



RCIP Policy Summary of Changes

This document explains the changes between the original policy document and the updated policy. *Version 1 deletions are struck through and Version 2 additions are highlighted yellow.

September 24, 2024

Agency name change

In the original policy, the agency was referred to as the Louisiana Office of Community Development – Disaster Recovery Unit (OCD-DRU) or the Office of Community Development (OCD).

The office has rebranded and the correct name and acronym is the **Louisiana Office of Community Development – Disaster Recovery (LOCD-DR)**.

Hyperlinks

Hyperlinks were **added** to various documents such as Federal Register Notices.

IGX update

In the original policy, the online system is referred to as the IGX System, or just IGX.

In Version 2, all previous mentions of IGX now read as the **LOCD-DR online system of record**. A note was **added** in the definitions section to say that the current system of record is IGX, but that may be subject to change.

Program overview

1. The Continuing Appropriations Act of 2023 (Pub. L. 117-180) allocated an additional \$831M to Louisiana for the 2021 disasters. The total allocations to the State of Louisiana for the disasters in 2020 and 2021 total \$3,154,115,000.



2. Subrecipients must not interpret this document to amend or override any applicable federal or state law, regulation, or directive applicable to the expenditure of CDBG-DR funds. LOCD-DR reserves the right, in their sole discretion, to change or cancel this program.

Award Allocation

LOCD-DR has allocated ~~\$100 million of the total \$2.3 billion appropriation~~ \$465 million across 3 allocations to fund projects under the RCIP. ~~The minimum grant award is \$600,000. The maximum grant award is \$25 million.~~ The first allocation was for Hurricanes Laura and Delta.

The subrecipients set to receive funding for RCIP projects are detailed below, as well as amount awarded to each recipient. The methodology used to allocate funds to local units of government can be found in Exhibit 1 – Allocation Calculation Methodology.

LOCD-DR shall, at its sole discretion, make approval determinations of individual Project Applications pursuant to current LOCD-DR policy and CDBG and HUD guidelines and regulations. All applications must demonstrate:

- A low to moderate income national objective, including specifics regarding how the objective will be achieved;
- An eligible activity, including a scope, timeline and project estimate;
- Citizen participation; and
- Consideration of resilience and mitigation factors in design and implementation of the proposed project.

During our review of proposals submitted, we have identified that the highest risk to grantees not receiving an approved application is the LMI requirement. Under this program, only projects meeting the benefit low- and moderate-income (LMI) persons national objective will be considered for funding. This is necessary due to the overall grant LMI percentage required by HUD for these storm events.



Before incurring significant activity delivery costs associated with the specific project application development, you may submit your LMI Beneficiary Data so that LOCD-DR can conduct a preliminary review and ensure that the project will successfully meet this national objective. To complete this review, LOCD-DR will need the project description, proposed scope of work, a map, and a kmz or shapefile, if available. Please note that for some project types, an engineer's input may be required to fully define the area of benefit (e.g., stormwater management projects). LOCD-DR may require further reviews as the project is developed.

Hurricanes Laura/Delta/Ida & May 2021 Severe Storms CDBG-DR Allocations Table
Ascension, assumption, Iberville, St. Bernard, St. Helena, St. Mary, and Washington parishes were **added** in Version 2.

Deadline for Submission

The deadline for submission of the RCIP Recovery Proposal to LOCD-DR is three (3) months from the date the Cooperative Endeavor Agreement (CEA) is executed by LOCD-DR, **unless an extension request is granted and approval received in writing.**

Citizen Participation Requirements

HUD requires citizen participation prior to expending CDBG-DR funds. The public meeting(s) function to engage and solicit input from citizens in the identification of recovery priorities and the development of projects to be funded. Parishes and municipalities are required to conduct at least one (1) public meeting in the development of their Recovery Proposal. Public notice of the meeting must be 5 to 21 days prior to the date of the meeting.

According to 24 CFR 91.105(a)(3), the jurisdiction must provide citizens with a reasonable opportunity to comment on the original citizen participation plan and on substantial amendments to the citizen participation plan, and must make the citizen participation plan public. The citizen participation plan must be in a format accessible to persons with disabilities, upon request.



For those making amendments to the original CP, for instance in the case of a grantee wanting to take advantage of the wavier for the buildings for the general conduct of government, where the original CP stated only certain types of activities were included, and now the list of allowable activities has changed, it is recommended that the grantee follow the same steps as followed for the original CP to inform the public of the new option/changes. LOCD-DR has indicated for RCIP that a reasonable opportunity for the comment period is a minimum of 7 days. Please keep in mind, in the event an amendment is required, a reasonable opportunity for a comment period will be a minimum of 7 days.

It is important to note — efforts and methods used in soliciting participation of persons of low- and moderate-income (LMI) in the public participation process are to be documented in the Recovery Proposal. This is in addition to other public participation documentation required.

Submission Requirements

~~Units of local governments identified in the above allocations will apply for funds using the process stipulated in this manual and defined in the Substantial Action Plan Amendment No. 1.~~

For purposes of a Recovery Proposal, the following documents must be attached.

- A. Fully executed proposal (see E-2, Proposal Outline).
- B. A copy of the resolution authorizing the submission of the proposal by the parish/municipal governing authority.
- C. Copy of all citizen participation documents as noted in the proposal (see E-2 Proposal Outline).

Additional documents will be required at appropriate times, according to HUD/CDBG requirements for implementation, approval of project applications, and the drawdown of funds.



Project Application

Once the Recovery Proposal is approved by LOCD-DR, the subrecipient will be required to submit a separate application for each project through the LOCD-DR online system of record. LOCD-DR assigned staff will assist the subrecipient in completing the Recovery Proposal online, providing support throughout the entire process. At a minimum, the full application for funding requires the following information for submission:

- ~~• Detailed description of the project;~~
- ~~• Activity beneficiary data;~~
- ~~• Tie to the disaster;~~
- ~~• Tie to local disaster recovery plans and adopted land use plans;~~
- ~~• Documentation that the proposed activities are CDBG-DR eligible;~~
- ~~• Project cost estimate;~~
- ~~• Project maps;~~
- ~~• Project time schedule;~~
- ~~• Mapping of the project target area and determining project beneficiaries, in accordance with the procedures contained in E-5, Procedures for Mapping Project Target Areas and Project Beneficiaries.~~
- Applicant information and certifications
- Definition of the problem
- Detailed scope of work
- Project location and type
- Funding request and budget
- Project schedule



- National objectives
- Eligible activities
- Benefiting area
- Public benefits
- Project beneficiaries
- Area benefit – beneficiary income information
- Direct benefit activities
- Grantee statement of assurance

The subrecipient will be notified directly by LOCD-DR staff or via ~~IGX system~~ an online system of record email notification of the application approval. A copy of this approval must be placed in the project file.

Project Requests for Payment

Subrecipient expenses are typically paid on a reimbursement-based payment process.

“Reimbursement-based” means that project costs must be incurred by the subrecipient and documented. For reimbursement-based payments, the subrecipient must submit a request for payment package through the LOCD-DR online system of record for LOCD-DR’s review and approval.

The grantee will submit draw requests for payment of eligible expenses payable under the CEA to the Executive Director of LOCD-DR, or designee, for approval. Payment to the grantee will be made on a cost reimbursement basis for actual services rendered under the program and limited to those amounts which are deemed eligible and reasonable. The grantee shall be required by the LOCD-DR to submit with each draw request documentation regarding each service for which reimbursement is being sought.

Following review and approval of the draw requests by LOCD-DR, or designee, approved draw requests will be submitted to LOCD-DR Finance Manager, or designee, for approval of payment.



Draw requests not approved by the Executive Director of LOCD-DR or the LOCD-DR Finance Manager, or their respective designees, shall not be paid, but returned to Grantee for further processing.

Upon approval of payment by LOCD-DR, payment of eligible expenses shall be provided to the grantee via electronic funds transfer. Grant funds shall not be drawn in advance. If an award letter has been issued regarding grant funds, only costs consistent with the terms of the award letter will be allowed, unless expressly waived in writing by LOCD-DR.

Eligible travel costs shall be reimbursed in accordance with PPM49 in effect at the time the expense was incurred, if provided for in the budget. In the event of non-compliance with this agreement, LOCD-DR may withhold payment to the grantee until LOCD-DR deems the grantee has brought the program into compliance. Non-compliance on any aspect funded under this agreement may serve as a basis to withhold payment on funds for other projects funded under this agreement.

Project Reporting

Subrecipients will be required to provide monthly and quarterly reports and attend status meetings with assigned staff, as requested, throughout project implementation. Once an award is made, subrecipients will be notified of additional reporting requirements as it relates to each specific project. For example, schedule and milestone updates.

Program Requirements

All projects funded under the RCIP must comply with the requirements in this section. Other program-specific policies are outlined in subsequent sections of this manual.

Under the RCIP, project selections and priorities for funding must include the following:

- Have a tie to the storm event or meet the definition of Mitigation;
- Located in MID areas;



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- Benefit to **low- and moderate-income persons**; ~~income area populations within a delineated service area;~~
- ~~Serve disadvantaged communities that were economically distressed prior to the storm events;~~
- An eligible activity; and
- Activity can be completed within funding timeline.

Tie to the Storm **and Mitigation Activities**

~~Before any activity can be funded in whole or in part with CDBG-DR funds, the activity must be determined eligible under Title I of the Housing and Community Development Act (HCDA), as amended.~~

For projects to be funded under the RCIP, **they must address unmet disaster recovery needs by documenting the tie to the storm as a part of the application process.** ~~the tie to the storm must be documented as a part of the application process.~~

A project may be tied to the storm in multiple ways, including but not limited to:

- The storm may have caused the infrastructure to fail to function;
- The storm may have caused damage to the public infrastructure; and/or
- The infrastructure or activity may be needed for the community's successful long-term recovery from the storm and for protection from similar events.

Unlike recovery activities where subrecipients must demonstrate that their activities "tie-back" to the specific disaster and address a specific unmet recovery need for which the CDBG-DR funds were awarded, activities funded under Mitigation do not require such a "tie-back" to the specific qualified disaster that has served as the basis for the subrecipient's award. If the proposed project meets the definition of mitigation, but does not have a documented tie to the storm, the subrecipient may submit the application to LOCD-DR for consideration on an exceptions basis. LOCD-DR will determine in its sole discretion whether the subrecipient has



made the case that the need for an exceptions award is critical to the community's long-term recovery.

This program will require construction, reconstruction, and rehabilitation projects to meet the definition of mitigation. Mitigation activities are defined as those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

Mitigation activities under this program are any action taken to reduce overall risk to the population and structures from future hazard events, while also reducing reliance on Federal funding in future disasters.

Activities aimed at economic revitalization will require mitigation where construction, reconstruction, or rehabilitation of facilities are involved.

Each eligible activity application will be required to describe sustainable practices focusing on reducing runoff and improving water quality, including mitigation of future flood risk.

Geographic Eligibility

Laura/Delta

~~Acadia Parish (70526, 70578), Allen Parish, Beauregard Parish, Caddo Parish, Calcasieu Parish, Cameron Parish, City of Lake Charles, Jefferson Davis Parish, Lafayette Parish, Natchitoches Parish, Ouachita Parish, Rapides Parish, St. Landry Parish (70570), St. Martin Parish (70517), Vermilion Parish (70510), Vernon Parish (71446)~~

Ida/May and 2021 Severe Storms

Ascension Parish, Assumption Parish, Calcasieu Parish, **City of Lake Charles**, East Baton Rouge Parish, Iberville Parish (70764, 70788), Jefferson Parish, Lafourche Parish, Livingston Parish, Orleans Parish, Plaquemines Parish, St. Bernard Parish, St. Charles Parish, St. Helena Parish, St. James Parish, St. John the Baptist Parish, St. Mary Parish, St. Tammany Parish, Tangipahoa Parish, Terrebonne Parish, Washington Parish, ~~West Baton Rouge Parish (70767)~~



Disadvantaged Communities

All mentions of Disadvantaged Communities were **removed** from the policy in Version 2, as HUD programs meet the Justice40 requirements by design.

Meeting an Eligible Activity

Eligible activities **105(a)(14), (15), (17), (19), (21), and (22)** were **added** in Version 2.

Additional Eligibility Requirements

This section was **removed** in Version 2.

FFRMS Floodplain and Elevation Standards

~~New construction, repair of substantially damaged public facilities and infrastructure, or substantial improvement located in the 1 percent annual chance (or 100-year) floodplain, requires the facility/infrastructure be elevated with the lowest floor, including the basement, at least two (2) feet above the 1 percent annual chance floodplain elevation.~~

~~Mixed-use structures with no dwelling units and no residents below two (2) feet above base flood elevation must be elevated, or flood proofed up to at least two (2) feet above base flood elevation.~~

~~If a structure is located in a 500-year floodplain, the structure must be elevated three (3) feet above the 100-year floodplain.~~

The state will—at a minimum—require adherence to ~~the advanced elevation requirements established in section II.B.2.c. of the Federal Register Notice, subtitled “Elevation standards for new construction, reconstruction and rehabilitation of substantial damage, or rehabilitation resulting in substantial improvements” or section II.C.2 of the Notice “Elevation of Non-Residential Structures,”~~ as applicable. **24 CFR 55, Floodplain Management and Protection of Wetlands, which incorporates HUD’s Federal Flood Risk Management Standard (FFRMS) Final Rule into its existing regulations. The FFRMS floodplain is based on future flood risk and**



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expands the 100-year floodplain both vertically and horizontally, by including the horizontal area impacted by a vertical increase in flood waters.

~~Future property damage will be minimized by requiring that any rebuilding be done according to the best available science for that area with respect to base flood elevations. As applicable and within its policies and procedures on a program-by-program basis, LOCD-DR or its subrecipients will document decisions to elevate structures. This documentation will address how projects will be evaluated and how elevation costs will be reasonably determined relative to other alternatives or strategies, such as the demolition of substantially damaged structures with reconstruction of an elevated structure on the same site, or infrastructure improvements to reduce the risk of loss of life and property.~~

The FFRMS floodplain area is determined by using a tiered approach: 1) Climate Informed Science Approach (CISA), 2) 0.2 Percent-Annual-Chance Flood Approach (0.2 PFA), or 3) Freeboard Value Approach (FVA), and in that order based on available data for the area (CISA>0.2PFA>FVA).

All new construction and substantial improvement actions (as defined by 24 CFR 55.2(b)(12)(i)) in the FFRMS floodplain must be elevated (or in certain cases, flood-proofed) to or above the elevation of the FFRMS floodplain. If the CISA or 0.2 PFA elevations are not mapped, add 2 feet to the base flood elevation (BFE) for Non-Critical actions and add 3 feet to the BFE for Critical Actions (as defined by 24 CFR 55.2(b)(3)). If Critical Actions are in the 0.2 PFA and the elevation is mapped, elevate to the higher of the 0.2 PFA elevation and the BFE+3 ft. If voluntarily using CISA prior to the adoption by HUD, CISA data may not be used as a basis for a lower elevation than the lowest of 0.2 PFA elevation, BFE+2 (non-critical), and BFE+3 (critical). Review figure 2 on page 25.

As applicable and within its policies and procedures on a program-by-program basis, LOCD-DR or its subrecipients will document decisions to elevate structures. This documentation will address how projects will be evaluated and how elevation or floodproofing costs will be reasonably determined relative to other alternatives or strategies, such as the demolition of



substantially damaged structures with reconstruction of an elevated structure on the same site, or infrastructure improvements to reduce the risk of loss of life and property.

How do the new requirements under the FFRMS Rule differ from previous requirements for CDBG-DR or CDBG-MIT funding?

The biggest impact is that the FFRMS floodplain has expanded vertically and horizontally, which means more projects will need to complete the 8-step decision-making process (i.e. projects that were not in the Special Flood Hazard Area (SFHA) but are in the FFRMS floodplain). The key difference between the previous requirements and the new rule is:

- Step 5 of the 8-step decision-making process has been expanded under FFRMS, which is now reflected in 24 CFR 55.20(e) and requires all new construction and substantial rehabilitation actions in the FFRMS floodplain to be elevated or, in certain cases, floodproofed to or above the FFRMS floodplain.

Although CDBG-DR and CDBG-MIT already had higher elevation requirement compared to other HUD programs, grantees are advised to review how the changes to Step 5 impact RCIP projects. Specifically, non-critical actions in the SFHA required elevation two feet above the Base Flood Elevation (BFE) and critical actions required to be three feet above BFE or above the 500-yr flood plain, whichever is higher. The freeboard value approach (FVA) in the FFRMS rule uses this same vertical extent, but now also includes the horizontal extent (as seen in figure 1). This means the elevation requirements will pertain to an expanded floodplain area.

Grantees should carefully analyze projects near the SFHA (100-year floodplain) to determine if they are in an area where the additional horizontal extent reaches, and thereby being in the FFRMS floodplain.

Procurement of Professional Services

The methods and contractual requirements for the procurement of engineering, architectural, administrative consulting, and other professional services required in the development of the Recovery Proposal and implementation of projects funded under RCIP shall adhere to the



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policies and procedures stipulated in the Disaster Recovery CDBG Grantee Administrative Manual (Administrative Manual) located on the LOCD-DR website at <https://www.doa.la.gov/doa/ocd/policy-and-reports/administrative-manual/>. Limitations on the amounts allowable for activity delivery costs and architectural/engineering services are contained in E-3 and E-4 of this manual.

In addition to the requirements set forth in the Administrative Manual, LOCD-DR will require the following:

Any contract to govern completion of professional services (i.e., architectural, engineering, grant administration, CDBG-DR Program Management, etc.) executed prior to the start of the subrecipients CEA with LOCD-DR February 3, 2022, to govern completion of professional services (i.e., architectural, engineering, grant administration, CDBG-DR Program Management, etc.) in which the intent is to fund the services using RCIP funds, must first be reviewed by LOCD-DR to ensure the procurement process provided open competition and aligns with the applicable provisions of 2 CFR 200.

If the contract, its method of procurement, or the selection criteria is found to be noncompliant with 2 CFR 200, the parish/municipality will be advised to amend the contract to bring it into compliance with applicable CDBG-DR policies, that, in order to fund the contracted services under the program, the parish/municipality will be required to either implement a new procurement process, or pay for services using local funds. LOCD-DR is committed to working with local governments to minimize the impact of requiring additional procurement actions and will only recommend this if absolutely necessary.

1. Any contract for professional services (i.e., architectural, engineering, grant administration, CDBG-DR Program Management, etc.), in which the intent is to fund contracted services using Resilient Communities Infrastructure Program funds, must first be approved by LOCD-DR to ensure the contract is compliant with LOCD-DR policy and the provisions of 2 CFR 200.

If the contract for professional services is found to be noncompliant with 2 CFR 200, the



~~parish/municipality will be advised to amend the contract to bring it into compliance with applicable CDBG-DR policies and regulations. LOCD-DR is committed to working with parishes to minimize the impact of requiring additional procurement actions and will only recommend this if absolutely necessary.~~

- ~~2. Prior to executing a contract for grant administration/CDBG-DR Program Management Services, with the intent of funding the cost for these services under the RCIP, parishes/municipalities are required to submit all procurement documents (i.e., solicitation, selection criteria, scoring sheets, the response received from the firm receiving the highest score, and the proposed contract with the selected firm) to LOCD-DR for approval.~~

Project Activity Delivery Costs

~~Costs related to developing a specific project application are typically considered activity delivery costs and are reimbursable when and if the application is approved.~~

Under RCIP, limitations on **project activity** delivery costs are contained in E-3, Program Delivery Costs.

The subrecipient must provide narrative in the project application justifying the request for **project activity** delivery costs. Costs must not be duplicative of services provided by LOCD-DR through its staff or consultants. All proposed subrecipient **project activity** delivery costs must be allowable, allocable, and reasonable.

Reallocation of Funds

~~OCD has adopted a policy to ensure timely expenditure of CDBG-DR funds allocated to the state titled, "Policy and Procedure to Determine Timely Expenditures," dated December 19, 2019. As outlined in the policy, OCD will monitor expenditure rates and milestones to ensure projects and activities are completed within the required timeframes.~~

~~Additionally, LOCD-DR has established administrative requirements for subrecipients to track spending and project performance. These include:~~



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- Keeping all accounting records up to date.
- Establishing project time schedules and milestones.
- Developing financial projections and expenditure schedules.
- Tracking and recording program income.
- Submitting quarterly progress reports to LOCD-DR.

LOCD-DR has designated staff to oversee program spending and routinely runs and reconcile spending reports utilizing the state’s accounting system and HUD’s Disaster Recovery Reporting (DRGR) system. These designated staff provide LOCD-DR senior management and program managers with monthly reports on program activity, expenditures, and financial projections. If a program or subrecipient is under-performing, LOCD-DR will first attempt to take corrective action to increase performance. If LOCD-DR determines the program or project will be unable to meet the HUD expenditure deadline, LOCD-DR will reallocate the CDBG-DR funds to another program or project.

Procedures in Determining Funds Available for Reallocation

LOCD-DR has established the following procedures for identifying the funds that will be available for reallocation (“excess funds”).

Subrecipient projects will be monitored for compliance with the time and expenditure schedules included in the application. Projects that fail to meet the established deadlines (including extensions, if any) are subject to cancellation and reallocation of funds.

Project underruns (reasonably anticipated project costs being less than the budget allocated) are subject to reallocation. Steps will be taken to identify project underruns, if any, as early as possible.

OCD Directly Implemented Programs

This section was **removed** in Version 2.



Subrecipient Implemented Programs

This section was **removed** in Version 2.

Canceling a Project

1. A change in subrecipient or dropping of a project component is not a canceled project. Changes such as a subrecipient switch or the dropping of a project component are memorialized through the controlling document at any given stage, such as an amendment to the CEA **or project application**.

Single Audit Requirements

In accordance with [2 CFR 200 Subpart F](#), all non-federal entities expending \$750,000 or more in Federal funds during its fiscal year must have an annual audit conducted. Subrecipients that fall within this category must submit a copy of their single or program-specific audit report to LOCD-DR.

Upon receipt of the single audit, LOCD-DR will review the audit report and determine whether any aspects of the audit impact CDBG-DR funding (e.g., a finding related to LOCD-DR funding or failure to properly identify LOCD-DR funding) necessitate a management decision from LOCD-DR. Any deficiencies noted in the management decision must be fully cleared by the subrecipient within thirty (30) days after the subrecipient receives the management decision.

A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in [2 CFR 200.507](#), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

~~Subrecipients that expend less than \$750,000 in federal funds must complete a Single Audit certification (i.e., A-133 Compliance Certification Form) for the most recently concluded fiscal year. Subrecipients may also be required to submit a financial report. Examples of financial reports include an Independent Auditor's Report or an internally generated balance sheet and income statement related to the expenditure of CDBG-DR funds.~~



Lead-Based Paint

There are many regulations and statutes pertaining to lead-paint hazards. This section provides links to a number of the most important ones, especially related to this program:

- [Information on EPA's Renovation, Repair, and Painting Rule.](#)
- Title X Regulations (Residential Lead-Based Paint Hazard Reduction Act).
 - [Public Law 102-550](#) - Residential Lead-based Paint Hazard Reduction Act of 1992.
 - [Title X, Sections 1012 and 1013](#) - Requirements for the Notification, Evaluation, and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance. Visit HUD's [Lead-Safe Housing Rule](#) web site to learn more.
 - [Title X, Section 1018](#) - Requirements for the Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards in Housing. Visit HUD's [Lead-Based Paint Disclosure Rule](#) webpage to learn more.
- The Environmental Protection Agency's [Lead Regulations for Lead in Paint, Dust, and Soil.](#)
- U.S. Department of Labor - [Occupational Safety & Health Administration.](#)

Title VI of the Civil Rights Act of 1964

[Title VI](#) prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.

Definitions

Mitigation Activities: Activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters



Methodology for Resilient Communities Infrastructure Program

LOCD-DR obtained the total FEMA Individual Assistance and Public Assistance damages and calculated as a percent of total. The Public Assistance percentages were weighted at 2/3 and the Individual Assistance at 1/3. LOCD-DR applied the percent of total damages to overall program budget of ~~\$50 million for each grant.~~ **\$100 million for Laura/Delta and \$365 million for Ida and the May 2021 Severe Storms.**

LOCD-DR established a minimum of \$600,000 and a maximum of ~~\$25 million~~ **\$50 million for Laura/Delta; with a minimum \$300,000 for Ida and the May 2021 Severe Storms.**¹ Grants are costly to administer due to the federal requirements imposed on the funding. Smaller grants would be much less cost-effective to employ and would waste already limited resources.

Any HUD MID that fell outside of this range was reduced to zero allocation or maximum of ~~\$25 million~~ **\$50 million for Laura/Delta.**

For the entitlement city of Laura/Delta that fell between minimum and maximum, LOCD-DR obtained the total damages for the parish and entitlement city and calculated the percent of total.

If funds were remaining, LOCD-DR redistributed across the HUD MID areas that met the minimum and maximum allocation.

The table in this section from the original policy was **removed** in Version 2.

¹ **The increase to \$50 million should have been made in APA 4 when the Hometown and RCIP programs were combined; however, this change will be included in APA 6.**



E-2. Resilient Communities Infrastructure Program Recovery Proposal Template Outline

The template was removed and screenshots of the actual proposal from the online system of record were added.

E-3. Program Delivery Costs

Cost Types

RCIP will allow for reimbursement of three CDBG defined cost types. Planning Costs, Project Costs, and Activity Delivery Costs (ADC). The program is imposing an overarching requirement that the combined percentage of planning and activity delivery costs cannot exceed 15%. Subrecipients may use up to 15 percent of their grant money for planning and activity delivery costs related to carrying out their projects. However, subrecipients may use only up to 5 percent of this for planning costs, like developing proposals and completing applications (but excluding engineering and design costs related to a specific activity which are eligible as part of the cost of such activity under [24 CFR 570.201 - 204](#)). For example, if subrecipients use 2 percent for planning, they may have 13 percent left for activity delivery. If they use the full 5 percent for planning, they may use only 10 percent for activity delivery. Subrecipients may be reimbursed for these costs starting from the date the CEA takes effect.

See [CDBG-DR Toolkit Guidance on CDBG-DR Costs](#) and [HUD notice CPD-2023-06](#) for more information on cost types.

Planning Costs

Costs related to developing the plan, proposal(s), or applications (but excluding engineering and design costs related to a specific activity which are eligible as part of the cost of such activity under [24 CFR 570.201 - 204](#)) which are considered "Individual Project Plans" may be charged under planning for up to 5% of the allocation. However, if the grantee chooses and tracks costs appropriately, costs related to developing a specific project application can also be considered activity delivery costs (ADC) and would be reimbursable when and if the application is approved



as an ADC. The maximum amount that a grantee can charge to planning is 5% of the overall allocation. See [24 CFR 570.205](#) for more information on eligible planning activities.

Project Activity Delivery Costs

Project Activity delivery costs are expenses incurred by a subrecipient while implementing and carrying out eligible CDBG-DR activities. **Project Activity** delivery costs are capped at 15% of the overall project budget under the RCIP. Examples of **project activity** delivery costs include fees to complete a single audit, costs incurred in the completion of the project environmental clearance, publication of newspaper advertisements/public notices, and grant management services. Upon review and approval of a statement/explanation from a subrecipient justifying the need and cost reasonableness for additional **project activity** delivery costs, LOCD-DR may fund **project activity** delivery costs exceeding the “Grant Management Cap Amount” specified in the table below. **this cap.**

Grant Management Costs

~~Grant management costs are to be specified as a separate line item in the estimated project budget in the application for funding for each specific project. The maximum allowable grant management cost for each CDBG-DR funded project shall be less than or equal to the caps outlined in the table below. The grant management cap is inclusive of all grant management services, including but not limited to administrative oversight, preparation of the environmental review record, CDBG-DR programmatic policy compliance and reporting, scheduling, document management, review, technical assistance, and consultation as required to continue accomplishing the objectives of the CDBG-DR funded project from the development through to the program closeout phases as described in the current CDBG Grantee Administrative Manual located on the OCD website at <https://www.doa.la.gov/oa/ocd/policy-and-reports/administrative-manual/>. The applicant must demonstrate the reasonableness of the costs. Justification based solely on the fact that the fees are within the amount allowed by OCD is not an adequate explanation. Subrecipients may choose to use their own staff to conduct~~



~~grant management activities, procure a third party grant administrator, or a combination of the two.~~

E-5. Determining the National Objective

To ensure the eligibility of all projects using CDBG-DR funds, program records must demonstrate that funded activities meet one of the national objectives required by HUD CDBG-DR. The types of records to be maintained for each CDBG-DR funded activity depend on the national objective category for which they qualify. **LOCD-DR expects state and local governments to work with LOCD-DR to make reasonable efforts to meet the low-to-moderate income benefit national objective, wherever possible.**

The three national objectives to be used for CDBG-DR projects are:

- Benefit of Low to Moderate Income Persons
- Elimination of Slum/Blight
- Urgent Need

Subrecipients should refer to the State’s Action Plan and individual program policy and procedure manuals for information on which national objectives can be used for a specific program.

For more information on National Objectives and Eligible Activities visit the link below:

<https://www.hudexchange.info/resource/2179/guide-national-objectives-eligible-activities-state-cdbg-programs/>

To determine the national objective, the subrecipient must calculate the percentage of Low- and Moderate-Income persons in the Service Area using the HUD Low- and Moderate-Income Data (LMISD).

Once the Service Area has been defined, go to HUD’s American Community Survey (ACS) Low- and Moderate-Income Summary Data page.



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Disaster Recovery

Note: These procedures use 2011-2015 ACS data; however, HUD has announced that new low- and moderate-income summary data (LMISD) based on the 2016-2020 American Community Survey (ACS) are now available. As of August 1, 2024, to qualify any new low- and moderate-income area (LMA) activities, Community Development Block Grant-Disaster Recovery (CDBG-DR) grantees should use this new data. Detailed HUD guidance can be found in [Notice CPD-24-04: Low- and Moderate-Income Summary Data Updates](#) and at [ACS 5-Year 2016-2020 Low- and Moderate-Income Summary Data - HUD Exchange](#).

As stated above, the effective date for use of the new 2020 ACS LMISD to qualify LMA activities is August 1, 2024. Notice CPD 24-04 provides a transition policy for circumstances when prior 2015 ACS LMISD may continue to be used. The transition policy is intended to prevent the disqualification of activities that are already underway.

Applying the transition policy to the Resilient Communities Infrastructure Program, projects that are included in a Recovery Proposal may continue to use the prior 2015 ACS LMISD to qualify the project as LMA 1) provided LOCD-DR formally approves the Recovery Proposal prior to 8/1/2024 and 2) provided the proposed LMI service area was clearly defined.

It is possible that your proposal was approved to move to application; however, you have not yet clearly defined your LMI area. The revised LMI area will need to have been submitted to LOCD-DR for review before close of business on 7/26/2024. If you fail to have a clearly defined LMI area, then you will need to use the new data that begins on 8/1/2024.

If the Recovery Proposal is not approved by 8/1/2024 then all projects included in the Recovery Proposal must use the new 2020 ACS LMISD to qualify projects as LMA.