

FY 2024/2025 Proposed Method of Distribution

LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

I. Program Goals and Objectives

The Louisiana Community Development Block Grant (LCDBG) Program, as its primary purpose, provides grants to units of general local government in non-entitlement areas for the development of viable communities by providing a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with Federal regulations (24 CFR 570.484), not less than seventy percent of the aggregate of fund expenditures shall be for activities that benefit low- and moderate-income persons.

Each activity funded must meet one of the following three national objectives:

A. Principal benefit (at least 51 percent) to low/moderate income persons.

B. Elimination or prevention of slums and blight. In order to justify that the proposed activity meets this objective, one of the following must be met:

1. For activities that eliminate slum and blight on an area basis, the applicant must delineate an area which:

a) meets the definition of slums and blight as defined in Act 590 of the 1970 Parish Redevelopment Act, Section Q-8; and

b) contains a substantial number of deteriorating or dilapidated buildings or public improvements throughout the area delineated.

The applicant must describe in the application the area boundaries and the conditions of the area at the time of its designation and how the proposed activity will eliminate the conditions which qualify the area as slums/blight.

2. For activities that eliminate slum and blight on a spot basis, the applicant must identify the structures designated for clearance and the applicant's legal authority to carry out the demolition and removal. The applicant must describe how the identified structures are "blighted," a "public nuisance," "unfit for human occupancy," "an unlawful structure," or "abandoned" and how this condition is detrimental to or endangers the public safety, health, or welfare.

C. Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.

II. Eligible Activities

An activity may be assisted in whole or in part with LCDBG funds if the activity is defined as eligible under Section 105 (a) of the HCDA, as amended. While there are many activities eligible for CDBG funds, the federal regulations allow States in consultation with local governments (24 CFR 91.325(b)(2)(iv)), to determine which of those activities are priorities and to allocate funds for those priorities only. The eligible activities under Section 105(a) that are identified as priorities for the FY 2024 and 2025 LCDBG Program are (1), (2), (4), (8), (13), and (17). For application purposes, these eligible activities are grouped into the LCDBG program areas of Public Facilities, Economic

Development, and Clearance. The new LCDBG program called Make a Difference is the exception because it will allow the applicant to apply for any eligible activity(ies).

III. Definitions

For the purpose of the LCDBG Program or as used in the regulations, the following terms are defined as:

Auxiliary Activity – defined as a minor activity that directly supports a major activity in one program area (public facilities and economic development).

Note: The State will make the final determination of the validity of such auxiliary activities in line with the program intent and funding levels and delete if deemed inappropriate.

Division – refers to the Division of Administration, Office of Community Development-Local Government Assistance, which is the administering agency for the LCDBG Program for the State.

Extremely Low Income Persons – are defined as those families and individuals whose incomes do not exceed thirty percent of the area median income; to avoid inconsistencies with other income limits, it is defined as sixty percent of the four-person family low-income limit, adjusted for family size.

Extremely Low Income Household – is defined as a household having an income equal to or less than the Section 8 very low-income limit established by HUD.

Low/Moderate Income Persons – are defined as those families and individuals whose incomes do not exceed eighty percent of the median income of the area involved as determined by the U. S. Department of Housing and Urban Development with adjustments for areas with unusually high or low income or housing costs. The area involved has been determined by the U. S. Department of Housing and Urban Development to be the same area as determined for purposes of assistance under Section 8 of the United States Housing Act of 1937. This term encompasses moderate, low, and extremely low income persons.

Low Income Persons – are defined as those families and individuals whose income exceed thirty percent but do not exceed fifty percent of the median income of the area involved, as determined by the U. S. Department of Housing and Urban Development with adjustments for areas with unusually high or low incomes.

Low Income Household – is defined as a household having an income equal to or less than the Section 8 low-income limit established by HUD.

Moderate Income Persons – are defined as those families and individuals whose income exceed 50 percent but do not exceed eighty percent of the median income of the area involved, as determined by the U. S. Department of Housing and Urban Development with adjustments for smaller and larger families.

Moderate Income Household – is defined as a household having an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD.

State – refers to the State of Louisiana or the Office of Community Development-Local Government Assistance within the State's Division of Administration which administers the

LCDBG Program.

Unit of General Local Government – a municipal or parish government of the State of Louisiana.

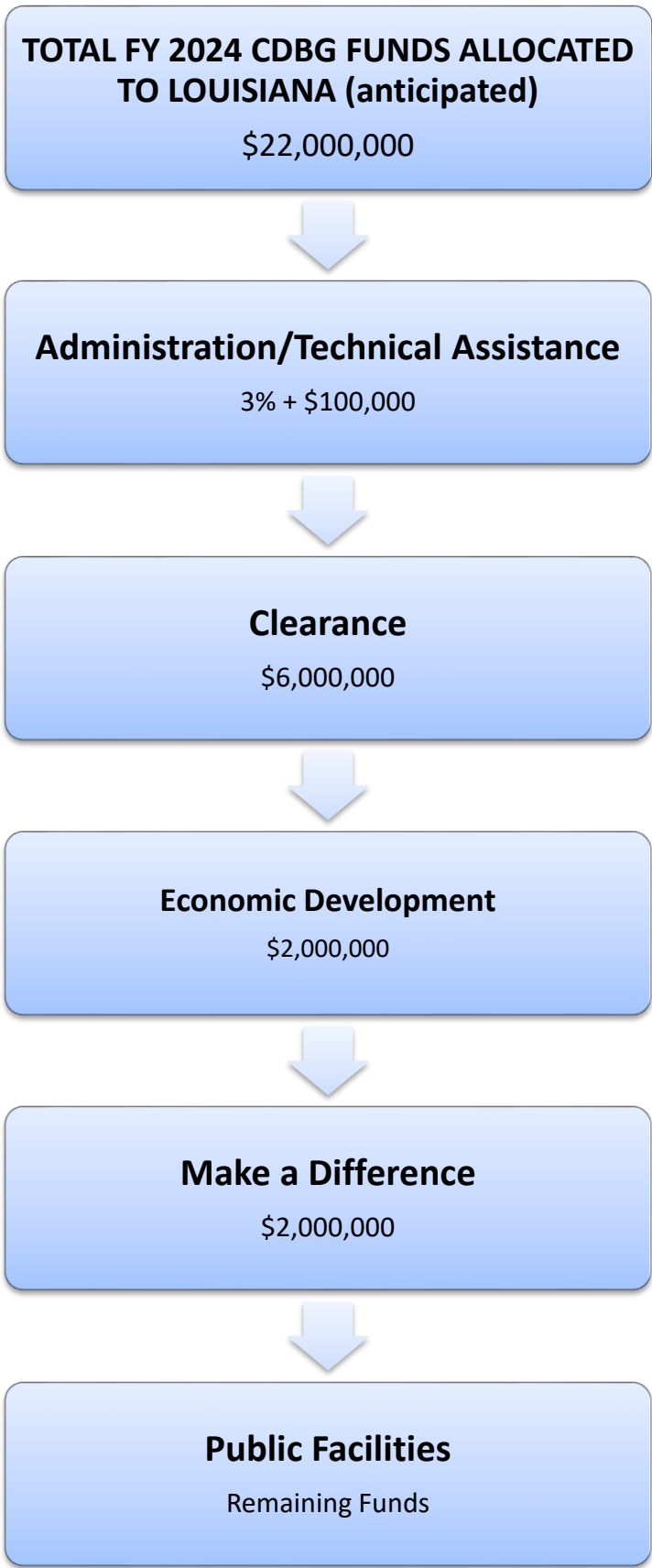
IV. Distribution of Funds

An allocation of \$22,000,000 in federal funds is anticipated for the FY 2024 LCDBG Program. Using this amount, the following table shows how the total funds will be allocated among the various program categories. Any increase or decrease in actual allocation amounts will be applied to the public facilities category of funding.

Of the total CDBG funds allocated to the State, up to \$100,000 plus three percent will be used by the OCD-LGA to administer the program and to provide technical assistance.

The creation and retention of permanent jobs is critical to the economy of the State of Louisiana; therefore, \$2,000,000 will be allocated specifically for economic development projects. Additionally, \$6 million will be set aside for the Clearance Program, \$2 million will be set aside for the new Make a Difference Program and the remaining funds from the allocation will be directed towards the Public Facilities Program. These programs are discussed in detail in the subsequent sections. Any of the funds set aside for non-public-facilities programs, which are not utilized/obligated may be transferred to the public facilities category between five and eleven months following the beginning of the State's program year with the Department of Housing and Urban Development (HUD). These non-public-facilities program funds may also be transferred to any established LCDBG program if deemed necessary.

The chart on the following page shows the anticipated FY 2024 LCDBG allocation and distribution of funds.



V. Redistribution of Funds

Any monies awarded that are later recaptured by or returned to the State will be reallocated in accordance with the office policy then in effect. The sources of these funds may include, but not be limited to: program income (see below), questioned costs, disallowed expenses, unallocated monies, previously awarded funds not utilized by grant recipients, et cetera.

With the following exceptions and stipulations identified in this section, the monies as defined above will be placed in the current program year's public facilities category. The monies will be used to fund the project with the highest score that is next in line for funding.

A. Program Income

If program income is earned by local governments as a result of the LCDBG, the OCD-LGA must be contacted for instructions regarding the income as soon as the local government becomes aware of the income or of the possibility that program income will be received.

Any program income received from previous Disaster Recovery funds will be reprogrammed as directed funding which will be identified at a later time. The State's Annual Action Plan will be amended to include this funding and the proposed project.

These regulations are to become effective upon approval of the FY 2024 Consolidated Annual Action Plan by HUD and are to remain in force until they are amended or rescinded.

VI. Administration and Policy Determination

In administering the program, while the OCD-LGA is cognizant of the program's intent, certain unforeseeable circumstances may arise which require the exercise of administrative discretion. The OCD-LGA reserves the right to exercise this discretion in either interpreting existing policies or establishing new policies.

VII. Public Facilities Program

A. Application Process

Public Facilities grants will be awarded to eligible applicants for eligible activities based on a competitive selection process to the extent that the funds are available. The State's OCD-LGA shall establish deadlines for submitting applications and will notify all eligible applicants through direct mailing/emailing, social media, and on the office's website.

Public Facilities Project Severity packages submitted for FY 2024 funds within the parameters noted under VII.G. will be scored and ranked. Applicants that submit project severity packages, meet past performance threshold criteria for FY 2024, and are within the top sixty percent of project severity scores of applicants that meet past performance threshold criteria for FY 2024 will be invited to submit a full application to the Public Facilities program. Full applications received within established deadlines will be rated, ranked and funded to the extent that FY 2024 monies are available. The Public Facilities applications that are not funded under the FY 2024 program year, which meet past performance threshold criteria for FY 2025 and are within the top sixty percent of applicants that meet past performance threshold criteria for FY 2025 will continue to be considered for the FY 2025 program year.

Applicants that did not meet past performance threshold criteria for FY 2024 but do meet past performance threshold criteria for FY 2025, and are within the top sixty percent of applicants that meet past performance threshold criteria for FY 2025, will be invited with submit a full application to the Public Facilities program. Full applications received within established deadlines will be rated and ranked and funded to the extent that monies are available under the FY 2025 program year.

B. Eligible Applicants

Each eligible applicant may only submit one application for the Public Facilities program. Eligible applicants to the State LCDBG program are non-entitlement units of general local government, consisting of municipalities and parishes (42 U.S.C. 5306(d) and 42 U.S.C. 5302(a)(7)), and excludes the following entitlement areas: Alexandria, Baton Rouge, Bossier City, Hammond, Jefferson Parish (including Grand Isle, Gretna, Harahan, Jean Lafitte, and Westwego), Kenner, Lafayette Parish Consolidated Government, Lake Charles, Monroe, New Orleans, St. Tammany Parish, Shreveport, Slidell, Terrebonne Parish Consolidated Government, and Thibodaux.

In general and in most instances, the applicant will be determined by the location of the potential beneficiaries of that project. There may be instances, however, in which the potential beneficiaries reside within the jurisdiction of more than one local government. In those circumstances, the following rules will apply.

- I. If the proposed project will serve beneficiaries that reside in two or more units of general local government and more than fifty-one percent of those beneficiaries are located within the jurisdiction of one of those units, the appropriate applicant will usually be the unit of general local government in which more than fifty-one percent of the beneficiaries reside; two circumstances where an exception to this rule may apply are discussed as follows.

There may be instances whereby a local government owns an existing utility system but the majority of the existing users reside outside its jurisdiction. The local government that owns the existing system would be the appropriate applicant. There may also be instances whereby a municipality wishes to extend its utility system to an adjacent, unincorporated neighborhood or street(s); this type of instance will require annexation of the unincorporated area prior to the closeout of the grant (if the main purpose or majority of the project's scope of work is to extend the system). In both of these instances, the local government which owns the utility system will be required to discuss the issue with the staff in the State's OCD-LGA to determine the appropriate applicant.

Only the applicant, not the other unit(s) of government involved, for these types of projects will have to meet the performance threshold criteria to be eligible for funding. The applicant will have to enter into a cooperative agreement with the other unit(s) of government involved; a copy of the cooperative agreement must be included in the application.

There may be other circumstances similar to the ones described but not specifically defined herein; in those instances, the local government proposing the project must also discuss the issue with the staff in the State's OCD-LGA to determine the appropriate applicant.

2. If the proposed project will serve beneficiaries that reside in more than one unit of general local government and no more than fifty-one percent of the beneficiaries are located within the jurisdiction of one of those units of local government and none of the participating local governments currently owns the system, or if a regional project is planned, the OCD-LGA will consider this as a multi-jurisdictional application. Multi-jurisdictional applications will require a meeting with the State's OCD-LGA prior to the submittal of the application for the purpose of determining the appropriate applicant and explaining all of the steps that must be taken by all of the units of local government involved in the application. The designated applicant will apply for the grant and will act as the representative for the other affected units of local government. The designated applicant must retain ownership of the improvements. The designated applicant must meet the performance threshold requirements for eligibility; the other individual municipalities involved do not have to meet threshold requirements with the exception that none of those municipalities can be on the Sanction List maintained by the OCD-LGA. Although each jurisdiction will have to make the required certifications, the designated applicant will be responsible for ensuring that the approved activities will be carried out in accordance with all applicable state and federal requirements. To meet the citizen participation requirements for a multi-jurisdictional application, each unit of general local government involved will conduct the public hearing and publish the notices required for an application. The application will also have to contain individual sets of assurances signed by each local government involved. The designated applicant will also have to enter into a legally binding multi-jurisdictional agreement with each local government stating, among other things, that all appropriate requirements of the Housing and Community Development Act of 1974 (HCDA), as amended, will be complied with. A copy of the fully executed agreement must be included in the application.

C. Eligible Activities

The eligible activities under Section 105(a) that are identified as priorities for the LCDBG FY 2024-2025 Public Facilities program are (1), (2), and (13). **Applicants whose water system is rated "D" or "F" or whose sewer system is under a**

compliance order would not be eligible to apply for a different project type unless the Louisiana Department of Health (LDH) and/or the Department of Environmental Quality (DEQ) have given their approval.

D. Types of Grants

The OCD-LGA will only accept applications for single-purpose grants under the Public Facilities program. A single purpose grant provides funds for one primary need consisting of an activity which may be supported by auxiliary activities. Examples of auxiliary activities are drainage improvements undertaken in conjunction with street improvements, the acquisition of land upon which a wastewater treatment plant will be constructed, and the installation of service connections for a new water system.

E. Funding Process

After all rating points have been assigned, a combined final Public Facilities ranking list will be produced including all public facilities applications that are being considered for the FY 2024 program year ranked from highest to lowest according to the total number of points received by each application. The OCD-LGA will award funding based on this final Public Facilities ranking list as funds are available as described in Section IV.

Any water or sewer project that is funded must completely remedy existing conditions that violate a state or federal standard established to protect public health and safety.

According to federal regulations, the general rule is that any expense associated with repairing, operating or maintaining public facilities and services is ineligible. LCDBG funds may be used to reconstruct or rehabilitate previously paved streets or to pave streets that have never been paved. However, according to HUD guidance, eligible street project work must have a useful life of at least eight years, otherwise, work conducted on streets with less than a projected useful life of eight years is considered to be a maintenance activity, and is ineligible. Examples of street maintenance and repair activities for which LCDBG funds may not be used are the filling of pot holes in streets, and the use of asphaltic surface treatment (two or three shot).

Drainage improvements may be undertaken in conjunction with street improvements projects. Drainage improvements, for the most part, must parallel streets that are proposed for improvements under the LCDBG program. The cleaning of drainage ditches is considered as a maintenance activity for which LCDBG funds cannot be used. The amount of funds that will be used to address drainage improvements will be taken into consideration when determining the average cost per person (cost effectiveness) for street projects.

Both parishes and municipalities are limited to two target areas for residential street projects. The local government must improve all streets within the target area(s) that qualify for improvements under the LCDBG program. In delineating the target areas, note that the boundaries must be coincident with visually recognized boundaries such as streets, streams, canals, et cetera; property lines cannot be used unless they are also coincident with visually recognized boundaries. Gerrymandering will not be accepted.

Each application will be classified as including a project that benefits a specific target area/areas or that provides benefits on a community/system-wide basis. To be

considered and rated as a community/system-wide project under the LCDBG Program, at least thirty-five percent of the total construction cost (including contingencies) must be utilized for a community/system-wide activity. If a project has one or more community/system-wide activities but the construction cost of that activity or activities is less than thirty-five percent of the total construction cost, the project will be classified for rating purposes as primarily involving a target area(s). The cost estimate in the application must clearly separate and distinguish between the community/system-wide and target area activities. Those applications that propose activities serving a target area/areas (an area smaller than the jurisdiction of the local government) will also be classified and rated as a target area activity.

Specific standards/requirements that must be met for sewer, water and street projects are discussed in detail in the FY 2024 and FY 2025 LCDBG Application Packages and Public Facilities Project Severity package.

F. Size of Grants

1. Floors and Ceilings

For all grants, a minimum of \$350,000 for construction costs is required. If, during the rating process, an application's construction cost is reduced below the \$350,000 minimum, that application will be removed from consideration.

The State has established a funding ceiling of \$1,000,000 for street grants and a funding ceiling of \$2,000,000 for sewer treatment, sewer rehabilitation, new sewer and potable water grants, including multi-jurisdictional applications.

2. Administrative and Pre-Agreement Costs

Pre-agreement costs are not eligible under the FY 2024-2025 Public Facilities program.

Within the ceiling amounts the State also allows applicants to request funds for administrative costs with the following limitations. Maximum administrative costs will be allowed on a cost reimbursement basis for projects as follows:

- \$50,000 for applications requesting funds up to \$500,000
- \$60,000 for applications requesting funds from \$500,001 to \$1,000,000
- \$80,000 for applications requesting funds from \$1,000,001 to \$1,500,000
- \$100,000 for applications requesting funds from \$1,500,001 to \$2,000,000

The amount of administrative funds must be requested of the OCD-LGA. The OCD-LGA reserves the right to make adjustments to those ranges when deemed necessary. If, after a project has been funded, the scope of the project changes significantly, the State will make a determination as to the ceiling amount which will be allowed for administrative costs; this determination will be made on a case-by-case basis.

In all instances, the local government may (but is not required to) retain up to five percent of the funds allowed for program administration to cover its costs of administering the LCDBG Program; such costs on the local governmental level include but are not limited to audit fees, advertising and publication fees, staff time, workshop expenses, etc.

Engineering fees may also be requested within the ceiling amounts; the funds allowed by the State will not exceed those established by the OCD-LGA in accordance with the Engineering Fee Schedules and Policies located on the OCD-LGA's website. The OCD-LGA reserves the right to make adjustments to those ranges when deemed necessary. If, after a project has been funded, the scope of the project changes significantly, the State will make a determination as to the ceiling amount which will be allowed for engineering costs; this determination will be made on a case-by-case basis. An adjustment (reduction) to the amount allowed for basic engineering fees will also be made in those instances where the project plans and specifications were prepared prior to the grant award.

3. Individual Grant Amounts

Grants will be funded in amounts commensurate with the applicant's program. In determining appropriate grant amounts for each application, the State shall consider the applicant's need, proposed activities, viability of proposed solutions, and ability to carry out the proposed program.

G. Restrictions on Applying for Grants

I. Capacity and Past Performance

These considerations assist with the State's ability to promote timeliness of grantee expenditures. No grant will be made to an applicant that lacks the capacity to undertake the proposed program. In addition, applicants who have previously participated in the LCDBG Program must have performed adequately.

Performance and capacity determinations for the FY 2024 and FY 2025 Public Facilities program will be made on December 20, 2023 and July 15, 2024, respectively.

In order to be eligible to receive a Public Facilities grant award under the FY 2024 and FY 2025 LCDBG Program, the following thresholds must have been met:

- a. Units of general local government will not be eligible to receive funding for a Public Facilities grant unless past LCDBG programs awarded by the State prior to FY 2023 have been conditionally closed out. CDBG-CV funds will not be considered in making the determination of meeting the threshold requirement for the FY 2024 or FY 2025 Public Facilities program.
- b. Audit and monitoring findings made by the State or HUD have been cleared.
- c. All required reports, documents, and/or requested data have been submitted within timeframes established by the State. Also see Criteria for Disapproval of Application section below.
- d. Any funds due to HUD or the State have been repaid or a satisfactory arrangement for repayment of the debt has been made and payments are current.
- e. The unit of general local government cannot be on the list of sanctioned communities that is maintained by the OCD-LGA.

For the FY 2024 program year, only those Public Facilities applications which are

submitted by applicants who meet the threshold requirements and are invited to submit a full application will be rated and ranked. For the FY 2025 program year, the eligibility status of the Public Facilities applicants will be re-evaluated; at that time any applicants that are invited to submit a full application that are determined to be eligible for FY 2025 funding will be rated and ranked.

Applicants who submitted an application for FY 2024, but were not funded, can resubmit a new application for FY 2025 if invited to apply. If an applicant does not meet the threshold requirements for either program year, the applicant will not be included in the computation of the 60% of top project severity scores.

For the FY 2024 program year, the closeout documents (with the exception of the clear lien certificate) for previously funded grants must be received by the OCD-LGA a minimum of one calendar week prior to the performance and threshold determination date of December 20, 2023, in order to be reviewed and considered for closeout. Therefore, the deadline for receipt of the closeout documents is December 13, 2023. The clear lien certificate must be submitted by the performance and threshold determination date of December 20, 2023. The State will not be responsible for conditionally closing a grant if the closeout documents are submitted timely, but are determined to need revisions that cannot be completed prior to the established deadline.

In addition to the requirement for closeout documents discussed above, grantees must be monitored by the OCD-LGA forty-five (45) days prior to the performance and threshold determination date of December 20, 2023. Therefore, the monitoring must occur on or before November 6, 2023 in order to be considered for meeting threshold requirements as of December 20, 2023. The State will not be responsible for conditionally closing out a grant if the monitoring occurs timely, but any monitoring findings cannot be cleared prior to the performance and threshold determination date of December 20, 2023.

The State is not responsible for notifying applicants as to their performance status.

The State may announce some FY 2024 awards and issue “authorizations to incur costs” for those awards prior to receiving funds from HUD for the FY 2024 funding year. Those issuances will be contingent upon the State’s receipt of FY 2024 LCDBG funds from HUD.

All local governments participating in a funded multi-jurisdictional application will not be able to receive future public facilities grants until the multi-jurisdictional grant has been conditionally closed out.

VIII. Method of Selecting Grantees

The State has established selection and rating systems that identify the criteria used in selecting grantees.

A. Low/Moderate Income Data

In order to determine the benefit to low/moderate income persons for a public facilities project, the applicant must utilize census data (if available) and/or conduct a local survey.

1. Census Data

If census data is available for the project area, its low/moderate income data must be utilized for Public Facilities projects. The U.S. Department of Housing and Urban Development (HUD) has provided the low/moderate income data based on the 2011-2015 American Community Survey on its website. That information is available on a community-wide basis as well as for census tracts and block groups.

The applicant must obtain this information prior to the submittal of the application. If ten percent or less of the houses in the project area are not currently served by nor will be served by the proposed project, census data, rather than survey data, must be used to determine the benefit to low/moderate income persons.

If more than ten percent of the houses in the project area are not currently served nor will be served by the proposed project, survey data must be used to determine the benefit to low/moderate income persons. This applies to all project types.

2. Local Survey

When a project area does not coincide with census tracts or block groups, an applicant must conduct a local survey or combine census data with a local survey. For instance, if a project area encompasses an entire block group, but is larger than the block group, (however does not encompass an entire census tract), the applicant would utilize the census data for the block group, and conduct a survey of the additional areas which are outside of the block group and combine the data. The survey sheet in the current public facilities application package must be used. Survey data must also be tabulated and submitted on the forms provided in the appropriate application package; survey data submitted on forms other than those provided in the appropriate application packages will not be accepted. Local surveys must identify the number and composition of high, moderate, low, and extremely low income persons.

When a local survey is used to determine the low/moderate income benefit, a random sample which is representative of the population of the entire target area must be taken. The survey methodology and procedures which must be followed when conducting a local survey will be explained in the FY 2024 and FY 2025 LCDBG Public Facilities Application Packages for that will be used for all local governments invited to submit a full application.

The following sliding scale must be used to determine low/moderate income based on family size:

NUMBER OF PERSONS IN HOUSEHOLD	PERCENTAGE OF PARISH/MSA* LOW/MODERATE INCOME LIMIT
1	70
2	80
3	90
4	100
5	108
6	116
7	124
8	132
9	140
10	148
For each person in excess of 10, add an additional eight percent.	
* MSA – Metropolitan Statistical Area	

B. Rating Systems for Public Facilities Applications

All applications submitted for Public Facilities projects will be rated according to the following criteria established. Only those local governments that submit a project severity package, meet the FY 2024 threshold requirements, are within the top sixty percent of project severity scores of the submissions that meet FY 2024 threshold requirements, and submit a full application upon invitation within established deadlines will be rated/ranked for the FY 2024 program.

PUBLIC FACILITIES - WATER, SEWER, STREETS (Maximum of 79 Points)

After all rating points have been assigned, a combined final public facilities ranking list will be produced including all Public Facilities applications that are being considered for the FY 2024 program year ranked from highest to lowest according to the total number of points received by each application. The OCD-LGA will award funding based on this final Public Facilities ranking list as funds are available.

The maximum points available for all Public Facilities projects is 79.

I. Benefit to Low/Moderate Income Persons (Maximum Possible Points - 5)

For those water and sewer applications that are classified as community/system-wide, for rating purposes and reporting purposes, the beneficiaries of the project will be considered as all of the persons living within the boundaries of the local government and/or those persons served by the utility system. For those applications that involve target areas only, for rating purposes and reporting purposes, the beneficiaries of the project will be considered as those persons residing within the boundaries of the target area or areas. For those applications that involve both target area activities and

community/system-wide activities, but which do not meet the LCDBG definition of community/system-wide for rating purposes, the target area data will be used for rating purposes and the community/system-wide data will be used for reporting purposes. Regardless of the application's classification, projects that involve different beneficiaries for different activities must specifically identify the beneficiary data for each activity.

For street projects, all streets within the target area(s) that require reconstruction, rehabilitation, or paving must be addressed. The total beneficiaries for rating and reporting purposes for benefit to low/moderate income persons will be all residents whose EMS/911 addresses are identified as being on one of the streets designated for construction work.

The engineer for each project must certify as to which residents or persons will benefit for each proposed activity. The OCD-LGA will make the final determination in that matter.

The percentage of low/moderate income persons benefiting will be calculated by dividing the number of low/moderate income persons benefiting (as defined by the State) by the total persons benefiting. Only those applications in which the percentage of low/moderate income persons benefiting is at least fifty-one percent are eligible for funding.

One point will be assigned to those applications/projects where the percentage of low/moderate income persons benefiting is sixty percent or more. No point will be assigned for applications/projects benefiting less than sixty percent low/moderate income persons.

The percentage of low/moderate income persons benefiting will be calculated by dividing the number of low/moderate income persons benefiting (as defined by the State) by the total persons benefiting. Only those applications in which the percentage of low/moderate income persons benefiting is at least fifty-one percent are eligible for funding.

The percentage of low/moderate persons benefitting to the 100th decimal place will be used to determine the number of points for this category.

2. Cost Effectiveness (Maximum Possible Points - 10)

The cost per person benefiting will be calculated for each project. All applications will be categorized by the type of project being proposed (new sewer systems primarily for collection, rehabilitation of sewer systems primarily for collection, sewer treatment, and potable water, streets, and other). Each sewer application will fall into one of three subcategories for the purpose of rating. If the construction cost for new sewer system improvements is equal to or greater than seventy percent of the total construction cost, the application will be assigned to the "New Sewer System" subcategory. If the construction cost for new sewer system improvements is less than seventy percent of the total construction cost or no new sewer system improvements are proposed, then the application will be assigned to either the "Sewer System Rehabilitation" subcategory or the "Sewer Treatment" subcategory. If the construction cost of the sewer system rehabilitation is equal to or greater than the treatment plant improvements, then the application will be assigned to the "Sewer System Rehabilitation" subcategory; otherwise it will be assigned to the "Sewer Treatment" subcategory.

Each project category will then be split into two population groups. The split for each project category will be based on the average value of the total persons benefiting per project which will be computed by dividing the sum of the total persons benefiting (after eliminating the highest and the lowest number of beneficiaries for each category for the calculation) by the number of applications for that category (after eliminating the two applications in each category with the highest and the lowest number of beneficiaries for the calculation). One group will consist of projects having a larger number of total persons benefiting than the average value; the second group will consist of those projects having a smaller number of total persons benefiting than the average value. (If the total number of persons benefiting from any project equals the average value, that project will be placed in the second or smaller group.) The project in each group having the best cost effectiveness (cost per person) will be given ten points and the remaining projects will be prorated. The population groups will NOT be combined for each category in the determination of rating points for cost effectiveness. They will remain separate, thus creating ten separate sub-categories for cost effectiveness points assignment. This allows those projects benefiting many people and those benefiting fewer people to be rated for cost effectiveness against other projects benefiting a similar number of persons.

The following formula will be used to determine the cost effectiveness points for each applicant in each grouping:

$$\text{CE Points} = \frac{\text{Lowest Cost per Person Benefiting}}{\text{Applicant Cost per Person Benefiting}} \times 10$$

For rating purposes for cost effectiveness points assignment, beneficiaries for street projects will be those residents whose EMS/911 address is identified as being on one of the streets designated for construction work.

Cost of resiliency plan components will not be included in the Cost Effectiveness calculation. Components of the resiliency plan that will be addressed in the proposed project must be separated and clearly identified in the cost estimate.

The cost effectiveness points assigned to the FY 2024 applications will be based upon those applications that meet the threshold requirements for FY 2024 funding eligibility and submit a full application upon invitation. Therefore, the cost effectiveness points assigned an applicant under the FY 2025 program will most likely differ from those points assigned to the same applicant under the FY 2024 program. When determining the cost effectiveness points for the FY 2025 applications, the applications that were funded during the FY 2024 program year will not be taken into consideration.

3. Project Severity (Maximum Possible Points – 50)

This rating will be based upon the severity of existing conditions and the extent of the effect of those existing conditions upon the health and welfare of the community. Priority will be given to wastewater systems, water systems addressing potable water, and street projects.

In assigning points for project severity, the following general criteria will be utilized by the OCD-LGA for the type of project proposed.

Wastewater systems and water systems addressing potable water needs: the existence of

conditions in violation of the provisions of the State Sanitary Code that most directly protect public health and the adequacy of the proposed improvements to eliminate such conditions. Compliance with federal and state laws and regulations will be considered. Verification of existing conditions will be provided by LDH based on records or field investigations. Problems that are generally attributable to a lack of routine maintenance will result in a less favorable evaluation.

The specific details of the existing problems and proposed project must be provided so that the project can be assessed properly. A lower assessment of the project could result due to the submittal of incomplete or inaccurate information; in those instances, the assigned score will **not** be re-evaluated.

Scores for project severity are generally based upon the proposed actions in the following tables assuming that the proposed actions will completely remedy the existing problem. If an application contains multiple actions, each action will be scored and the severity score will be pro-rated accordingly. Generally, scores will begin at the lower part of the range and will increase if evidence is presented that illustrates a more severe existing condition. If existing conditions as stated in the severity package are unsubstantiated or not in violation of any state or federal standard, the OCD-LGA reserves the right to assign severity scores below the minimum scores shown in the point ranges as shown below.

Project Severity Criteria for Wastewater Applications

PROPOSED ACTION	POINT RANGE
<i>COLLECTION</i>	
Replace or rehabilitate collection system components.	10-50
<i>EXISTING TREATMENT FACILITY</i>	
Replace or upgrade existing facility to meet capacity and or discharge requirements.	15-50
<i>SYSTEM</i>	
New collection system to provide service for un-served areas.	35-50
Replace or rehabilitate various components when minimum requirements have been met.	0-50

Project Severity Criteria for Potable Water Applications

PROPOSED ACTION	POINT RANGE
<i>SOURCE and SUPPLY</i>	
Replace or Rehabilitate source to meet existing demands.	15-50
<i>DISTRIBUTION</i>	
Replace or Rehabilitate Distribution due to pressure or MCL violations.	20-50
<i>STORAGE</i>	
New or Rehabilitate facility when existing capacity is not capable of meeting current requirements.	15-50
<i>TREATMENT</i>	
Replace or upgrade facility due to existing demand to meet primary drinking water standards.	20-50
<i>SYSTEM</i>	
New water system or extension of existing system to unserved areas.	35-50
Replace or rehabilitate various components when minimum requirements have been met.	0-50

MCL – Maximum Contaminant Level as established by the U.S. Environmental Protection Agency.

Residential Street construction, rehabilitation, or reconstruction: existing surface conditions and deficiencies, and surface area measurements. Each street being applied for will be inspected on-site by the OCD-LGA and will be given a condition rating ranging from 0 to 100. Unpaved streets will receive a minimum condition rating of 70. A weighted average will be determined by multiplying a particular street's condition rating by that street's surface area. The sum of the figures for all of the streets in the application will be divided by the total surface area of all the streets to determine the weighted condition rating. The following example illustrates how this will be accomplished.

(a)	(b)	(c)	(d)	(e)	(f)
Street	Length (feet)	Width (feet)	Area (square feet)	Condition Rating	(d) x (e)
Elm Street	1,000	18	18,000	70	1,260,000
Oak Street	1,200	20	24,000	78	1,872,000
Ash Street	800	16	12,800	80	1,024,000
Cedar Street	800	18	14,400	74	1,065,600
Pecan Street	900	20	18,000	62	1,116,000
TOTAL S			87,200		6,337,600

$$\text{Weighted condition rating} = 6,337,600/87,200 = 72.68$$

Points for project severity will be determined by dividing the weighted condition rating by 2. A maximum of 50 points will be awarded for project severity on street projects. For the above example the project severity score would equal $72.68/2 = 36.31$ points which will be rounded to 36.3 points.

4. Engineering Costs (Maximum Possible Points - 2)

Two points will be assigned to applicants that agree to pay the engineering costs associated with the implementation of the LCDBG program. Such costs include but are not limited to basic design, resident inspection, testing, staking, etc. Local funds must be pledged and allocated for such services. To confirm that the local government will pay the engineering costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local government identifying the firm hired and the proposed amount of the contract. That resolution must state that local funds will be used to pay the engineering fees and any other engineering costs incurred by the local government.

5. Administrative Costs (Maximum Possible Points - 2)

Those applicants that agree to pay all administrative costs associated with the implementation of the LCDBG program will receive two points. Such costs will include, but will not be limited to, application preparation fees, audit fees, advertising and publication fees, local staff time, workshop expenses, administrative consultant fees, et cetera. If the applicant plans to utilize the services of an administrative consultant, local funds must be pledged and allocated for such services.

While the LCDBG Program will allow a maximum of \$100,000.00 for an administrative costs, the actual cost of these services may be less than this amount

and will be determined through negotiation during the procurement process. To substantiate that the local government will pay the administrative costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local government identifying the firms hired and the proposed amount of the contracts.

That resolution must state that local funds will be used to pay the administrative consultant fees and any other administrative costs incurred by the local government.

If the local government maintains full-time permanent staff for the sole or partial purpose of administering LCDBG or other federal programs, such staff must have proved its capacity to administer LCDBG or other federal programs through previous program administration. In this instance, the points will also be assigned.

6. Consolidation of Systems (Maximum possible points – 4)

If the proposed project includes the consolidation of two existing water or sewer systems into one larger system, four points will be assigned to the applicant. To be considered a consolidation, one or more of the water or sewer systems must be dissolved and be fully absorbed into the larger system. The larger system must own, operate and maintain all other systems in the consolidation grant.

Purchase only systems are not considered a consolidation.

Note: If funded, the grantee will be required to do the following in order to closeout the project and remain in good standing with the LCDBG program:

- For water systems, the system that is dissolved must have their PWS ID removed from the LDH database.
- For sewer systems, the system that is dissolved must contact the Louisiana Department of Environmental Quality (DEQ) and have their Discharge Permit cancelled.

All applicants with proposed projects that include the consolidation of systems must request a meeting with the OCD-LGA prior to submitting the project severity package. OCD-LGA will make the final decision in determining the correct applicant and verify that the project is considered a consolidation. The form included in this package must be submitted to OCD to request a meeting. After the meeting, OCD-LGA will provide a copy to the applicant identifying whether the project qualifies for these points.

7. Application Completeness (Maximum possible points – 2)

For applications that are submitted in which all application forms and required documents/information are included, the applicant will receive one point. Additionally, if OCD-LGA determines that no revisions are needed to documentation in order to complete the scoring of the application, the applicant will receive one point.

8. Resiliency (Maximum possible points – 2)

Resilience is the ability to prepare and plan for, absorb, respond, recover from and more successfully adapt to adverse events. Applications that include a resiliency plan as a separate attachment to the project description and specific item(s) of improvements are included on

the cost estimate that coincide with item(s) identified in the resiliency plan receive two points.

Currently, there are no state or nationwide standards for resilient infrastructure that is widely recognized by engineering or public works professionals. An effective resiliency plan must integrate issues across the physical and logical (also known as digital) domains. For example, most recent cyberattacks are described as ‘blended’ attacks meaning they exploited vulnerabilities both in the physical and digital domains. The same systems approach also applies to major weather events such as hurricanes. One of the major issues following hurricanes is to restore power and to restart critical infrastructure. One consideration is to determine how significantly the infrastructure would be affected and the degree to which disruptions to services may impact the community.

The engineer, with input from local officials, should develop local standards or guidelines that can be applied to infrastructure projects and increase resilience. Guidelines should be based on selecting probable scenarios that could impact the system within the design lifespan of a project. FEMA, NOAA, USACE, various state agencies and local officials can provide data to aid the engineer in preparing resiliency options. NOAA has developed a U.S. Climate Resilience Toolkit to share case studies, tools and information to help communities and engineers create guidelines (<https://toolkit.climate.gov>).

With broad agreement that spending on resilience protection is an investment, infrastructure owners must first identify and prioritize their critical assets and essential functions. This is crucial to ensuring the limited resources are being spent to protect the highest priority assets and processes. Priorities must also include the most probable scenarios that will occur and affect critical infrastructure. In Louisiana, resiliency plans should include extreme weather events and the effect of water and wind damage to critical infrastructure.

The resiliency plan should also consider what must be done during and after an extreme weather event to maintain operating capabilities of critical infrastructure. The proposed resiliency plan should be included as a separate attachment to the Project Description in the application and should contain the following:

- A list of improvements to the infrastructure.
- The effects of extreme weather that will be offset due to the implementation of the resiliency plan.
- A list of any historical information where extreme weather has been detrimental to the infrastructure or where extreme weather has damaged operating capabilities of the infrastructure.

Components of the resiliency plan that will be addressed in the proposed project must be separated and clearly identified in the cost estimate. Cost of resiliency plan components will not be included in the Cost Effectiveness calculation.

9. Past Performance (Maximum possible points – 2)

Applicants will receive two points unless one or more of the following is applicable when reviewing the past performance of any grants funded to the applicant during the 2018-2023 LCDBG program years:

- A second contract or contract extension was required in order to complete and/or closeout the grant.
- Penalties were assessed at any point during the grant due to failure to meet a required benchmark.
- Finding of deficiency identified as “very serious” issued during the grant.

After all rating points have been assigned, a combined final public facilities ranking list will be produced including all Public Facilities applications that are being considered for the FY 2024 program year ranked from highest to lowest according to the total number of points received by each application. The OCD will award funding based on this final Public Facilities ranking list as funds are available.

- C. If other funds are involved for construction and that applicant is in a position to be funded, the LCDBG staff will contact the applicant prior to a grant award and request positive proof of the current availability of the other funds; if proof cannot be provided within the timeframe allowed by the OCD-LGA (approximately ten calendar days), then the project will not be funded at that time. If additional LCDBG funds are made available and grants are awarded again in the same program year, the applicant will be reconsidered and given the opportunity to provide availability of additional funds; if the other funds are not available at that time, the applicant will no longer be considered for funding.

D. Submission Requirements

Public Facilities applications for FY 2024 funds must be submitted to the OCD-LGA on the proper forms and in accordance with the instructions provided in the Louisiana Community Development Block Grant application package for the Public Facilities program.

Only that data received by the deadlines established for the Public Facilities application package will be considered in the selection process unless additional data is specifically requested by the OCD-LGA. Material received after the deadline will not be considered as part of the application unless it was requested by the OCD-LGA – this policy will be strictly enforced.

E. Application Review Procedures

1. The application must be received in office by the deadline established by the OCD-LGA.
2. The application submission requirements must be complete. If the OCD-LGA determines during the review that the application did not contain items necessary to accurately rate the application, did not include all required forms, involved a local survey that was not conducted on a random and/or representative basis, or was poorly packaged, etc., the application may be removed from further consideration for funding at the State’s discretion.
 - a) The funds requested must meet the minimum construction requirement and must not exceed the ceiling amounts established by

the OCD-LGA.

- b) Following the review of all applications, the OCD-LGA will notify the applicant of the actions taken with regard to its application.
- c) The OCD-LGA may make a conditional approval, in which case the grant will be approved, but the obligation and utilization of funds is restricted. The reason for the conditional approval and the actions necessary to remove the condition shall be specified. Failure to satisfy the condition may result in a termination of the grant. Conditional approval may be made:
 - 1) where local environmental reviews have not yet been completed;
 - 2) to ensure the project can be completed within estimated costs;
 - 3) to ensure that actual provision of other resources required to complete the proposed activities will be available within a reasonable period of time.

d) Criteria for Disapproval of an Application

The OCD-LGA may disapprove an application for any of the following reasons:

- 1) Based on a field review of the applicant's proposal or other information received, it is found that the information was incorrect; the OCD-LGA will exercise administrative discretion in this area.
- 2) The OCD-LGA determines that the applicant's description of needs and objectives is inconsistent with facts and data generally available. The data to be considered must be published and accessible to both the applicant and State such as census data, or recent local, area wide, or state comprehensive planning data.
- 3) Other resources necessary for the completion of the proposed activity are no longer available or will not be available within the period of time specified by the OCD-LGA.
- 4) The activities cannot be completed within the estimated costs or resources available to the applicant.
- 5) The proposed activity is not eligible, is not one of the State's priorities for funding, or one of the three national objectives is not being met.
- 6) The application does not score high enough to be above the funding line.
- 7) The applicant is on the State of Louisiana's Legislative Auditor's Non- Compliance List ten business days prior to the date of award.

8) The unit of general local government is on the list of sanctioned communities that is maintained by the OCD-LGA.

F. Program Amendments for the LCDBG Program

The OCD-LGA may consider amendments to funded grants in certain circumstances. Recipients shall request prior approval from the OCD-LGA for all program amendments involving new activities or alteration of existing activities that will change the scope, location, or objectives of the approved activities or beneficiaries.

1. New or altered activities are considered in accordance with the criteria for selection applicable at the time the original application was reviewed and the policy, current at that time, regarding amendments.
2. All amended activities must receive environmental clearance prior to construction. Any amendments or changes that require an amendment to the originally approved environmental review will not be approved.
3. The OCD-LGA will ascertain as to whether or not the proposed activity is an integral part of the originally approved project and is necessary to complete the project as originally approved.
4. The OCD-LGA will also review the site location of the proposed activity in relation to the approved target area. If there is a budget under- run and an expansion of the target area is requested, approval of the amendment will be based upon the following: Such expansions will have to be contiguous to the original target area. The overall project will still have to meet its intended national objective. After making any adjustments to the original application's score, the revised application must remain above the funding line. The scope and intent of expansion must be in keeping with the scope and intent of the originally funded application. The requested amendment cannot merely involve an enhancement of the originally approved project. As stated above, any amendments or changes that require an amendment to the originally approved environmental review will not be approved.

IX. Clearance Program

A. Application Process

Clearance grants will be awarded to eligible applicants for clearance/demolition activities based on a competitive selection process to the extent that the funds are available. The State's OCD-LGA shall establish deadlines for submitting applications and will notify all eligible applicants through a direct mailing/emailing, social media, and on the office's website. Applicants that submit completed application packages and meet past performance threshold criteria for the Clearance program FY 2024 will be scored, ranked, and funded to the extent that the Clearance program FY 2024 monies are available.

A. Eligible Applicants

Each eligible applicant may only submit one application. Eligible applicants to the State Clearance program are non-entitlement units of general local government, consisting of municipalities and parishes (42 U.S.C. 5306(d) and 42 U.S.C. 5302(a)(7)), and excludes the following entitlement areas: Alexandria, Baton Rouge, Bossier City, Hammond, Jefferson Parish (including Grand Isle, Gretna, Harahan, Jean Lafitte, and Westwego), Kenner, Lafayette Parish Consolidated Government, Lake Charles, Monroe, New Orleans, St. Tammany Parish, Shreveport, Slidell, Terrebonne Parish Consolidated Government, and Thibodaux.

In general, the applicant will be determined by the location of the potential sites of that project.

B. Eligible Activities

Proposed activities must be eligible under Section 105(a)(4) of the Housing and Community Development Act of 1974, as amended. Each proposed activity must address the national objective of eliminating or preventing slums and blight as listed in Section I of this document.

C. Types of Grants

The OCD-LGA will only accept applications for the clearance, demolition, and the removal of residential or commercial structures found to be detrimental to or endangering public safety, health, or welfare.

D. Funding Process

After all rating points have been assigned for full applications meeting the past performance threshold criteria described under IX.G., a ranking list will be produced for Towns/Villages and Cities/Parishes including all clearance applications that are being considered for the FY 2024 program year ranked from highest to lowest according to the total number of points received by each application. The OCD will award funding based on this final ranking list as follows: For the FY 2024 program year, \$2,000,000 will be allocated to Towns/Villages and \$4,000,000 will be allocated to Cities/Parishes of the \$6,000,000 for the Clearance program.

E. Size of Grants

I. Floors and Ceilings

For all grants, a minimum of \$150,000 including administrative costs is required. If, during the rating process, an application's cost are reduced below the \$150,000 minimum, that application will not be considered.

The State has established a funding ceiling of \$250,000 for Towns and Villages and a

funding ceiling of \$500,000 for Cities and Parishes for the Clearance program.

The State will allow applicants to request funds for administrative costs that do not exceed the ceiling amount with the following limitations. Each local government will be allowed a maximum of \$50,000 in LCDBG funds for administrative costs for clearance projects. The OCD-LGA reserves the right to make adjustments when deemed necessary. If, after a project has been funded, the scope of the project changes significantly, the State will make a determination as to the ceiling amount which will be allowed for administrative costs; this determination will be made on a case-by-case basis.

In all instances, the local government may (but is not required to) retain up to five percent of the funds allowed for program administration to cover its costs of administering the LCDBG Program; such costs on the local governmental level include but are not limited to audit fees, advertising and publication fees, staff time, workshop expenses, etc.

Pre-agreement costs are not eligible under the FY 2024 Clearance program.

2. Individual Grant Amounts

Grants will be funded in amounts not to exceed the local government's maximum amount allowed. In determining appropriate grant amounts for each application, the State shall consider the applicant's need, proposed activities, viability of proposed solutions, and ability to carry out the proposed program.

F. Restrictions on Applying for Grants

I. Capacity and Past Performance

These considerations assist with the State's ability to promote timeliness of grantee expenditures. No grant will be made to an applicant that lacks the capacity to undertake the proposed program. In addition, applicants who have previously participated in the LCDBG Program must have performed adequately.

Performance and capacity determinations for the FY 2024 Clearance program will be made on December 20, 2023 and for the FY 2025 Clearance Program it will be made on July 15, 2024.

In order to be eligible to receive a Clearance grant award under the FY 2024 LCDBG Clearance Program, the following thresholds must have been met:

- a. Units of general local government will not be eligible to receive funding for multiple clearance grants or have a grant that was funded prior to FY 2023 under another CDBG program. The previous clearance grant or grant funded prior to FY 2023 under another CDBG program must be conditionally closed prior to the threshold deadline.
- b. Audit and monitoring findings made by the State or HUD have been cleared.
- c. All required reports, documents, and/or requested data have been submitted within timeframes established by the State. Also see Criteria for Disapproval of Application section below.
- d. Any funds due to HUD or the State have been repaid or a satisfactory arrangement for repayment of the debt has been made and payments are current.

- e. The unit of general local government cannot be on the list of sanctioned communities that is maintained by the Office of Community Development-Local Government Assistance.
- f. The unit of general local government must have ordinances in place and if necessary a condemnation policy. A resolution will be required that states the municipal code and the date adopted during the application process.

Only those clearance applications which are submitted by applicants who meet the threshold requirements and submit a full application will be rated and ranked.

- 1. The closeout documents (with the exception of the clear lien certificate) for previously funded Clearance grants must be received by the OCD-LGA a minimum of one calendar week prior to the performance and threshold determination date of December 20, 2023, in order to be reviewed and considered for closeout. Therefore, the deadline for receipt of the closeout documents is December 13, 2023. The clear lien certificate must be submitted by the performance and threshold determination date of December 20, 2023. The State will not be responsible for conditionally closing a grant if the closeout documents are submitted timely, but are determined to need revisions that cannot be completed prior to the established deadline.
- 3. In addition to the requirement for closeout documents discussed above, Clearance grantees must be monitored by the OCD-LGA forty-five (45) days prior to the performance and threshold determination date of December 20, 2023. Therefore, the monitoring must occur on or before November 6, 2023 in order to be considered for meeting threshold requirements as of December 20, 2023. The State will not be responsible for conditionally closing out a grant if the monitoring occurs timely, but any monitoring findings cannot be cleared prior to the performance and threshold determination date of December 20, 2023.

The State is not responsible for notifying applicants as to their performance status.

The State may announce some FY 2024 awards and issue “authorizations to incur costs” for those awards prior to receiving funds from HUD for the FY 2024 funding year. Those issuances will be contingent upon the State’s receipt of FY 2024 LCDBG funds from HUD.

H. Technical Assistance

Interested municipalities that do not meet the threshold requirements in IX.G. may submit a letter of interest for the Clearance Technical Assistance Program.

This program will offer technical assistance to Towns and Villages that do not have ordinances in place to complete the Clearance Program on a first come – first served basis. The applicant must meet the following requirements:

- 1. The unit of general local government must have at least one full-time employee that can work with the OCD-LGA.
- 2. No current ordinance and condemnation policy being utilized.
- 3. No funds in the current budget for Clearance projects.
- 4. The unit of general local government cannot be on the list of sanctioned communities that is maintained by the OCD-LGA.
- 5. The unit of general local government cannot be listed on the non-compliance list with the

legislative auditor.

Any participant that successfully completes the Clearance Technical Assistance Program will receive priority for funding under the FY 2025 Clearance Program.

I. Method of Selecting Grantees

The State has established selection and rating systems that identify the criteria used in selecting grantees.

I. Rating Systems for Clearance Applications

All applications submitted for clearance projects will be rated according to the following criteria established. Only those local governments that submit an application and meet the FY 2024 threshold requirements within established deadlines will be rated/ranked for the FY 2024 Clearance program.

CLEARANCE - (Maximum of 116 Points)

After all rating points have been assigned, a final clearance ranking list will be produced for Cities/Parishes and Towns/Villages including all clearance applications for both categories that are being considered for the FY 2024 program year ranked from highest to lowest according to the total number of points received by each application. The OCD-LGA will award funding based on this final clearance ranking list as funds are available.

The maximum points available for all Clearance projects is 116.

a) Impact to Low/Moderate Income Persons (Maximum Possible Points - 100)

Clearance applications are classified as community-wide, for rating purposes the impact to the low/moderate income persons of the project will be considered as all of the persons living within the boundaries of the local government. In order to determine the benefit to low/moderate income persons for the clearance program, the applicant must utilize census data. The U.S. Department of Housing and Urban Development (HUD) has provided the low/moderate income data based on the 2011-2015 American Community Survey on its website. That information is available on a community-wide basis as well as for census tracts and block groups. The applicant must obtain this information prior to the submittal of the application.

The percentage of low/moderate persons to the 100th decimal place will be used to determine the number of points for this category.

b) Prior Approval to demolish all structures (Maximum Possible Points – 10)

Applicants with prior approval to demolish all structures applied for will be awarded 10 points. The applicant will be required to provide a resolution from the local government unit stating the structures that have been approved.

c) Administrative Costs (Maximum Possible Points - 2)

Those applicants that agree to pay all administrative costs associated with the implementation of the LCDBG program will receive two points. Such costs will include, but will not be limited to, application preparation fees, audit fees, advertising and publication fees, local staff time, workshop expenses, administrative consultant fees, et cetera. If the applicant plans to utilize the services of an administrative

consultant, local funds must be pledged and allocated for such services. While the LCDBG Program will allow a maximum of \$50,000.00 for an administrative consultant's fees, the actual cost of these services may be less than this amount and will be determined through negotiation during the procurement process. To substantiate that the local government will pay administrative costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local government identifying the firms hired and the proposed amount of the contracts. That resolution must state that local funds will be used to pay the administrative consultant fees and any other administrative costs incurred by the local government.

If the local government maintains full-time permanent staff for the sole or partial purpose of administering LCDBG or other federal programs, such staff must have proved its capacity to administer LCDBG or other federal programs through previous program administration. In this instance, the points will also be assigned.

The following requirement will apply to those applicants which receive the point for paying administrative costs and are successful in receiving a grant. If such grantees have an under-run in their project costs, the grantee will not be allowed to use those monies for the purpose of reimbursing the local government for any administrative costs associated with the LCDBG Program.

d) Application Completeness (Maximum possible points – 2)

For applications that are submitted in which all application forms and required documents/information are included, the applicant will receive one point. Additionally, if OCD-LGA determines that no documents require revisions in order to complete the scoring of the application, the applicant will receive one point.

e) Legal Fees (Maximum Possible Points - 2)

Those applicants who agree to pay all legal fees that are incurred during the preparation and/or implementation of this program will receive two points.

To substantiate that the local government will pay the legal fees associated with the LCDBG Program, this form must be completed and signed by the chief elected official. A copy of the resolution passed by the local government stating that local funds will be used to pay the legal fees incurred by the local government.

The applicant will not receive these points if the required information is not included in the application. For those applicants that receive the points for paying legal fees and are successful in receiving a grant and have an under-run in their project costs, the grantee will not be allowed to re-budget those monies for the purpose of reimbursing the local government for any legal fees associated with the LCDBG Program.

2. If other funds are involved and that applicant is in a position to be funded, the LCDBG staff will contact the applicant prior to a grant award and request positive proof of the current availability of the other funds; if proof cannot be provided within the timeframe allowed by the OCD (approximately ten calendar days), then the project will not be funded at that time.

If additional LCDBG funds are made available and grants are awarded again in the same program year, the applicant will be reconsidered and given the opportunity to provide availability of additional funds; if the other funds are not available at that time, the applicant

will no longer be considered for funding.

3. Submission Requirements

Clearance applications for FY 2024 funds must be submitted to the OCD-LGA on the proper forms and in accordance with the instructions provided in the Louisiana Community Development Block Grant application packages for the Clearance program.

Only that data received by the deadlines established for the Clearance application packages will be considered in the selection process unless additional data is specifically requested by the OCD-LGA. Material received after the deadline will not be considered as part of the application unless it was requested by the OCD-LGA – this policy will be strictly enforced.

J. Application Review Procedure

1. The application package must be received in office by the deadline established by the OCD-LGA.
2. The application submission requirements must be complete. If the OCD-LGA determines during the review that the application did not contain items necessary to accurately rate the application, did not include all required forms, involved a local survey that was not conducted on a random and/or representative basis, or was poorly packaged, etc., the application may be removed from further consideration for funding at the State's discretion.
3. The funds requested must meet the minimum grant amount and must not exceed the ceiling amounts established by the OCD-LGA.
4. Following the review of all applications, the OCD-LGA will notify the applicant of the actions taken with regard to its application.
5. The OCD-LGA may make a conditional approval, in which case the grant will be approved, but the obligation and utilization of funds is restricted. The reason for the conditional approval and the actions necessary to remove the condition shall be specified. Failure to satisfy the condition may result in a termination of the grant. Conditional approval may be made:
 - a) where local environmental reviews have not yet been completed;
 - b) to ensure the project can be completed within estimated costs;
 - c) to ensure that actual provision of other resources required to complete the proposed activities will be available within a reasonable period of time.

K. Criteria for Disapproval of an Application

The OCD-LGA may disapprove an application for any of the following reasons:

1. Based on a field review of the applicant's proposal or other information received, it is found that the information was incorrect; the OCD-LGA will exercise administrative discretion in this area.
2. The OCD-LGA determines that the applicant's description of needs and objectives is inconsistent with facts and data generally available. The data to be considered must be published and accessible to both the applicant and State such as census data, or recent local, area wide, or state comprehensive planning data.
3. Other resources necessary for the completion of the proposed activity are no longer available

or will not be available within the period of time specified by the OCD-LGA.

4. The activities cannot be completed within the estimated costs or resources available to the applicant.
5. The proposed activity is not eligible, is not one of the State's priorities for funding, or the national objective is not being met.
6. The application does not score high enough to be above the funding line.
7. The applicant is on the State of Louisiana's Legislative Auditor's Non-Compliance List ten business days prior to the date of award.
8. The unit of general local government is on the list of sanctioned communities that is maintained by the OCD-LGA.

L. Program Amendments for the LCDBG Program

The OCD-LGA may consider amendments to funded grants in certain circumstances. Recipients shall request prior approval from the OCD-LGA for all program amendments involving new activities or alteration of existing activities that will change the scope, location, or objectives of the approved activities or beneficiaries.

1. New or altered activities are considered in accordance with the criteria for selection applicable at the time the original application was reviewed and the policy, current at that time, regarding amendments.
2. All amended activities must receive environmental clearance prior to construction. Any amendments or changes that require an amendment to the originally approved environmental review will not be approved.
3. The OCD-LGA will ascertain as to whether or not the proposed activity is an integral part of the originally approved project and is necessary to complete the project as originally approved.
4. The OCD-LGA will also review the site location of the proposed activity in relation to the approved target area. If there is a budget under-run and an expansion of the target area is requested, approval of the amendment will be based upon the following: Such expansions will have to be contiguous to the original target area. The overall project will still have to meet its intended national objective. After making any adjustments to the original application's score, the revised application must remain above the funding line. The scope and intent of expansion must be in keeping with the scope and intent of the originally funded application. The requested amendment cannot merely involve an enhancement of the originally approved project. As stated above, any amendments or changes that require an amendment to the originally approved environmental review will not be approved.

X. Economic Development

The economic development set-aside is to be used to provide financial assistance for individual projects that will result in job creation or retention in which a majority of the jobs (51 percent) will benefit persons of low to moderate income. An application for LCDBG economic development funds may be submitted at any time during the program year.

A. Eligible Applicants and Activities

The LCDBG economic development program provides funds directly to the non-entitlement units of general local government as do the other LCDBG programs.

- Infrastructure economic development grants can be used by the unit of general local government to provide sewer, water, gas, and street/road access on public property for the private industrial/business site boundaries. When funds are used by the local government for the acquisition, construction, or rehabilitation of a building and improvements for economic development, the local government must retain ownership of the infrastructure, and/or buildings and improvements acquired, constructed, or rehabilitated with LCDBG funds.
- Funds can also be used to directly assist the business in the form of loans, as long as the business meets the necessary underwriting criteria (found in 24 CFR 570.209).
- Funds will also be available for public service employment training. Use of this eligible activity will require the unit of general local government to engage a qualified subrecipient to carry out the program.

Lease payments received from the local government as a result of LCDBG funds utilized in the acquisition, construction, or rehabilitation of a building and improvements shall be charged at fair market value and shall be considered as program income, until the lease payment revenues have fully offset the amount of the grant. If the local government elects to charge in excess of fair market value rent, the extra portion shall also be considered as program income. If LCDBG funds are utilized in conjunction with other funds for such acquisition, construction, or rehabilitation, the pro-rata share of the lease payments will be considered as program income, and will be subject to the federal regulations regarding the use of program income. The grantee is allowed to retain the program income if the program income will be used to continue the activity from which the program income was derived. The state has determined that the activity is considered to be “continued” only when the activity is precisely the same project, assisted business, contractor, and serves the same beneficiaries of the originally approved grant/project. Otherwise, the State will recapture from the grantee/local government one hundred percent of program income. The State will recapture from the grantee one hundred percent of the loan repayments of LCDBG economic development grants for loan purposes and lease payments received as a result of FY 2024 LCDBG funds utilized in the construction, acquisition, or rehabilitation of a building and improvements (program income to the State), and redistribute the funds as described above.

The term “assisted business” means the corporate entity as well as the individual investors, stockholders, and owners of a for-profit business on behalf of whom the unit of general local government is making the application. As an example of the effect of this definition, an LCDBG economic development grant made to a local government on behalf of Company A cannot be used to provide infrastructure improvements to benefit Company B, when both

Company A and Company B are substantially owned by one or more of the same individuals. No grant award will be made to a local government for an economic development project that consists of infrastructure improvements in which an elected official or a member of his/her immediate family has a financial interest as the project assisted business. Requests from non-profit organizations will not qualify for for-profit business assistance.

When requesting infrastructure to facilitate the location of a business at a particular site, the assisted business must be able to show that it is appropriate to the needs of the business. The assisted business must provide sufficient financial and other statements, projections, et cetera to establish that the business is likely to be successful, and will create the appropriate number of jobs at the site in a specified time frame. The State must be assured that projects will have a net job creation impact on the community and not simply redistribute jobs around the community. Some projects seek to facilitate the relocation of a particular business from one area to another. Federal regulations (24 CFR 570.482(h)) mandates that LCDBG assistance will not be available to assist directly in the relocation of any industrial or commercial plant, facility, or operation, from one area to another area, if the relocation is likely to result in a significant loss of employment in the original labor market area.

Speculative development projects are prohibited. Economic development funds cannot be used for infrastructure projects, to acquire, construct, or rehabilitate a building or to create a general industrial park project with the hope that a potential assisted business will then be attracted. It must be tied to a specific assisted business, (a single private for-profit business entity that possesses a federal tax identification number), creating a specific number of jobs for predominantly low to moderate income persons.

In addition, certain manufacturing and non-manufacturing projects will not be considered for funding based on past experience and the lack of potential for creating permanent positions. Those projects involving truck stops and/or “related activities” (such as gaming) as well as private prison developments, nursing homes, cut-and-sew operations, and hotels/motels.

B. Application Process and Requirements

The following requirements must be met by all economic development applicants:

Pre-Application Requirements

1. The LCDBG Economic Development Pre-Application Workbook must be completed and submitted for review. If the OCD-LGA determines that the information provided is incomplete or insufficient, revisions and/or further information may be requested.
2. Upon satisfactory completion of the Pre-Application Workbook, an invitation for the required pre-application meeting will be extended to appropriate parties representing the local government and the business.
3. After the pre-application meeting, based on the information acquired, the OCD-LGA will determine whether the proposed project is eligible. If eligible, the unit of general local government will be invited to submit a full Economic Development Application.

Application Process

1. As part of meeting the HCDA goal of stimulating private investment in the eligible communities, a firm financial commitment from the private sector will be required upon submission of the application. For economic development projects, the private funds/public funds ratio must not be less than 1:1.

For an application to be funded, the State must meet the requirements of the federal economic development regulations (24 CFR 570.482(e) and be assured that the project is credit worthy; there is sufficient assisted business equity; the LCDBG funds will be efficiently and effectively invested; the maximum amount of private and the minimum amount of public funds will be invested in the project; the project will make an adequate return in the form of public benefits commensurate with the money invested; the State and the local government will not assume a disproportionate amount of risk in the project; and the State and the local government will receive an adequate security interest proportionate to the LCDBG funds invested in the project.

Private funds invested in the project must be in the form of an assisted business's cash or loan proceeds. Revenues from the sale of bonds may also be counted if the assisted business is liable under the terms of the bond issue. Previously expended funds will not be counted as private funds for the purpose of this program, nor will private funds include any grants from federal, state or other governmental programs, nor any recaptured funds. The value of land, buildings, equipment, et cetera, already owned by the assisted business and that will be used in the new or expanded operation, will not be considered as private match.

2. In order to meet the federal public benefit requirements (24 CFR 570.482(f) the State has set a limit that the cost per job created or retained cannot exceed \$20,000 in grant funds in order to be considered for funding. However, in census designated areas with poverty rates of 20 percent or greater this limit may be waived by the director (not to exceed HUD requirements).
3. A minimum of ten jobs created or retained is required for LCDBG assistance.
4. A minimum of fifty-one percent of the employment will benefit low/moderate income persons (24 CFR 570.483(b)(4)).
5. The application must include documentation showing that the project is feasible from the management, marketing, financial, and economic standpoints. Management feasibility relates to the past experience of the assisted business in managing the type of project described in the application, or other similar managerial experience. Marketing feasibility deals with how well the market for the product has been documented at the application stage, the best case being that the assisted business has verifiable commitments substantiating the first year's sales projection. A typical market study includes a detailed analysis of competition, the expected geographical sales plan, and letters of intent to buy, specifying quantity and price. Economic feasibility relates to whether or not the assisted business has realistic projections of revenues and variable 25 costs, such as labor and cost of materials, and whether they are consistent with industry value added comparisons. An assessment will be made of the industry sector performances for the type of industry/business

described in the application. Financial feasibility has to do with the ability of the firm to meet all of its financial obligations in the short and long term, determined by a cash flow analysis on the financial history and projections of the business. In analyzing the financial feasibility of a project, the OCD-LGA may suggest alternatives in the timing of expenditures, the amount and proposed use of public and private funds, as well as other financial arrangements proposed in the application.

Certain assurances by the assisted business, related to the timing of the development on the site, will be required. Other agreements between the local government and the assisted business/property holder, relative to public rights of way, et cetera will be required as needed on an individual project basis.

As with the other LCDBG programs, a grant agreement is signed by the State and the unit of general local government. In addition to this agreement, a second two-party agreement is signed by the unit of general local government and the assisted business for economic development projects. This second agreement is subject to the approval of the State and will include provisions relating to: the expected number of jobs (and corresponding job titles) to be created or retained, the sources and uses of all funds to be committed to the project, the financial and other reporting requirements of the assisted business and the unit of general local government.

In case of default or failure by the assisted business to meet all contractual obligations, the local government shall be ultimately responsible for repayment to the State of the grant funds that were provided by the State.

In case of a default by the local government in the repayment of grant funds to the State in accordance with the terms and conditions of the contract, the full sum remitted to the local government shall become due and payable to the State upon demand.

C. Sale of Buildings

In those instances where a local government has received a grant for the acquisition, construction, or rehabilitation of a building and improvements and the building is sold prior to receiving sufficient lease payment revenues to offset the amount of the grant, the local government will be responsible to the State for the net unpaid portion of the grant, regardless of the sale price. "Net unpaid portion" shall mean the grant amount, less administration costs and any lease payments previously made to the State. The sale procedure to be followed by the local government must be approved in writing by the OCD-LGA prior to the sale.

D. Size of Grants

The amounts available are limited by the number of new, permanent, full time jobs created based on a maximum of \$20,000 per job for publicly-owned infrastructure. This includes up to \$100,000 for program administration. Pre-agreement is not eligible under the Economic Development Program.

New or Startup Businesses:

- \$700,000 (including administrative costs) grant for publicly-owned infrastructure

- \$700,000 (including administrative costs) for purchase, rehabilitation or construction of a publicly-owned building

Expansion of Existing Businesses:

- \$1,100,000 (including administrative costs) grant for publicly-owned infrastructure
- \$1,100,000 (including administrative costs) for purchase, rehabilitation or construction of a publicly-owned building.
- At the State's discretion, a grant for an existing business may be awarded over the maximum amounts stated above if the project would result in a substantial number of jobs created.

Administrative Costs - Within the ceiling amounts the State also allows applicants, in accordance with federal procurement and cost principle requirements, to request funds for administrative costs with the following limitations. Each local government will be allowed a maximum of \$100,000. In all instances, the local government may (but is not required to) retain up to five percent of the funds allowed for program administration to cover its costs of administering the LCDBG Program; such costs on the local governmental level include but are not limited to audit fees, advertising and publication fees, staff time, workshop expenses, etc. Engineering and architectural fees may also be requested within the ceiling amounts; the funds allowed by the State will not exceed those established by the OCD-LGA in accordance with the Engineering Fee Schedules and Policies located on the OCD-LGA's website. The OCD-LGA reserves the right to make adjustments to those ranges when deemed necessary. If the scope of the project changes significantly after a project has been funded, the State will make a determination as to the actual amount which will be allowed for engineering costs; this determination will be made on a case-by-case basis. An adjustment (reduction) to the amount allowed for basic engineering fees will also be made in those instances where the project plans and specifications were prepared prior to the grant award.

E. Application Review Procedures

1. The application submission requirements must be complete. If the OCD-LGA determines during the review that the application did not contain items necessary, did not include all required forms, or was poorly packaged, etc., the application may be removed from further consideration for funding.
2. Review and Notification - Following the review of all applications, the OCD-LGA will notify the applicant of the actions taken with regard to its application.
3. Criteria for Conditional Approval - The OCD-LGA may make a conditional approval, in which case the grant will be approved, but the obligation and utilization of funds is restricted. The reason for the conditional approval and the actions necessary to remove the condition shall be specified. Failure to satisfy the condition may result in a termination of the grant. Conditional approval may be made:
 - a) where local environmental reviews have not yet been completed;
 - b) to ensure the project can be completed within estimated costs;
 - c) to ensure that actual provision of other resources required to complete the proposed activities will be available within a reasonable period of time.
4. Criteria for Disapproval of an Application. The OCD-LGA may disapprove an

application for any of the following reasons:

- a) Based on a field review of the applicant's proposal or other information received, it is found that the information was incorrect; the OCD-LGA will exercise administrative discretion in this area.
- b) The OCD-LGA determines that the applicant's description of needs and objectives is inconsistent with facts and data generally available. The data to be considered must be published and accessible to both the applicant and State such as census data, or recent local, area wide, or state comprehensive planning data.
- c) Other resources necessary for the completion of the proposed activity are no longer available or will not be available within the period of time specified by the OCD-LGA.
- d) The activities cannot be completed within the estimated costs or resources available to the applicant.
- f) The proposed activity is not eligible, is not one of the State's priorities for funding, or one of the three national objectives is not being met.
- g) The applicant is on the State of Louisiana's Legislative Auditor's Non-Compliance List ten business days prior to the date of award.
- h) The unit of general local government cannot be on the list of sanctioned communities that is maintained by the OCD-LGA.

F. Program Amendments for the LCDBG Program

The OCD-LGA may consider amendments to funded grants in certain circumstances. Recipients shall request prior approval from the OCD-LGA for all program amendments involving new activities or alteration of existing activities that will change the scope, location, or objectives of the approved activities or beneficiaries.

1. New or altered activities are considered in accordance with the criteria for selection applicable at the time the original application was reviewed and the policy, current at that time, regarding amendments.
2. All amended activities must receive environmental clearance prior to construction. Any amendments or changes that require an amendment to the originally approved environmental review will not be approved.
3. The OCD-LGA will ascertain as to whether or not the proposed activity is an integral part of the originally approved project and is necessary to complete the project as originally approved.
4. The OCD-LGA will also review the site location of the proposed activity in relation to the approved target area. If there is a budget under- run and an expansion of the target area is requested, approval of the amendment will be based upon the following: Such expansions will have to be contiguous to the original target area. The overall project will still have to meet its intended national objective. The scope and intent of expansion must be in keeping with the scope and intent of the originally funded application. The requested amendment cannot merely involve an enhancement of the originally approved project. As stated above, any amendments or changes that require

an amendment to the originally approved environmental review will not be approved.

XI. Make a Difference Program

A. Application Process

Applications for the Make a Difference (MAD) Program will be accepted for a competitive funding round. The application process will be completed in two phases: Letters of Intent and Full Applications. Letters of Intent will be due November 13, 2023 for the FY 2024 program, invitations to apply are anticipated to be sent January 10, 2024 and applications will be due May 20, 2024.

B. Eligible Applicants

Each eligible applicant may only submit one application. Eligible applicants to the MAD program are non-entitlement units of general local government, consisting of municipalities and parishes (42 U.S.C. 5306(d) and 42 U.S.C. 5302(a)(7)), and excludes the following entitlement areas: Alexandria, Baton Rouge, Bossier City, Hammond, Jefferson Parish (including Grand Isle, Gretna, Harahan, Jean Lafitte, and Westwego), Kenner, Lafayette Parish Consolidated Government, Lake Charles, Monroe, New Orleans, St. Tammany Parish, Shreveport, Slidell, Terrebonne Parish Consolidated Government, and Thibodaux.

In general, the applicant will be determined by the location of the potential sites of that project.

C. Eligible Activities

Proposed activities must be eligible under Section 105(a) of the Housing and Community Development Act of 1974, as amended. Each proposed activity must address a national objective. Applications can and should contain multiple activities that address the needs of the community to be served.

D. Types of Grants

Applicants may submit an application including any eligible CDBG activity that meets a CDBG national objective in an effort to have a measurable impact on their community.

E. Funding Process

After all rating points have been assigned for full applications meeting the past performance threshold criteria described under XI.O., a ranking list will be produced for applications that are being considered for the FY 2024 program year ranked from highest to lowest according to the total number of points received by each application. The OCD will award funding based on this final ranking list.

F. Size of Grants

I. Floors and Ceilings

For all grants, a minimum of \$500,000 including administrative costs is required. If, during the rating process, an application's cost are reduced below the \$500,000 minimum, that application will not be considered.

The State has established a funding ceiling of \$2,000,000 for the MAD program.

The State will allow applicants to request funds for administrative costs that do not exceed the ceiling amount with the following limitations. Each local government will be allowed up to a maximum of \$100,000 in LCDBG funds for administrative costs. The

OCD-LGA reserves the right to make adjustments when deemed necessary. If, after a project has been funded, the scope of the project changes significantly, the State will make a determination as to the ceiling amount which will be allowed for administrative costs; this determination will be made on a case-by-case basis.

In all instances, the local government may (but is not required to) retain up to five percent of the funds allowed for program administration to cover its costs of administering the LCDBG Program; such costs on the local governmental level include but are not limited to audit fees, advertising and publication fees, staff time, workshop expenses, etc.

Pre-agreement costs are not eligible under the FY 2024 MAD program.

2. Individual Grant Amounts

Grants will be funded with a minimum amount of \$500,000 up to a maximum of \$2,000,000. In determining appropriate grant amounts for each application, the State shall consider the applicant's need, proposed activities, viability of proposed solutions, and ability to carry out the proposed program.

G. Restrictions on Applying for Grants

I. Capacity and Past Performance

These considerations assist with the State's ability to promote timeliness of grantee expenditures. No grant will be made to an applicant that lacks the capacity to undertake the proposed program. In addition, applicants who have previously participated in the LCDBG Program must have performed adequately.

Performance and capacity determinations for the FY 2024 MAD program will be made on December 20, 2023 and for the FY 2025 Program it will be made on July 15, 2024.

In order to be eligible to receive a grant award under the FY 2024 LCDBG MAD Program, the following thresholds must have been met:

- a. Units of general local government will not be eligible to receive funding if they have any open CDBG grants prior to FY 2023.
- b. Audit and monitoring findings made by the State or HUD have been cleared.
- c. All required reports, documents, and/or requested data have been submitted within timeframes established by the State. Also see Criteria for Disapproval of Application section below.
- d. Any funds due to HUD or the State have been repaid or a satisfactory arrangement for repayment of the debt has been made and payments are current.
- e. The unit of general local government cannot be on the list of sanctioned communities that is maintained by the OCD-LGA.
- f. The unit of general local government must have ordinances in place and if necessary a condemnation policy. A resolution will be required that states the municipal code and the date adopted during the application process.
- g. Only those applications which are submitted by applicants who meet the threshold requirements and submit a full application will be rated and ranked.

2. The closeout documents (with the exception of the clear lien certificate) for CDBG grants funded prior to FY 2023 must be received by the OCD-LGA a minimum of one calendar week prior to the performance and threshold determination date of December 20, 2023, in order to be reviewed and considered for closeout. Therefore, the deadline for receipt of the closeout documents is December 13, 2023. The clear lien certificate must be submitted by the performance and threshold determination date of December 20, 2023. The State will not be responsible for conditionally closing a grant if the closeout documents are submitted timely, but are determined to need revisions that cannot be completed prior to the established deadline.
3. In addition to the requirement for closeout documents discussed above, CDBG grantees with grants prior to FY 2023 must be monitored by the OCD-LGA forty-five (45) days prior to the performance and threshold determination date of December 20, 2023. Therefore, the monitoring must occur on or before November 6, 2023 in order to be considered for meeting threshold requirements as of December 20, 2023. The State will not be responsible for conditionally closing out a grant if the monitoring occurs timely, but any monitoring findings cannot be cleared prior to the performance and threshold determination date of December 20, 2023.

The State is not responsible for notifying applicants as to their performance status.

The State may announce some FY 2024 awards and issue “authorizations to incur costs” for those awards prior to receiving funds from HUD for the FY 2024 funding year. Those issuances will be contingent upon the State’s receipt of FY 2024 LCDBG funds from HUD.

H. Method of Selecting Grantees

The State has established selection and rating systems that identify the criteria used in selecting grantees.

Rating Systems for MAD Applications

All applications submitted for MAD projects will be rated according to the following criteria established. Only those local governments that submit an application on the required forms and meet the FY 2024 threshold requirements within established deadlines will be rated/ranked for the FY 2024 program.

MAKE A DIFFERENCE - (Maximum of 100 Points)

After all rating points have been assigned, a final ranking list will be produced for all applications that are being considered for the FY 2024 program year ranked from highest to lowest according to the total number of points received by each application. The OCD-LGA will award funding based on this final ranking list as funds are available.

I. Citizen Participation Efforts (15 Points)

While Citizen Participation is a threshold requirement for CDBG grants, the MAD program encourages local governments to exceed the minimum requirement and use additional and innovative techniques to include residents in determining the needs of the community. In order to receive points for these efforts, documentation must be included in the application.

- Effective use of any media (newspapers, radio, TV, etc.) beyond the minimum requirements to further public awareness and participation

- Additional methods of outreach to residents – surveys, focus groups, etc.
- How overall citizen participation process directly relates to identification of solution strategies and application development
- Relevance of listed meeting/hearing activities/comments (not counting required public hearing) on application and project development

2. Community Support (15 Points)

Provide documentation of broad-based support for the activities to be included in the application from multiple persons, groups, and organizations.

3. Benefit to Low/Moderate Income Persons (Maximum Possible Points - 25)

A project funded under the MAD program must meet at least one of the national objectives: benefit to persons of low/moderate income, elimination of slum and blight or urgent need. Additional points will be awarded to projects that focus on benefiting a larger population of persons with low/moderate income as follows:

Low/Moderate Income Percentage:

51.00%-61.00% (5 points)

61.01%-75.00% (15 points)

75.01%-90.00% (20 points)

90.01%-100.00% (25 points)

The percentage of low/moderate income persons benefiting will be calculated by dividing the number of low/moderate income persons benefiting (as defined by the State) by the total persons benefiting. Only those applications in which the percentage of low/moderate income persons benefiting is at least fifty-one percent are eligible for funding under this national objective.

The percentage of low/moderate persons benefitting to the 100th decimal place will be used to determine the number of points for this category.

More information on the calculation of the low to moderate income percentage can be found in the MAD application package.

4. Measurable Impact to Community (45 Points)

The applicant must identify measurable outcomes for the project submission and demonstrate how this project will benefit the community.

I. Application Review Procedures

1. The application submission requirements must be complete. If the OCD-LGA determines during the review that the application did not contain items necessary, did not include all required forms, or was poorly packaged, etc., the application may be removed from further consideration for funding, or the application's requested pre-agreement costs for application preparation may be reduced at the State's discretion.
2. Review and Notification - Following the review of all applications, the OCD-LGA will notify the applicant of the actions taken with regard to its application.
3. Criteria for Conditional Approval - The OCD-LGA may make a conditional approval, in which case the grant will be approved, but the obligation and utilization of funds is

restricted. The reason for the conditional approval and the actions necessary to remove the condition shall be specified. Failure to satisfy the condition may result in a termination of the grant. Conditional approval may be made:

- a) where local environmental reviews have not yet been completed;
 - b) to ensure the project can be completed within estimated costs;
 - c) to ensure that actual provision of other resources required to complete the proposed activities will be available within a reasonable period of time.
4. Criteria for Disapproval of an Application. The OCD-LGA may disapprove an application for any of the following reasons:
- a) Based on a field review of the applicant's proposal or other information received, it is found that the information was incorrect; the OCD-LGA will exercise administrative discretion in this area.
 - b) The OCD-LGA determines that the applicant's description of needs and objectives is inconsistent with facts and data generally available. The data to be considered must be published and accessible to both the applicant and State such as census data, or recent local, area wide, or state comprehensive planning data.
 - c) Other resources necessary for the completion of the proposed activity are no longer available or will not be available within the period of time specified by the OCD-LGA.
 - d) The activities cannot be completed within the estimated costs or resources available to the applicant.
 - i) The proposed activity is not eligible or one of the three national objectives is not being met.
 - j) The applicant is on the State of Louisiana's Legislative Auditor's Non-Compliance List ten business days prior to the date of award.
 - k) The unit of general local government cannot be on the list of sanctioned communities that is maintained by the OCD-LGA.

F. Program Amendments for the LCDBG Program

The OCD-LGA may consider amendments to funded grants in certain circumstances. Recipients shall request prior approval from the OCD-LGA for all program amendments involving new activities or alteration of existing activities that will change the scope, location, or objectives of the approved activities or beneficiaries.

5. New or altered activities are considered in accordance with the criteria for selection applicable at the time the original application was reviewed and the policy, current at that time, regarding amendments.
6. All amended activities must receive environmental clearance prior to construction. Any amendments or changes that require an amendment to the originally approved environmental review will not be approved.
7. The OCD-LGA will ascertain as to whether or not the proposed activity is an integral part of the originally approved project and is necessary to complete the project as originally approved.

8. The OCD-LGA will also review the site location of the proposed activity in relation to the approved target area. If there is a budget under-run and an expansion of the target area is requested, approval of the amendment will be based upon the following: Such expansions will have to be contiguous to the original target area. The overall project will still have to meet its intended national objective. The scope and intent of expansion must be in keeping with the scope and intent of the originally funded application. The requested amendment cannot merely involve an enhancement of the originally approved project. As stated above, any amendments or changes that require an amendment to the originally approved environmental review will not be approved.

