

2016 State of Louisiana Annual Action Plan

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

As set forth in 24CFR Part 91, the U.S. Department of Housing and Urban Development (HUD) requires state agencies which administer certain HUD programs to incorporate their planning and application requirements into one master plan called the Consolidated Plan. In Louisiana, the three state agencies participating in this consolidated planning process and the HUD-funded programs administered by each agency include the Division of Administration/Office of Community Development (Small Cities Community Development Block Grant Program), the Louisiana Housing Corporation (HOME Investment Partnerships Program and Emergency Solutions Grants Program), and the Department of Health and Hospitals, Office of Public Health, STD/HIV Program (State Formula Housing Opportunities for Persons With AIDS (HOPWA) Program).

The Consolidated Plan for the State of Louisiana is in effect from April 1, 2015 – March 31, 2019. The plan was developed through a comprehensive statewide effort that included a needs assessment leveraging existing data, input sessions and surveys, quantitative and qualitative assessments of current consumer housing needs and barriers to services, and consultations with housing and social service agencies, local governments, and other entities. An update or action plan for the distribution of funds received in each of the subsequent four (4) program years is prepared and publicized annually. Presented herein is the State of Louisiana's FY 2016 Consolidated Annual Action Plan which identifies the method of distribution of FY 2016 funds under the HUD programs. The resulting plan and document will be used to allocate Community Development Block Grant (CDBG), Emergency Solutions Grants (ESG), HOME Investment Partnership (HOME), and Housing Opportunities for People With AIDS (HOPWA) program funds within the State of Louisiana.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

An assessment of the housing and homeless needs of the State of Louisiana is included in the FY 2015 – FY 2019 Consolidated Plan; the needs are substantial and complex. The State of Louisiana is extremely diverse in its racial and ethnic composition. There are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. In addition the State

has multiple and varying housing and non-housing challenges. These challenges vary substantially from region to region. The needs assessment and market analysis identified four priority needs:

- Lack of affordable housing
- Lack of housing for special needs populations
- Individuals and families experiencing homelessness
- Barriers to competitive and sustainable communities

The State of Louisiana will utilize these federal resources (CDBG, ESG, HOME, and HOPWA) and leverage other private and state resources to address these needs by:

- Increasing the number of affordable housing units
- Increasing the number of affordable units for special needs populations
- Decreasing the numbers of individuals and families experiencing homelessness
- Decreasing the number of owner occupied units with housing problems
- Creating competitive and sustainable communities

The State will work with many partners to accomplish these goals. These partners include units of local government, other state agencies, housing developers, CHDOs, nonprofit organizations, and various advocate groups.

As the State continues its efforts regarding attaining these goals, it will also incorporate other specific strategies to help meet these goals. These include a plan to address the barriers to fair housing, a plan to end homelessness, measures to address lead based paint hazards, and anti-poverty measures.

Please also see the section entitled "Annual Goals and Objectives".

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The information below is for HOME, ESG, CDBG, and HOPWA for the 2014 Program Year (April 1, 2014 to March 31, 2015) hereafter referred to as FY 2014.

CDBG - Program regulations require that no less than seventy percent of the aggregate of the fund expenditures shall be for activities that meet the national objective of benefiting low and moderate income persons. The State exceeded this percentage as 100% of the non-administrative funds awarded were used for activities that benefited low and moderate income persons.

Overall, the FY 2014 LCDBG monies awarded as of March 31, 2015, benefited 70,903 persons of which 43,374 or 61.12% were of low and moderate income.

HUD requests that states annually request funds on their letters of credit in an amount at least equal to its annual grant, and to eventually reach a ratio of the unexpended grant balance (just prior to the receipt of the next grant award) to the most recent annual grant amount of not more than 2.5 and to try to achieve 2.0 or less. The State expended \$1,844,811.82 more than its FY 2014 grant award, and the State's ratio of unexpended funds to its grant amount was 1.03. The Office of Community Development met and will continue to strive to maintain the expenditure goals established by HUD.

It is required that each state obligate and award 95% of the non-administrative annual allocation within twelve months of the grant award. Within the twelve month period, the State had obligated and announced 115.30% of its non-administrative funds. The percentage exceeded 100 percent due to the award of \$46,665.62 in program income funds and the \$2,978,602.15 obligation of remaining funds in the Revolving Fund which is being abolished.

HOME: Over the past year, Louisiana has made significant progress towards increasing the number of affordable housing units and working with various public and private housing and community development partners to create competitive and sustainable communities. Funding priorities were based on the Housing and Homeless Needs Assessment. The State will continue activities and initiatives that have proven effective as well as look for opportunities to improve on the work that has been achieved over the years. One such opportunity for improvement is to increase the focus on creating more affordable units for special needs populations. The complete summary of the accomplishments is included in the "Evaluation of Progress in Providing Affordable Housing" section of the FY 2014 Consolidated Annual Performance and Evaluation Report (CAPER). The referenced report may be viewed at: <http://www.doa.la.gov/ocd/CAPER/CAPER%2028-07-2015.pdf>.

HOPWA: The overall housing goal of the State Formula HOPWA Program is to increase the availability and accessibility of appropriate and affordable housing options for persons who are HIV-infected in order to prevent homelessness. This goal is achieved through a mix of community based initiatives in the largely rural areas outside of the New Orleans and Baton Rouge metropolitan areas. A total of 987 persons were assisted with HOPWA funding during the 2014 reporting period, of which 574 were adults and children living with HIV, and 413 were other persons in those family unit. Black/African American participants represented 72% (707) of the total HOPWA recipients and White/Caucasian participants accounted for 27% (264) of the total. Of the total number of to receive State Formula HOPWA assistance, males accounted for 55% (545) of the participants and females comprised 44% (436) of the total. The majority of the participants (359, or 36%) were between the ages of 31 and 50.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

CDBG:

The State held a public hearing on June 9, 2015 at the Louisiana Housing Corporation for the purpose of obtaining views on community development and housing needs throughout the state. A notice of the hearing was published in the May 22, 2015 issue of The Advocate. Written invitations were mailed to all interested parties for all four programs. Comments were accepted at the hearing, and could be submitted through June 24, 2015. Following the public hearing and comment period, the proposed FY 2016 Consolidated Annual Action Plan was drafted after taking all comments into consideration.

Consultations:

CDBG - The Office of Community Development surveyed all potential applicants for LCDBG throughout the State. The survey gathered information regarding community and parish priorities and perceived needs. The anticipated outcomes of the survey are: a) prioritization of LCDBG basic eligible activities, b) prioritization of public facilities (infrastructure) projects, c) prioritization of fund distribution by program category, d) maximum grant amounts needed by type of project, e) amount to be allowed for local administrative costs, and f) suggestions for improving the LCDBG program. Also, a public hearing was held and followed by a comment period to receive additional input.

HOME and ESG - A FY 2016 Consolidated Plan Input Session was held in June 9, 2015. More than 20 individuals participated including participation from:

- Private and public housing providers
- Homeless service and prevention providers
- Nonprofit and government service providers
- Advocates

The input sessions focused on gathering feedback on priorities and strategies to address the homelessness, housing and community development needs in the State.

In addition to the efforts noted above, a statewide needs assessment survey was administered to low income persons living with HIV during the summer of 2015 to document the needs (met and unmet) of this population in order to assist with planning for both State Formula HOPWA- and Ryan White-funded services to be available in 2016.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Eleven people were in attendance at the public hearing as a result of the newspaper advertisement.

Two comments were received. CDBG - A comment was received requesting that CDBG funds be used as an interim loan for Medicaid recipients on waiting lists for home modifications. The funds would pay

local contractors faster than they currently are paid under Medicaid. Then when the Medicaid payment is made, CDBG would be reimbursed.

HOME - A commenter suggested that more HOME funding be used for repair and rehabilitation for elderly persons than is currently being allocated in St. Landry Parish. There is insufficient data to describe the overall condition of owner occupied housing units in St. Landry Parish and the state as a whole. The state will select projects and proposals that are supported by a current market analysis which identifies the need for each project within the context of local and regional needs.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments specific to the State administered HOME Program regarding timely responses from the Louisiana Housing Corporation (LHC) were addressed by the management staff of the LHC; all comments were accepted. The comment regarding the need for more funds to repair and rehabilitation of elderly persons housing units than is currently being allocated in St. Landry Parish will be taken into consideration as it relates to the priority of housing and community development needs in the state and the available resources.

There were no comments specific to State Formula HOPWA.

CDBG - This commenter's suggestion will not be incorporated into the Action Plan. All housing programs were moved and are currently administered by the Louisiana Housing Corporation. It would be their decision whether to incorporate this type of program with their housing funding. The State's CDBG program cannot make loans by regulation. In order for this type of program to work, each local government would have to apply for and service these loans. Most local governments do not have the capacity to accommodate this type of loan program. In addition, the surveys conducted by the Office of Community Development resulted in the local governments requesting infrastructure programs.

7. Summary

Please see HOME Investment Partnerships Program Attachments (Attachment A)

Based on the State's past performance, experience of staff, citizen participation and consultation input from all interested parties, the State of Louisiana has drafted the proposed FY 2016 Annual Action Plan.

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	LOUISIANA	
CDBG Administrator	LOUISIANA	DOA, Office of Community Development
HOPWA Administrator		DHH, OPH, STD/HIV Program
HOME Administrator	LOUISIANA	Louisiana Housing Corporation
ESG Administrator	LOUISIANA	Louisiana Housing Corporation
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative

The three state agencies participating in the consolidated planning process and the HUD-funded programs administered by each include the Division of Administration/Office of Community Development (Small Cities Community Development Block Grant Program), the Louisiana Housing Corporation (HOME Investment Partnerships and Emergency Solutions Grant Programs), and the Department of Health and Hospitals/Office of Public Health STD/HIV Program (Housing Opportunities for Persons With AIDS (HOPWA) program). The lead agency for the Consolidated Planning Process and the Consolidated Plan is the State of Louisiana's Division of Administration/Office of Community Development.

The primary objective of the Louisiana Community Development Block Grant (LCDBG) Program is to provide assistance 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. The HOME Program objectives are: to expand the supply of decent and affordable housing for low and very low income persons, to stabilize the existing deteriorating homeowner occupied and rental housing stock through rehabilitation, to provide financial and technical assistance to recipients/sub-recipients (including the development of model

programs for affordable low income housing), to extend and strengthen partnerships among all levels of government and the private sector (including for-profit and nonprofit organizations) in the production and operation of affordable housing). The purpose of the Emergency Solutions Grants (ESG) Program is to help local governments and community organizations to improve and expand shelter facilities serving homeless individuals and families, to meet the costs of operating homeless shelters, to provide essential services, and to perform homeless prevention activities. The purpose of the Housing Opportunities for Persons with AIDS (HOPWA) Program is to provide localities with the resources and incentives to devise and implement long term comprehensive strategies for meeting the housing needs of persons with acquired immune-deficiency syndrome (AIDS) that will prevent instances of homelessness among this population. Unstable housing and homelessness decrease the ability of persons living with HIV to achieve or maintain viral suppression, which could lead to less optimal health outcomes for the client as well as increased opportunities for HIV transmission to potential partners.

Consolidated Plan Public Contact Information

CDBG: Division of Administration, Office of Community Development (Lead Agency)

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State Formula HOPWA: Department of Health and Hospitals, Office of Public Health - STD/HIV Program

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AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

CDBG - The Office of Community Development surveyed all potential applicants for LCDBG throughout the State. The survey gathered information regarding community and parish priorities and perceived needs. The anticipated outcomes of the survey are: a) prioritization of LCDBG basic eligible activities, b) prioritization of public facilities (infrastructure) projects, c) prioritization of fund distribution by program category, d) maximum grant amounts needed by type of project, e) amount to be allowed for local administrative costs, and f) suggestions for improving the LCDBG program. Also, a public hearing was held and followed by a comment period to receive additional input.

State Formula HOPWA - The Office of Public Health in the Department of Health and Hospitals partners with community-based organizations and clinics that provide medical care and supportive services to persons living with, or at risk of acquiring HIV disease. These groups assist in the development of the Statewide Coordinated Statement of Need and the Louisiana HIV Comprehensive Plan, which allows input regarding the allocation of all resources of funding. Additionally, the State conducts a Needs Assessment survey of HIV infected persons every two or three years to assess their needs related to housing, medical care, and supportive services.

HOME: The Louisiana Housing Corporation (LHC) through a cooperative endeavor agreement engaged the Louisiana State University Public Administration Institute to conduct a statewide housing needs assessment. Phase one of the housing needs assessment may be viewed at: <http://www.lhc.la.gov/assets/docs/HousingNeedsAssessmentReduced.pdf>. The anticipated outcomes are: a) an assessment of various housing and community development needs, b) prioritization of the distribution of HOME funds according to the identified housing needs and eligible program activities, c) suggestions for improving the HOME program.

The LHC also conducts bi-monthly meeting regarding housing programs and activities that are widely publicized and open to the public in addition to participation in community meetings and forums. The LHC provided technical workshops for developers, nonprofit entities, commercial lending institutions, public housing authorities, and local governments in order that those entities would have opportunities to provide dialogue and data that are useful in assessing and prioritizing the housing, homeless and community development needs of the state. A public hearing was also held in Baton Rouge on June 9, 2015 and followed by a comment period to receive additional input. All required agency types were contacted.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

State Formula HOPWA - The Office of Public Health STD/HIV Program does not work with units of local government. Instead, project sponsors demonstrating an ability to address the housing needs of low income persons living with HIV disease are selected during a competitive Request for Proposals (RFP) process. The successful proposers (i.e., project sponsors) are contractually required to develop both formal and informal collaborations with other housing providers in their jurisdiction, as well as private and governmental health, mental health and other community-based providers that are able to address the clients' needs and assist the eligible program participants to access and be maintained in HIV-related medical care.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The state and the local communities are working to address the needs of homeless across Louisiana. The state homeless plan Ma Maison identifies the state priorities on ending homelessness in Louisiana. The goals set were adopted from the federal plan established by the United States Interagency Council on Homelessness' Opening Doors are:

- Ending chronic homelessness by 2016
- prevent and end homelessness among veterans by 2015
- prevent and end homelessness for families, youth and children by 2020
- Set a path to ending all types of homelessness

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The state coordinates with the CoC's when determining how to allocate ESG funding. The state consults with each CoC when making funding decisions and reviews the local homeless needs to ensure that the funding is best utilized to maximize services to those experiencing homelessness.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Non-Entitlement Cities, Towns, & Villages
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Economic Development Community Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	LCDBG surveyed all potential applicants for LCDBG throughout the State. The survey gathered information regarding community and parish priorities and perceived needs. The anticipated outcomes of the survey are: a) prioritization of LCDBG basic eligible activities, b) prioritization of public facilities (infrastructure) projects, c) prioritization of fund distribution by program category, d) maximum grant amounts needed by type of project, e) amount to be allowed for local administrative costs, and f) suggestions for improving the LCDBG program. Also, a public hearing was held and followed by a comment period to receive additional input.
2	Agency/Group/Organization	Non-Entitlement Parishes
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Economic Development Community Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	LCDBG surveyed all potential applicants for LCDBG throughout the State. The survey gathered information regarding community and parish priorities and perceived needs. The anticipated outcomes of the survey are: a) prioritization of LCDBG basic eligible activities, b) prioritization of public facilities (infrastructure) projects, c) prioritization of fund distribution by program category, d) maximum grant amounts needed by type of project, e) amount to be allowed for local administrative costs, and f) suggestions for improving the LCDBG program. Also, a public hearing was held and followed by a comment period to receive additional input.

Identify any Agency Types not consulted and provide rationale for not consulting

CDBG - Local governments (entitlements) that are not eligible for LCDBG funding were not contacted. LCDBG focused on the priorities and perceived needs of those local units of government eligible to receive its funding.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Unity for the Homeless	The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.
Capitol Area Alliance for the Homeless		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.
Lafourche, Terrebonne Assumption Homeless Partners		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.
ARCH		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Southwestern LA Homeless Coalition		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.
Central LA Coalitional to End Homelessness		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.
Hope for the Homeless		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.
Northeast LA Housing and Services Corporation		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.
Northlake Coalition		The State and each CoC worked together to identify the goals to end homelessness in Louisiana. These goals are outlined in the State's plan to reduce and end homeless; Ma Maison. The State collaborates with the CoC to identify funding sources and align resources.

Table 3 - Other local / regional / federal planning efforts

Narrative

AP-12 Participation - 91.115, 91.300(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The State held a public hearing on June 9, 2015 at the Louisiana Housing Corporation for the purpose of obtaining views on community development and housing needs throughout the state. A notice of the hearing was published in the May 22, 2015 issue of The Advocate. Written invitations were mailed to all interested parties for all four programs. Comments were accepted at the hearing, and could be submitted through June 24, 2015. Following the public hearing and comment period, the proposed FY 2016 Consolidated Annual Action Plan was drafted after taking all comments into consideration.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Newspaper Ad	Non-targeted/broad community	Eleven people were in attendance at the public hearing as a result of the newspaper advertisement.	No comments were received as a result of the newspaper advertisement.	Not applicable.	
2	Memorandum Mail-Out	Non-targeted/broad community	Eleven people were in attendance at the public hearing as a result of the memorandum mail-out.	No comments were received as a result of the memorandum mail-out.	Not applicable.	

3	Public Hearing	Non-targeted/broad community	Eleven people were in attendance at the public hearing, two submitted comments.	Two comments were received.CDBG - A comment was received requesting that CDBG funds be used as an interim loan for Medicaid recipients on waiting lists for home modifications. The funds would pay local contractors faster than they currently are paid under Medicaid. Then when the Medicaid payment is made, CDBG would be reimbursed.HOME - A commentor suggested that more HOME funding be used for repair and rehabilitation for elderly persons	CDBG - This commenter's suggestion will not be incorporated into the Action Plan. All housing programs were moved and are currently administered by the Louisiana Housing Corporation. It would be their decision whether to incorporate this type of program with their housing funding. The State's CDBG program cannot make loans by regulation. In order for this type of program to work, each local government would have to apply for and service these loans. Most local governments do not have the capacity to accomodate this type of loan program. In addition, the surveys	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
				<p>than is currently being allocated in St. Landry Parish. There is insufficient data to describe the overall condition of owner occupied housing units in St. Landry Parish and the state as a whole. The state will select projects and proposals that are supported by a current market analysis which identifies the need for each project within the context of local and regional needs.</p>	<p>conducted by the Office of Community Development resulted in the local governments requesting infrastructure programs.HOME - The comment regarding the need for more funds to repair and rehabilitation of elderly persons housing units than is currently being allocated in St. Landry Parish will be taken into consideration s it relates to the priority of housing and community development needs in the state and the available resources.</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
4	Newspaper Ad	Non-targeted/broad community	No responses or comments were received as a result of the newspaper advertisement regarding the availability of the proposed action plan.	No comments were received as a result of the newspaper advertisement regarding the availability of the proposed action plan.	Not applicable.	
5	Memorandum Mail-Out	Non-targeted/broad community	No responses or comments were received as a result of the memorandum regarding the availability of the proposed action plan.	No comments were received as a result of the memorandum regarding the availability of the proposed action plan.		

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The FY 2016 funding allocations for each program area are as follows: Community Development Block Grant Program (CDBG) - \$19,892,244, HOME Investment Partnerships Program - \$6,861,210, Emergency Solutions Grants (ESG) Program - \$2,315,707, and Housing Opportunities for Persons with AIDS (HOPWA) Program - \$1,314,327. The primary needs of the State which are addressed by these HUD-funded programs are infrastructure, housing and tenant based rental assistance. The majority of the CDBG funds address infrastructure and other community development needs. The primary focus of the other programs is in the area of housing.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	19,892,244	100,000	1,600,000	21,592,244	65,792,628	LCDBG funds are leveraged by the use of other federal funds, state funds and local funds. To encourage leverage through the use of local funds, the LCDBG competitive grant program offers rating points to those local governments providing administration and/or engineering funds.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	6,861,210	2,100,000	0	8,961,210	25,847,808	HOME funds may be allocated according to uses of funds and may be combined or leveraged with other sources of funds to make housing more affordable for low-income households. Unexpended funds from completed activities may be allocated to other eligible priorities.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,350,470	0	0	1,350,470	1,350,470	State Formula HOPWA resources will be allocated in accordance with federal requirements, the documented needs of low income persons living with HIV, the current client utilization of HOPWA programs and resources, and the National HIV/AIDS Strategy goals for 2020.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	2,315,707	0	0	2,315,707	2,315,707	The ESG funding will be allocated statewide in accordance with local, state, and federal guidelines.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Homebuyer assistance Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab Public Improvements Public Services Rental Assistance Supportive services	304,065,814	0	0	304,065,814	285,154,331	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how

matching requirements will be satisfied

CDBG: While a match is not required for LCDBG, funds available through LCDBG are leveraged with other federal, state and local government funds. The additional funds are primarily used for administration and planning of projects, property acquisition and a portion of project construction costs.

HOME: Funds available through these programs are usually leveraged with the resources from commercial lenders, cooperative, or other private lenders. HOME funds may be combined or leveraged with other sources of funds to make housing more affordable for low-income households. Specifically, the Louisiana Housing Corporation is able to leverage HOME Funds with the Department of Energy Weatherization funds, Mortgage Revenue Bonds, and Low-Income Housing Tax-Credits. Other resources through the Governor's Office of Women's Services and private nonprofit organizations should leverage additional resources to support the integration of supportive services. The State will support funding applications by any other entity which will assist in the delivery of housing and housing support services. The Louisiana Housing Corporation will fulfill the HOME Program requirement of a matching contribution relative to its drawn amount of HOME Program funds through the following sources:

- Cash or cash equivalents from a non-federal source;
- Value of waived taxes, fees or charges associated with HOME projects;
- The present value of interest reductions of below-market-rate loans, where a project also receives HOME assistance;
- State general revenue funds that are contributed to housing projects assisted with HOME funds and meet the HOME affordability requirements;
- Value of donated land and real property;
- Cost of infrastructure improvements associated with HOME projects;
- A percentage of the proceeds of single- or multi-family housing bonds issued by state, state instrumentality or local government;
- Value of donated materials, equipment, labor and professional services;
- Sweat equity;
- Direct costs of supportive services to residents of HOME projects;
- Direct cost of homebuyer counseling to families purchasing homes with HOME assistance; and
- Any other match contribution as specified in 24 CFR 92.220.

Additionally, the State will continue to carry forward excess match credit to the next federal fiscal year.

ESG -The Louisiana Housing Corporation requires all ESG funded programs to secure matching funds in an amount at least equal to its ESGP grant amount. All programs must compile and document the match requirements per the HUD regulations 24 CFR 85.24.

State Formula HOPWA - Although a match is not required for State Formula HOPWA funds, federal Ryan White Part B and ADAP Earmark resources will be leveraged to increase the impact of HOPWA activities, as well as local dollars that have been garnered by the project sponsors to increase the depth and breadth of the HOPWA services.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

CDBG: Local government properties may be used for certain infrastructure improvements for items such as utility lines, water wells, booster stations, pump stations, etc.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2015	2019	Affordable Housing	HOME State of Louisiana	New Housing Units Production Existing Housing Units Rehabilitation Existing Housing Units Acquisition Rental Assistance	HOME: \$7,594,705	Rental units constructed: 41 Household Housing Unit Rental units rehabilitated: 28 Household Housing Unit Homeowner Housing Added: 12 Household Housing Unit Homeowner Housing Rehabilitated: 20 Household Housing Unit Direct Financial Assistance to Homebuyers: 12 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 70 Households Assisted
2	Rental Assistance	2015	2019	Affordable Housing Homeless	HOME State of Louisiana	Rental Assistance	HOME: \$481,469	Tenant-based rental assistance / Rapid Rehousing: 70 Households Assisted
3	Homeless Shelters	2015	2019	Homeless	ESG-State of Louisiana	Homeless Shelters	ESG: \$860,633	Overnight/Emergency Shelter/Transitional Housing Beds added: 2500 Beds

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Homeless Prevention and Rapid Re-housing	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs	ESG-State of Louisiana	Rental Assistance	ESG: \$1,143,994	Homelessness Prevention: 600 Persons Assisted
5	Street Outreach	2015	2019	Homeless	ESG-State of Louisiana	Street Outreach	ESG: \$68,700	Other: 250 Other
6	HMIS	2015	2019	Homeless	ESG-State of Louisiana	Homeless Shelters	ESG: \$68,702	Other: 1500 Other

7	CDBG-DR	2015	2019	Affordable Housing Non-Housing Community Development Economic Development	CDBG-State of Louisiana	Public Facilities Infrastructure Projects Economic Development Rental Assistance	CDBG-DR: \$304,065,814	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 662744 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 176192 Households Assisted Public service activities for Low/Moderate Income Housing Benefit: 1767 Households Assisted Rental units constructed: 416 Household Housing Unit Rental units rehabilitated: 259 Household Housing Unit Homeowner Housing Added: 8 Household Housing Unit Homeowner Housing Rehabilitated: 715 Household Housing Unit Direct Financial Assistance to Homebuyers: 98 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 12 Households Assisted Homeless Person Overnight Shelter: 60 Persons Assisted Jobs created/retained: 54 Jobs
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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
								Businesses assisted: 5 Businesses Assisted Buildings Demolished: 120 Buildings
8	PF-Existing Infrastructure and Service Connections	2015	2019	Non-Housing Community Development	CDBG-State of Louisiana	Public Facilities Infrastructure Projects Demonstrated Needs Projects LaSTEP Projects	CDBG: \$11,324,508	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 34000 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 85 Households Assisted
9	PF-New Infrastructure	2015	2019	Non-Housing Community Development	CDBG-State of Louisiana	Public Facilities Infrastructure Projects Demonstrated Needs Projects LaSTEP Projects	CDBG: \$5,458,044	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5000 Persons Assisted
10	PF-New Service Connections	2015	2019	Non-Housing Community Development	CDBG-State of Louisiana	Public Facilities Infrastructure Projects Demonstrated Needs Projects LaSTEP Projects	CDBG: \$209,925	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 86 Households Assisted
11	ED-New Business	2015	2019	Non-Housing Community Development	CDBG-State of Louisiana	Economic Development	CDBG: \$1,039,000	Jobs created/retained: 45 Jobs Businesses assisted: 1 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
12	ED-Existing Business	2015	2019	Non-Housing Community Development	CDBG-State of Louisiana	Economic Development	CDBG: \$2,322,000	Jobs created/retained: 152 Jobs Businesses assisted: 2 Businesses Assisted
13	ED-Local Government Loan to Business	2015	2019	Non-Housing Community Development	CDBG-State of Louisiana	Economic Development	CDBG: \$639,000	Businesses assisted: 1 Businesses Assisted
14	HOPWA Resource Identification	2015	2019	Non-Homeless Special Needs	HOPWA - State of Louisiana	Housing Stabilization	HOPWA: \$40,514	Public service activities other than Low/Moderate Income Housing Benefit: 50 Persons Assisted Other: 45 Other
15	HOPWA Housing Assistance	2015	2019	Non-Homeless Special Needs	HOPWA - State of Louisiana	Housing Stabilization	HOPWA: \$1,269,442	Public service activities other than Low/Moderate Income Housing Benefit: 750 Persons Assisted Tenant-based rental assistance / Rapid Rehousing: 150 Households Assisted Housing for People with HIV/AIDS added: 7 Household Housing Unit HIV/AIDS Housing Operations: 35 Household Housing Unit

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Affordable Housing
	Goal Description	The goal is to increase the number of affordable housing units available to low and moderate income households and decrease the number of existing substandard housing units statewide.
2	Goal Name	Rental Assistance
	Goal Description	This goal provides rental assistance for the avoidance of homelessness thereby decreasing the number of homeless statewide.
3	Goal Name	Homeless Shelters
	Goal Description	This funding will be utilized to support the homeless shelters with operational cost.
4	Goal Name	Homeless Prevention and Rapid Re-housing
	Goal Description	Homeless prevention funding may be used to provide housing relocation and stabilization services and short- or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter and prevent incidences of homelessness. Rapid Rehousing funding may be used to provide housing relocation and stabilization services and short- or medium-term rental assistance necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.
5	Goal Name	Street Outreach
	Goal Description	Funding will used for costs of providing essential services necessary to reach out to unsheltered homeless people and connect them with emergency shelter and services.
6	Goal Name	HMIS
	Goal Description	ESG funds may be used for training and data collection related to the homeless populations and services.
7	Goal Name	CDBG-DR
	Goal Description	

8	Goal Name	PF-Existing Infrastructure and Service Connections
	Goal Description	This goal assists local units of government in providing suitable living environments for their citizens by providing funds to make sewer, water (potable and fire protection), and streets sustainable and for the reconnection of qualified low-moderate households to a sewer or water system following reconstruction/rehabilitation of the system.
9	Goal Name	PF-New Infrastructure
	Goal Description	This goal assists local units of government in providing suitable living environments for their citizens by providing funds to make sewer, water (potable and fire protection), and streets available and accessible.
10	Goal Name	PF-New Service Connections
	Goal Description	This goal assists units of local government by providing funds to connect eligible low-moderate households to new sewer or water systems.
11	Goal Name	ED-New Business
	Goal Description	This goal provides funds to local units of government to provide a loan for the creation of a new business in their jurisdiction.
12	Goal Name	ED-Existing Business
	Goal Description	This goal provides funding to local units of government for the provision of loans to an existing business located in their jurisdiction. The funds will be utilized to expand the business in the jurisdiction.
13	Goal Name	ED-Local Government Loan to Business
	Goal Description	This goal provides funds to local units of government to provide a loan for the creation of a new business in their jurisdiction or for the provision of loans to an existing business located in their jurisdiction to expand the business in the jurisdiction.
14	Goal Name	HOPWA Resource Identification
	Goal Description	Resource Identification (RI) funds are utilized to identify available resource for low-moderate income persons living with HIV/AIDS, especially in the state's rural areas.

15	Goal Name	HOPWA Housing Assistance
	Goal Description	The provision of Tenant Based Rental Assistance (TRBA), Permanent Housing Placement Services (PHPS) and Short-Term Rent/Mortgage/Utility (STRMU) assistance to low income persons living with HIV who reside in parishes outside of the New Orleans and Baton Rouge MSAs.

Table 7 – Goal Descriptions

AP-25 Allocation Priorities – 91.320(d)

Introduction

The FY 2016 funding allocations for each program area are estimated to be as follows: CDBG - \$19,736,218, HOME - \$6,861, 210, ESG - \$2315,707, and HOPWA - \$1,314,327. The primary needs of the State which are addressed by these HUD-funded programs are infrastructure and housing. The majority of the CDBG funds address infrastructure needs; however, CDBG funds are also allocated to address other community development needs. The primary focus of the other programs is in the area of housing. The State of Louisiana seeks to improve the lives of its residents by:

- Increasing the number of affordable housing units
- Increasing the number of affordable units for special needs populations
- Decreasing the numbers of individuals and families experiencing homelessness
- Decreasing the number of owner occupied units with housing problems
- Creating competitive and sustainable communities

The State will work to achieve these goals through:

- Leveraging of resources to support effective community programs working toward these goals
- Developing strategic partnerships to address barriers to achieving these goals
- Providing planning, coordination, and management of strategies to meet these goals

Funding Allocation Priorities

	Affordable Housing (%)	Rental Assistance (%)	Homeless Shelters (%)	Homeless Prevention and Rapid Re-housing (%)	Street Outreach (%)	HMIS (%)	CDBG-DR (%)	PF-Existing Infrastructure and Service Connections (%)	PF-New Infrastructure (%)	PF-New Service Connections (%)	ED-New Business (%)	ED-Existing Business (%)	ED-Local Government Loan to Business
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CDBG	0	0	0	0	0	0	0	54	26	1	5	11	
HOME	94	6	0	0	0	0	0	0	0	0	0	0	
HOPWA	0	0	0	0	0	0	0	0	0	0	0	0	
ESG	0	0	40	54	3	3	0	0	0	0	0	0	
Other CDBG- DR	0	0	0	0	0	0	100	0	0	0	0	0	

Table 8 – Funding Allocation Priorities

Reason for Allocation Priorities

CDBG: The funds are allocated based on a combination of historic use and the results of LCDBG's survey of eligible local units of government which gathered information regarding community and parish priorities and perceived needs. A public hearing was also held and followed by a comment period to receive additional input regarding the use of CDBG funds.

HOME: The Louisiana Housing Corporation (LHC) conducted a statewide housing need assessment through a cooperative endeavor agreement with the Louisiana State University Public Administration Institute. Phase one of the housing need assessment may be viewed at: <http://www.lhc.la.gov/assets/docs/HousingNeedsAssessmentReduced.pdf>. The assessment and comments from public hearings with regards to the planned use of HOME funds are used to assist the state in the prioritization of the distribution of HOME funds among eligible program activities.

State Formula HOPWA: In order to prevent homelessness of low income persons living with HIV disease, the STD/HIV Program has allocated all of the program resources to Tenant Based Rental Assistance (TBRA), Short Term Rent/Mortgage/Utility (STRMU) assistance, Permanent Housing Placement Services (PHPS) and Resource Identification (RI) in order to place eligible clients in appropriate and affordable rental housing.

ESG- The state continues to provide funding to homeless programs statewide. In an effort to reduce homelessness statewide the state's priority is to rapidly re-house homeless individuals and families and to reduce the amount of time an individual or family is homeless. The funding is

utilized to support homeless shelters in efforts to immediately house those individual and families that are literally homeless.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

CDBG: The proposed distribution of funds is responsive to LCDBG's survey results and comments received from local units of government regarding community and parish priorities and perceived needs. All of the priority needs and specific objectives related to the LCDBG program funding address the public infrastructure goals and the objectives of suitable living environments which are accessible, available, affordable and sustainable.

HOME: The proposed distribution of HOME funds addresses the affordable housing needs of the state as identified in the Housing Needs Assessment and the Market Analysis sections of the Consolidated Plan. The objective is the production and preservation of decent affordable housing. The specific objectives are as follow:

- Increasing the number of affordable housing units
- Increasing the number of affordable units for special needs populations
- Decreasing the numbers of individuals and families experiencing homelessness
- Decreasing the number of owner occupied units with housing problems
- Creating competitive and sustainable communities

State Formula HOPWA: All resources from this award will go to preventing homelessness among low income persons living with HIV by providing resources to identify appropriate and affordable housing, to continue support of group living facilities dedicated to persons living with HIV, and funding to support a variety of rental assistance options. Supportive services will be available through the Ryan White-funded programs in each geographic region of the state.

ESG: The ESG Allocation will continue to make available resources in communities to assist those who are homeless or at risk of homelessness. The need for continuation of this service is evident by the Annual Point in Time Survey, and to continue the work being done to end homelessness accross the state.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction

The State of Louisiana's FY 2016 Consolidated Annual Action Plan includes a separate method of distribution description for the four HUD programs administered by three state agencies. These methods of distribution are described below.

Distribution Methods

Table 9 - Distribution Methods by State Program

1	State Program Name:	State Formula HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	The State of Louisiana receives State Formula HOPWA funding annually to assist in preventing homelessness among low income persons living with HIV who reside in the parishes outside of the New Orleans and Baton Rouge MSAs. These two metropolitan areas are qualifying cities and receive an annual HOPWA award specifically for the parishes that comprise the MSA. The State Formula HOPWA program is administered by the Department of Health and Hospitals, Office of Public Health, STD/HIV Program. Most of the State's allocation is distributed to small, community-based organizations that provide comprehensive support services and referrals to low income clients living with HIV and are able to assess client need on an individual basis. A smaller percentage of the annual award is dedicated to the operational support of existing community homes for people living with HIV. The distribution for most of the funds is based on a competitive Request for Proposal (RFP) application process, as well through client service utilization and performance monitoring.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>A majority of the evaluation criteria utilized during the review of the applications received as a result of the HOPWA and Ryan White RFP process have been developed by the Department of Health and Hospitals. These have been developed based on required business procedures and standard accounting and auditing practices. Additional evaluation criteria have been established by the STD/HIV Program and included in the scoring instrument. These include the ability of the proposer to document and discuss the consumer need for various housing services in their geographic area and the resources that are currently available, the ability of the proposer to adhere to all federal and State programmatic and data reporting requirements, and the ability of the proposer to achieve stable housing outcomes at the end of each program year for a minimum of 80% of the clients assisted.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Notices of all RFPs released by the Department of Health and Hospitals, including competitive applications for HOPWA and Ryan White Part B funding, are sent to all vendors on the Pre-Qualified List (PQL) and posted on the La PAC and the DHH websites. An evaluation teams reviews each application submitted by the posted deadline and scores the proposal for both programmatic and cost integrity. In past two decades, all of the project sponsors that have been funded were community based organizations (CBOs), AIDS service organizations (ASOs) and/or grassroots community housing projects. Some of these project sponsors have been, or currently are, faith-based entities/agencies.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>Although some percentages may vary based on the changing needs of persons living with HIV and the availability of complimentary resources in each geographic service area, generally 67% of the annual State Formula HOPWA award is allocated to community based organizations that provide Tenant Based Rental Assistance (TBRA), Short-Term Rent/Mortgage/Utility Assistance (STRMU), Resource Identification (RI) and Permanent Housing Placement Services (PHPS). The allocations to TBRA and STRMU typically make up the majority of those awards. An additional 30% of the annual award is allocated to support the operating costs of four community residences for low income persons living with HIV, while 3% is dedicated DHH to cover all of the Administrative Costs associated with this grant award.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>There are no required contract thresholds or grant size limits for State Formula HOPWA; however, given the limited amount of funding (usually just over \$1 million) available for the seven DHH regions of the state no single contract typically exceeds \$350,000.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>At a minimum, contractors are expected to meet or exceed the federal HOPWA goal of achieving stable housing at the end of each program year for 80% or greater of the clients who accessed services. The actions taken to meet this goal should reduce homelessness among low income persons living with HIV and increase the number of HIV-infected individuals who are connected to HIV-related medical care and medications.</p>

2	State Program Name:	State of Louisiana CDBG Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	<p>This program is the State of Louisiana's Community Development Block Grant Program for small cities and rural parishes. The program is administered by the Office of Community Development of the State's Division of Administration. Most of the State's allocation is distributed to small cities and rural parishes for public infrastructure projects, and other community development needs as identified by the State. The distribution for most of the funds is based on a competitive process, some of the funds are distributed on an "as needed" basis for projects of an emergency in nature, and other funds are distributed for communities that can accomplish a project using self-help methods.</p> <p>The anticipated resources from other public federal, state and local sources are project specific and identified in the competitive application submitted for a project. If an application with other anticipated resources is rated and ranked as eligible for funding, the State confirms the availability of those funds prior to committing CDBG funds to the project.</p>
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>Applications are rated on a point scale. Factors for the scale include a) low/moderate income persons benefited, b) cost effectiveness, c) project severity, (d) local payment of engineering costs, (e) local payment of administrative costs, and (f) requested needs index.</p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Potential applicants can access the FY 2016-FY 2017 Public Facilities Application Package and the FY 2016 Method of Distribution document on the Office of Community Development's website at http://www.doa.la.gov/Pages/ocd/cdbg/about_lcdbg.aspx. The application package and Method of Distribution document can also be obtained from the office's location at 1201 N. 3rd Street, Claiborne Building, Suite 3-150, Baton Rouge, LA, 70802, or a copy can be requested by mail from the Office of Community Development, P.O. Box 94095, Baton Rouge, LA, 70804-9095. An email requesting the package may be sent to carol.newton@la.gov.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	

<p>Describe how resources will be allocated among funding categories.</p>	<p>CDBG Funds will be allocated as follows:</p> <ul style="list-style-type: none"> • Demonstrated Needs-\$1,000,000 will be allocated for projects that are emergency in nature.LaSTEP-\$500,000 will be allocated to projects that will be accomplished with self-help methods.Economic Development-\$4,000,000 will be allocated for projects that assist local units of government in the creation and/or retention of jobs and/or businesses within their jurisdictions. <p>Public Facilities-The remaining available grant funds will be allocated to public infrastructure projects.</p>
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<p>Describe threshold factors and grant size limits.</p>	<p>CDBG: Demonstrated Needs category-the grant ceiling for critical/urgent infrastructure needs is \$250,000, with a minimum of \$50,000 in construction costs. There is no ceiling for projects for other community needs identified by the State.</p> <p>LaSTEP-the funding ceiling is \$500,000.</p> <p>Public Infrastructure-the following ceilings and thresholds apply:</p> <p>Sewer Treatment-\$1,000,000</p> <p>Sewer Rehabilitation-\$800,000</p> <p>New Sewer Systems-\$800,000</p> <p>Potable Water-\$800,000</p> <p>Water for Fire Protection-\$500,000</p> <p>Residential Streets-\$600,000 with a minimum of \$150,000</p> <p>Multi-Jurisdictional Projects-the lesser of the combined ceiling amount for each local government participating, or \$2 million</p> <p>Economic Development-the following ceilings and thresholds apply:</p> <p>New Business (grant only)-\$639,000</p> <p>Existing business (grant only)-\$1,039,000</p> <p>Existing Business (grant for loan purposes)-no ceiling</p> <p>Existing Business (located in an area with a poverty rate greater than or equal to 20%-\$2,000,000</p>
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	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>CDBG Outcome measures expected include:</p> <ul style="list-style-type: none"> • Improving existing public infrastructure - to assist local governments in providing suitable living environments by making sewer, water, and street systems sustainable. • New public infrastructure - to assist local governments in creating suitable living environments by making sewer, water, and street systems available. • New service connections - to assist local governments in creating suitable living environments by making the connection to water and sewer systems affordable. • Improving existing service connections - to assist local governments in providing suitable living environments by rehabilitating sewer or water service connections for sustainability. <p>Economic Development-to assist local units of government in the creation and/or retention of jobs and/or businesses within their jurisdictions.</p>
3	<p>State Program Name:</p>	<p>State of Louisiana ESG Program</p>
	<p>Funding Sources:</p>	<p>ESG</p>
	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The LHC will continue to use the geographic allocation formula in the distribution of the State's ESG Funding, to ensure that each region of the State is allotted a specified minimum of State ESG grant assistance for eligible ESGP projects. The population figures for 2010 census will be utilized for the 2016 funding. Based on national and state studies linking homelessness to conditions of poverty, regional ESG allocations are formulated based on factors for poverty (very low income) populations in the parishes of each region according to U.S. Census Bureau data. Within each region, grant distribution shall be conducted through a competitive grant award process previously described.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Proposals accepted for review will be rated on a competitive basis based on information provided in grant applications. To be eligible for funding each applicants proposal must score a 75 points or higher on the evaluation. The Award of grant amounts between competing applicants will be based on consideration of the following selection criteria:</p> <ul style="list-style-type: none"> • Organizational Capicity • Project Proposal Narrative • Approach • Performance Measurment • Budget Justification
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>The LHC will continue to use the geographic allocation formula in the distribution of the State's ESG Funding, to ensure that each region of the State is allotted a specified minimum of State ESG grant assistance for eligible ESGP projects. The population figures for 2010 census will be utilized for the 2016 funding. Based on national and state studies linking homelessness to conditions of poverty, regional ESG allocations are formulated based on factors for poverty (very low income) populations in the parishes of each region according to U.S. Census Bureau data. Within each region, grant distribution shall be conducted through a competitive grant award process previously described.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	

<p>Describe how resources will be allocated among funding categories.</p>	<p>ESG funds may be used for six program components:</p> <ul style="list-style-type: none"> • street outreach • emergency shelter • homelessness prevention • rapid re-housing assistance • Homeless Management Information System (HMIS) • administrative activities <p>All applicants are required to allocate at least 40% of their award to homeless prevention or rapid re-housing activities.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>All qualified applications will be ranked based on the scoring criteria identified in the notice of funding availability (NOFA). The highest scoring applicants will receive a funding commitment from the LHC based on project needs, up to the amount of funds available for the funding round.</p>

	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The ESG expected outcomes:</p> <ul style="list-style-type: none"> • decent affordable housing • create suitable living environments
4	<p>State Program Name:</p>	<p>State of Louisiana HOME Program</p>
	<p>Funding Sources:</p>	<p>HOME</p>
	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Each year, the U.S. Department of Housing and Urban Development (HUD) allocates HOME program funds to state governments as well as to local participating jurisdictions (PJs). State governments may use their HOME allocation to establish programs and to fund eligible activities throughout the state. The State of Louisiana Home Program is administered by the Louisiana Housing Corporation (LHC). The LHC designs various housing programs and award funds to local governments (referred to as state recipients), and Community Housing Development Organizations (CHDOs) and non-profits (both referred to as sub-recipients) as well as for profit developers on an annual basis through a competitive application process. If more frequent, a notice will be published. HOME funds are used to provide flexible, below-market-rate loans to projects that create or preserve affordable housing for lower-income households. Eligible activity types include homeownership development, homebuyer assistance, rental development (acquisition and / or rehabilitation and new construction), homeowner rehabilitation and rental assistance. Funds are distributed statewide.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>HOME PROGRAM GUIDELINES/ELEGIBILITY CRITERIA:</p> <ul style="list-style-type: none"> • Proposals will be evaluated in accordance with the established evaluation criteria for each type of project; • Priority will be given to projects located in non-HOME entitlement localities, CHDO projects, and special needs projects in accordance with the housing needs assessment and market analysis; • The eligibility of projects/ households for HOME assistance varies with the type of funded activity; • Rental housing and rental assistance: at least 90% of benefiting families must have incomes that are no more than 60% of the HUD-adjusted area median income (AMI); • Rental projects with five or more assisted units: at least 20% of the units must be occupied by families with incomes that do not exceed 50% of the HUD-adjusted AMI; • HOME assisted households income must not exceed 80 percent of the AMI; • HOME income limits are published each year by HUD. <p>Applicants that have outstanding audits or monitoring findings, unresolved IRS findings, and/or applicants not in compliance with previous LHC agreements are ineligible for funding. Eligible applicants must be qualified developers of affordable housing, including certified CHDOs undertaking CHDO-eligible activities throughout the State of Louisiana. All HOME funds must leverage other types of funding sources including, but not limited to, low income housing tax credits, bond financing, and other public and private funds. Please note that HOME compliance requirements apply. Other funding source requirements must be compatible with HOME program requirements.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	

<p>Describe how resources will be allocated among funding categories.</p>	<p>HOME: Resources will be allocated in accordance with the funding priorities per the housing and community development need assessment, citizen participation, NOFAs or RFPs, applications and the availability of funds.</p> <p>CDBG Funds will be allocated as follows:</p> <p>Demonstrated Needs-\$1,000,000 will be allocated for projects that are emergency in nature.</p> <p>LaSTEP-\$500,000 will be allocated to projects that will be accomplished with self-help methods.</p> <p>Economic Development-\$4,000,000 will be allocated for projects that assist local units of government in the creation and/or retention of jobs and/or businesses within their jurisdictions.</p> <p>The remaining available grant funds will be allocated to public infrastructure projects.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>HOME: All qualified applications will be ranked based on the scoring criteria published in the request for proposals (RFP) or notice of funding availability (NOFA). The highest scoring applicants will receive a funding commitment from the LHC based on project needs, up to the amount of funds available for the funding round. Per project funding limitation are published in the applicable RFP or NOFA.</p>

What are the outcome measures expected as a result of the method of distribution?	HOME: The expected outcome measures are affordability and decent affordable housing.
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Discussion

The methods of distribution for the four HUD programs were designed as a result of the State's citizen participation process, and past experiences in program administration by the three agencies involved. The methods of distribution were each developed to assist local governments in addressing basic services and housing needs of their citizens, predominantly those of low and moderate income.

AP-35 Projects – (Optional)

Introduction

HOME: HOME projects are awarded after the receipt of the annual HUD allocation.

State Formula HOPWA: Project sponsors are awarded after the receipt of the annual allocation from HUD.

#	Project Name

Table 10 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

HOME: The priority allocations of HOME funds are according to the housing and community development need assessment in the FY 2015-2019 Consolidated Plan, subsequent updates and comments from the community received during the various public input sessions.

ESG: The priorities for the state are based on the priorities outlined in the U.S. Interagency Council on Homelessness Federal Strategic Plan to Prevent and End Homelessness- Opening Doors. These priorities were adopted in the Louisiana State Plan to End Homelessness-Ma Maison.

State Formula HOPWA: The priorities for State Formula HOPWA are based primarily on the results of the bi-annual statewide Needs Assessment of low income persons living with HIV, client utilization of current HOPWA-funded programs and services, and the goals of the National HIV/AIDS Strategy for 2020.

AP-38 Project Summary
Project Summary Information

Table 11 – Project Summary

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

Acceptance process of applications

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

State’s Process and Criteria for approving local government revitalization strategies

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

HOME: HOME funds administered by the Louisiana Housing Corporation will be used statewide for all activities undertaken during this program year. Activities to increase first time home ownership opportunities with down payment and closing cost assistance through HOME funds will be promoted statewide in metropolitan and non-metropolitan areas through local and statewide media mediums. The Single Family Mortgage Revenue Bond Program is administered through a network of participating financial institutions that are accessible statewide. LHC will seek to expand the number of participating financial institutions in order to increase the number of branch locations accepting mortgage applications throughout the State.

All multi-family rental new construction, acquisition and/ or rehabilitation and homeowner rehabilitation activities engaged in by the State for very low and low income households through the use of HOME Program funds will be geographically dispersed throughout the State, with special focus given to non-entitlement rural areas. The State's plan does not target any specific area of the State in connection with its overall investment plan for these priorities. However, with regards to homeowner rehabilitation, priority is given to households at or below 60% of the HUD adjusted AMI and households with special need households. If Tenant Based Rental Assistance is offered, it will be made available on a statewide basis.

ESG: The state's ESG funding will be awarded statewide utilizing a geographic allocation formula for distribution. Based on national and state studies linking homelessness to conditions of poverty, regional ESG allocations are formulated based on factors for poverty (very low income) populations in the parishes of each region according to U.S. Census Bureau data. Within each region, grant distribution shall be conducted through a competitive grant award process.

LCDBG: The State's CDBG Program serves all of the non-entitlement areas of the state through a competitive grant process. The low-moderate income populations and minority populations are distributed throughout that service area. Therefore, Louisiana does not set geographic priority areas for its CDBG Program.

State Formula HOPWA: These resources will be dedicated to preventing homelessness among low income persons living with HIV who reside in the parishes of the state outside of the New Orleans and Baton Rouge MSAs. These parishes are predominantly rural, with high rates of poverty and limited affordable or appropriate housing stock. African Americans bear a disproportionate burden of HIV disease in Louisiana and continue to be the majority (greater than 60%) of the recipients of services and assistance through State Formula HOPWA funding.

Geographic Distribution

Target Area	Percentage of Funds
CDBG-State of Louisiana	97
HOME State of Louisiana	97
HOPWA - State of Louisiana	97
ESG-State of Louisiana	97

Table 12 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

LCDBG: The State determined that combined data regarding population density, existence of low-moderate households, and racial concentrations in the non-entitlement areas revealed a distribution of need with no significant concentrations. Additionally, approximately 90% of the available funds are awarded through a competitive grant application process which requires that the applicant met at least one of the three HUD national objectives in order to be considered for funding.

HOME: An assessment of the housing and homeless needs of the State of Louisiana is included in the FY 2015 – FY 2019 Consolidated Plan; the needs are substantial and complex. The State of Louisiana is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. In addition the state has multiple and varying housing and non-housing challenges. These challenges vary substantially from region to region. Therefore, the State's plan for FY 2016 does not target any specific area of the State in connection with its overall investment plan for these priorities. Funds will be geographically dispersed throughout the State, with special focus given to non-entitlement rural areas.

ESG: The LHC intends to continue the use of a geographic allocation formula in the distribution of ESG funding to ensure that each region of the State is allotted a specified minimum of State ESG grant assistance for eligible ESGP projects. The population figures for census 2010 will be utilized for the 2016 funding. Based on national and state studies linking homelessness to conditions of poverty, regional ESG allocations are formulated based on factors for poverty (very low income) populations in the parishes of each region according to U.S. Census Bureau data.

State Formula HOPWA: Resources are allocated geographically in accordance with the overall HIV burden reported for each of the seven DHH regions. Within each region, allocations to various activities are based on documented client need and responses to the Statewide Needs Assessment.

Discussion

HOME: There are concentrations of poverty in every region of the state. The concentration varies based on local factors. Maps of the areas of poverty and minority concentration are identified in this plan as Areas of Poverty Concentration Map (Attachment B) and Areas of Minority Concentration Map (Attachment C). The State of Louisiana's method of distribution will select projects and proposals that are supported by a current market analysis as part of the application for funding process which identifies the need for each project within the context of local and regional needs.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction

The follow table is the proposed budget for the the use of FY 2016 HOME funds allocation and anticipated program income:

One Year Goals for the Number of Households to be Supported	
Homeless	70
Non-Homeless	81
Special-Needs	0
Total	151

Table 13 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	70
The Production of New Units	41
Rehab of Existing Units	28
Acquisition of Existing Units	12
Total	151

Table 14 - One Year Goals for Affordable Housing by Support Type

Discussion

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction

The State of Louisiana does not manage public housing authorities, as each have their own charter with HUD.

Actions planned during the next year to address the needs to public housing

The State of Louisiana does not manage public housing authorities, as each have their own charter with HUD. However, the state assist public housing authorities through providing to all PHAs a Certification of Consistency with the Consolidated and Annual Action Plan for their agency plan. Specific requirements of the certification will address the following topics:

- Compliance to Section 504
- Participation in the Continuum of Care
- Activity to alleviate homelessness

The state will continue to provide appropriate resources to public housing authorities to modernize their public housing units or build new units through their Tax Credit Program or HOME allocation.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The local PHAs must adhere to this requirement; therefore, the state has no input.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

If HUD identifies a troubled public housing agency, the state will consider available options to provide resources and assistance to that agency. The state will continue to provide appropriate resources to public housing authorities to modernize their public housing units or build new units through their Tax Credit Program or HOME allocation. The following public housing authorities were designated by HUD as "troubled" as of September 2015: the cities of Kenner and New Iberia; the towns of Arcadia and Haynesville.

Discussion

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

The state has taken an active approach in addressing the needs of the homeless and is working toward eradicating homelessness in Louisiana. The LHC has worked to establish the Louisiana Housing and Transportation Planning Commission to address the needs of the state's most vulnerable citizens. This commission has adopted Louisiana's Ten Year Plan to End Homelessness-known as Ma Maison (My Home). This plan modeled after the federal plan United States Interagency Council *Opening Doors*, sets the following goals:

- Prevent and end homelessness among Veterans by 2015;
- Finish the job of ending chronic homelessness by 2017;
- Prevent and end homelessness for families, youth and children by 2020;
- Set a path to ending all types of homelessness

The LHC, in partnership with the HTPCC and other state agencies will work with the Continuums of Care, nonprofit agencies and other identified stakeholders to achieve the goals of ending homelessness in Louisiana. Ending homelessness means that every community has a system in place to quickly respond to those experiencing homelessness and to quickly rehouse them.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Throughout the state each CoC's works to coordinate homeless services within their communities. All CoC's have adopted Vulnerability Index and Service Prioritization Decision Assistance Tool (VI-SPDAT) assessment tool to provide coordinated assessment and identify and address the individual's needs

Addressing the emergency shelter and transitional housing needs of homeless persons

Emergency Shelters provide a vital need in our communities, providing immediate housing options for individuals and families. LHC continues to allocate a large portion of ESG funding to the emergency shelter component. While there is a priority to allocate ESG funding for RRH activities, the state recognizes the need to continue to fund homeless shelters statewide. LHC will continue to work closely with the homeless shelters statewide to address the needs of the homeless population.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The LHC has worked to align the resources by prioritizing the use of Rapid Re-housing (RRH) with ESG funding. With the focus on RRH the length of time an individual or family spends in homelessness should be decreased, as well as giving them access to sustainable affordable housing options. The LHC will continue to work with the COC's and providers to align resources in their communities to maximize the services being made available to homeless and at risk of homelessness populations.

Rapid re-housing has become a tool utilized to provide services that allow for a family or individual to exit homelessness and not return. This model has help communities to decrease the number of homelessness. The goal of rapid re-housing to assist those that are already homeless: either sleeping in places not meant for human habitation or a homeless shelter. Rapid re-housing places a priority on moving a homeless family or individual experiencing homelessness into permanent housing as quickly as possible. The participants are assisted with housing search and placement, rental and utility assistance and case management services, the services are individualized; however assistance is usually for a period of 4-6 months.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The state continues to make provisions for agencies to utilize ESG funding to provide homeless prevention assistance when it is necessary to prevent a family from losing its housing and becoming homeless.

The state and the HTPCC will continue to work to develop comprehensive discharge plans for the exit hospitals, jails, and prisons. The LHC currently has a partnership with the Department of Children and

Family Services to provide a tenant based rental assistance program for youth aging out of foster care.

The Louisiana Permanent Supportive Housing (PSH) model combines deeply affordable rental housing with voluntary, flexible and individualized community-based services to assist people with the most severe and complex disabilities live successfully in the community. PSH is not a new model of housing. A significant body of research has proven that successful outcomes for people and cost savings to government are achieved through the PSH approach. Louisiana's PSH goal is truly ambitious and far reaching. Rather than simply create 3,000 PSH units, Louisiana set out to create the nation's first comprehensive PSH system that helps the state achieve several important policy objectives, including:

- addressing chronic homelessness
- reducing the unnecessary confinement of people with serious disabilities in nursing homes and other high-cost, restrictive settings
- improving the state's fragile behavioral health system through the implementation of evidence-based models of housing and services

Currently, LHC's PSH funding includes:

- 3,000 vouchers for severely disabled, including people in institutions, at risk of institutionalization, the homeless, and people at risk of homelessness
- PSH \$50 Million Shelter Plus Care (S+C) – A five year grant, with one possible five year extension and annual renewal funding of \$10 million
- Project Based Voucher – A \$20 million annual allocation when all 2,000 vouchers are leased.

The Louisiana Housing Corporation recently received a \$8.2 million Section 811 grant. This will allow the existing permanent supportive program to be expanded statewide and creates 200 additional rental units. The application was leveraged with 125 tenant-based vouchers from three housing authority and \$1,250,000 in Home TBRA funds. The program will be administered in partnership with the Department of Health and Hospitals.

Discussion

The Department of Health and Hospitals recently received a CABHI grant from SAMSHA. The project

Louisiana Chronic Homelessness Assistance and Treatment Services(LaCHATS) will provide substance abuse treatment and/or co-occurring disorder treatment, case management, peer support services, and other supportive services to person experiencing chronic homelessness. The project will focus on Baton rouge, new Orleans, and Shreveport, the three areas of the state with the largest concentration on chronically homeless. The goal of the LaCHATS program is to reduce chronic homelessness by increasing access to permanent housing, engagement and retention in treatment for substance use or co-occurring disorders, and access to supportive services to maintain permanent housing and access to mainstream resources. The LHC partners with DHH to provide units of permanent supportive housing and services.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	350
Tenant-based rental assistance	175
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	40
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	75
Total	640

AP-75 Barriers to affordable housing – 91.320(i)

Introduction

HOME: According to the findings of a study entitled Out of Reach: 2015, “there is no state where a person working full-time at minimum wage can afford even a one bedroom apartment at the Fair Market Rent.” Fair Market Rents are an estimate of what a family moving today can expect to pay for a modest rental home, not what current renters are paying on average. The study was prepared by the National Low Income Housing Coalition and used HUD’s definition of “Fair Market Rent” to determine the hourly wage needed to pay for an average apartment in each state, county and metropolitan area. Statewide, the 2015 fair market rent for a two bedroom apartment was \$805. The federal minimum wage was \$7.25 an hour and HUD guidelines state that people should not spend more than 30 percent of their gross income on housing. Millions of households cannot afford to pay for decent housing and very few people know the extent of this problem even in their own communities.

In 2015, Louisiana workers would need to earn \$15.48 per hour (statewide) or \$13.13 (non-metropolitan Louisiana) to pay for an average two-bedroom apartment. This makes the State the twenty-ninth most affordable state (down from twenty-sixth in 2014) to live in regarding housing. Hawaii was ranked as the least affordable locality, with workers having to earn \$31.61 per hour to pay for an average apartment.

In non-metropolitan Louisiana, fair market rent for a two bedroom unit is \$683. A minimum wage earner can afford a monthly rent of no more than \$372. A worker earning minimum wage in non-metropolitan Louisiana would have to work forty nine hours per week, fifty-two weeks per year, in order to afford a two bedroom unit at fair market rent.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

HOME: All agencies administering HUD programs in the state encourage, but cannot mandate, local governments to adopt policies, procedures, and processes that will reduce barriers to affordable housing. These include land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. The state through the Louisiana Housing Corporation encourages partnerships between for-profit developers, non-profit organizations, local governmental units, commercial lending institutions and State and federal agencies in an effort to reduce barriers and garner community support for affordable housing.

Discussion

AP-85 Other Actions – 91.320(j)

Introduction

Actions planned to address obstacles to meeting underserved needs

All of the activities which will be funded under the State's Community Development Block Grant Program, HOME Investments Partnerships Program, Emergency Solutions Grants Program, and State Formula Housing Opportunities for Persons With AIDS Program (HOPWA) will address the goal of improving the living conditions of the State's low and moderate income citizens in all regions of the State including underserved small cities and rural areas. State Formula HOPWA is specifically dedicated to preventing homelessness among low income persons who are living with HIV. These individuals struggle with the stigma of their medical condition, in addition to the challenges that come with poverty, when seeking medical care, employment, supportive services and even housing. State Formula HOPWA is an integral component of preventing homelessness in this target population.

The HOME, ESG, and State Formula HOPWA programs will assist in the provision of decent housing by improving existing housing units as well as expanding the availability of decent and attractive affordable housing. The Louisiana Community Development Block Grant (LCDBG) Program will provide funding for infrastructure improvements which will improve the quality of life and raise the living standards of all of the citizens being served. The LCDBG Program also allocates monies for the expansion of economic opportunities with the primary purpose of creating jobs which are accessible to low and moderate income persons. Funds are available for local governments to loan to private for profit enterprises for specified industrial development uses and/or to use to make public improvements which support a private industrial expansion effort.

Actions planned to foster and maintain affordable housing

The state allows all types of housing initiatives, so as to provide opportunities to units of local government to use housing funding in the manner most conducive to their needs. HOME and CDBG funds may be used to provide grants to local governments to eliminate hazards that pose a threat to the health and safety of very low income and/or elderly/handicapped families who own and occupy substandard housing.

The state will continue to offer funding initiatives to for-profit developers, units of local government, experienced non-profit organizations and CHDOs interested in undertaking rental development across the state. The goal is to use soft funds to expand the supply of affordable housing throughout the state; especially in non-entitlement areas. Selection criteria points are awarded to projects evidencing the leverage of soft funds and local governmental funding and support.

Community living facilities supported by State Formula HOPWA funding assess a rental charge of 30% of

the tenant's income in order to provide both affordable and appropriate housing for low income

individuals living with HIV.

Actions planned to reduce lead-based paint hazards

The lead-based paint regulations described in 24 CFR Part 35 require that the lead hazard evaluation and reduction activities be carried out for all proposed HOME-assisted projects constructed before 1978. Applications for rehabilitation funds for existing buildings constructed before 1978 must include a lead hazard evaluation by appropriate lead-certified personnel. For owner-occupied rehabilitation projects using HOME assistance, a lead paint inspection will be required on pre-1978 homes. If lead paint is found, mitigation measures are required when the cost of mitigation and rehabilitation are within the per project limits established for the program.

The HOME program requires lead screening in housing built before 1978 for their Owner Occupied Rehabilitation Assistance Program.

All State Formula HOPWA project sponsors must get a signed certificate from the landlord certifying that there is a working smoke detector and no lead based paint in a rental unit before a client's rent may be paid.

The ESG funded homeless shelters are required to meet the Shelter and Housing Standards outlined in 24 CFR 576.403. Lead-based paint remediation and disclosure applies to all ESG-funded shelters and all housing occupied by ESG participants.

Actions planned to reduce the number of poverty-level families

The state CDBG, HOME, ESG, HOPWA and other federal grants will continue to support programs and organizations that provide assistance and economic opportunities for homeless, low and moderate income persons and for populations with special needs. Funds will continue to be used to support subsidized housing, food and healthcare programs, and emergency services.

The state will continue to use Weatherization Assistance Program and Low-Income Home Energy Assistance Program funds to assist low-income households to reduce energy costs; particularly the elderly, persons with a disability and households with children. Increasing the energy efficiency of homes has been an effective mean to reduce the number of poverty-level families by increasing the amount of funds that may be used for other household needs.

Actions planned to develop institutional structure

HOME: The State will continue to promote the development and capacity of Community Housing Development Organizations (CHDOs) to develop, own and sponsor affordable housing projects. The State also plans to continue its coordination with local banks, mortgage lenders, and financial institutions in the development of affordable housing and economic development projects.

The State also recognizes that there are gaps in the service delivery system, particularly in rural areas. This is due either to the limitations of service delivery systems available in these areas or the unwillingness of developers, financial institutions, local contractors, and local governments to participate in the housing assistance programs offered by the State. The State will continue to make efforts towards expansion into these non-urbanized areas by offering incentives and training to willing service providers.

Actions planned to develop institutional structure

HOME: The State will continue to promote the development and capacity of Community Housing Development Organizations (CHDOs) to develop, own and sponsor affordable housing projects. The State also plans to continue its coordination with local banks, mortgage lenders, and financial institutions in the development of affordable housing and economic development projects.

The State also recognizes that there are gaps in the service delivery system, particularly in rural areas. This is due either to the limitations of service delivery systems available in these areas or the unwillingness of developers, financial institutions, local contractors, and local governments to participate in the housing assistance programs offered by the State. The State will continue to make efforts towards expansion into these non-urbanized areas by offering incentives and training to willing service providers.

Actions planned to enhance coordination between public and private housing and social service agencies

HOME: The Louisiana Housing Corporation (LHC) will conduct several workshops on a statewide basis to provide information and technical assistance to local governmental units, nonprofit organizations, developers, lenders and real estate practitioners with emphasis on affordable housing programs and related issues. The State has also executed a Memorandum of Understanding (MOU) with the U.S. Department of Agriculture Rural Development staff. All affordable rental housing applications utilizing HOME funds are required to submit a certification that the local offices of HUD and Rural Development were contacted concerning the construction of the proposed project. Developers must acknowledge in writing that the construction of the proposed project will not have an adverse impact on existing

Discussion

HOME: The selection criteria under the HOME and Low Income Housing Tax Credits Programs have been and will continue to be structured to address Louisiana's identified housing priorities and to provide for

coordination with the Louisiana Department of Economic Development, U. S. Department of Agriculture Rural Development, and local housing authorities. Bonus points may also be awarded to projects which are certified by associations representing the homeless, such as a regional Continuum of Care Organization that provides one or more buildings for homeless or other special needs persons within multi-building projects.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction

LCDBG: The State strives to reallocate program income during the program year in which it is received. Therefore, it is anticipated that all program income received before the start of the next program year will be reprogrammed. The State does not anticipate receiving any funds from section 108 loan guarantees, surplus funds from urban renewal settlements, or from float-funded activities. The State has included the planned use of any CDBG grant funds returned to the line of credit in a prior statement or plan. In terms of overall benefit to persons of low-moderate income from CDBG funds, the State uses a one year consecutive time period coinciding with the State's established program year.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	97.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The State of Louisiana utilizes only forms of investment that are included in Section 92.205 (b).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Resale/or Recapture Provisions- Federal regulations for the HOME Program specify certain requirements for resale restrictions or recapture provisions when HOME funds are used to assist with a homeownership purchase, whether the purchase is with or without rehabilitation. These provisions are imposed for the duration of the period of affordability on all HOME- assisted homebuyer projects through a written agreement with the homebuyer. Enforcement mechanisms are liens, deed restrictions, or covenants running with the land. The HOME written agreement shall accurately disclose the resale or recapture provisions and the enforcement mechanism with the homebuyer before or at the time of sale. The HOME assisted unit must be the principal residence of the homebuyer throughout the period of affordability. The resale or recapture provisions (see Appendix D) are triggered by the non-owner occupancy (either voluntary or involuntary) of the HOME assisted unit or any transfer of title, during the HOME period of affordability.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The period of affordability is determined by the amount of the HOME fund investment in accordance with 24 CFR 92.254(a) (4); (see Appendix D). To ensure affordability, the State will, at its option, impose either resale or recapture requirements conforming to the standards of 24 CFR 92.254. The minimum amount of HOME Funds authorized to be recaptured by the State shall be the principal amount of the blended first mortgage times the percentage of the principal amount of such loans representing HOME Funds, as specified in the Agency's Arbitrage Certificate for the series of bonds which financed such loan. In cases where the homebuyer assistance is provided through a CHDO or State Recipient or other non-profit directly using HOME funds that are not part of a bond issue, the State will apply the recapture provision during the period of affordability to HOME funds that are used to enable the homebuyer to purchase the unit. The Recapture period shall be that which is required by the federal regulations at the time the assistance was provided. Prior to the funding of homebuyer assistance, a written loan agreement will be required between the State (LHC) or its administrating sub-recipient (CHDO, State Recipient, etc.) and the homebuyer. The written agreement will specify all recapture provisions as well as all other applicable requirements

of the program (see Appendix D).

It shall be the policy of the State to prohibit the subordination of its lien interest on a property subsidized with HOME Funds unless the residual equity available after the new debt is placed on the property is sufficient to allow recapture of the HOME subsidy. If the residual equity available is sufficient to allow for recapture, the State shall give written permission to the homeowner to allow for the refinancing. During the period of affordability, no such homeowner will be permitted to refinance the property without the prior written approval of the State. It shall be the policy of the State to use its authority to forgive a portion or all of a HOME-funded loan made through the Single Family Homebuyer Program with good reason, consistent with the HOME rules and regulations, and with the approval of the Executive Director of the Louisiana Housing Corporation.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

If the State of Louisiana use HOME funds to refinance existing debt secured by multifamily housing, it will only be provided in accordance with section 92.206. The State will not use FY 2016 HOME funds to refinance existing debt secured by multifamily housings.

Emergency Solutions Grant (ESG) Reference 24 CFR 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

As part of the program requirements for implementation of the Emergency Solutions Grant Program, recipients are required develop policies and procedures for coordination of service delivery. Each Continuum of Care must develop written standards to ensure that ESG providers are coordinating services with the objective of assisting those persons experiencing homelessness to rapidly regain housing.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

With the requirement from HUD to establish a centralized or coordinated assessment system, the state is working with the Louisiana Network Data Consortium (LSNDC) and each CoC to development and implement an assessment tool. The assessment tool known as the Vulnerability Index Service Prioritization and Decision Assistance Tool (VI-SPDAT) is an effective tool designed to implement an effective approach to access and assessment. The tool will be incorporated into Servicepoint and all

homeless service providers receiving funding will be required to use the VI-SPDAT assessment tool and enter the data into Servicepoint.

Applicants for the ESG Program shall be required to incorporate into their proposal plans a description of the “coordination and linkage of the proposed project with available community resources” and “the extent to which the proposed activities will complete the development of a comprehensive system of services which will provide a continuum of care to assist homeless persons to achieve independent living.”

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The State LHC shall continue use of a geographic allocation formula in the distribution of the State's ESG funding to ensure that each region of the State is allotted a specified minimum of State ESG grant assistance for eligible ESGP projects. The State LHC will issue a request for proposals upon notification of the state ESG allocation, each jurisdiction electing to submit an application will solicit for proposals from the public. The local government or Continuum of Care may submit an application for funding to be administered by the local governmental entity or contract non-profits agencies within its jurisdiction. Competing applications for each region's allocated grant amounts will be evaluated and scored. Each governmental applicant will receive written notification of the award.

Previous recipients of State Grant amounts are eligible to apply, however, expenditure patterns and deliverable performance will be reviewed in evaluating such applicant's ability to implement and complete Program activities on a timely basis.

Regional funding amounts for which applications are not received shall be subject to statewide competitive award to applicants from other regions and/or shall be reallocated among other regions in accordance with formulations consistent with regional allocation factors.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

In accordance with 24 CFR 576.405 the state requires all local governmental agencies selected for funding meet the homeless participation requirement. The state grants no exceptions to the regulation.

5. Describe performance standards for evaluating ESG.

LHC has implementing performance based contracts system allows the state to track program performance both positive and negative. Performance-based contracting methods are intended to ensure that required performance quality levels are achieved and that total payment is related to the degree that services performed or outcomes achieved meet contract standards. The performance based contract will motivate contractors to perform at optimal levels and to encourage contractors to increase efficiency and maximize performance.

Discussion

Attachments

Grantee Unique Appendices

HOME Investment Partnerships Program Attachments

Attachments Appendix A - Citizen Participation/ Public Hearing Comments and Responses (HOME)

Attachments Appendix B - Areas of Poverty Concentration Map

Attachments Appendix C – Areas of Minority Concentration Map

Attachments Appendix D - Resale/ Recapture Provisions

HOME Investment Partnerships Program Attachments

Attachments Appendix A - Citizen Participation/ Public Hearing Comments and Responses (HOME)

ATTACHMENT A

CITIZEN PARTICIPATION COMMENTS

COMMENTS RECEIVED

A summary of each comment submitted on the housing and community development needs of the State during the public hearing on June 9, 2015, and the comments received following the public hearing is shown in bold type and is followed by a summarized response or responses. The number in parentheses represents the total number of similar comments received relative to the summarized comments. The office responding to each comment is identified by the use of the following program acronyms: CDBG – Division of Administration, Office of Community Development; HOME - Louisiana Housing Corporation; ESG - Louisiana Housing Corporation; and HOPWA - Department of Health and Hospitals, Office of Public Health.

- One comment was submitted by a non-profit organization (Magnolia CDC of Opelousas, LA; St. Landry Parish) stating that the need for repair and rehabilitation of homes for the elderly is critical. The transfer of the housing program from the LCDBG program to the Louisiana Housing Corporation (LHC) has resulted in very limited funds earmarked for a rehabilitation program for the elderly. In 2014 a rural initiative was implemented with limited funds. The program should be expanded with emphasis on housing repair and rehabilitation. In St. Landry Parish, there is very limited funding available for housing repair assistance. LHC should take the lead in this effort by providing funding to leverage with private funding and volunteerism.

HOME: HOME Investment Partnerships Program (HOME) funds may be used to assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units. Whenever HOME funds are used for rehabilitation activities, the work must be performed according to the Participating Jurisdiction (PJ)'s written rehabilitation standard and the entire unit must be brought up to the applicable state or local code. This means that PJs may not undertake some forms of special purpose homeowner repair programs, such as: weatherization programs; emergency repairs programs; or handicapped accessibility programs. To be eligible for HOME funds, the homeowner must be low-income and occupy the property as a principal residence. Additionally, the value of the HOME-assisted property after rehabilitation must not exceed 95 percent of the median purchase price for the area.

Among the strategic priorities identified in the State of Louisiana FY 2015 – 2019 Consolidated Plan is the rehabilitation of substandard housing owned and occupied by low and very low income households. With regards to homeowner rehabilitation, priority is given to special need households and households at or below 60% of the HUD adjusted area median income. Factors that may be used in determining the need for a rehabilitation program in a market area include the age and physical condition of the housing stock and the number of sub-standard housing units owned and occupied by low income households.

There is insufficient data to describe the overall condition of owner occupied housing units in St. Landry Parish and the state as a whole. The state will select projects and

proposals that are supported by a current market analysis which identifies the need for each project within the context of local and regional needs. This comment will certainly be taken into consideration as it relates to the priority of housing and community development needs in the state and the available resources.

- The following comment offered in the form of three (3) recommendations were submitted by a non-profit organization (Greater New Orleans Housing Alliance) of New Orleans, LA; Orleans Parish):

1. Establish an annual schedule for all affordable housing funding opportunities - We recommend the LHC establish, publish and adhere to an annual schedule for all affordable housing funding opportunities. Irregular, short-notice funding announcements contribute to lower-quality applications, inefficiency, elongated development time frames, and missed opportunities for leveraging resources. Knowing the schedule in advance will facilitate project planning for GNOHA members and developers throughout the state.

HOME: Each year, the U.S. Department of Housing and Urban Development (HUD) allocates HOME program funds to state governments as well as to local participating jurisdictions (PJs). The amount and availability of HOME funds is based in part on the timing of the annual allocation and subsequent authorization. The State of Louisiana HOME Program is administered by the Louisiana Housing Corporation (LHC). As soon as the amount and availability of HOME funds is known, the LHC designs various housing programs and award funds to local governments (referred to as state recipients), Community Housing Development Organizations (CHDOs) and other non-profits as well as for profit developers on an annual basis through a competitive application process. If more frequent, a timely notice will be published.

2. Reimbursement schedule/timeline – Organizations utilizing HOME funds range in size and location. Sometimes due to the length of the reimbursement process of HOME funds, it can put financial strain on organizations. It also deters some nonprofit developers who produce high quality affordable housing from participating due to the potential financial risk of the lengthy reimbursement process. Providing a clear timeline for reimbursement of funds will help organizations with planning and maintaining financial stability.

HOME: The State of Louisiana HOME Program is administered by the Louisiana Housing Corporation (LHC). The policy and procedures for the disbursement of HOME funds are disclosed in the loan closing document for each project. Request for disbursements of HOME funds are at the discretion of the project owner/developer in accordance with the policy and disbursement procedures as disclosed in the loan closing documents.

3. Support capacity building efforts – The opportunities for training are valuable. However, moving forward, it is important to provide the expectations and schedules for any planned trainings well in advance. If training is going to be mandatory, this should be included in the NOFA.

HOME: The Notice of Funding Availability (NOFA) and capacity building efforts are two different endeavors. The NOFA is used to announce funding opportunities for the development of decent, safe, affordable, accessible and sanitary housings; training is provided to support capacity building efforts. Parties interested in participating in the competitive funding opportunities announced through the NOFA are encouraged to attend the application workshops.

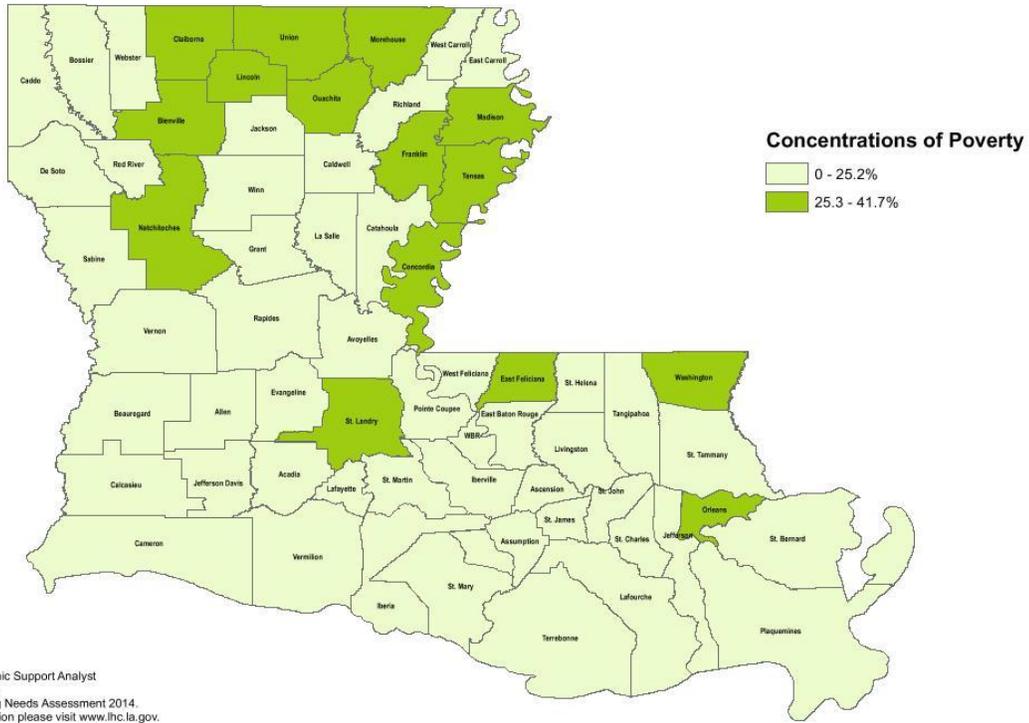
The state also recognizes that recent changes in the federal regulations related to the U.S. Department of Housing and Urban Development (“HUD”) HOME Investment Partnership Program (“HOME”) mandated an assessment of the capacity and fiscal soundness of developers with regards to project underwriting that in term further emphasis the need for training. The State of Louisiana HOME Program is administered by the Louisiana Housing Corporation (LHC). Efforts have been made by LHC to support the need for capacity building and the noticeable decrease in training opportunities stemming from federal, state and local budget reductions. As a response, the LHC entered into a cooperative endeavor agreement with the Louisiana Housing Alliance, a statewide non-profit; to facilitate training with the intent to help build capacity. The most recent schedule and planned training opportunities (Louisiana Affordable Housing Fellowship Program) in accordance with the cooperative endeavor agreement are currently posted on the Louisiana Housing Corporation website at: <http://www.lhc.la.gov/index.cfm/page/175>.

HOME Investment Partnerships Program Attachments

Attachments Appendix B - Areas of Poverty Concentration Map

State of Louisiana Areas of Concentrated Poverty

An area is considered an area of concentration if the population of poverty is 20% above the state average.

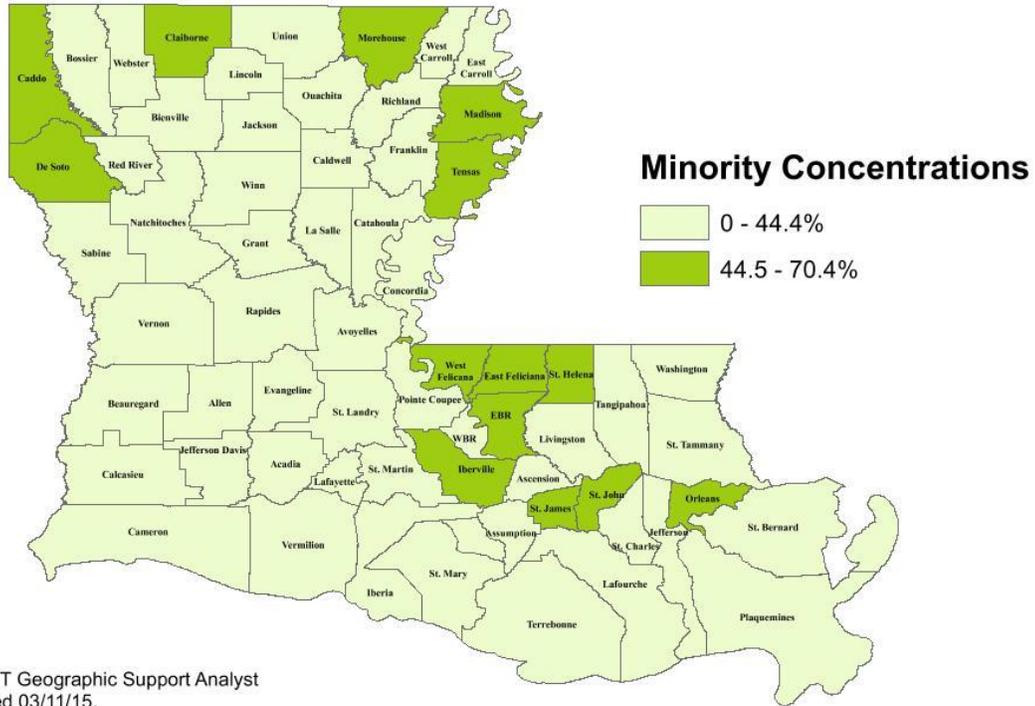


HOME Investment Partnerships Program Attachments

Attachments Appendix C – Areas of Minority Concentration Map

State of Louisiana Areas of Minority Concentration

An area is considered an area of concentration if the minority population is 20% above the state average.



S. Moore, IT Geographic Support Analyst
 Map created 03/11/15.
 Sources: LHC Housing Needs Assessment 2014.
 For additional information please visit www.lhc.la.gov.

HOME Investment Partnerships Program Attachments

Attachments Appendix D - Resale/ Recapture Provisions

Appendix D

State of Louisiana –

HOME Investment Partnerships Program - Resale and Recapture Provisions

These guidelines apply when a homebuyer or developer is assisted with HOME Investment Partnerships Program funds and the homebuyer sells or transfers the assisted unit subsequent to the initial HOME assisted purchase.

Period of Affordability

Consistent with 24 CFR Part 92.254(a)(4), the following minimum period of affordability shall be enforced:

HOME	Minimum
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years
*New Construction of	20 years
*Refinancing of Rental	15 years

The State may use HOME Program funds to provide homeownership assistance. The forms of subsidy to be used to assist homebuyers and/or developers include down payment assistance, interest subsidy, development cost subsidy, direct loan, project grant, or some combination of these methods. The State shall determine, based upon the type of subsidy, form of ownership, and type of market in which the property is located, whether the period of affordability shall be enforced by either Resale or Recapture provisions.

Resale Provisions

A. Activity Types - Resale provisions as outlined in 24 CFR Part 92.254(a)(5)(i)(A) and (B) shall be required or encouraged in the following cases:

- Resale provisions shall be required when the HOME subsidy is provided in the form of a development subsidy in which HOME funds are divided among each HOME-assisted unit and not provided as a direct subsidy to the

homebuyer.

- Resale provisions shall be encouraged when the HOME subsidy is provided in the form of a direct subsidy to the homebuyer and a Community Housing Development Organization (CHDO) or other similar entity maintains ownership of the HOME-assisted unit to ensure its continued affordability in perpetuity.
- Resale provisions shall be required when the HOME subsidy is provided in the form of a direct subsidy to the homebuyer and it is determined that the property is located in a highly appreciating market for the purpose of maintaining the unit's affordability throughout the entire period of affordability.

B. Methods- The resale option ensures that the HOME-assisted unit remains affordable over the entire period of affordability. All HOME-assisted units "designated as affordable units" shall meet the following criteria:

- The new purchaser must be low-income, meeting the HOME Program definition, and occupy the property as the family's principle residence. HOME assistance may be made available to an income eligible buyer other than a first-time homebuyer if the State determines such assistance is necessary to guarantee the seller a fair return on his/her investment and keep the property affordable to a buyer whose family income is no more than 80 percent of the area median and no less than 50 percent of the area median. Fair return shall be defined as the percentage increase or decrease in property value as determined by the Federal Housing Finance Agency's Housing Price Index (HPI) for the West South Central Division (Oklahoma, Arkansas, Texas and Louisiana) between the time the seller purchased the property and the time of the resale. The pending transaction shall be deemed affordable if the projected combined total payments of principal, interest, property taxes and homeowner insurance does not exceed 30 percent of the family income of the prospective buyer.
- The sales price must be "affordable" to the new purchaser. In this instance, affordability of the new purchaser is defined as the income-eligible household's maximum mortgage capacity as defined by a mortgage lender using generally-accepted underwriting criteria. These may include the provision of down payment or second mortgages assistance, first mortgage interest buy downs, or other mechanisms that enhance affordability.

2

Annual Action Plan
2016

OMB Control No: 2506-0117 (exp. 07/31/2015)

Annual Action Plan
2016

91

OMB Control No: 2506-0117 (exp. 07/31/2015)

- Under no circumstances may the “affordable sales price exceed 95% of the median purchase price for the area.

Net proceeds from the sale must provide the original homebuyer, now the home seller, "fair return" on their investment (including any down payment and capital improvement investment made by the owner since purchase). Fair Return is defined as the return of the homeowner's original investment (i.e. down payment) plus any capital improvements, less the amount of deferred maintenance that does not meet HUD Housing Quality Standards.

Fair Return on Investment: The State will administer its resale provisions by ensuring that the Owner receives a fair return on his/her investment and that the home will continue to be affordable to a specific range of incomes. Fair Return on Investment means the total homeowner investment which includes the total cash contribution plus the approved capital improvements credits as described below:

1. The amount of the down payment,
2. The cost of any capital improvements, documented with receipts provided by the homeowner, including but not limited to:
 - a. Any additions to the home such as a bedroom, bathroom, or garage;
 - b. Replacement of heating, ventilation, and air conditioning systems;
 - c. Accessibility improvements such as bathroom modifications for disabled or elderly, installation of wheel chair ramps and grab bars, any and all of which must have been paid for directly by the Owner and which were not installed through a federal, state, or locally-funded grant program; and
 - d. Outdoor improvements such as a new driveway, walkway, retaining wall, or fence.

Note: All capital improvements will be visually inspected to verify their existence.

3. The percentage of change as calculated by the Housing Price Index (HPI) Calculator of the Federal Housing Finance Agency (FHFA). The HPI Calculator is currently located at www.fhfa.gov/Default.aspx?Page=86 and projects what

a given house purchased at a point in time would be worth today if it appreciated at the average appreciation rate of all homes in the area. The calculation shall be performed by utilizing the FHFA most current information for the West South Central Division (Oklahoma, Arkansas, Texas and Louisiana).

In general, the State shall consider "fair return" to be the maximum sales price as calculated using the following formula:

$$\text{Maximum Permitted Resale Price} = \frac{\text{The initial sales price to the Owner}}{\text{Initial Area Median Income}} \times \text{Resale Area Median Income}$$

Initial Median Income is defined as the Area Median Income corresponding to a household size equivalent to 1.5 times the number of bedrooms in the home at the time of the Owner's purchase of the home rounded to the nearest whole number. Resale Area Median Income is defined as the Area Median Income corresponding to a household size equivalent to 1.5 times the number of bedrooms in the home at the time of the Owner's Notice of Intent to Sale, rounded to the nearest whole number. The formula for the "fair return" must be included in the written agreement between the State and the project/program partner.

C. Enforcement Mechanisms - Resale requirements shall be enforced through deed restriction, covenant, land use restriction agreement, or other similar mechanism filed with the Clerk of Court in the parish of the location of the HOME-assisted unit. The requirements disclosed in recorded documents shall be triggered upon the sale or transfer of the HOME-assisted property.

Recapture Provisions

Activity Types- Recapture provisions as outlined in 24 CFR Part 92.254(a)(5)(ii)(A)(1) through (7) shall be enforced in cases where HOME funds are provided as a direct subsidy to the homebuyer. The direct subsidy to the homebuyer is the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. The direct subsidy includes down payment, closing cost, interest subsidies, or other HOME assistance provided directly to the homebuyer. In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an

4

Annual Action Plan
2016

OMB Control No: 2506-0117 (exp. 07/31/2015)

affordable price.

A. Methods- The recapture option allows the State to recapture the entire HOME subsidy, subject to net proceeds, if the HOME recipient decides to sell the unit within the period of affordability at whatever price the market will bear. All HOME-assisted unit sales under the recapture option shall meet the following criteria:

- The homebuyer may sell the property to any willing buyer; however,
- The sale of the property during the period of affordability triggers repayment of the direct HOME subsidy to the State that the buyer received when the HOME-assisted unit was originally purchased.
- The amount of the repayment is subject to the amount of the net proceeds.

B. Enforcement Mechanisms - Recapture provisions shall be enforced through a promissory note, mortgage and Recapture Agreement filed with the Clerk of Court in the appropriate parish of the HOME-assisted unit. The requirements within the recorded documents shall be triggered upon the sale or transfer of the HOME-assisted unit.

C. Repayment Amount — The State requires that when the recapture requirement is triggered by a sale (whether voluntary or involuntary), it will recapture the HOME investment up to the total net proceeds remaining after the sale as modified by program specific choices under 24 CFR Part 92.254(a)(S)(ii)(A)(1) through (4). Net proceeds are the sales price minus the primary mortgage repayment (other than HOME funds) and any closing costs. The specific method of recapture as capped by net proceeds may be one of the four choices outlined in 24 CFR Part 92.254(a) (S) (ii) (A) (1) through (4). These options include:

- Recapture the Entire Amount- The State may recapture the entire amount of the HOME investment from the homeowner, with total collections capped by net proceeds;
- Reduction During the Affordability Period - the State may elect to reduce the HOME investment amount to be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period;
- Shared Net Proceeds- When the net proceeds (i.e., the sales price minus loan

Annual Action Plan

5

2016

OMB Control No: 2506-0117 (exp. 07/31/2015)

repayment, other than HOME funds, and closing costs) are insufficient to repay the direct HOME subsidy and the homebuyer's investment, the net proceeds shall be shared according to the following formula. Recapture of the HOME funds is based on the ratio of the HOME subsidy to the sum of the homeowner's investment (including down payment and any capital improvement investment made by the owner since purchase), plus the HOME subsidy:

$$\frac{\text{Direct HOME Subsidy X Net Proceeds}}{\text{Direct HOME Subsidy + Homeowner Investment}} = \text{HOME Recapture}$$

Amount payable to homebuyer under the Shared Net Proceeds Model is as follows:

$$\frac{\text{Homebuyer Investment X Net Proceed}}{\text{Direct HOME Subsidy + Homebuyer Investment}} = \text{Amount to Homebuyer}$$

- D. Return of Owner's Investment- the State may permit the homebuyer to recover the entire investment (downpayment and capital improvements) made by the owner since the initial purchase before recapturing the HOME investment.

The State shall select one of these four options based on the specific project/program in consultation with the project/program sponsor. The selected method must be included in the written agreement between the State and any partner.

- E. Mortgage Release - Upon receipt of recaptured funds, the State shall file a "Release" document with the Clerk of Court in the appropriate parish of the HOME-assisted unit to release the original HOME-assisted homebuyer from the requirements of the mortgage or other similar mechanism.
- F. Remittance of Recaptured Funds – Recaptured funds shall be remitted directly to the State to be utilized for other HOME-eligible activities.