current time schedule?	____	____

~ If ***No*** , explain: _____

3.	Was a revised schedule discussed?	____	____
4.	Are there problems which could make the overall program infeasible?	____	____

Comments / Recommended Corrective Action: _____

_____

Record Keeping

September, 2000

Grantee: _____ Contract #: _____ FY: _____ Type: _____

		Yes	No
1.	Does the filing system follow the model provided in the grantee handbook?	____	____
2.	Was it difficult to find information or documentation during the review?	____	____

~ If ***Yes*** , explain: _____

3.	Does grantee have another active grant, conditionally closed grant or grant that received a final closeout in the last four years?	____	____

~ If ***Yes*** , view files and review past monitoring letters for repetitive deficiencies.

Comments / Recommended Corrective Action: _____

_____

Public Improvements / Force Account

Jun-08

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

Contractor 1: _____ Contract Amount: _____

Contractor 2: _____ Contract Amount: _____

Contractor 3: _____ Contract Amount: _____

Sub-contractor 1: _____ Sub-contractor 2: _____

	Contractor 1	Contractor 2	Contractor 3
Bid Ad Dates			
Bid Opening Date			
Award Date			
Description of Work			

(answer: ***Yes***, ***No*** *or* ***N/A***) **Contractors:** ***1*** ***2*** ***3***

1. a. Is there a Certificate for Compliance with Minimum Standards for Accessibility by the Physically Handicapped? _____

   b. Has the State Fire Marshall issued a 'certificate of occupancy'? _____

2. Is there documentation to support that acquisition of property was not necessary? _____

   ~ If ***Yes***, identify? _____

3. Did DHH review/approve plans/specs for the sewer/water project? _____

   ~ If ***Yes***, is DHH's letter dated prior to start of construction? _____

4. Is any additional work being performed? _____ _____ _____

   ~ If ***Yes***, explain? _____

5. Does project site in application compare to actual site? (view site) _____ _____ _____

6. Is the project sign prominently displayed? _____ _____ _____

7. a. If grant provides hook-ups or service line repairs to L/M income families, does the residents' application for services include documentation which supports amount of annual income? (effective beginning 2/1/2000) _____

   b. Were work authorizations obtained from the property owners? _____

8. Were special assessments levied on property owners as a result of this project? (hook-up or tap-on fees) _____

Force Account

	Yes	No	N/A
36. Did grantee have prior written approval from OCD to use 'Force Account"?			
~ If ***Yes*** , did grantee follow the "LCDBG Guidelines for Force Account"? [Refer to the guidelines to review.]			

Comments / Recommended Corrective Action: _____

Housing Rehabilitation *(Part 1)*

May, 2004

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

1. Number of units approved for: _____ (Rehabilitation) Number of units: _____ (Rehabilitated)

   _____ (Replacement/Reconstruction) _____ (Replaced/Reconstructed)

   _____ (Demolition) _____ (Demolished)

   [Demolition includes both vacant demolition and replacement/reconstruction units.]

		Yes	***No***	***N/A***
2.	Does it appear the proposed rehab/replacement/reconstruction/demolition will be completed?	____	____	____
	~ If ***No***, explain. _____			
3.	Are the program guidelines being followed and, is a deferred loan/payment program being used?	____	____	____
	~ If ***Yes***, is the property being legally liened?	____	____	____
4.	Are individual files being maintained for each rehabilitated unit?	____	____	____
5.	What standards are being used to determine the extent of rehabilitation that is necessary? _____			
6.	Did advertisement call bidders attention to; Section 3 *and* Section 109	____	____	____
	E. O. 11246	____	____	____
	Segregated Facility	____	____	____
7.	Are site inspections used for assuring timely completion of work and payments?	____	____	____
	a) Who performs the inspections? _____			
	b) What is their prior experience? _____			
8.	a) What is the average cost per, _____ (Rehabilitation) b) Are these consistent with the application?	____	____	____
	_____ (Replacement/Reconstruction)			
	_____ (Demolition)			
	~ If ***No***, explain. _____			

	Yes	No	N/A
9. Did any individual grant/loan exceed the locally determined maximum average amount, if applicable?	_____	_____	_____

~ If ***Yes***, explain. _____

Comments / Recommended Corrective Actic _____

_____

Housing Rehabilitation Plan

10. Have Rehabilitation guidelines [policies/procedures] been developed and approved by the local governing body?	_____	_____	_____
11. Do the guidelines…			
• state eligibility requirements for participation including household income, asse ownership, occupancy, need for Rehabilitation, geographical boundaries, rehabilitation feasibility, etc.?	_____	_____	_____
• establish a maximum average grant and/or loan limitation considering the conc of the targeted housing stock and the needs of the Program clien	_____	_____	_____
• identity a property rehabilitation standard? (*Section 8 Housing Quality Standan Southern Standard Housing Code, local housing code, etc.*	_____	_____	_____
• require each Rehabilitated unit to comply at a minimum with the Section 8 Hou Quality Standards and Cost Effective Energy Conservation Stand:	_____	_____	_____
• require each unit to comply with the Fire Administration Authorization Act of 1! (at a minimum, installed 2 hard-wired and/or battery operated smoke detect	_____	_____	_____
• establish procedures to ensure compliance with the Lead-Based Paint regu	_____	_____	_____
• clearly identify eligible Rehabilitation costs?	_____	_____	_____
• define the roles and responsibilities of program staff and the property owner an contractor through all phases of program delivery?	_____	_____	_____
• include or reference all procedures and forms for application processing and financial and construction management?	_____	_____	_____
• *if applicable,* establish a coordinated relationship with the local code enforc program?	_____	_____	_____
• include actions to recruit and assist contractors? (*small, minority and/or fe*	_____	_____	_____
• include minimum qualifications for contractors, and provide for the evaluation of contractor credentials, including the contractor's license/registration numbe	_____	_____	_____
• include appropriate measures to deny participation to contractors who fail to pe in a satisfactory manner?	_____	_____	_____
• require the preparation of a detailed work write-up and cost estimate for eac	_____	_____	_____
• include general Rehabilitation specifications that adequately prescribe material methods and workmanship quality?	_____	_____	_____
• include a grievance procedure or other mechanism to correct deficiencies in th Housing Rehabilitation program after final inspection?	_____	_____	_____

Comments / Recommended Corrective Actic _____

_____

11. Do the guidelines…

- state eligibility requirements for participation including household income, asse ownership, occupancy, need for Rehabilitation, geographical boundaries, rehabilitation feasibility, etc.? _____ _____ _____
- establish a maximum average grant and/or loan limitation considering the conc of the targeted housing stock and the needs of the Program clien _____ _____ _____
- identity a property rehabilitation standard? (*Section 8 Housing Quality Standar Southern Standard Housing Code, local housing code, etc.* _____ _____ _____
- require each Rehabilitated unit to comply at a minimum with the Section 8 Hou Quality Standards and Cost Effective Energy Conservation Stand _____ _____ _____
- require each unit to comply with the Fire Administration Authorization Act of 1 (at a minimum, installed 2 hard-wired and/or battery operated smoke detect _____ _____ _____
- establish procedures to ensure compliance with the Lead-Based Paint regu _____ _____ _____
- clearly identify eligible Rehabilitation costs? _____ _____ _____
- define the roles and responsibilities of program staff and the property owner an contractor through all phases of program delivery? _____ _____ _____
- include or reference all procedures and forms for application processing and financial and construction management? _____ _____ _____
- *if applicable,* establish a coordinated relationship with the local code enforc program? _____ _____ _____
- include actions to recruit and assist contractors? (*small, minority and/or fe* _____ _____ _____
- include minimum qualifications for contractors, and provide for the evaluation of contractor credentials, including the contractor's license/registration numbe _____ _____ _____
- include appropriate measures to deny participation to contractors who fail to pe in a satisfactory manner? _____ _____ _____
- require the preparation of a detailed work write-up and cost estimate for eac _____ _____ _____
- include general Rehabilitation specifications that adequately prescribe material methods and workmanship quality? _____ _____ _____
- include a grievance procedure or other mechanism to correct deficiencies in th Housing Rehabilitation program after final inspection? _____ _____ _____

Comments / Recommended Corrective Actic _____

_____

Housing Rehabilitation (*Part 2*)

May, 2004

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer _____ LGR: _____ Date: _____

This checklist must be completed for each unit reviewed.

Owner/Occupant (*Head of Household*) _____

Address _____

Deffered loan amount $ _____

Check all that apply: ☐ single family ☐ duplex ☐ upper income H ☐ low/moderate income HH

_____ Number of units in structure undergoing rehabilitation

_____ Date of final verification of all household application data

_____ Date work write-up and cost estimate prepared

_____ Date of advertisement for bids for this unit

_____ Date contract signed

_____ Date Notice to Proceed issued

		Yes	No
1.	Was household income data verified?	_____	_____
2.	Is information available which indicates that the eligibility criteria of the program guidelines have been met?	_____	_____
3.	Was the work write-up and/or plans signed by the owner?	_____	_____
4.	Were bids in line with the preliminary cost estimates and work write-up?	_____	_____
5.	Was contracting done on a competitive basis?	_____	_____
6.	Contractor: _____ Date cleared: _____		
	Contractor: _____ Date cleared: _____		
	Was the prime contractor(s) clear prior to contract execution?	_____	_____
7.	Was D.S.S. contracted to verify that the contractor(s) is current in his child support payments, if applicable?	_____	_____
8.	Was contractor's general liability and workman's compensation insurance verified?	_____	_____

		Yes	No
9.	Does the contract include:		
	• Title VI Clause	_____	_____
	• E.O. 11246 Standard Clause (*above $10K*) or 3 paragraph E.O. Provisions (*$10K or*	_____	_____
	• Notice of Requirement for Affirmative Action (*above $10,00*	_____	_____
	• Standard E.O. 11246 Specifications (*goals inserted - above $10,*	_____	_____
	• Section 109 Clause	_____	_____
	• Section 3 Clause	_____	_____
	• Segregated Facilities Clause	_____	_____
	• Lead Base Paint Clause	_____	_____
	• Fire Administration Authorization Act of 1992	_____	_____
	• Access to Records/Maintenance of Records Clause	_____	_____
	• Conflict of Interest	_____	_____
	• Contractor/Subcontractor certification of EEO HUD 950.1 and 950.2 (*above $10,0*	_____	_____
10.	Was the homeowner required to temporarily relocate to another unit?	_____	_____
	~ If ***Yes*** • Was the unit inspected for Section 8 compliance?	_____	_____
	• Did this unit pass ____ or fail ____ Section 8 compliance?		
	• Was the homeowner notified of the pass/fail status of this unit?	_____	_____
11.	Were systematic site inspections made prior to making progress payments?	_____	_____
12.	Was a final inspection made upon receipt of the final invoice from the contractor?	_____	_____
13.	Is there a dated notification "Watch Out for Lead-Based Paint Poisoning" form signed by the homeowner or tenant?	_____	_____
14.	Are homeowners being insured through the national flood insurance program?	_____	_____
15.	Was this home in a flood zone?	_____	_____
	~ If ***Yes***, did grantee follow its adopted Floodplain Ordinance for construction?	_____	_____
16.	Did grantee address deficiencies identified in the application? (handicapped features, etc	_____	_____
17.	Was the job completed in accordance with the contract and warranty?	_____	_____
18.	Was a "Notice of Acceptance of Work" issued?	_____	_____
19.	Was a "Notification of Release of Lien" and applicable warranties received from the contractor, all subcontractors and suppliers?	_____	_____
20.	Was final payment made at the end of the required lien period?	_____	_____
21.	Was a lien filed on the rehab unit at the clerk of court's office as per our minimum 5 year deferred loan program policy?	_____	_____

Comments / Recommended Corrective Actic_____

ECONOMIC DEVELOPMENT (*part 1*)

November, 1996

Grantee:_____ Contract #:_____ FY:_____

Reviewed By:_____ LGR:_____ Date:_____

Company Name: _____

Address: _____

Responsible Official: _____

Activity Description: _____

_____

_____

(JTPA participants are acceptable as low/moderate beneficiaries except those participants on the dislocated workers program.)

		Yes	***No***	***N/A***
1.	Date of last financial review _____ for the period ending _____ .			
	Number of reviews conducted to date: _____ .			
	Date of last annual statement review _____ for period ending _____ .			
2.	Has the grantee's loan to the developer been secured (*mortgage, etc.*) in the manner described in Exhibit D of our contract with the contractor?	____	____	____
	Comments: _____			
3.	In general, have all currently applicable provisions of our contract with the grantee been carried out as described, especially Exhibits A - E?	____	____	____
	Comments: _____			

VERIFICATION OF JOBS CREATED AND/OR RETAINED

4. Number of jobs to be created and/or retained as stated in contract: _____

5. Review payroll prior to grant award, if applicable. Mainly or expansions.

   Date of payroll: _____ Number of existing jobs: _____

6. Review current payroll.

   Date of payroll: _____ Number of existing jobs: _____

7. Review job certifications.

   a) Number of jobs to be created and/or retained: _____

   b) Number of jobs given to persons of low/moderate income households: _____

   c) Number of jobs given to low income households: _____

   d) Number of jobs given to high income households: _____

8. Does the current payroll match the job certifications? _____***Yes*** _____ ***No*** _____ ***N/A***

9. What is the low/moderate income limits for this locality? $_____

10. What is the percent of low/moderate new hires? _____%

11. Has this grant met its job creation goals? _____***Yes*** _____ ***No*** _____ ***N/A***

    ~ If *No*, explain: _____

    _____

12. LCDBG funds less administration $_____ divided by total number of jobs _____

    = cost per job $_____ .

13. Was the National Objective met? _____***Yes*** _____ ***No*** _____ ***N/A***

14. Is another monitoring visit required to verify job creation and compliance with the National Objective? _____***Yes*** _____ ***No*** _____ ***N/A***

* If Yes, plan a second monitoring visit & send a letter to the grantee informing them of their lack of compliance in this area.

All other applicable monitoring checklists must be completed. (*i.e., Program Performance, FH/EO, Financial Management, Labor Standards (if Davis-Bacon is applicable), etc.*

ECONOMIC DEVELOPMENT (*part 2*)

November, 1996

Grantee: _____ Contract #: _____ FY: _____

Reviewed By: _____ LGR: _____ Date: _____

Developer: _____

FINANCIAL STATEMENT ANALYSIS

1. Ending Date of Financial Statement: _____

   Date Financial Statement Received: _____

   Date Previous Financial Statement Received: _____

2. Type of Financial Statement: ___ *Internal* ___ *Compilation* ___ *Reviewed* ___ *Audit*

3. Period of Financial Statement: ___ *Interim* ___ *Monthly* ___ *Quarterly* ___ *Annual*

	Yes	***No***	***N/A***
4. Does the Financial Statement have the following:			
a) Income Statement	____	____	____
b) Beginning Balance Sheet	____	____	____
c) Ending Balance Sheet	____	____	____
d) Statement of Cash Flows	____	____	____
e) CPA Statement	____	____	____
f) Required Footnote Disclosures	____	____	____

5. Financial Statement Analysis:

   A. Profitability Indicators -

   B. Asset Management Indicators -

   C. Liquidity/Solvency Indicators -

   D. Other Indicators or Comments -

			Yes	***No***	***N/A***
6.	Based upon your review, are the following indicated?				
	a.	LCDBG funds have been used as described in the application and in the contract.	____	____	____
	b.	The stipulated amount of private investment has been made.	____	____	____
	c.	The ratio of private investment to LCDBG funds meets the minimum requirements as stipulated in the contract.	____	____	____

7. Other issues or comments: _____

_____

_____

8. Date review completed: _____

RESIDENTIAL RELOCATION / DISPLACEMENT (*part 1*)

November, '96

Grantee:_____ **Contract #:**_____ **FY:**_____

Reviewed By:_____ **LGR:**_____ **Date:**_____

Review grantee's involvement in permanent relocation of persons displaced by acquisition of property and non-Uniform Act activities. The checklist is for both relocation activities under the Uniform Act and non-Uniform Act. A minimum of five parcels must be reviewed if the total number of relocations is less than fifty. For more than fifty, a total of 10% or a maximum of twenty must be reviewed for compliance.

Uniform Act Relocation And Displacement

		Yes	***No***	***N/A***
1.	Was or is permanent displacement anticipated as a result of the LCDBG Program?	____	____	____

Comments: _____

↳ If *Yes*, continue. If *No*, it is not necessary to complete this checklist.

2. Total number of displacements subject to the Uniform Act: _____

- How many are 180 day owner occupied?_____
- How many are 180 day renter occupied?_____
- How many are 180 day business related?_____
- How many are 180 day farm related?_____
- Other (*specify*): _____

Comments: _____

3. Total number of displacements not be subject to the Uniform Act: _____

4.	Were the displacements carried out in accordance with the Act?	____	____	____

↳ If *No*, explain how these relocations do not conform to the Act? _____

_____

5.	Were replacement units inspected for Section 8 compliance?	____	____	____

Comments: _____

6.	Were relocation/displacement payments made in accordance with Uniform Act requirements?	____	____	____

Comments: _____

Complete the "Residential Relocation/Displacement Checklist (part 2)" for Uniform Act activities. (not attached in Handbook)

Non-Uniform Act Relocation And Displacement

		Yes	***No***	***N/A***
1.	Does the grantee have a locally adopted relocation policy covering non-Uniform Act relocation procedures?	____	____	____
	Comments: _____			
2.	Were non-Uniform Act displacements carried out in accordance with the relocation policy?	____	____	____
	Comments: _____			

Complete the "Residential Relocation/Displacement Checklist (part 3)" for non-Uniform Act Activities. (not attached in Handbook)

PROGRAM COMPLETION REPORT

COVER SHEET

---

1. Name of Grantee 2. Address of Grantee

---

3. Contract Number

---

4. Citizen participation information submitted with this report includes the following:

   (a) A summary of each citizen comment received during program implementation, the grantee assessment of the comment, and a description of actions taken or to be taken in response to the comment.

   (b) Specific information on each required public hearing held which includes the purpose of the public hearing and the date(s) of each; and a copy of the public notice, attendance roster, and minutes of the public hearing on performance.

---

5. The grantee's chief elected official certifies that:

   (a) To the best of his/her knowledge and belief the data in this report is true and correct as of the date identified below;

   (b) The records described in this report are being maintained and will be made available upon request.

---

6. Typed name and title of chief elected official

---

7. Signature 8. Date

INSTRUCTIONS FOR THE COVER SHEET

ITEM
NUMBER

1. Enter the name of your local government (municipality or parish).

2. Enter the official address of the local government.

3. Enter the contract number for the LCDBG program that is being closed out.

4. Attach the citizen participation information as identified and required. As a reminder, public hearings are required: a) for the development of the LCDBG application, b) for comments regarding any amendments to the Program, and c) for review of the grantee's program performance as a part of closeout. Identify the date and purpose of each public hearing. Also include a summary of each comment received during the program and the local governing body's response to each comment received. These comments must also include any complaints received regarding the program.

5. The Mayor's/President's signature on this page certifies that the data in the report is correct and the LCDBG Program files are being maintained in the local governing body's offices.

6. Type in the name and title of the chief elected official, e.g., the Mayor/President.

7. The Mayor/President must sign in this block.

8. Enter the date signed.

CITIZEN PARTICIPATION INFORMATION

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
GRANT PROGRESS FORM

1. Grantee:

2. Contract Number:

3. Name of Activity	4. National Objective Addressed	5. Actions Accomplished	6. Actions Remaining to Anticipated Completion Date	7.* Current LCDBG Budget	8.* LCDBG Funds Obligated	9.* LCDBG Funds Expended
			10. TOTAL	$	$	$

*If other funds were injected into the project, attach a separate sheet identifying the amount of, source of, and use of funds for each activity. This is required for all economic development projects; however, it may also pertain to housing, public facilities, demonstrated needs, or other types of projects. The amounts shown in columns 7, 8, and 9 should involve only LCDBG funds.

INSTRUCTIONS FOR THE GRANT PROGRESS FORM

ITEM
NUMBER

1. Type in the name of your City/Parish.

2. Type in the contract number.

3. List the name of each activity identified exactly as it is shown in the contract or as established by any program amendments; for example, sewer system improvements, housing rehabilitation, demolition, etc. Acquisition will not be shown as a separate activity. If acquisition of land was necessary to complete a sewer project, the funds for acquisition will be included with the funds for sewer.

4. Note the national objective served by each activity, e.g., "benefit to low moderate income persons" or "prevention/elimination of slums and blight." Although administration will be identified as an activity, do not identify that a national objective has been addressed by this activity.

5. Identify the specific actions accomplished under this activity, e.g., "replacement of 750 linear feet of sewer line, rehab of 24 houses, demolition of 3 houses," etc.

6. List the actions remaining to complete the activity and anticipated completion date, e.g., "finishing, inspection, and acceptance (5/03)" or identify the activity as "completed". In most instances, all of the activities will be completed when this form is prepared.

7. Show the current approved LCDBG amount budgeted for each activity.

8. List the total amount of LCDBG funds obligated for each activity as of the date of the report. The amount obligated generally means the amount under contract or for which expenses have been incurred. If other funds (state, local, or federal) were injected into the project, attach a separate sheet identifying the source of funds and use of funds for each activity. All economic development projects involve other funds; therefore, the amount, source and use of other funds (private and/or public) must be identified for economic development projects. Other funds may also have been used in conjunction with a housing, public facilities, demonstrated needs, LaSTEP or technology project.

9. Show the total LCDBG funds expended for each activity as of the date of the report.

10. Enter the total amounts under columns 7, 8, and 9.

Louisiana Community Development Block Grant -- Program Beneficiary Form

1 Name of Grantee _____ 4 FY / Type _____

2 Contract Number _____ 5 Comments _____

3

6	Name of Activity		
7	(Income Levels)		Persons
8	Total--All Income Levels		
9	LMI Percentage		
10	Extremely Low Income		
11	Low Income		
12	Moderate Income		
13	Above Income		
14	(Racial Groups) American Indian or Alaskan Native	Total	
		Hispanic	
15	Asian	Total	
		Hispanic	
16	Black or African American	Total	
		Hispanic	
17	Native Hawaiian or Pacific Islander	Total	
		Hispanic	
18	White	Total	
		Hispanic	
19	American Indian and White	Total	
		Hispanic	
20	Asian and White	Total	
		Hispanic	
21	Black and White	Total	
		Hispanic	
22	American Indian and Black	Total	
		Hispanic	
23	Other Multi-racial	Total	
		Hispanic	
24	Total--All Racial Groups	Total	
		Hispanic	
25	Handicapped Persons		
26	Handicapped Head of HH		
27	Female-Headed Households		
28	Elderly-Occupied Households		
29	Total Occupied Households		

30	Rehabilitation Loans and Grants			
31	Persons		Households	
	Owner	Renter	Owner	Renter
32				
33				
34				
35				
36				
37	Persons		Owner	Renter
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50	Handicapped Head of HH			
51	Fem. Headed O/R HH			
52	Elderly-Occupied HH			
53	Total HH			

54	Source(s) for determining beneficiary data:			
55	We certify that to the best of our knowledge and belief the beneficiary data on this form is correct. For those projects involving utility line connections on private property, the household information reflects only households physically connected to the system with LCDBG funds. For Economic Development projects, the engineer's signature is not required.			
56	Signature, Chief Elected Official		Date	
57	Signature, Grant Consultant		Date	
58	Signature, Engineer/Architect		Date	

Instructions for the Program Beneficiary Form

Objective: The Program Beneficiary Form reports actual beneficiaries of an LCDBG project which has been completed. In contrast, the Activity Beneficiary Form(s) of the original LCDBG application reported the anticipated beneficiaries of a future project.

Data Sources: Data sources for the completion of the Program Beneficiary Form may include:

- The original Activity Beneficiary Form or original combined Activity Beneficiary Form
- A revised Activity Beneficiary Form as prepared during the application revision stage of the grant
- Known beneficiary changes that occurred during the project
- Beneficiary data from a Program Amendment
- An actual count of beneficiaries

Row 1: "Name of Grantee": Enter the name of the grant recipient. Example: Abbeville

Row 2: "Contract Number": Enter the six digit LCDBG contract number. Example: 555555

Row 3: This blank line will normally remain blank but may be used for extra comments.

Row 4: "FY / Type": For "FY" Enter the funding year of the grant. Example: 2008 "Type" refers to the program type which may be one of the following: DN, DR, ED, HO, LS, PA, PF, or TE. Enter the type.

The Left Panel, Rows 6 through 29, and the Right Panel, rows 30 through 53: The left panel is used to report beneficiaries for a non-housing activity. The right panel is used to report beneficiaries for a housing grant and any other grant with "Rehabilitation Loans and Grants" as an activity. Examples:

- Only the left panel would be completed on a Public Facilities sewer project with no utility line connection work on private property.
- Both the left and right panels would be completed on a Public Facilities sewer project with utility line connection work on private property paid for with LCDBG funds.
- Only the right panel would be completed for a Housing grant.
- Only the left panel would be completed for an Economic Development grant. The number of persons should correspond to the number of jobs created/retained.

Row 6: Name of Activity—Enter a primary HUD activity name that, in general, describes the purpose of the grant. Examples: sewer, water, or streets. Do not enter activity names or report beneficiaries for acquisition or administration.

Rows 8-13: Enter persons benefiting according to their income level as determined by HUD. The low to moderate income (LMI) percentage may be transferred from the original application if no changes have been made. If there were changes then this formula may be used: (rows 10+11+12) divided by row 8 equals the LMI percentage. Round the LMI percentage to two decimal places. Example: 63.94%

Rows 14-23: Enter beneficiary data by racial groups. The definitions of each racial group remain the same as defined in the original LCDBG application package. Note that "Hispanic" is not considered a race but rather as an "ethnicity". Of each racial group having beneficiaries, enter the persons of that racial group who also consider themselves as being of Hispanic ethnicity. The number entered for "Hispanic" will be a subset of the "Total" for each racial group.

Row 24: Enter the sum of all racial group totals in the upper data cell of row 24. Enter the sum of all of the persons of Hispanic ethnicity in the lower data cell of row 24. The upper data cell of row 24, total by racial group, must equal the number of persons as listed in row 8, total by income level. If these figures do not agree then there is an error that must be corrected.

Rows 25-29: Enter data for the indicated beneficiary categories. An elderly-occupied household, row 28, means a household that has at least one elderly person, of age 62 and up, who lives in the household—regardless of whether any elderly person is the head of the household.

The Right Panel: If a grant has an activity called "Rehabilitation Loans and Grants" then rows 30 through 53 must be completed. Otherwise, the right panel will be left blank.

Rows 30-53: The "Income Levels" listed in rows 8-12 will also be applied to rows 32-36 respectively. The "Racial Groups" listed in rows 14 through 24 will also be applied to rows 38 through 48, respectively. Additionally, beneficiary data for the right panel must also include the reporting of categories based on number of households and owner/renter status with such data to be entered according to the manner in which the column headings are labeled.

Row 33: This row should be left blank since beneficiaries in the right panel will always be 100% LMI.

Row 49: Enter only handicapped persons. Leave the cell for handicapped households blank.

Row 50: Enter the number of handicapped heads of household without regard to owner/renter status.

Row 51: Enter female headed households by owner/renter status.

Row 52: Enter elderly-occupied households without regard to owner/renter status.

Row 53: Enter total households without regard to owner/renter status. Make sure that total households, as entered on row 53 agrees with total "racial" household information from the upper right data cells of row 48 and with total "income" household information from the right data cells of row 32. If the figures do not agree then there is an error that must be corrected.

Row 54: Enter the data source(s). If necessary, attach a separate page describing the data source(s).

Rows 55-58: The beneficiary data on this form must be verified by signatures/dates of the chief elected official, administrative consultant and engineer/architect. The engineer's signature is not required on Economic Development projects.

Louisiana Community Development Block Grant Program—Applicant Data Form*			
		1. Name of Grantee	
		2. Contract Number	
		3. Name of Activity	
4. Persons in Applicant Households	All Income Levels	#	
5. Persons in Applicant Households	Moderate, Low, & Extremely Low Income Levels	#	
		%	
6-A. Persons in Applicant Households	Moderate Income Level	#	
		%	
		Own	
		Rent	
6-B. Persons in Applicant Households	Low Income Level	#	
		%	
		Own	
		Rent	
6-C Persons in Applicant Households	Extremely Low Income Level	#	
		%	
		Own	
		Rent	
Items 7 & 8 will be based on all persons in applicant households regardless of income level			
7-A. American Indian or Alaskan Native	Total	#	
	Hispanic	#	
7-B. Asian	Total	#	
	Hispanic	#	
7-C. Black or African American	Total	#	
	Hispanic	#	
7.D Native Hawaiian or Other Pacific Islander	Total	#	
	Hispanic	#	
7-E. White	Total	#	
	Hispanic	#	
7-F. American Indian and White	Total	#	
	Hispanic	#	
7-G. Asian and White	Total	#	
	Hispanic	#	
7-H. Black and White	Total	#	
	Hispanic	#	
7-I. American Indian and Black	Total	#	
	Hispanic	#	
7-J Other Multi-Racial	Total	#	
	Hispanic	#	
		8-A. Handicapped Persons	#	
		8-B. Handicapped Households	#	
		8-C Female-headed Households	#	
		8-D. Total Households	#	
9. Source for determining applicant data:			
*This form must be completed only for housing programs and public facilities programs which include work undertaken on private property.			

INSTRUCTIONS FOR THE APPLICANT DATA FORM

In accordance with the federal regulations governing the Community Development Block Grant Program, the Applicant Data Form must be completed by all FY 1993 and later LCDBG recipients who utilized LCDBG funds for a housing program or for a public facilities program which included the activity of rehabilitation loans and grants. The information reported on this form must include the data for all persons applying for financial assistance for housing rehabilitation or replacement housing and all persons applying for financial assistance for the installation and/or repair of water and/or sewer service lines on private property. The numbers on this form will include all persons applying for financial assistance, including those who received the assistance and those who did not receive the assistance. Often, the number of persons applying for assistance will exceed the number of beneficiaries since all who apply do not necessarily receive the assistance.

Any time an activity is included on this form, the Applicant Data Form, the same activity must also be listed on the Program Beneficiary Form. Whereas the Applicant Data Form identifies all applicants, the Program Beneficiary Form identifies only those applicants who received assistance (beneficiaries).

1. Grantee: Enter the name of the local governing body.

2. Contract Number: Enter the grantee's contract number.

3. Name of Activity: Enter the name of the activity. The only activities applicable to this form are housing rehabilitation loans and grants, public facilities rehabilitation loans and grants (hook-ups), and relocation payments and assistance. If your program did not have monies budgeted for any of these activities, do not complete this form. Any activity listed on this form should also be listed on the Program Beneficiary Form.

4. Persons In Applicant Households—All Income Levels: For the activity shown in row 3, provide the total number of persons in applicant households for “All Income Levels”. “All Income Levels” includes the following four income levels: High, Moderate, Low, and Extremely Low. This means that all persons in the households applying for assistance, regardless of income level, must be shown.

5. Persons in Applicant Households—Moderate Plus Low Plus Extremely Low Income: Enter the total number and percent of moderate, low and extremely low income persons in the applicant households.

6. Component Listing of Persons in Applicant Households: Enter the number and percent of persons in applicant households according to the following income level components: (6-A) Moderate, (6-B) Low and (6-C) Extremely Low. This data can be obtained from the applications for assistance which were completed by the applicants. The numbers in these three categories, when combined, should equal the number on row 5.

For housing rehabilitation, relocation, and public facilities rehabilitation activities which take place on private property, the number of owners and renters must also be identified by each income category.

7. Racial/Ethnic Origin: Item 7 pertains to all persons in applicant households regardless of income level. Enter the number of persons in the applicant households by their racial origin (7-A through 7-J); then enter the number of persons in that racial origin that are of Hispanic or Latino ethnicity. All persons who applied for assistance will be included whether they received assistance or not. The total number of persons listed in rows 7-A through 7-J by racial/ethnic characteristics should equal the number of persons listed in row 4.

8. Household Characteristics: Item 8 pertains to all households/persons who applied for assistance regardless of income level. In 8-A, enter the number of handicapped persons who reside in households which applied for assistance. In 8-B, enter the number of applicant households which were headed by handicapped persons. In 8-C, enter the number of applicant households which were headed by females. In 8-D, enter the total number of applicant households.

9. Source: State the source/methodology used for determining the applicant data.

Definitions: Refer to the back of the “Program Beneficiary Form” for definitions on race, ethnicity, handicapped and the elderly.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM HOUSING OPPORTUNITIES FORM	1. GRANTEE: 2. CONTRACT NUMBER:
3. Actions taken to affirmatively further fair housing in your community: Actions Taken	Results
4. Actions taken to increase housing opportunities for lower income: Actions Taken	Results

INSTRUCTIONS FOR THE HOUSING OPPORTUNITIES FORM

ITEM
NUMBER

1. Type in the name of your local government.

2. Type in the contract number.

3. List all actions taken to affirmatively further fair housing in your community and the results of those actions.

4. Identify all actions taken to increase housing opportunities for lower income households in your community and the results of those actions.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
MISCELLANEOUS INFORMATION FORM

1. GRANTEE: _____

2. CONTRACT NUMBER:

3. Did you receive any program income during the course of this grant? Yes _____ No _____
(See the instructions on the back of this form.)

4. If yes,
a. Enter the sum of program income received during this program $_____

b. For all program income received, list separately the source and original LCDBG Program year which generated the program income and the amount received.

SOURCE	ORIGINAL LCDBG PROGRAM YEAR	AMOUNT

5. Was any property or equipment (property having a useful life of more than one year and an acquisition cost of $300 or more per unit) purchased with LCDBG funds? Yes _____ No _____

If yes, provide a description and dollar amount paid for such purchases.

DESCRIPTION	AMOUNT

Disposition of property acquired with federal funds must be in compliance with OMB Circular A-87. You will be notified of the proper procedures for disposition of the property described above.

6. If a fire truck was purchased, a copy of the title for each truck must be submitted with the close-out documents.

7. Was any land acquired/donated in order to complete the project?

Yes _____ No _____
If yes, identify the number of parcels donated _____ (number) and acquired _____ (number).

8. For public facilities projects or other projects (including economic development) which involve infrastructure construction and which were funded prior to the FY 2000 LCDBG program year, attach a copy of any change orders issued to the construction contract after the monitoring visit. (For projects awarded beginning with the FY 2000 LCDBG program year and thereafter, all change orders should have already been submitted to the LCDBG engineer.)

9. Has or will the local governing body transfer ownership of the system/asset to another entity?

Yes _____ No _____

If yes, a copy of the executed intergovernmental cooperative agreement must be attached to the closeout documents.

10. If your project included infrastructure construction, a copy of the recorded clear lien certificate must be submitted with the closeout documents.

11. If your project involved infrastructure construction which was subject to Davis Bacon and Related Acts, a Final Wage Compliance Report must be submitted.

INSTRUCTIONS FOR THE MISCELLANEOUS INFORMATION FORM

ITEM
NUMBER

1. Type in the name of your City/Parish.

2. Type in the contract number.

3. Program Income
The LCDBG program requires that Economic Development loan repayments be submitted to the State as program income. The rules governing Program Income requirements are explained in Section IV (J) of the Financial Management Manual. There are some situations which may arise whereby the State will allow a unit of local government to keep program income; this does not include ED loan repayments. If you have received our permission to earn and retain program income, the following information is needed.

   Identify whether or not any program income was received during the course of the grant for which these closeout documents are being prepared. The program income, however, may have been received as a result of a previous grant. For example, during the life of a FY 2003 CDBG program, the Town may receive program income from a FY 2001 economic development grant award.

4. a. Enter the sum of program income received during the life of the program being closed out, if applicable.

   b. Identify the source and dollar amount of all program income received. If applicable, distinguish between principal and interest. Also, identify the original grant year from which these funds were generated. If additional space is needed, provide the information on a separate sheet.

5. Indicate if any property or equipment was purchased with LCDBG funds and, if applicable, provide a description and cost.

6. If a fire truck was purchased with LCDBG funds, a copy of the title for each truck must be submitted.

7. If any land was acquired or donated in order to complete the project, please identify the number of parcels acquired and/or donated.

8. For all projects awarded prior to the FY 2000 LCDBG program year involving public facilities construction or improvements, a copy of all change orders issued after the monitoring visit must be submitted. Beginning with the FY 2000 LCDBG program, all change orders should have already been submitted to the LCDBG engineer.

9. For all projects which involve the transfer of ownership of the system or asset purchased, improved, or constructed with LCDBG funds, a copy of the executed intergovernmental cooperative agreement must be attached to the closeout documents.

10. For all projects involving infrastructure construction (including economic development), a copy of the recorded clear lien certificate must be submitted with the closeout documents.

11. Attach a Final Wage Compliance Report for those projects which were subject to Davis Bacon and Related Acts.

Section 3 Summary Report

Economic Opportunities for
Low – and Very Low-Income Persons

U.S. Department of Housing
and Urban Development
Office of Fair Housing
And Equal Opportunity

OMB Approval No: 2529-0043
(exp. 11/30/2010)

HUD Field Office:

Section back of page for Public Reporting Burden statement

1. Recipient Name & Address: (street, city, state, zip)	2. Federal Identification: (grant no.)	3. Total Amount of Award:
	4. Contact Person	5. Phone: (Include area code)
	6. Length of Grant:	7. Reporting Period:
8. Date Report Submitted:	9. Program Code: (Use separate sheet for each program code)	10. Program Name:

Part I: Employment and Training (** Columns B, C and F are mandatory fields. Include New Hires in E &F)

A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F Number of Section 3 Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List) Trade					
Trade					
Trade					
Trade					
Trade					
Other (List)					
Total					

* Program Codes
1 = Flexible Subsidy
2 = Section 202/811
3 = Public/Indian Housing
A = Development,
B = Operation
C = Modernization
4 = Homeless Assistance
5 = HOME
6 = HOME State Administered
7 = CDBG Entitlement
8 = CDBG State Administered
9 = Other CD Programs
10 = Other Housing Programs

form HUD 60002 (11/2010)
Ref 24 CFR 135

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	$
B. Total dollar amount of contracts awarded to Section 3 businesses	$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

_____ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.

_____ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.

_____ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.

_____ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.

_____ Other; describe below.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Instructions for Completing Section 3 Report

1. Recipient: Enter the name and address of the recipient submitting this report.

2. Federal Identification (grant no.): Enter the number that appears on the contract with the State.

3. Total Amount of Award: Enter the total Community Development Block Grant dollars received, rounded to the nearest dollar. (This may not necessarily be the original grant amount awarded).

4&5. Contact Person/Phone: Enter the name and telephone number of the person with knowledge of the grant award and the recipient's implementation of Section 3.

6. Length of Grant: Indicate the time period for the grant.

7. Reporting Period: Indicate the time period that this report covers (months and years, such as 8/04-7/07).

8. Date Report Submitted: Enter the appropriate date.

9. Program Code: Enter number 8.

10. Program Name: Enter CDBG State Administered.

Part I: Employment and Training Opportunities

Column A: Contains various job categories. Professionals are defined as people who have special knowledge of an occupation (i.e., architects, engineers, administrative consultant, attorneys, appraisers, and accountants). Include any City/Parish persons hired by the grantee to work on project. For construction positions, list each trade and provide data in columns B through F for each trade where persons were employed. The category "Other" includes occupations such as service workers and supervisors.

Column B: Enter the number of new hires for each category of workers identified in Column A in connection with this award. New Hire refers to a person who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column C: Enter the number of Section 3 new hires for each category of workers identified in Column A in connection with this award. Section 3 new hire refers to a Section 3 resident who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column D: Enter the percentage of all the staff hours of new hires (Section 3 residents) in connection with this project. New Hires include full-time positions (permanent, temporary

and seasonal).

Column E: Enter the percentage of the total staff hours worked for Section 3 employees and trainees (including new hires) connected with this award. Include staff hours for part-time and full-time positions.

Column F: Enter the number of Section 3 residents that were employed and trained (including new hires) in connection with this award.

Part II: Contract Opportunities

Block 1: Construction Contracts

Item A: Enter the total dollar amount of all construction contracts awarded on the project/program. **(CDBG dollars only)**

Item B: Enter the total dollar amount of construction contracts connected with this project/program awarded to Section 3 businesses. **(CDBG dollars only)**

Item C: Enter the percentage of the total dollar amount of construction contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving construction contracts.

Block 2: Non-Construction Contracts

Item A: Enter the total dollar amount of all non-construction contracts awarded on the project/program. (This will be professional service contracts such as those with architects, engineers, administrative consultant, attorneys, appraisers, and accountants). **(CDBG dollars only)**

Item B: Enter the total dollar amount of non-construction contracts connected with this project awarded to Section 3 businesses. **(CDBG dollars only)**

Item C: Enter the percentage of the total dollar amount of non-construction contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving non-construction contracts.

Part III: Summary of Efforts - *Self-explanatory*

Louisiana Community Development Block Grant Program

CERTIFICATE OF COMPLETION

1. Grantee:

2. Contract Number:

FINAL STATEMENT OF COST

Program Activity Categories	3. Paid Costs	4. Unpaid Costs	5. Total Costs	6. State Use Only
A. Acquisition of Real Property	$	$	$	$
B. Public Works, Facilities, Site Imp.				
1. Sewer				
2. Water (Potable)				
3. Water (Fire Protection)				
4. Streets				
5. Multi-purpose Community Centers				
6. Other				
C. Code Enforcement				
D. Clearance, Demolition				
E. Rehabilitation Loans and Grants				
1. Housing				
2. Public Facilities				
F. Provision of Public Services				
G. Relocation Payments and Assistance				
H. Economic Development				
1. Acquisition-Land-Building				
2. Infrastructure Improvements				
3. Building Construction/Imprmts.				
4. Industrial and Commercial Fac.				
5. Inventory				
6. Working Capital				
7. Capital Equipment				
8. Other				
I. Administration (TOTAL)				
1. Pre-Agreement Costs				
2. Housing Rehabilitation				
3. Public Facilities				
4. Economic Development				
J. Other				
K. Other				
L. TOTAL PROGRAM COST				
M. Prog. Income Applied to Prog.Cost				

COMPUTATION OF GRANT BALANCE

Description	To be completed by Grantee	State Use Only
	7. Amount	8. Approved Amount
A. Grant amount applied to Prgm. Cost	$	$
B. Unsettled third party claims		
C. Subtotal		
D. Grant amount as per contract		
E. Unutilized Grant		
F. Grant Funds Received		
G. Balance of Grant Payable		

9. List any unpaid costs and unsettled third-party claims against the LCDBG Program. Describe circumstances and dollar amounts involved.

_____ Check if continued on additional sheet and attach

CERTIFICATION OF RECIPIENT

It is hereby certified that all activities undertaken by the recipient with funds provided under the contract identified hereof, have, to the best of my knowledge, been carried out in accordance with the contract; that proper provision has been made by the recipient for the payment of all unpaid costs and unsettled third-party claims identified hereof; that the State of Louisiana is under no obligation to make any further payment to the recipient under the contract in excess of the amount identified in line 7.C. hereof, and that every statement and amount set forth in this instrument is, to the best of my knowledge, true and correct as of this date.

10. Date	11. Typed Name and Title of Recipient's Chief Elected Official	12. Signature of Recipient's Chief Elected Official

LCDBG APPROVAL

13. This Certificate of Completion is hereby approved. Therefore, I authorize cancellation of the unutilized contract commitment and related funds reservation and obligation of $_____ less $_____ previously authorized for cancellation.
(from Line 7.E.)

Date	Typed Name and Title of State Authorized Official	Signature of State's Authorized Official
	Carol M. Newton Director, Louisiana Community Development Block Grant Program	

CLOSEOUTS

INSTRUCTIONS FOR THE CERTIFICATE OF COMPLETION FORM

Item Number

1. Type in the name of your local government.

2. Type in the contract number for the LCDBG program being closed out.

3. List the costs paid as of the date of the report for all program activity categories shown (A through K). Identify LCDBG funds only.

4. Show any unpaid costs as of the date of the report for all program activity categories shown (A through K). Identify LCDBG funds only.

5. Total the paid and unpaid costs (3 + 4) as of the date of the report for all program activity categories shown (A through K).

   3-5. L. Add lines A-K and enter the total on line L under columns 3, 4, and 5.

   3-5. M. Enter program income received that was applied to the program cost on line M; do not include program income dedicated to the economic development revolving loan fund.

6. Leave blank for State use.

7. Complete as follows:

   A. Enter amount shown on line 5.L.

   B. Enter estimated amount of any unsettled third-party claims; do not enter unpaid costs on this line.

   C. Add 7.A. and 7.B. and enter the total.

   D. Enter grant amount per LCDBG contract.

   E. Subtract 7.C. from 7.D. and enter difference.

   F. Enter grant funds actually received.

   G. Subtract 7.F. from 7.C. and enter amount (if 7.F. exceeds 7.C. enter amount of the excess in 7.G. as a negative amount; this amount must be repaid to the State by check made payable to the Division of Administration).

8. Leave blank for completion by State staff.

9. List any unpaid costs and unsettled third-party claims against the LCDBG Program. Describe circumstances and dollar amounts involved.

10. Type in the preparation date of the report.

11. Type in the name and title of the chief elected official.

12. Have the Mayor/President sign in the space provided.

13. Leave blank for completion by State staff

Final Wage Compliance Report

(Not required for Housing grants)

1. Grantee Name _____
2. LCDBG _____
3. Fiscal Year of _____
4. Date of this _____
5. Report Prepared _____
6. Was there any wage underpayment(s)? _____ Yes _____ No
7. Listing of any contractors associated with underpayment(s):

Prime contractor (above) Sub(s) to this prime (below)	Prime contractor (above) Subs to this prime (below)	Prime contractor (above) Subs to this prime (below)

8. Are any labor issues unresolved? ____ Yes ____ No If yes, explain on line below:

_____

9. Provide enforcement activity information for each contractor who had underpayment(s) using the format provided in 10-15.

10. Contractor (prime or sub)	**11. Type of work**	**12. # of workers underpaid**	**13. Restitution under Davis Bacon**	**14. Restitution under CWHSSA**	**15. Liquidated Damages collected**

Instructions for the *Final Wage Compliance Report* (Exhibit B-19)

Item # and Description	Instructions
1-4 Name, #, FY, Date	Self-explanatory.
5. Prepared by	Usually the name of the grantee's Labor Compliance Officer (LCO).
6. Wage underpayment(s)?	Answer "Yes" or "No" based on the duration of the project from start to finish.
7. Listing of contractors….	If the underpayment was to an employee of the prime contractor then list the prime contractor on the "above" line. If the underpayment was to an employee of a subcontractor(s), list both the name of the prime contractor on the "above" line and the name of the subcontractor(s) on the "below" line. If there were no underpayments leave this section blank.
8. Issues unresolved?	Possible issues: An employee due restitution has not yet been located. An ongoing dispute may be in litigation. Some issues must be resolved prior to grant closeout while others can be resolved after closeout. If there is an unresolved issue, provide enough information for the Office of Community Development to understand the situation. Attach a supplementary page if necessary.
9. Enforcement activity	Include enforcement activity from the start to finish of the project. Some activity may have been previously reported in a Labor Standards Enforcement Report but that does not matter—it must be reported again along with any previously unreported activity.
10. Contractor	List the name of any contractor who underpaid the employee(s) regardless of their status as prime or sub. If there were no underpayment(s) then leave items 10-15 blank.
11. Type of work	Use one or two words to describe the work that most accurately describes what was constructed by the contractor. Examples: water lines, fire station, sewer lines, sewer plant, fence, elevated tank, water well, painting, street reconstruction, etc.
12. Number of workers underpaid	Number of workers, per contractor, for whom wage restitution was disbursed or at least collected and put in escrow (in the event the worker could not be located).
13. Restitution, Davis-Bacon	Total amount of Davis-Bacon restitution per contractor.
14. Restitution, CWHSSA	Total amount of CWHSSA overtime restitution per contractor.
15. Liquidated Damages	Total amount of liquidated damages per contractor collected for CWHSSA overtime violations.

EXAMPLE

AUDIT REPORT EXCERPTS

Honorable Mayor
City

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM ON INTERNAL CPONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR 133

We have audited the compliance of the City with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

As described in item 200X-03 in the accompanying schedule of findings and questioned costs, the City did not comply with the requirements regarding documentation of related expenses.

Section – Federal Awards Findings and Questioned Costs

Finding 200X-3

Statement of Condition. During our review of required documentation supporting requested reimbursements we noted the following two items lacked sufficient documentation:

1. An expenditure of $145.92 to Xerox is unsupported by documentation indicating it was an LCDBG expense as opposed to a general City administrative cost.

2. The $4,700.00 expended for the salary of the City Clerk is unsupported by payroll records documenting the hours spent on LCDBG activities as opposed to general City administration.

Criteria. The 200X LCDBG Handbook states:

1. Office equipment may be purchased or leased with LCDBG funds when it is needed to carry out the LCDBG Program. … any LCDBG funds expended to lease or purchase equipment will result in disallowed costs unless the grantee can establish - and has fully documented in the grant files - that the expenditure(s) was reasonable, necessary, and allowable to the grant, and was not a general expense required to carry out the overall responsibilities of local government as required by OMB Circular A-87 Cost Principles for State and Local Governments.

2. All employees paid in whole or in part from LCDBG funds should prepare a timesheet indicating the hours worked and detailed duties performed on LCDBG projects for each pay period.

Effect of Condition. Potential misuse of federal funds.

Cause of condition. Not following standard booking procedures and recording keeping.

Recommendation. Accounting department should conduct a review of procedures.

Questioned Costs $4,845.92

EXAMPLE

RESPONSE TO AUDIT LETTER

Dear CDBG Director:

In response to the Audit Report by the auditor of the City's LCDBG Program:

1. The $145.92 Xerox bill was paid with LCDBG funds based upon a six-cent/unit page cost for 2,432 units of copying recorded for the LCDBG Program over the year (2,432 x $0.06 = $145.92). Our Xerox machine is equipped with a counter and all charges made to #4 are LCDBG costs. We paid the $145.92 invoice in lieu of transferring funds from one account to another. A copy of the record is enclosed for your review.

2. Journal entries in Capital Project Fund show a Due from Intergovernmental Grant accounts for a total of 423 hours at $8.05 per hour. A copy is attached. However the General Ledger did not report the entries in the regular payroll account. This accounts for $3,405.15 of the disallowed $4,700.00, leaving $1,294.85 as an ineligible cost. It will be paid out of the City's General Fund. We have instituted a time sheet procedure to avoid a recurrence of this problem.

We look forward to your response.

Sincerely,

Mayor

F-1

Sample

STATE'S MONITORING LETTER

July 5, 2003

RE: Monitoring Report
FY 2002 LCDBG Program
Contract Number 101-0000

Dear Mayor:

On June 7, 2003, members of this office visited your City for the purpose of monitoring your FY 2002 Louisiana Community Development Block Grant (LCDBG) Program. The courtesy and cooperation extended to the staff during their visit is appreciated.

During their visit, a review of selected items was undertaken in the following program areas: (a) National Objectives, (b) Program Performance, (c) Environmental Review, (d) Record Keeping, (e) Public Facility Improvements, (f) Fair Housing/ Equal Opportunity, (g) Labor Standards, (h) Procurement, (i) Citizen Participation, (j) Financial Management, (k) Anti-Displacement, (l) Acquisition, and (m) Disclosure.

Their review indicated that you have the continuing capacity to carry out the program activity in a timely manner. The program has been implemented in accordance with the requirements and primary objectives of the Housing and Community Development Act and other applicable laws, with the exceptions identified herein. Although other deficiencies may exist, they were not detected during our review.

FINDINGS OF DEFICIENCY

LABOR STANDARDS

Our review of this area encompassed the bid/contract document, payrolls sheets, employee interview forms and wage decisions.

Finding Number 101-0000-1-1-030
The Statements of Compliance for the payrolls of Prime Contractor, Inc. were signed by Payroll Clerk Debbie Drake. All Statements of Compliance must be signed by a company official or an "authorized" payroll signor as required in Task B-1 of the Grantee Handbook.

Corrective Action Required: In order to clear this finding, the City must submit a copy of the

written authorization from Prime Contractor, Inc. designating Ms. Drake as the authorized payroll signor.

FINANCIAL MANAGEMENT

A review of the financial management records for the LCDBG Program was conducted. The records were tested for compliance with the requirements of OMB Circulars A-87 and A-102 and with other federal and state laws, regulations, and policies.

Finding Number 101-0000-1-1-010
In reviewing the financial management records, it was noted that bank statements were missing for the months of December, 2002, January, 2003, February, 2003, August through December, 2003, and January, 2004. Also there were no canceled checks for check numbers 1003, 1004, 1005, 1006, and 1007. Without this documentation, the City cannot be considered as having a complete set of financial records.

Corrective Action Required: The City must provide us with copies of the missing bank statements and canceled checks identified herein. Following our review of those items, we will advise you if any other action must be taken.

Finding Number 101-0000-1-1-011
One of the LCDBG program requirements is that all local officials and employees who sign checks and/or handle the program funds be bonded in accordance with State law (refer to Task A-3 in the Grantee Handbook). There was no evidence in the files to indicate that any of the elected officials in your City who are authorized to sign checks are bonded.

Corrective Action Required: Please provide us with documentation to support that those persons signing the LCDBG checks are bonded.

FAIR HOUSING/EQUAL OPPORTUNITY

Our review of this area encompassed recipient employment, Section 3 and Section 504 requirements, fair housing, and program beneficiaries.

Finding Number 101-0000-1-1-040
Although the City has a Section 3 Plan, it does not cover actual and anticipated hiring. Please refer to the sample Section 3 Plan included in Exhibit B-5 in your Grantee Handbook.

Corrective Action Required: The City must revise its Section 3 Plan to include current employment data. The City must fill out the "Anticipated City/Parish Hiring" portion of the Section 3 Plan and submit the revised plan to us.

Finding Number 101-0000-1-1-041
When the City signed the Assurances in its application, it agreed to take actions which would further fair housing in the City. According to information in the files, the only action taken by the City to further fair housing was the adoption of a Fair Housing Ordinance; that ordinance was adopted for a previous funding program and cannot be considered as an action taken to further fair housing during the course of the FY 2002 LCDBG Program.

Corrective Action Required: The City must undertaken some other activity which will further fair housing in the community. Examples of such activities are provided on pages 30 - 31 in the first section of the Grantee Handbook. Although it is not shown on those pages, the City may also choose to hold a fair housing seminar for its citizens. Once you have accomplished this, please send us documentation of such.

PUBLIC FACILITY IMPROVEMENTS

The review of this area encompassed the bid document, construction contract, project plans and specifications, and contractor certifications as related to the construction undertaken by Prime Contractor, Inc.

Finding Number 101-0000-1-2-110
At the time of our visit, no evidence could be found to support that the plans and specs for the sewer project had been reviewed by the appropriate state agency.

Corrective Action Required: Please submit documentation to support that the plans and specs for this project were submitted to the appropriate state agency for their review.

PROCUREMENT

The City's general files on procurement were reviewed in addition to the procurement procedures utilized in hiring engineering, administrative consulting, and construction services.

Finding Number 101-0000-1-2-080
The contract between the City and the engineering firm did not contain the following required language: Termination for Cause; Termination for Convenience: Equal Opportunity; Title VI; Access to Records; Conflict of Interest; Section 3; and Section 109.

Corrective Action Required: The contract must be amended to include all the provisions listed above and a copy submitted for our review.

AREA OF CONCERN

FINANCIAL MANAGEMENT

Two checks written on the LCDBG account had only one signature. As of June, 2002, we require two signatures on all checks written from LCDBG funds.

FINDINGS OF MERIT

NATIONAL OBJECTIVES

The City's local survey revealed that approximately eighty-one percent of the persons benefitting from the sewer project were of low and moderate income. The City is maintaining a copy of the local survey in its files. Based upon our review of the target area during the monitoring visit, this figure appears accurate.

PROGRAM PERFORMANCE

The City's actual progress in completing the program activities in accordance with the schedule (Exhibit B) in the contract with the State was reviewed. That schedule projects that the construction of the project will be complete by February of 2005. Therefore, the program is progressing ahead of the proposed schedule.

ENVIRONMENTAL REVIEW

No activities or project sites have changed from those approved in the original application for funds. Therefore, the previously accepted Environmental Review Record remains relevant and complete.

RECORD KEEPING

The City is maintaining the program records in accordance with the State's program requirements. When the staff requested specific information during the monitoring visit, the supporting documentation was easily retrievable.

ANTI-DISPLACEMENT

No displacement occurred as a result of this grant. A review of the anti-displacement file was made and it was found to be in compliance with the LCDBG program requirements.

CITIZEN PARTICIPATION

The citizen participation files were reviewed for and found to be in compliance with the federal and state program requirements.

DISCLOSURE

The initial and updated disclosure reports were reviewed for compliance with the LCDBG program requirements. It was determined that acceptable disclosure reports were submitted as required.

Please submit the items necessary to address the findings of deficiency to us no later than August 30, 2004. Your cooperation in this matter will be appreciated. If you have any questions or need further clarification, please contact the State at 225/342-7412.

Sincerely,

State LCDBG Director

F-2

EXAMPLE

RESPONSE TO STATE'S MONITORING LETTER

August 25, 2004

Ms. CDBG Director
Division of Administration
Post Office Box 94095
Baton Rouge, Louisiana 70804

Dear Ms. Director:

This letter is in reference to your letter of July 25, 2004.

LABOR STANDARDS

Finding Number 101-0000-1-1-030
Enclosed is a copy of the written authorization from Prime Contractor, Inc. designating Ms. Drake as the authorized payroll signor.

FINANCIAL MANAGEMENT

Finding Number 101-0000-1-1-010
The missing bank statements and canceled checks requested in your letter are enclosed.

Finding Number 101-0000-1-1-011
Enclosed is documentation which supports that all City officials are now bonded in accordance with State Law.

FAIR HOUSING/EQUAL OPPORTUNITY

Finding Number 101-0000-1-1-040
A copy of the revised Section 3 Plan is enclosed.

Finding Number 101-0000-1-1-041

Documentation of other activities that we have now undertaken to further fair housing is enclosed.

PUBLIC FACILITY IMPROVEMENTS

Finding Number 101-0000-1-2-110
Enclosed is a letter from the Department of Health and Hospitals regarding their review of the plans and specs for the sewer project.

PROCUREMENT

Finding Number 101-0000-1-2-080
Our amended contract with the engineering firm is enclosed.

Sincerely,

Mayor

Enclosures

F-3

Monitoring

Checklists

Acquisition of Property (*Part 1*)

Aug-07

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

	Yes	No	N/A
1. Did application include acquisition by purchase or donation or lease?			
~ If ***Yes***, was the acquisition process started after grant award?			
~ If ***No***, should the application have included acquisition?			

Comments: _____

2. Was documentation of ownership or maintenance on file for grantee owned property or servitude acquired under R.S. 9:1253? [i.e., recorded plat map, title, attorney's statement]

Comments: _____

3. **Exempt acquisition** is land acquired from another public agency, temporary construction servitude or easement, voluntary acquisition, leases less than 15 years, etc.

Was exempt acquisition involved?

~ If ***Yes***, identify type of exempt acquisition under A., B., C., and/or D. below.

A. **Acquisition from another public agency?**

1) Identify other public agency: _____

2) Identify documentation; i.e., title, map, transfer, deed. _____

Comments: _____

B. **Temporary Construction Servitudes or Easements?** [Recommendation]

1) Is there a signed agreement from all property owners?
2) Does it include provisions for the contractor to survey, layout and construct the service connections?

Comments: _____

C. **Leases?**

If long-term lease, is it for a term of less than 15 years including options to extend?
[Uniform Act applies if lease is 15 years or longer; 14.99 years with an option to renew.]

[An executed lease must have had prior review from OCD.]

Comments: _____

	Yes	No	N/A
D. **Voluntary acquisition?**	____	____	____
1) Is there an adopted Voluntary Acquisition Policy?	____	____	____
2) Was a public solicitation notice published in the local newspaper prior to any voluntary acquisition activity?	____	____	____
~ If ***Yes***, did the notice explain or were the owners advised that unless the local governing body and the property owners agree on the terms and conditions of the sale, the property could not otherwise be acquired?	____	____	____
~ If ***No***, how was notification achieved? ____			
3) Were there at least two properties in the community which met the criteria established for the property to be acquired?	____	____	____
~ If ***No***, then the Voluntary Acquisition process cannot be completed. Did this occur?	____	____	____
~ If ***Yes***, why wasn't the Uniform Act followed? ____			
4) How many parcels were acquired using the Voluntary Acquisition process? ____			
5) List owners involved: ____			
6) Did an appraisal establish fair market value?	____	____	____
~ If ***No***, was the fair market value of the property established by a person familiar with real estate values in the community?	____	____	____

Comments / Recommended Corrective Action: ____

Acquisition of Property (*Part 2*)

April, 2003

Grantee: _____ Contract #: _____ FY: _____ Type: _____
Reviewer: _____ LGR: _____ Date: _____

1. Address of property acquired. _____

2. Use of property prior to the beginning of the acquisition process.

   ___ single family residential ___ industrial ___ non-profit organization ___ multi-family residential
   ___ commercial ___ other [identify] _____

3. Owners (Indicate whether occupant). _____

4. Tenants. _____

5. Current address and home and business telephone numbers of owners(s) to be interviewed.
   (Interviews should be conducted if review finds there may be some impropriety with the acquisition process.)

   _____

6. Significant dates. (Reviewer must determine that event actually occurred and was in compliance with HUD regulations. Reviewer must review the timing of these events and the reasons for any delays in order to determine if the owner was caused an unnecessary hardship that would warrant negative findings.)

   a. Date of Determination to Acquire: (Date of LCDBG Application). _____

   b. Date of "Notice of Intent to Acquire": _____

   c. When a Public Agency Acquired Your Property. Date grantee provided owner with the notice of land acquisition procedures? (usually the same date as b. above) _____

Appraisal Process…

7. Was an appraisal required? ***Yes*** ___ ***No*** ___

   ~ If **No**, explain why an appraisal was not required. (i.e., if the value of property was less than $10,000; voluntary acquisition; etc.)

   _____

   _____

   ~ If an appraisal was not conducted because the property was valued at less than $10,000, list the documentation used to determine the fair market value of the property.

   _____

   _____

~ If ***Yes*** ,

a. If requested by owner, did the grantee obtain an appraisal?

Yes ___ ***No*** ___ ***Amt.*** _____ ***Date*** _____

> If ***Yes*** , continue.

b. Was a review appraisal conducted? ***Yes*** ___ ***No*** ___ ***Amt.*** _____ ***Date*** _____

c. Does the appraisal and review appraisal disregard the influence of the project on the fair market value? ***Yes*** ___ ***No*** ___

d. Do you find the amount determined to be just compensation an acceptable conclusion of the fair market value of the property? ***Yes*** ___ ***No*** ___

e. Was the amount determined to be just compensation less than the grantee's approved appraisal of the fair market value of the property?

Yes ___ ***No*** ___ ***Amt.*** _____ ***Date*** _____

~ If ***Yes*** , explain. _____

_____

f. Were the owners invited to accompany the appraisers on their inspection of the property? ***Yes*** ___ ***No*** ___

Act of Sale/Donation/Condemnation/Quick Take…

8. a. Purchase Offer. Prior to any bargaining, did grantee furnish owner a firm written offer stating all basic terms and conditions to purchase his property at the full amount determined to be just compensation?

Yes ___ ***No*** ___ ***Date*** _____

b. Date owner accepts offer to donate, or rejects offer. _____

~ If donated, was the donation process carried out in a proper manner? ***Yes*** ___ ***No*** ___

> If **No**, randomly pick 2 donations. Call and ask how the process was handled.

~ Did the owners indicate they felt pressured into waiving their right to just compensation? ***Yes*** ___ ***No*** ___

> If ***Yes*** , explain. _____

c. Date final contract entered into: (all parties) _____

d. Date condemnation proceedings initiated, if applicable: _____

e. Date Quick Take proceedings initiated, if applicable: _____

f. Date estimated just compensation deposited with court: _____

g. Date title vested in agency: _____

h. Date 90-day notice to vacate property: _____

i. Summary Statement. Did the grantee provide the owner with a "Statement of the Basis for the Determination of Just Compensation" at the time the grantee furnished the owner with the written purchase offer? (Section 301 (3)) ***Yes*** ___ ***No*** ___

j. Payment of Just Compensation. Did the owner receive the amount determined to be just compensation for his property? (Section 301) ***Yes*** ___ ***No*** ___

k. Settlement Costs. Has grantee paid all settlement costs as required? (Sect. 303) ***Yes*** ___ ***No*** ___

9. General Acquisition Process. Based on the available evidence, did the grantee carry out the acquisition process in a manner that minimized hardships to the owners, and was the grantee consistent with its' treatment of other owners? (Section 301)

Yes ___ ***No*** ___

Comments / Recommended Corrective Action: _____

_____

_____

_____

_____

_____

Anti-displacement (Part 1)

November, 1996

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

	Yes	No	N/A
1. Is there a Residential Anti-displacement and Relocation file?			
~ If ***Yes***, does it contain the following information?			
a. Residential Anti-displacement and Relocation Plan			
b. resolution adopting the Plan			
c. Residential Anti-displacement/Relocation Certification			
d. if applicable, regulations, information booklets, relocation claim forms			
2. Does the Plan identify a person who is responsible for displacement and relocation compliance?			
~ If ***Yes***, identify: _____			
3. Was a person or business displaced as a result of this program?			

~ **If *Yes*, complete the Anti-displacement Checklist (Part 2).**

Comments / Recommended Corrective Action: _____

Compliance with National Objectives

November, 1996

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Activity(ies):	National Objective(s)*:	Verification:

Comments / Recommended Corrective Action: _____

* L/M = principal benefit to low-to-moderate income persons
S/B = prevention/elimination of slum and blight
U/N = urgent need
N/A = not applicable

[Review of Section 504 applicable through FY 2005. Not applicable beginning FY 2006.]

	Yes	No	N/A
"Summary of Previous Actions Taken"			
17. Has the grantee prepared a "Summary of Previous Actions Taken"?	____	____	____
a. Does it identify when the grantee conducted its Self-Evaluation?	____	____	____
b. According to the "Summary", did the Self-Evaluation address:			
⇨ Physical Accessibility	____	____	____
⇨ Communications	____	____	____
⇨ Employment	____	____	____
Physical Accessibility			
18. According to the "Summary of Previous Actions Taken", …			
a. did Self-Evaluation identify all non-housing facilities that provide services to the grantee?	____	____	____
b. were facilities identified as "new" and "existing"? ("existing" means constructed, altered or designed before July 11, 1988; "new" means after this date.)	____	____	____
c. did the Self-Evaluation identify any physical barriers that impede accessibility to any programs or activities?	____	____	____
~ If ***Yes***, continue.			
d. did the grantee make physical alterations to provide for accessibility?	____	____	____
e. were all physical barriers identified in the Self-Evaluation removed?	____	____	____
~ If ***No***, continue.			
19. For "existing" facilities with continuing physical barriers, according to the "Summary of Previous Actions",			
a. have new policies or practices been adopted or existing ones modified or revised in order to achieve accessibility such as relocation, home visits, selective alterations? (24 CFR 8.21(2))	____	____	____
b. has community's adopted policies and/or practices been modified to achieve accessibility for all physical barriers identified?	____	____	____
~ If ***No***, continue.			
c. has grantee determined that making facility accessible and usable by individuals with handicaps would impose either an undue financial and administrative burden, or demonstrated that it would result in a fundamental alteration in the nature of the program or activity? (24 CFR 8.21 (b)(I)(ii))	____	____	____
d. did the grantee identify any facilities as "new"? ~ If ***Yes***, continue.	____	____	____
e. did the grantee identify all "new" facilities as accessible?	____	____	____
~ If ***No***, inaccessibility must be addressed in **Transition Plan** below.			
Communications			
20. According to the "Summary of Previous Actions Taken", …			
a. did the Self-Evaluation identify any impediments to communications accessibility? ~ If ***Yes***, continue.	____	____	____
b. did the grantee adopt policies to remedy impediments?	____	____	____
Current Policies			
c. does the grantee use the LA Relay System, and if so, is it advertised?	____	____	____
d. does the grantee operate a 24 hour emergency service?	____	____	____
~ If ***Yes***, continue.			
e. does the grantee have a functioning TDD?	____	____	____

	Yes	No	N/A

Employment

21. According to the "Summary of Previous Actions Taken", …
    a. did the Self-Evaluation identify any practices discriminatory towards disabled persons? (i.e., advertising, tests, selection criteria, job assignment, etc.) _____ _____ _____
       ~ If ***Yes***, continue.
    b. did the grantee adopt policies to remedy impediments? _____ _____ _____

    Current Policies

    c. does the grantee have any disabled employees? _____ _____ _____
       ~ If ***Yes***, continue.
    d. are reasonable accommodations made for a qualified applicant or employee with a disability? (restructuring/relocating job, modifying schedule, acquiring or modifying equipment, providing reader/interpreter. This can be a policy statement). _____ _____ _____

Other Section 504 Requirements, as applicable

`If grantee has less than 15 employees, go to 'Transition Plan'. Otherwise continue.`

22. a. Has grantee designated a Section 504 coordinator? _____ _____ _____
    b. Adopted a grievance procedure for complaints alleging prohibited actions? _____ _____ _____
    c. Complied with notice in Section 504 handbook which states that grantee "does not discriminate against participants, beneficiaries, applicants, employees or unions or organizations with whom they have collective bargaining agreements, in admission or access to or treatment or employment treatment or employment in its federally assisted programs or activities"? _____ _____ _____
       i. If ***Yes***, does notice list the Section 504 coordinator? _____ _____ _____
       ii. Note method grantee used to make notification.

       _____

Grantee's Transition Plan

23. Has grantee acquired an "existing" facility that is not physically accessible and intends to renovate it before occupation? _____ _____ _____

    OR,

    Has the U.S. Justice Dept. required the grantee to make a facility physically accessible? _____ _____ _____
       ~ If ***Yes***, continue.
24. Has a plan been developed listing all steps needed to complete the changes? _____ _____ _____
       ~ If ***Yes***,
    a. Does the plan identify a compliance officer? _____ _____ _____
    b. Does it list handicap resources used in writing the plan? _____ _____ _____
    c. Does the plan identify all impediments? _____ _____ _____
    d. Does it describe how all facilities will be made accessible? _____ _____ _____
    e. Is there a time schedule for rectifying all impediments? _____ _____ _____
       Note time period - _____
       i. Are the renovations on schedule? _____ _____ _____
       ii. If ***No***, should the time schedule be revised? _____ _____ _____

Comments / Recommended Corrective Action: _____

	Yes	No	N/A

Allowable Costs

19. Were purchases of supplies and leasing of equipment justified? _____ _____ _____

20. Was a lease vs. purchase analysis carried out and documented? _____ _____ _____

21. Are purchases documented with purchase orders and requisitions? _____ _____ _____

Comments: _____

Source Documentation

22. Are accounting records [journal entries] supported by adequate source documentation? [cancelled checks, invoices, contracts] _____ _____ _____

23. Was employee time charged to the LCDBG Program adequately documented with time sheets and/or other source documents? _____ _____ _____
    ~ If ***Yes*** , are the transactions regarding employee time recorded properly in general and ledger? _____ _____ _____

Comments: _____

Cash Management

24. Are LCDBG funds deposited in a non-interest bearing account? _____ _____ _____

25. Are all checks pre-printed and pre-numbered? _____ _____ _____

26. Are 'other' funds deposited in the LCDBG account? _____ _____ _____

27. Are bank statements reconciled upon receipt? _____ _____ _____

28. Is there evidence of a violation of the '3-day rule'? _____ _____ _____

	Date Rec'd	Check #	Dollar Amt.	Check Written	Check Cleared *
RFP#:					
RFP#:					
RFP#:					

* If more than *30 days* has lapsed, a written explanation must be requested in writing.

29. Financial Institution: _____ Account Number: _____

30. Last cash disbursement: Check # _____ Date _____ Amount _____

Comments: _____

	Yes	No	N/A
31. Were the grantee's accounting records and financial practices sufficient to:			
a. permit the preparation of required financial reports? (24CFR 85.20(a)(1)) **and / or**	_____	_____	_____
b. permit the tracing of LCDBG funds to establish that such funds have not been used in violation of the restrictions & prohibitions of applicable statues and regulations? (24CFR 85.20 (a)(2))	_____	_____	_____

What are the specific problems? _____

_____

inform grantee that no more money can be requested or disbursed until deficiencies are corr

Comments / Recommended Corrective Action: _____

_____

_____

_____

Labor Standards

Dec-08

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

	Prime Contractor 1	Prime Contractor 2	Prime Contractor 3
Contractor			
Bid Opening Date			
Date of Eligibility			
Date of Contract Award			
Lock-In Date			
Total Contract Award			
Work Description			
A. Decision Type			
Effective Decision #			
Effective Mod #			
Effective Issue Date			
B. Decision Type			
Effective Decision #			
Effective Mod #			
Effective Issue Date			

	Prime 1 Interviews	Prime 2 Interviews	Prime 3 Interviews
Employee Interviews			
List Worker Classifications and Rates as Determined by Employee Interviews			

Name of Sub(s) →	4	5
Employee Interviews		

Name of Sub(s) →	6	7
Employee Interviews		

Primes | Subs (from page one)	1	2	3	4	5	6	7

1. Were interviews, as described on page 4, completed?

2. Were weekly payrolls submitted and properly reviewed?

3. Did a company owner/officer or a person with written authorization sign the payrolls?

4. Did the inspection reports provide the basic elements needed to verify Davis-Bacon such as a description of work performed, worker classifications, and equipment on the jobsite?
   Yes _____ No _____

5. Did the wage decision(s) have all job classifications needed by each contractor based on factors such as inspection reports, project type, site visits, etc. ?
   Yes No

6. Were proper additional classifications requested?

7. Did the payrolls (or corrected payrolls) properly classify workers?

8. Did the wage decision(s) require fringes for any classification used by each contractor?
   No Yes

9. If fringes were required, did the contractor check Box 4-b indicating payment in cash?
   Yes No

10. Did Box 4-a indicate fringe benefit payment(s) into an approved plan?
    No Yes

    When answering #12 below, allow credit for no more than the fringe amount listed on the wage decision unless a schedule of fringe benefit payments indicates a higher amount(s).

11. Is there any reason to further investigate "Box 4-a" fringe payments?
    Yes No

12. Were Davis-Bacon compensation requirements met? (Without having to make restitution)
    Yes No

    Describe deficiency(ies): _____

Primes	Subs	(from page one)	1	2	3	4	5	6	7

13. Who detected the Davis-Bacon deficiency(ies)? _____

14. Have Davis-Bacon restitution procedures been initiated and/or completed?

15. Was there any overtime?
No Yes

16. Was there any deficiency in the calculation of overtime rates?
No Yes

17. Describe the overtime deficiency(ies): _____

18. Who detected the overtime deficiency(ies)? _____

19. Have overtime restitution procedures been initiated and/or completed?

20. Have liquidated damages procedures been initiated and/or completed?
(Applicable only to contracts over $100,000.00 under CWHSSA)

> A Labor Standards Enforcement Report (LSER) is required during a project if restitution by a contractor exceeds $1,000.00. In contrast, the Final Wage Compliance Report (FWCP) is required at a later date with closeout documents after construction is complete and should include all restitution paid whether previously reported or not.

21. Has the requirement for a LSER been triggered?
No Yes

22. Has the process of submitting a LSER been initiated and/or completed?

23. Based on activity thus far, should the Final Wage Compliance Report reflect restitution?
(If yes, inform the Consultant.)

24. Were there "other" deductions on the payroll reports?
No Yes

25. If there were "other" deductions, were employee consent forms used?

Prime Contractors Only 1 2 3

26. Was the proper wage decision(s) made part of the bid document before the bid opening? (By original inclusion in the bid document(s) or by addendum to the bid document(s))

_____ _____ _____

27. Did the local government receive a fully executed Verification of Wage Decision and Contractor Eligibility form from OCD prior to the award of the construction contract?

Yes No _____ _____ _____

28. Does a resolution from the local government state that the award will be contingent on verification of wage decision and contractor eligibility?

_____ _____ _____

29. Was the "Notice of Contract Award" sent to OCD?

No Yes _____ _____ _____

30. Was the Notice of Contract Award rec'd by OCD within 30 days of the award date?

_____ _____ _____

31. Was the construction contract awarded more than 90 days after the bid opening?

_____ _____ _____

32. Was the proper wage decision made a part of the construction contract?

_____ _____ _____

33. Were the Davis-Bacon and EEO posters accessible to workers?

_____ _____ _____

34. Was the Project Wage Rate Sheet or the Wage Decision, one of the two, accessible?

_____ _____ _____

Employee Interviews

Interviews shall include employees of the following contractors:

- All Prime Contractors and any subcontractor with a contract of $100,000 or more
- Subcontractors with a large number of payroll problems with contracts of less than $100,000
- Other subcontractors, not listed above, that are on the jobsite on the date of the above interviews

One person of each classification present on the interview date(s) and 50% of all laborers should be interviewed.

Comments / Recommended Corrective Action: _____

_____

_____

_____

Grantee: _____ Contract #: _____ FY: _____ Type: _____
Reviewer: _____ LGR: _____ Date: _____

1. Identify all professional services contracts and amounts executed by grantee, and determine whether the contract amounts exceed the amounts allowed by OCD.

	Contract Amounts:	OCD approved amounts:
Administrative Consultant	(Admin, Pre-agreement)	(Admin, Pre-agreement)
	(General Admin-Consultant)	(General Admin Consultant)

If the contract amount for pre-agreement and general admin. exceeds the OCD approved amounts, is there documentation of prior approval? ***Yes*** ___ ***No*** ___ ***N/A*** ___

	Contract Amounts:	OCD approved amounts:
Project Engineer	(Engineer, Pre-agreement)	(Engineer, Pre-agreement)
	(Basic Engineering)	(Basic Engineering)
	(Inspections)	(Inspections)
	(Topo Survey)	(Topo Survey)
	(Property Survey)	(Property Survey)
	(Testing)	(Testing)
	(Construction Staking)	(Construction Staking)
	(Other)	(Other)

If contract amount for any item listed above exceeds the OCD approved amount, is there documentation of prior approval? ***Yes*** ___ ***No*** ___ ***N/A*** ___

Testing: _____ $ _____

Appraiser: _____ $ _____

Review Appraiser: _____ $ _____

Legal: _____ $ _____

Auditor: _____ $ _____

Other: _____ $ _____

Program Performance

November, 1996

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

Contract End Date: _____ Percent Drawn To- Date: _____

		Yes	No
1.	Is the program progressing in accordance with the current time schedule?	____	____

~ If ***No*** , list the activity(ies) that is behind schedule and explain why.

Activity: _____ Reason for delay: _____

_____

Activity: _____ Reason for delay: _____

_____

2.	Do you think the grantee can meet the current time schedule?	____	____

~ If ***No*** , explain: _____

3.	Was a revised schedule discussed?	____	____
4.	Are there problems which could make the overall program infeasible?	____	____

Comments / Recommended Corrective Action: _____

_____

Record Keeping

September, 2000

Grantee: _____ Contract #: _____ FY: _____ Type: _____

		Yes	No
1.	Does the filing system follow the model provided in the grantee handbook?	____	____
2.	Was it difficult to find information or documentation during the review?	____	____

~ If ***Yes*** , explain: _____

3.	Does grantee have another active grant, conditionally closed grant or grant that received a final closeout in the last four years?	____	____

~ If ***Yes*** , view files and review past monitoring letters for repetitive deficiencies.

Comments / Recommended Corrective Action: _____

_____

Public Improvements / Force Account

Jun-08

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

Contractor 1: _____ Contract Amount: _____

Contractor 2: _____ Contract Amount: _____

Contractor 3: _____ Contract Amount: _____

Sub-contractor 1: _____ Sub-contractor 2: _____

	Contractor 1	Contractor 2	Contractor 3
Bid Ad Dates			
Bid Opening Date			
Award Date			
Description of Work			

(answer: ***Yes***, ***No*** *or* ***N/A***) **Contractors:** ***1*** ***2*** ***3***

1. a. Is there a Certificate for Compliance with Minimum Standards for Accessibility by the Physically Handicapped? _____

   b. Has the State Fire Marshall issued a 'certificate of occupancy'? _____

2. Is there documentation to support that acquisition of property was not necessary? _____

   ~ If ***Yes***, identify? _____

3. Did DHH review/approve plans/specs for the sewer/water project? _____

   ~ If ***Yes***, is DHH's letter dated prior to start of construction? _____

4. Is any additional work being performed? _____ _____ _____

   ~ If ***Yes***, explain? _____

5. Does project site in application compare to actual site? (view site) _____ _____ _____

6. Is the project sign prominently displayed? _____ _____ _____

7. a. If grant provides hook-ups or service line repairs to L/M income families, does the residents' application for services include documentation which supports amount of annual income? (effective beginning 2/1/2000) _____

   b. Were work authorizations obtained from the property owners? _____

8. Were special assessments levied on property owners as a result of this project? (hook-up or tap-on fees) _____

Force Account

	Yes	No	N/A
36. Did grantee have prior written approval from OCD to use 'Force Account"?			
~ If ***Yes*** , did grantee follow the "LCDBG Guidelines for Force Account"? [Refer to the guidelines to review.]			

Comments / Recommended Corrective Action: _____

Housing Rehabilitation *(Part 1)*

May, 2004

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer: _____ LGR: _____ Date: _____

1. Number of units approved for: _____ (Rehabilitation) Number of units: _____ (Rehabilitated)

   _____ (Replacement/Reconstruction) _____ (Replaced/Reconstructed)

   _____ (Demolition) _____ (Demolished)

   [Demolition includes both vacant demolition and replacement/reconstruction units.]

		Yes	***No***	***N/A***
2.	Does it appear the proposed rehab/replacement/reconstruction/demolition will be completed?	____	____	____
	~ If ***No***, explain. _____			
3.	Are the program guidelines being followed and, is a deferred loan/payment program being used?	____	____	____
	~ If ***Yes***, is the property being legally liened?	____	____	____
4.	Are individual files being maintained for each rehabilitated unit?	____	____	____
5.	What standards are being used to determine the extent of rehabilitation that is necessary? _____			
6.	Did advertisement call bidders attention to; Section 3 *and* Section 109	____	____	____
	E. O. 11246	____	____	____
	Segregated Facility	____	____	____
7.	Are site inspections used for assuring timely completion of work and payments?	____	____	____
	a) Who performs the inspections? _____			
	b) What is their prior experience? _____			
8.	a) What is the average cost per, _____ (Rehabilitation) b) Are these consistent with the application?	____	____	____
	_____ (Replacement/Reconstruction)			
	_____ (Demolition)			
	~ If ***No***, explain. _____			

	Yes	No	N/A
9. Did any individual grant/loan exceed the locally determined maximum average amount, if applicable?	_____	_____	_____

~ If ***Yes***, explain. _____

Comments / Recommended Corrective Actic _____

_____

Housing Rehabilitation Plan

10. Have Rehabilitation guidelines [policies/procedures] been developed and approved by the local governing body?	_____	_____	_____
11. Do the guidelines…			
• state eligibility requirements for participation including household income, asse ownership, occupancy, need for Rehabilitation, geographical boundaries, rehabilitation feasibility, etc.?	_____	_____	_____
• establish a maximum average grant and/or loan limitation considering the conc of the targeted housing stock and the needs of the Program clien	_____	_____	_____
• identity a property rehabilitation standard? (*Section 8 Housing Quality Standan Southern Standard Housing Code, local housing code, etc.*	_____	_____	_____
• require each Rehabilitated unit to comply at a minimum with the Section 8 Hou Quality Standards and Cost Effective Energy Conservation Stand:	_____	_____	_____
• require each unit to comply with the Fire Administration Authorization Act of 1! (at a minimum, installed 2 hard-wired and/or battery operated smoke detect	_____	_____	_____
• establish procedures to ensure compliance with the Lead-Based Paint regu	_____	_____	_____
• clearly identify eligible Rehabilitation costs?	_____	_____	_____
• define the roles and responsibilities of program staff and the property owner an contractor through all phases of program delivery?	_____	_____	_____
• include or reference all procedures and forms for application processing and financial and construction management?	_____	_____	_____
• *if applicable,* establish a coordinated relationship with the local code enforc program?	_____	_____	_____
• include actions to recruit and assist contractors? (*small, minority and/or fe*	_____	_____	_____
• include minimum qualifications for contractors, and provide for the evaluation of contractor credentials, including the contractor's license/registration numbe	_____	_____	_____
• include appropriate measures to deny participation to contractors who fail to pe in a satisfactory manner?	_____	_____	_____
• require the preparation of a detailed work write-up and cost estimate for eac	_____	_____	_____
• include general Rehabilitation specifications that adequately prescribe material methods and workmanship quality?	_____	_____	_____
• include a grievance procedure or other mechanism to correct deficiencies in th Housing Rehabilitation program after final inspection?	_____	_____	_____

Comments / Recommended Corrective Actic _____

_____

11. Do the guidelines…

- state eligibility requirements for participation including household income, asse ownership, occupancy, need for Rehabilitation, geographical boundaries, rehabilitation feasibility, etc.? _____ _____ _____
- establish a maximum average grant and/or loan limitation considering the conc of the targeted housing stock and the needs of the Program clien _____ _____ _____
- identity a property rehabilitation standard? (*Section 8 Housing Quality Standar Southern Standard Housing Code, local housing code, etc.* _____ _____ _____
- require each Rehabilitated unit to comply at a minimum with the Section 8 Hou Quality Standards and Cost Effective Energy Conservation Stand _____ _____ _____
- require each unit to comply with the Fire Administration Authorization Act of 1 (at a minimum, installed 2 hard-wired and/or battery operated smoke detect _____ _____ _____
- establish procedures to ensure compliance with the Lead-Based Paint regu _____ _____ _____
- clearly identify eligible Rehabilitation costs? _____ _____ _____
- define the roles and responsibilities of program staff and the property owner an contractor through all phases of program delivery? _____ _____ _____
- include or reference all procedures and forms for application processing and financial and construction management? _____ _____ _____
- *if applicable,* establish a coordinated relationship with the local code enforc program? _____ _____ _____
- include actions to recruit and assist contractors? (*small, minority and/or fe* _____ _____ _____
- include minimum qualifications for contractors, and provide for the evaluation of contractor credentials, including the contractor's license/registration numbe _____ _____ _____
- include appropriate measures to deny participation to contractors who fail to pe in a satisfactory manner? _____ _____ _____
- require the preparation of a detailed work write-up and cost estimate for eac _____ _____ _____
- include general Rehabilitation specifications that adequately prescribe material methods and workmanship quality? _____ _____ _____
- include a grievance procedure or other mechanism to correct deficiencies in th Housing Rehabilitation program after final inspection? _____ _____ _____

Comments / Recommended Corrective Actic _____

_____

Housing Rehabilitation (*Part 2*)

May, 2004

Grantee: _____ Contract #: _____ FY: _____ Type: _____

Reviewer _____ LGR: _____ Date: _____

This checklist must be completed for each unit reviewed.

Owner/Occupant (*Head of Household*) _____

Address _____

Deffered loan amount $ _____

Check all that apply: ☐ single family ☐ duplex ☐ upper income H ☐ low/moderate income HH

_____ Number of units in structure undergoing rehabilitation

_____ Date of final verification of all household application data

_____ Date work write-up and cost estimate prepared

_____ Date of advertisement for bids for this unit

_____ Date contract signed

_____ Date Notice to Proceed issued

		Yes	No
1.	Was household income data verified?	_____	_____
2.	Is information available which indicates that the eligibility criteria of the program guidelines have been met?	_____	_____
3.	Was the work write-up and/or plans signed by the owner?	_____	_____
4.	Were bids in line with the preliminary cost estimates and work write-up?	_____	_____
5.	Was contracting done on a competitive basis?	_____	_____
6.	Contractor: _____ Date cleared: _____		
	Contractor: _____ Date cleared: _____		
	Was the prime contractor(s) clear prior to contract execution?	_____	_____
7.	Was D.S.S. contracted to verify that the contractor(s) is current in his child support payments, if applicable?	_____	_____
8.	Was contractor's general liability and workman's compensation insurance verified?	_____	_____

		Yes	No
9.	Does the contract include:		
	• Title VI Clause	_____	_____
	• E.O. 11246 Standard Clause (*above $10K*) or 3 paragraph E.O. Provisions (*$10K or*	_____	_____
	• Notice of Requirement for Affirmative Action (*above $10,00*	_____	_____
	• Standard E.O. 11246 Specifications (*goals inserted - above $10,*	_____	_____
	• Section 109 Clause	_____	_____
	• Section 3 Clause	_____	_____
	• Segregated Facilities Clause	_____	_____
	• Lead Base Paint Clause	_____	_____
	• Fire Administration Authorization Act of 1992	_____	_____
	• Access to Records/Maintenance of Records Clause	_____	_____
	• Conflict of Interest	_____	_____
	• Contractor/Subcontractor certification of EEO HUD 950.1 and 950.2 (*above $10,0*	_____	_____
10.	Was the homeowner required to temporarily relocate to another unit?	_____	_____
	~ If ***Yes*** • Was the unit inspected for Section 8 compliance?	_____	_____
	• Did this unit pass ____ or fail ____ Section 8 compliance?		
	• Was the homeowner notified of the pass/fail status of this unit?	_____	_____
11.	Were systematic site inspections made prior to making progress payments?	_____	_____
12.	Was a final inspection made upon receipt of the final invoice from the contractor?	_____	_____
13.	Is there a dated notification "Watch Out for Lead-Based Paint Poisoning" form signed by the homeowner or tenant?	_____	_____
14.	Are homeowners being insured through the national flood insurance program?	_____	_____
15.	Was this home in a flood zone?	_____	_____
	~ If ***Yes***, did grantee follow its adopted Floodplain Ordinance for construction?	_____	_____
16.	Did grantee address deficiencies identified in the application? (handicapped features, etc	_____	_____
17.	Was the job completed in accordance with the contract and warranty?	_____	_____
18.	Was a "Notice of Acceptance of Work" issued?	_____	_____
19.	Was a "Notification of Release of Lien" and applicable warranties received from the contractor, all subcontractors and suppliers?	_____	_____
20.	Was final payment made at the end of the required lien period?	_____	_____
21.	Was a lien filed on the rehab unit at the clerk of court's office as per our minimum 5 year deferred loan program policy?	_____	_____

Comments / Recommended Corrective Actic_____

ECONOMIC DEVELOPMENT (*part 1*)

November, 1996

Grantee:_____ Contract #:_____ FY:_____

Reviewed By:_____ LGR:_____ Date:_____

Company Name: _____

Address: _____

Responsible Official: _____

Activity Description: _____

_____

_____

(JTPA participants are acceptable as low/moderate beneficiaries except those participants on the dislocated workers program.)

		Yes	***No***	***N/A***
1.	Date of last financial review _____ for the period ending _____ .			
	Number of reviews conducted to date: _____ .			
	Date of last annual statement review _____ for period ending _____ .			
2.	Has the grantee's loan to the developer been secured (*mortgage, etc.*) in the manner described in Exhibit D of our contract with the contractor?	____	____	____
	Comments: _____			
3.	In general, have all currently applicable provisions of our contract with the grantee been carried out as described, especially Exhibits A - E?	____	____	____
	Comments: _____			

VERIFICATION OF JOBS CREATED AND/OR RETAINED

4. Number of jobs to be created and/or retained as stated in contract: _____

5. Review payroll prior to grant award, if applicable. Mainly or expansions.

   Date of payroll: _____ Number of existing jobs: _____

6. Review current payroll.

   Date of payroll: _____ Number of existing jobs: _____

7. Review job certifications.

   a) Number of jobs to be created and/or retained: _____

   b) Number of jobs given to persons of low/moderate income households: _____

   c) Number of jobs given to low income households: _____

   d) Number of jobs given to high income households: _____

8. Does the current payroll match the job certifications? _____***Yes*** _____ ***No*** _____ ***N/A***

9. What is the low/moderate income limits for this locality? $_____

10. What is the percent of low/moderate new hires? _____%

11. Has this grant met its job creation goals? _____***Yes*** _____ ***No*** _____ ***N/A***

    ~ If *No*, explain: _____

    _____

12. LCDBG funds less administration $_____ divided by total number of jobs _____

    = cost per job $_____ .

13. Was the National Objective met? _____***Yes*** _____ ***No*** _____ ***N/A***

14. Is another monitoring visit required to verify job creation and compliance with the National Objective? _____***Yes*** _____ ***No*** _____ ***N/A***

* If Yes, plan a second monitoring visit & send a letter to the grantee informing them of their lack of compliance in this area.

All other applicable monitoring checklists must be completed. (*i.e., Program Performance, FH/EO, Financial Management, Labor Standards (if Davis-Bacon is applicable), etc.*

ECONOMIC DEVELOPMENT (*part 2*)

November, 1996

Grantee: _____ Contract #: _____ FY: _____

Reviewed By: _____ LGR: _____ Date: _____

Developer: _____

FINANCIAL STATEMENT ANALYSIS

1. Ending Date of Financial Statement: _____

   Date Financial Statement Received: _____

   Date Previous Financial Statement Received: _____

2. Type of Financial Statement: ___ *Internal* ___ *Compilation* ___ *Reviewed* ___ *Audit*

3. Period of Financial Statement: ___ *Interim* ___ *Monthly* ___ *Quarterly* ___ *Annual*

	Yes	***No***	***N/A***
4. Does the Financial Statement have the following:			
a) Income Statement	____	____	____
b) Beginning Balance Sheet	____	____	____
c) Ending Balance Sheet	____	____	____
d) Statement of Cash Flows	____	____	____
e) CPA Statement	____	____	____
f) Required Footnote Disclosures	____	____	____

5. Financial Statement Analysis:

   A. Profitability Indicators -

   B. Asset Management Indicators -

   C. Liquidity/Solvency Indicators -

   D. Other Indicators or Comments -

			Yes	***No***	***N/A***
6.	Based upon your review, are the following indicated?				
	a.	LCDBG funds have been used as described in the application and in the contract.	____	____	____
	b.	The stipulated amount of private investment has been made.	____	____	____
	c.	The ratio of private investment to LCDBG funds meets the minimum requirements as stipulated in the contract.	____	____	____

7. Other issues or comments: _____

_____

_____

8. Date review completed: _____

RESIDENTIAL RELOCATION / DISPLACEMENT (*part 1*)

November, '96

Grantee:_____ **Contract #:**_____ **FY:**_____

Reviewed By:_____ **LGR:**_____ **Date:**_____

Review grantee's involvement in permanent relocation of persons displaced by acquisition of property and non-Uniform Act activities. The checklist is for both relocation activities under the Uniform Act and non-Uniform Act. A minimum of five parcels must be reviewed if the total number of relocations is less than fifty. For more than fifty, a total of 10% or a maximum of twenty must be reviewed for compliance.

Uniform Act Relocation And Displacement

		Yes	***No***	***N/A***
1.	Was or is permanent displacement anticipated as a result of the LCDBG Program?	____	____	____

Comments: _____

↳ If *Yes*, continue. If *No*, it is not necessary to complete this checklist.

2. Total number of displacements subject to the Uniform Act: _____

- How many are 180 day owner occupied?_____
- How many are 180 day renter occupied?_____
- How many are 180 day business related?_____
- How many are 180 day farm related?_____
- Other (*specify*): _____

Comments: _____

3. Total number of displacements not be subject to the Uniform Act: _____

4.	Were the displacements carried out in accordance with the Act?	____	____	____

↳ If *No*, explain how these relocations do not conform to the Act? _____

_____

5.	Were replacement units inspected for Section 8 compliance?	____	____	____

Comments: _____

6.	Were relocation/displacement payments made in accordance with Uniform Act requirements?	____	____	____

Comments: _____

Complete the "Residential Relocation/Displacement Checklist (part 2)" for Uniform Act activities. (not attached in Handbook)

Non-Uniform Act Relocation And Displacement

		Yes	***No***	***N/A***
1.	Does the grantee have a locally adopted relocation policy covering non-Uniform Act relocation procedures?	____	____	____
	Comments: _____			
2.	Were non-Uniform Act displacements carried out in accordance with the relocation policy?	____	____	____
	Comments: _____			

Complete the "Residential Relocation/Displacement Checklist (part 3)" for non-Uniform Act Activities. (not attached in Handbook)

PROGRAM COMPLETION REPORT

COVER SHEET

---

1. Name of Grantee 2. Address of Grantee

---

3. Contract Number

---

4. Citizen participation information submitted with this report includes the following:

   (a) A summary of each citizen comment received during program implementation, the grantee assessment of the comment, and a description of actions taken or to be taken in response to the comment.

   (b) Specific information on each required public hearing held which includes the purpose of the public hearing and the date(s) of each; and a copy of the public notice, attendance roster, and minutes of the public hearing on performance.

---

5. The grantee's chief elected official certifies that:

   (a) To the best of his/her knowledge and belief the data in this report is true and correct as of the date identified below;

   (b) The records described in this report are being maintained and will be made available upon request.

---

6. Typed name and title of chief elected official

---

7. Signature 8. Date

INSTRUCTIONS FOR THE COVER SHEET

ITEM
NUMBER

1. Enter the name of your local government (municipality or parish).

2. Enter the official address of the local government.

3. Enter the contract number for the LCDBG program that is being closed out.

4. Attach the citizen participation information as identified and required. As a reminder, public hearings are required: a) for the development of the LCDBG application, b) for comments regarding any amendments to the Program, and c) for review of the grantee's program performance as a part of closeout. Identify the date and purpose of each public hearing. Also include a summary of each comment received during the program and the local governing body's response to each comment received. These comments must also include any complaints received regarding the program.

5. The Mayor's/President's signature on this page certifies that the data in the report is correct and the LCDBG Program files are being maintained in the local governing body's offices.

6. Type in the name and title of the chief elected official, e.g., the Mayor/President.

7. The Mayor/President must sign in this block.

8. Enter the date signed.

CITIZEN PARTICIPATION INFORMATION

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
GRANT PROGRESS FORM

1. Grantee:

2. Contract Number:

3. Name of Activity	4. National Objective Addressed	5. Actions Accomplished	6. Actions Remaining to Anticipated Completion Date	7.* Current LCDBG Budget	8.* LCDBG Funds Obligated	9.* LCDBG Funds Expended
			10. TOTAL	$	$	$

*If other funds were injected into the project, attach a separate sheet identifying the amount of, source of, and use of funds for each activity. This is required for all economic development projects; however, it may also pertain to housing, public facilities, demonstrated needs, or other types of projects. The amounts shown in columns 7, 8, and 9 should involve only LCDBG funds.

INSTRUCTIONS FOR THE GRANT PROGRESS FORM

ITEM
NUMBER

1. Type in the name of your City/Parish.

2. Type in the contract number.

3. List the name of each activity identified exactly as it is shown in the contract or as established by any program amendments; for example, sewer system improvements, housing rehabilitation, demolition, etc. Acquisition will not be shown as a separate activity. If acquisition of land was necessary to complete a sewer project, the funds for acquisition will be included with the funds for sewer.

4. Note the national objective served by each activity, e.g., "benefit to low moderate income persons" or "prevention/elimination of slums and blight." Although administration will be identified as an activity, do not identify that a national objective has been addressed by this activity.

5. Identify the specific actions accomplished under this activity, e.g., "replacement of 750 linear feet of sewer line, rehab of 24 houses, demolition of 3 houses," etc.

6. List the actions remaining to complete the activity and anticipated completion date, e.g., "finishing, inspection, and acceptance (5/03)" or identify the activity as "completed". In most instances, all of the activities will be completed when this form is prepared.

7. Show the current approved LCDBG amount budgeted for each activity.

8. List the total amount of LCDBG funds obligated for each activity as of the date of the report. The amount obligated generally means the amount under contract or for which expenses have been incurred. If other funds (state, local, or federal) were injected into the project, attach a separate sheet identifying the source of funds and use of funds for each activity. All economic development projects involve other funds; therefore, the amount, source and use of other funds (private and/or public) must be identified for economic development projects. Other funds may also have been used in conjunction with a housing, public facilities, demonstrated needs, LaSTEP or technology project.

9. Show the total LCDBG funds expended for each activity as of the date of the report.

10. Enter the total amounts under columns 7, 8, and 9.

Louisiana Community Development Block Grant -- Program Beneficiary Form

1 Name of Grantee _____ 4 FY / Type _____

2 Contract Number _____ 5 Comments _____

3

6	Name of Activity		
7	(Income Levels)		Persons
8	Total--All Income Levels		
9	LMI Percentage		
10	Extremely Low Income		
11	Low Income		
12	Moderate Income		
13	Above Income		
14	(Racial Groups) American Indian or Alaskan Native	Total	
		Hispanic	
15	Asian	Total	
		Hispanic	
16	Black or African American	Total	
		Hispanic	
17	Native Hawaiian or Pacific Islander	Total	
		Hispanic	
18	White	Total	
		Hispanic	
19	American Indian and White	Total	
		Hispanic	
20	Asian and White	Total	
		Hispanic	
21	Black and White	Total	
		Hispanic	
22	American Indian and Black	Total	
		Hispanic	
23	Other Multi-racial	Total	
		Hispanic	
24	Total--All Racial Groups	Total	
		Hispanic	
25	Handicapped Persons		
26	Handicapped Head of HH		
27	Female-Headed Households		
28	Elderly-Occupied Households		
29	Total Occupied Households		

30	Rehabilitation Loans and Grants			
31	Persons		Households	
	Owner	Renter	Owner	Renter
32				
33				
34				
35				
36				
37	Persons		Owner	Renter
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50	Handicapped Head of HH			
51	Fem. Headed O/R HH			
52	Elderly-Occupied HH			
53	Total HH			

54	Source(s) for determining beneficiary data:			
55	We certify that to the best of our knowledge and belief the beneficiary data on this form is correct. For those projects involving utility line connections on private property, the household information reflects only households physically connected to the system with LCDBG funds. For Economic Development projects, the engineer's signature is not required.			
56	Signature, Chief Elected Official		Date	
57	Signature, Grant Consultant		Date	
58	Signature, Engineer/Architect		Date	

Instructions for the Program Beneficiary Form

Objective: The Program Beneficiary Form reports actual beneficiaries of an LCDBG project which has been completed. In contrast, the Activity Beneficiary Form(s) of the original LCDBG application reported the anticipated beneficiaries of a future project.

Data Sources: Data sources for the completion of the Program Beneficiary Form may include:

- The original Activity Beneficiary Form or original combined Activity Beneficiary Form
- A revised Activity Beneficiary Form as prepared during the application revision stage of the grant
- Known beneficiary changes that occurred during the project
- Beneficiary data from a Program Amendment
- An actual count of beneficiaries

Row 1: "Name of Grantee": Enter the name of the grant recipient. Example: Abbeville

Row 2: "Contract Number": Enter the six digit LCDBG contract number. Example: 555555

Row 3: This blank line will normally remain blank but may be used for extra comments.

Row 4: "FY / Type": For "FY" Enter the funding year of the grant. Example: 2008 "Type" refers to the program type which may be one of the following: DN, DR, ED, HO, LS, PA, PF, or TE. Enter the type.

The Left Panel, Rows 6 through 29, and the Right Panel, rows 30 through 53: The left panel is used to report beneficiaries for a non-housing activity. The right panel is used to report beneficiaries for a housing grant and any other grant with "Rehabilitation Loans and Grants" as an activity. Examples:

- Only the left panel would be completed on a Public Facilities sewer project with no utility line connection work on private property.
- Both the left and right panels would be completed on a Public Facilities sewer project with utility line connection work on private property paid for with LCDBG funds.
- Only the right panel would be completed for a Housing grant.
- Only the left panel would be completed for an Economic Development grant. The number of persons should correspond to the number of jobs created/retained.

Row 6: Name of Activity—Enter a primary HUD activity name that, in general, describes the purpose of the grant. Examples: sewer, water, or streets. Do not enter activity names or report beneficiaries for acquisition or administration.

Rows 8-13: Enter persons benefiting according to their income level as determined by HUD. The low to moderate income (LMI) percentage may be transferred from the original application if no changes have been made. If there were changes then this formula may be used: (rows 10+11+12) divided by row 8 equals the LMI percentage. Round the LMI percentage to two decimal places. Example: 63.94%

Rows 14-23: Enter beneficiary data by racial groups. The definitions of each racial group remain the same as defined in the original LCDBG application package. Note that "Hispanic" is not considered a race but rather as an "ethnicity". Of each racial group having beneficiaries, enter the persons of that racial group who also consider themselves as being of Hispanic ethnicity. The number entered for "Hispanic" will be a subset of the "Total" for each racial group.

Row 24: Enter the sum of all racial group totals in the upper data cell of row 24. Enter the sum of all of the persons of Hispanic ethnicity in the lower data cell of row 24. The upper data cell of row 24, total by racial group, must equal the number of persons as listed in row 8, total by income level. If these figures do not agree then there is an error that must be corrected.

Rows 25-29: Enter data for the indicated beneficiary categories. An elderly-occupied household, row 28, means a household that has at least one elderly person, of age 62 and up, who lives in the household—regardless of whether any elderly person is the head of the household.

The Right Panel: If a grant has an activity called "Rehabilitation Loans and Grants" then rows 30 through 53 must be completed. Otherwise, the right panel will be left blank.

Rows 30-53: The "Income Levels" listed in rows 8-12 will also be applied to rows 32-36 respectively. The "Racial Groups" listed in rows 14 through 24 will also be applied to rows 38 through 48, respectively. Additionally, beneficiary data for the right panel must also include the reporting of categories based on number of households and owner/renter status with such data to be entered according to the manner in which the column headings are labeled.

Row 33: This row should be left blank since beneficiaries in the right panel will always be 100% LMI.

Row 49: Enter only handicapped persons. Leave the cell for handicapped households blank.

Row 50: Enter the number of handicapped heads of household without regard to owner/renter status.

Row 51: Enter female headed households by owner/renter status.

Row 52: Enter elderly-occupied households without regard to owner/renter status.

Row 53: Enter total households without regard to owner/renter status. Make sure that total households, as entered on row 53 agrees with total "racial" household information from the upper right data cells of row 48 and with total "income" household information from the right data cells of row 32. If the figures do not agree then there is an error that must be corrected.

Row 54: Enter the data source(s). If necessary, attach a separate page describing the data source(s).

Rows 55-58: The beneficiary data on this form must be verified by signatures/dates of the chief elected official, administrative consultant and engineer/architect. The engineer's signature is not required on Economic Development projects.

Louisiana Community Development Block Grant Program—Applicant Data Form*			
		1. Name of Grantee	
		2. Contract Number	
		3. Name of Activity	
4. Persons in Applicant Households	All Income Levels	#	
5. Persons in Applicant Households	Moderate, Low, & Extremely Low Income Levels	#	
		%	
6-A. Persons in Applicant Households	Moderate Income Level	#	
		%	
		Own	
		Rent	
6-B. Persons in Applicant Households	Low Income Level	#	
		%	
		Own	
		Rent	
6-C Persons in Applicant Households	Extremely Low Income Level	#	
		%	
		Own	
		Rent	
Items 7 & 8 will be based on all persons in applicant households regardless of income level			
7-A. American Indian or Alaskan Native	Total	#	
	Hispanic	#	
7-B. Asian	Total	#	
	Hispanic	#	
7-C. Black or African American	Total	#	
	Hispanic	#	
7.D Native Hawaiian or Other Pacific Islander	Total	#	
	Hispanic	#	
7-E. White	Total	#	
	Hispanic	#	
7-F. American Indian and White	Total	#	
	Hispanic	#	
7-G. Asian and White	Total	#	
	Hispanic	#	
7-H. Black and White	Total	#	
	Hispanic	#	
7-I. American Indian and Black	Total	#	
	Hispanic	#	
7-J Other Multi-Racial	Total	#	
	Hispanic	#	
		8-A. Handicapped Persons	#	
		8-B. Handicapped Households	#	
		8-C Female-headed Households	#	
		8-D. Total Households	#	
9. Source for determining applicant data:			
*This form must be completed only for housing programs and public facilities programs which include work undertaken on private property.			

INSTRUCTIONS FOR THE APPLICANT DATA FORM

In accordance with the federal regulations governing the Community Development Block Grant Program, the Applicant Data Form must be completed by all FY 1993 and later LCDBG recipients who utilized LCDBG funds for a housing program or for a public facilities program which included the activity of rehabilitation loans and grants. The information reported on this form must include the data for all persons applying for financial assistance for housing rehabilitation or replacement housing and all persons applying for financial assistance for the installation and/or repair of water and/or sewer service lines on private property. The numbers on this form will include all persons applying for financial assistance, including those who received the assistance and those who did not receive the assistance. Often, the number of persons applying for assistance will exceed the number of beneficiaries since all who apply do not necessarily receive the assistance.

Any time an activity is included on this form, the Applicant Data Form, the same activity must also be listed on the Program Beneficiary Form. Whereas the Applicant Data Form identifies all applicants, the Program Beneficiary Form identifies only those applicants who received assistance (beneficiaries).

1. Grantee: Enter the name of the local governing body.

2. Contract Number: Enter the grantee's contract number.

3. Name of Activity: Enter the name of the activity. The only activities applicable to this form are housing rehabilitation loans and grants, public facilities rehabilitation loans and grants (hook-ups), and relocation payments and assistance. If your program did not have monies budgeted for any of these activities, do not complete this form. Any activity listed on this form should also be listed on the Program Beneficiary Form.

4. Persons In Applicant Households—All Income Levels: For the activity shown in row 3, provide the total number of persons in applicant households for “All Income Levels”. “All Income Levels” includes the following four income levels: High, Moderate, Low, and Extremely Low. This means that all persons in the households applying for assistance, regardless of income level, must be shown.

5. Persons in Applicant Households—Moderate Plus Low Plus Extremely Low Income: Enter the total number and percent of moderate, low and extremely low income persons in the applicant households.

6. Component Listing of Persons in Applicant Households: Enter the number and percent of persons in applicant households according to the following income level components: (6-A) Moderate, (6-B) Low and (6-C) Extremely Low. This data can be obtained from the applications for assistance which were completed by the applicants. The numbers in these three categories, when combined, should equal the number on row 5.

For housing rehabilitation, relocation, and public facilities rehabilitation activities which take place on private property, the number of owners and renters must also be identified by each income category.

7. Racial/Ethnic Origin: Item 7 pertains to all persons in applicant households regardless of income level. Enter the number of persons in the applicant households by their racial origin (7-A through 7-J); then enter the number of persons in that racial origin that are of Hispanic or Latino ethnicity. All persons who applied for assistance will be included whether they received assistance or not. The total number of persons listed in rows 7-A through 7-J by racial/ethnic characteristics should equal the number of persons listed in row 4.

8. Household Characteristics: Item 8 pertains to all households/persons who applied for assistance regardless of income level. In 8-A, enter the number of handicapped persons who reside in households which applied for assistance. In 8-B, enter the number of applicant households which were headed by handicapped persons. In 8-C, enter the number of applicant households which were headed by females. In 8-D, enter the total number of applicant households.

9. Source: State the source/methodology used for determining the applicant data.

Definitions: Refer to the back of the “Program Beneficiary Form” for definitions on race, ethnicity, handicapped and the elderly.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM HOUSING OPPORTUNITIES FORM	1. GRANTEE: 2. CONTRACT NUMBER:
3. Actions taken to affirmatively further fair housing in your community: Actions Taken	Results
4. Actions taken to increase housing opportunities for lower income: Actions Taken	Results

INSTRUCTIONS FOR THE HOUSING OPPORTUNITIES FORM

ITEM
NUMBER

1. Type in the name of your local government.

2. Type in the contract number.

3. List all actions taken to affirmatively further fair housing in your community and the results of those actions.

4. Identify all actions taken to increase housing opportunities for lower income households in your community and the results of those actions.

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
MISCELLANEOUS INFORMATION FORM

1. GRANTEE: _____

2. CONTRACT NUMBER:

3. Did you receive any program income during the course of this grant? Yes _____ No _____
(See the instructions on the back of this form.)

4. If yes,
a. Enter the sum of program income received during this program $_____

b. For all program income received, list separately the source and original LCDBG Program year which generated the program income and the amount received.

SOURCE	ORIGINAL LCDBG PROGRAM YEAR	AMOUNT

5. Was any property or equipment (property having a useful life of more than one year and an acquisition cost of $300 or more per unit) purchased with LCDBG funds? Yes _____ No _____

If yes, provide a description and dollar amount paid for such purchases.

DESCRIPTION	AMOUNT

Disposition of property acquired with federal funds must be in compliance with OMB Circular A-87. You will be notified of the proper procedures for disposition of the property described above.

6. If a fire truck was purchased, a copy of the title for each truck must be submitted with the close-out documents.

7. Was any land acquired/donated in order to complete the project?

Yes _____ No _____
If yes, identify the number of parcels donated _____ (number) and acquired _____ (number).

8. For public facilities projects or other projects (including economic development) which involve infrastructure construction and which were funded prior to the FY 2000 LCDBG program year, attach a copy of any change orders issued to the construction contract after the monitoring visit. (For projects awarded beginning with the FY 2000 LCDBG program year and thereafter, all change orders should have already been submitted to the LCDBG engineer.)

9. Has or will the local governing body transfer ownership of the system/asset to another entity?

Yes _____ No _____

If yes, a copy of the executed intergovernmental cooperative agreement must be attached to the closeout documents.

10. If your project included infrastructure construction, a copy of the recorded clear lien certificate must be submitted with the closeout documents.

11. If your project involved infrastructure construction which was subject to Davis Bacon and Related Acts, a Final Wage Compliance Report must be submitted.

INSTRUCTIONS FOR THE MISCELLANEOUS INFORMATION FORM

ITEM
NUMBER

1. Type in the name of your City/Parish.

2. Type in the contract number.

3. Program Income
The LCDBG program requires that Economic Development loan repayments be submitted to the State as program income. The rules governing Program Income requirements are explained in Section IV (J) of the Financial Management Manual. There are some situations which may arise whereby the State will allow a unit of local government to keep program income; this does not include ED loan repayments. If you have received our permission to earn and retain program income, the following information is needed.

   Identify whether or not any program income was received during the course of the grant for which these closeout documents are being prepared. The program income, however, may have been received as a result of a previous grant. For example, during the life of a FY 2003 CDBG program, the Town may receive program income from a FY 2001 economic development grant award.

4. a. Enter the sum of program income received during the life of the program being closed out, if applicable.

   b. Identify the source and dollar amount of all program income received. If applicable, distinguish between principal and interest. Also, identify the original grant year from which these funds were generated. If additional space is needed, provide the information on a separate sheet.

5. Indicate if any property or equipment was purchased with LCDBG funds and, if applicable, provide a description and cost.

6. If a fire truck was purchased with LCDBG funds, a copy of the title for each truck must be submitted.

7. If any land was acquired or donated in order to complete the project, please identify the number of parcels acquired and/or donated.

8. For all projects awarded prior to the FY 2000 LCDBG program year involving public facilities construction or improvements, a copy of all change orders issued after the monitoring visit must be submitted. Beginning with the FY 2000 LCDBG program, all change orders should have already been submitted to the LCDBG engineer.

9. For all projects which involve the transfer of ownership of the system or asset purchased, improved, or constructed with LCDBG funds, a copy of the executed intergovernmental cooperative agreement must be attached to the closeout documents.

10. For all projects involving infrastructure construction (including economic development), a copy of the recorded clear lien certificate must be submitted with the closeout documents.

11. Attach a Final Wage Compliance Report for those projects which were subject to Davis Bacon and Related Acts.

Section 3 Summary Report

Economic Opportunities for
Low – and Very Low-Income Persons

U.S. Department of Housing
and Urban Development
Office of Fair Housing
And Equal Opportunity

OMB Approval No: 2529-0043
(exp. 11/30/2010)

HUD Field Office:

Section back of page for Public Reporting Burden statement

1. Recipient Name & Address: (street, city, state, zip)	2. Federal Identification: (grant no.)	3. Total Amount of Award:
	4. Contact Person	5. Phone: (Include area code)
	6. Length of Grant:	7. Reporting Period:
8. Date Report Submitted:	9. Program Code: (Use separate sheet for each program code)	10. Program Name:

Part I: Employment and Training (** Columns B, C and F are mandatory fields. Include New Hires in E &F)

A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F Number of Section 3 Trainees
Professionals					
Technicians					
Office/Clerical					
Construction by Trade (List) Trade					
Trade					
Trade					
Trade					
Trade					
Other (List)					
Total					

* Program Codes
1 = Flexible Subsidy
2 = Section 202/811
3 = Public/Indian Housing
A = Development,
B = Operation
C = Modernization
4 = Homeless Assistance
5 = HOME
6 = HOME State Administered
7 = CDBG Entitlement
8 = CDBG State Administered
9 = Other CD Programs
10 = Other Housing Programs

form HUD 60002 (11/2010)
Ref 24 CFR 135

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	$
B. Total dollar amount of contracts awarded to Section 3 businesses	$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	$
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	$
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	%
D. Total number of Section 3 businesses receiving non-construction contracts	

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

_____ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.

_____ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.

_____ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.

_____ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.

_____ Other; describe below.

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensures that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(6) of the Fair Housing Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Instructions for Completing Section 3 Report

1. Recipient: Enter the name and address of the recipient submitting this report.

2. Federal Identification (grant no.): Enter the number that appears on the contract with the State.

3. Total Amount of Award: Enter the total Community Development Block Grant dollars received, rounded to the nearest dollar. (This may not necessarily be the original grant amount awarded).

4&5. Contact Person/Phone: Enter the name and telephone number of the person with knowledge of the grant award and the recipient's implementation of Section 3.

6. Length of Grant: Indicate the time period for the grant.

7. Reporting Period: Indicate the time period that this report covers (months and years, such as 8/04-7/07).

8. Date Report Submitted: Enter the appropriate date.

9. Program Code: Enter number 8.

10. Program Name: Enter CDBG State Administered.

Part I: Employment and Training Opportunities

Column A: Contains various job categories. Professionals are defined as people who have special knowledge of an occupation (i.e., architects, engineers, administrative consultant, attorneys, appraisers, and accountants). Include any City/Parish persons hired by the grantee to work on project. For construction positions, list each trade and provide data in columns B through F for each trade where persons were employed. The category "Other" includes occupations such as service workers and supervisors.

Column B: Enter the number of new hires for each category of workers identified in Column A in connection with this award. New Hire refers to a person who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column C: Enter the number of Section 3 new hires for each category of workers identified in Column A in connection with this award. Section 3 new hire refers to a Section 3 resident who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column D: Enter the percentage of all the staff hours of new hires (Section 3 residents) in connection with this project. New Hires include full-time positions (permanent, temporary

and seasonal).

Column E: Enter the percentage of the total staff hours worked for Section 3 employees and trainees (including new hires) connected with this award. Include staff hours for part-time and full-time positions.

Column F: Enter the number of Section 3 residents that were employed and trained (including new hires) in connection with this award.

Part II: Contract Opportunities

Block 1: Construction Contracts

Item A: Enter the total dollar amount of all construction contracts awarded on the project/program. **(CDBG dollars only)**

Item B: Enter the total dollar amount of construction contracts connected with this project/program awarded to Section 3 businesses. **(CDBG dollars only)**

Item C: Enter the percentage of the total dollar amount of construction contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving construction contracts.

Block 2: Non-Construction Contracts

Item A: Enter the total dollar amount of all non-construction contracts awarded on the project/program. (This will be professional service contracts such as those with architects, engineers, administrative consultant, attorneys, appraisers, and accountants). **(CDBG dollars only)**

Item B: Enter the total dollar amount of non-construction contracts connected with this project awarded to Section 3 businesses. **(CDBG dollars only)**

Item C: Enter the percentage of the total dollar amount of non-construction contracts connected with this project/program awarded to Section 3 businesses.

Item D: Enter the number of Section 3 businesses receiving non-construction contracts.

Part III: Summary of Efforts - *Self-explanatory*

Louisiana Community Development Block Grant Program

CERTIFICATE OF COMPLETION

1. Grantee:

2. Contract Number:

FINAL STATEMENT OF COST

Program Activity Categories	3. Paid Costs	4. Unpaid Costs	5. Total Costs	6. State Use Only
A. Acquisition of Real Property	$	$	$	$
B. Public Works, Facilities, Site Imp.				
1. Sewer				
2. Water (Potable)				
3. Water (Fire Protection)				
4. Streets				
5. Multi-purpose Community Centers				
6. Other				
C. Code Enforcement				
D. Clearance, Demolition				
E. Rehabilitation Loans and Grants				
1. Housing				
2. Public Facilities				
F. Provision of Public Services				
G. Relocation Payments and Assistance				
H. Economic Development				
1. Acquisition-Land-Building				
2. Infrastructure Improvements				
3. Building Construction/Imprmts.				
4. Industrial and Commercial Fac.				
5. Inventory				
6. Working Capital				
7. Capital Equipment				
8. Other				
I. Administration (TOTAL)				
1. Pre-Agreement Costs				
2. Housing Rehabilitation				
3. Public Facilities				
4. Economic Development				
J. Other				
K. Other				
L. TOTAL PROGRAM COST				
M. Prog. Income Applied to Prog.Cost				

COMPUTATION OF GRANT BALANCE

Description	To be completed by Grantee	State Use Only
	7. Amount	8. Approved Amount
A. Grant amount applied to Prgm. Cost	$	$
B. Unsettled third party claims		
C. Subtotal		
D. Grant amount as per contract		
E. Unutilized Grant		
F. Grant Funds Received		
G. Balance of Grant Payable		

9. List any unpaid costs and unsettled third-party claims against the LCDBG Program. Describe circumstances and dollar amounts involved.

_____ Check if continued on additional sheet and attach

CERTIFICATION OF RECIPIENT

It is hereby certified that all activities undertaken by the recipient with funds provided under the contract identified hereof, have, to the best of my knowledge, been carried out in accordance with the contract; that proper provision has been made by the recipient for the payment of all unpaid costs and unsettled third-party claims identified hereof; that the State of Louisiana is under no obligation to make any further payment to the recipient under the contract in excess of the amount identified in line 7.C. hereof, and that every statement and amount set forth in this instrument is, to the best of my knowledge, true and correct as of this date.

10. Date	11. Typed Name and Title of Recipient's Chief Elected Official	12. Signature of Recipient's Chief Elected Official

LCDBG APPROVAL

13. This Certificate of Completion is hereby approved. Therefore, I authorize cancellation of the unutilized contract commitment and related funds reservation and obligation of $_____ less $_____ previously authorized for cancellation.
(from Line 7.E.)

Date	Typed Name and Title of State Authorized Official	Signature of State's Authorized Official
	Carol M. Newton Director, Louisiana Community Development Block Grant Program	

CLOSEOUTS

INSTRUCTIONS FOR THE CERTIFICATE OF COMPLETION FORM

Item Number

1. Type in the name of your local government.

2. Type in the contract number for the LCDBG program being closed out.

3. List the costs paid as of the date of the report for all program activity categories shown (A through K). Identify LCDBG funds only.

4. Show any unpaid costs as of the date of the report for all program activity categories shown (A through K). Identify LCDBG funds only.

5. Total the paid and unpaid costs (3 + 4) as of the date of the report for all program activity categories shown (A through K).

   3-5. L. Add lines A-K and enter the total on line L under columns 3, 4, and 5.

   3-5. M. Enter program income received that was applied to the program cost on line M; do not include program income dedicated to the economic development revolving loan fund.

6. Leave blank for State use.

7. Complete as follows:

   A. Enter amount shown on line 5.L.

   B. Enter estimated amount of any unsettled third-party claims; do not enter unpaid costs on this line.

   C. Add 7.A. and 7.B. and enter the total.

   D. Enter grant amount per LCDBG contract.

   E. Subtract 7.C. from 7.D. and enter difference.

   F. Enter grant funds actually received.

   G. Subtract 7.F. from 7.C. and enter amount (if 7.F. exceeds 7.C. enter amount of the excess in 7.G. as a negative amount; this amount must be repaid to the State by check made payable to the Division of Administration).

8. Leave blank for completion by State staff.

9. List any unpaid costs and unsettled third-party claims against the LCDBG Program. Describe circumstances and dollar amounts involved.

10. Type in the preparation date of the report.

11. Type in the name and title of the chief elected official.

12. Have the Mayor/President sign in the space provided.

13. Leave blank for completion by State staff

Final Wage Compliance Report

(Not required for Housing grants)

1. Grantee Name _____
2. LCDBG _____
3. Fiscal Year of _____
4. Date of this _____
5. Report Prepared _____
6. Was there any wage underpayment(s)? _____ Yes _____ No
7. Listing of any contractors associated with underpayment(s):

Prime contractor (above) Sub(s) to this prime (below)	Prime contractor (above) Subs to this prime (below)	Prime contractor (above) Subs to this prime (below)

8. Are any labor issues unresolved? ____ Yes ____ No If yes, explain on line below:

_____

9. Provide enforcement activity information for each contractor who had underpayment(s) using the format provided in 10-15.

10. Contractor (prime or sub)	**11. Type of work**	**12. # of workers underpaid**	**13. Restitution under Davis Bacon**	**14. Restitution under CWHSSA**	**15. Liquidated Damages collected**

Instructions for the *Final Wage Compliance Report* (Exhibit B-19)

Item # and Description	Instructions
1-4 Name, #, FY, Date	Self-explanatory.
5. Prepared by	Usually the name of the grantee's Labor Compliance Officer (LCO).
6. Wage underpayment(s)?	Answer "Yes" or "No" based on the duration of the project from start to finish.
7. Listing of contractors….	If the underpayment was to an employee of the prime contractor then list the prime contractor on the "above" line. If the underpayment was to an employee of a subcontractor(s), list both the name of the prime contractor on the "above" line and the name of the subcontractor(s) on the "below" line. If there were no underpayments leave this section blank.
8. Issues unresolved?	Possible issues: An employee due restitution has not yet been located. An ongoing dispute may be in litigation. Some issues must be resolved prior to grant closeout while others can be resolved after closeout. If there is an unresolved issue, provide enough information for the Office of Community Development to understand the situation. Attach a supplementary page if necessary.
9. Enforcement activity	Include enforcement activity from the start to finish of the project. Some activity may have been previously reported in a Labor Standards Enforcement Report but that does not matter—it must be reported again along with any previously unreported activity.
10. Contractor	List the name of any contractor who underpaid the employee(s) regardless of their status as prime or sub. If there were no underpayment(s) then leave items 10-15 blank.
11. Type of work	Use one or two words to describe the work that most accurately describes what was constructed by the contractor. Examples: water lines, fire station, sewer lines, sewer plant, fence, elevated tank, water well, painting, street reconstruction, etc.
12. Number of workers underpaid	Number of workers, per contractor, for whom wage restitution was disbursed or at least collected and put in escrow (in the event the worker could not be located).
13. Restitution, Davis-Bacon	Total amount of Davis-Bacon restitution per contractor.
14. Restitution, CWHSSA	Total amount of CWHSSA overtime restitution per contractor.
15. Liquidated Damages	Total amount of liquidated damages per contractor collected for CWHSSA overtime violations.

EXAMPLE

AUDIT REPORT EXCERPTS

Honorable Mayor
City

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM ON INTERNAL CPONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR 133

We have audited the compliance of the City with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2004. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

As described in item 200X-03 in the accompanying schedule of findings and questioned costs, the City did not comply with the requirements regarding documentation of related expenses.

Section – Federal Awards Findings and Questioned Costs

Finding 200X-3

Statement of Condition. During our review of required documentation supporting requested reimbursements we noted the following two items lacked sufficient documentation:

1. An expenditure of $145.92 to Xerox is unsupported by documentation indicating it was an LCDBG expense as opposed to a general City administrative cost.

2. The $4,700.00 expended for the salary of the City Clerk is unsupported by payroll records documenting the hours spent on LCDBG activities as opposed to general City administration.

Criteria. The 200X LCDBG Handbook states:

1. Office equipment may be purchased or leased with LCDBG funds when it is needed to carry out the LCDBG Program. … any LCDBG funds expended to lease or purchase equipment will result in disallowed costs unless the grantee can establish - and has fully documented in the grant files - that the expenditure(s) was reasonable, necessary, and allowable to the grant, and was not a general expense required to carry out the overall responsibilities of local government as required by OMB Circular A-87 Cost Principles for State and Local Governments.

2. All employees paid in whole or in part from LCDBG funds should prepare a timesheet indicating the hours worked and detailed duties performed on LCDBG projects for each pay period.

Effect of Condition. Potential misuse of federal funds.

Cause of condition. Not following standard booking procedures and recording keeping.

Recommendation. Accounting department should conduct a review of procedures.

Questioned Costs $4,845.92

EXAMPLE

RESPONSE TO AUDIT LETTER

Dear CDBG Director:

In response to the Audit Report by the auditor of the City's LCDBG Program:

1. The $145.92 Xerox bill was paid with LCDBG funds based upon a six-cent/unit page cost for 2,432 units of copying recorded for the LCDBG Program over the year (2,432 x $0.06 = $145.92). Our Xerox machine is equipped with a counter and all charges made to #4 are LCDBG costs. We paid the $145.92 invoice in lieu of transferring funds from one account to another. A copy of the record is enclosed for your review.

2. Journal entries in Capital Project Fund show a Due from Intergovernmental Grant accounts for a total of 423 hours at $8.05 per hour. A copy is attached. However the General Ledger did not report the entries in the regular payroll account. This accounts for $3,405.15 of the disallowed $4,700.00, leaving $1,294.85 as an ineligible cost. It will be paid out of the City's General Fund. We have instituted a time sheet procedure to avoid a recurrence of this problem.

We look forward to your response.

Sincerely,

Mayor