



Community Development Block Grant  
Hurricanes Gustav and Ike  
Parish-Implemented Program Recovery

# Housing Program Guidelines

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Program made possible by:  
Louisiana Recovery Authority  
The Office of Community Development's Disaster Recovery Unit  
And  
U.S. Department of Housing and Urban Development

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[www.doa.louisiana.gov/cdbg/drhome.htm](http://www.doa.louisiana.gov/cdbg/drhome.htm)





# HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



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# HURRICANES GUSTAV AND IKE

## Community Development Block Grant (CDBG)

### Housing Program Guidelines



#### 1.0 OVERVIEW

Hurricane Gustav caused major wind and flood damage throughout the state, from the southern coastal parishes through central and north Louisiana. Two weeks later Hurricane Ike hit sending tidal surges across the state's southern coastal communities. Ike exceeded storm surge caused by hurricanes Rita and Katrina. More than 1.9 million Louisiana residents were forced to evacuate for hurricanes Gustav and Ike.

The Office of Community Development Disaster Recovery Unit (OCD-DRU) and the Louisiana Recovery Authority (LRA) has developed an action plan to outline the eligible activities available to assist in housing recovery.

Approximately 150,000 to 300,000 homes experienced some level of damage in the storm; more than 12,000 homes were flooded. Preliminary estimates show that approximately \$2 to 7 billion in residential property loss was incurred. Even homes built to the Federal Emergency Management Agencies Advisory Base Flood Elevations flooded as a result of this storm.

Fifty-three of the state's 64 parishes were included in the President's disaster declaration for individual assistance; all 64 were declared for public assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (the "Stafford Act"). The two storms caused tremendous damage, which, in turn, left most communities without electricity for days, and many for weeks. More than 120,000 homes received some damage.

Preliminary estimates indicate approximately \$1.7 billion in uninsured housing losses, with over half of that amount likely being homeowners. Hurricanes Katrina and Rita have taught us that repair costs generally exceed insurance proceeds. Initial damage models based on flood and wind damage vary widely, but have a midpoint between \$3 and 4 billion dollars. Half of this damage may be uninsured losses due to uninsured and underinsured properties. With losses of housing stock concentrated in certain communities, Louisiana could have up to \$1.5 billion in uncompensated housing losses. The state has developed Gustav/Ike **Housing Recovery Programs** to assist homeowners, renters and communities to recover.

*It should be noted that recipients of compensation from Hurricanes Katrina and Rita who did not have property or flood insurance at the time of sustaining damages from Gustav and Ike are not eligible for assistance with Community Development Block Grant (CDBG) funds. Each Parish will be responsible for verifying and documenting insurance coverage for each household assisted.*



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## 2.0 APPLICATION PROCESS

Parishes that identified a housing activity during the pre-application process will be required to submit a more detailed application for each project. The State will review the application to ensure compliance with federal requirements.

Each program has specific applications and these documents can be found on the Louisiana Recovery Authority website under Gustav/Ike.

Submit an original and two (2) copies of each program application form to:

Office of Community Development  
Disaster Recovery Unit  
C/O Fay Ayers  
150 Third Street, Suite 200  
Baton Rouge, LA 70801

Once available, applications should also be submitted using the online Gustav/Ike forms.

## 3.0 NATIONAL OBJECTIVES

Before any activity can be funded in whole or in part with CDBG funds, a determination must be made as to whether the activity is eligible under Title I of the Housing and Community Development Act of 1974, as amended. Activities must also meet one of the three national objectives. All projects funded under CDBG must address at least one of the following three national objectives of the CDBG Program. A determination of the eligibility of an activity is made as a part of the OCD/DRU Project Application review process. OCD/DRU also reviews which national objective category a project will fall under. However, under the CDBG regulations, a project is not considered as meeting a national objective until it is complete. Therefore, grantees must be aware of the national objective category and document compliance appropriately. There are a number of different criteria by which an activity can meet one of the three National Objectives. [42 U.S.C. 5304(b)(3) and 24 CFR 570.483]

The three National Objectives are:

- Benefit low- and moderate-income (LMI) persons;
- Aid in the prevention or elimination of slums or blight; and,
- Urgent Need



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The LMI national objective is often referred to as the “primary” national objective because the regulations require that OCD/DRU expend the 50% of Disaster Recovery CDBG funds to meet this particular objective. For further information on Disaster Recovery CDBG Funds, please refer to the State’s Action Plan and Amendments for Gustav/Ike as well as the Disaster Recovery CDBG Administration Manual.

Guide to National Objectives and Eligible Activities for State CDBG Program may be downloaded from HUD website at:

[www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/index.cfm](http://www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/index.cfm)

For more information regarding the national objectives, grantees should download a copy of the Guide to National Objectives and Eligible Activities for the State CDBG Program.

### 4.0 TECHNICAL ASSISTANCE & CAPACITY BUILDING

The state understands that many parishes have limited capacity as they continue to recover from these storms. The state will provide ongoing technical assistance to parishes.

- Parishes will be given Training & Technical Assistance on CDBG regulations at the initiation of the programs and will be provided assistance on regulatory compliance throughout the grant process.
- Parishes will be able to use allocated funds to hire grant administrative staff and/or consultants.
- The goal is to provide the greatest possible autonomy to parishes while ensuring compliance with CDBG regulations.

Parishes can select from a variety of housing program options as approved by HUD in the State’s Action Plan and Amendments from the eligible activities outlined below as appropriate for their recovery needs. Parishes should be prepared to justify the need for each program and demonstrate that each project is related to recovery. Parishes can choose to adopt one or any combination of program options to address recovery needs.. The state encourages parishes to develop programs that benefit households most impacted. Eligible housing activities include:

- Homeowner Rehabilitation
- Homebuyer\Homebuyer Rehabilitation
- Minor Repair
- Elevation
- Relocation/Buyout
- Compensation
- Neighborhood Redevelopment.



# HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



## 5.0 ELIGIBLE HOUSING ACTIVITIES

### 5.1 Homeowner Rehabilitation

#### *Program Description*

The purpose of the Homeowner Rehabilitation program is to provide assistance to homeowners who need to rehabilitate or reconstruct their homes due to Hurricanes Gustav or Ike. . All assistance under the program will be provided to LMI households which sustained damage as a result of Hurricanes Gustav and Ike. However, if a parish elects to serve Non-LMI households under these programs, the national objective should be slum and blight and the property must be in a slum and blighted designated area.

Rehabilitation is defined as repair or renovation of a limited specified area or portion of a housing structure. Reconstruction is defined as the rebuilding of a structure on the same site in substantially the same manner.

CDBG funds may also be used to rehabilitate rental housing under certain conditions. (Refer to the Competitive Affordable Rental Program Guidelines.)

#### *Type of Assistance*

Each parish will be responsible for developing program guidelines that best suit the needs of their community while also meeting Federal CDBG regulations associated with a homeowner rehabilitation program of this nature. Program guidelines should include information on the following:

- Number of units to be produced or rehabilitated
- Size of units to be produced (new construction or demo/rebuild only)
- Anticipated cost of units
- Anticipated sale price of units (new construction or acquisition/rehab only)
- Appraised value or after-rehabilitation value of assisted units
- Use of CDBG funds (construction financing, permanent financing, etc.)
- Targeted populations for assistance (i.e., elderly, disabled, minority, etc.)
- Affordability of units to assisted households
  - ✓ Amount of subsidy to be provided
  - ✓ Structure of other funds (grant, loan, deferred, etc.)
  - ✓ Maximum and minimum front- and back-end ratios



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Available programs are as follows:

- **Rehabilitation** is defined as repair or renovation of a limited specified area or portion of a housing structure. For the Gustav/Ike Parish Implemented Recovery, only the rehabilitation performed on eligible participating housing must comply with local building codes and standards. For units with a total rehabilitation cost from all sources for less than \$25,000, the unit is required to meet the International Property Maintenance Code (IPMC). When the total rehabilitation cost is over \$25,000 from all sources, the unit must meet the current edition of the International Building Code (IBC). Additionally, the entire structure must comply with any existing local health and safety codes. Buildings on or eligible for the National Register of Historic Places shall be renovated in accordance with the Secretary of the Interior's Standards for Rehabilitation and may be exempt from the above requirements. Any additions or non-historic alterations to the structure shall be in compliance with IBC requirements.
- **Reconstruction** is defined as the rebuilding of a structure on the same site in substantially the same manner. Deviations from the original design are permitted only for reasons of safety, handicap accessibility or if otherwise impractical. The structure to be reconstructed must be residential and privately owned, due to the owner-occupied nature of the program. A reconstructed housing unit is not required to contain the same number of rooms as the housing unit it replaces. However, it should be reconstructed on the same footprint. Reconstruction of a housing unit will be of a similar type structure for example, a stick built housing unit may be replaced with a stick built unit. Reconstruction would also permit replacing an existing substandard unit of manufactured housing with a stick built house or modular home if the applicant owns the land.
- **Connections to water/sewer lines and septic systems.** The costs of connecting existing residential structures to water distribution lines or local sewer lines and payment of connection fees are eligible costs. The upgrading or replacement of an existing substandard septic system is also an eligible cost as part of a rehabilitation project. Grantees should work with the local health department to determine the criteria for a substandard septic system. Connections to water/sewer lines and replacement or upgrading of septic systems cannot be stand-alone activities. These activities must be completed in conjunction with the rehabilitation of the unit and the unit must be brought up to the International Code Council (ICC) Property Maintenance Code or, if reconstruction, the International Building Code (IBC).
- **Homeowner Maintenance/Life Skills Education.** Providing education courses to homeowners on various topics such as home maintenance, budget counseling



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and other life skills is eligible if provided to assisted households as part of a CDBG funded housing rehabilitation or homebuyer program.

- **Demolition and Reconstruction (Rehabilitation).** CDBG funds may be used for demolition and reconstruction. Reconstruction is the rebuilding of a structure on the same site in substantially the same manner, and is considered a rehabilitation activity. Deviations from the original design (such as the addition of another room) may be permitted for reasons of safety, occupancy, zoning, etc (Note: However, that adding rooms may constitute new construction).

Reconstruction of residential structures would also permit replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing, or a “stick built” structure if manufactured housing is not allowed under existing zoning.

- **Conversion.** The cost of converting an existing non-residential structure to residential use by an eligible household or for eligible households is allowed as a rehabilitation activity.

Gustav/Ike Parish Implemented Recovery funds may not be used for luxury items. Luxury items include, but are not limited to, swimming pools, whirlpool tubs, granite countertops, fences (other than those required for security), televisions, satellite dishes, washers and dryers.

Air conditioners (not window units) and heating systems are eligible for replacement under the Gustav/Ike Parish Implemented Recovery. Appliances and housing components that are not integral to the structure of the home such as washers, dryers, detached garages and carports are not eligible.

Grantees are responsible for publicly announcing housing rehabilitation programs, including funding availability and that the power of eminent domain will not be used under the program. The grantee should also develop and publicize its rating and ranking criteria for beneficiary selection. It is up to the unit of local government to determine what their community’s priorities will be based on their community’s needs which should then result in the establishment of the rating and ranking criteria and the points that will be associated with each. Grantees should make such announcements by placing an advertisement in a newspaper or periodical of general circulation for their citizens and by undertaking additional actions to reach LMI persons (e.g., distribution at a grocery store, church, etc.).



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## *Sample Forms*

The Appendix Section titled “Rehabilitation Program” includes sample forms for the development and administration of a Rehabilitation Program including a sample applicant intake form. The intake form is a required document to be attached to the parish application.

## **5.2 Homebuyer\Homebuyer Rehabilitation Program**

The purposes of the First Time Homebuyer Program is to provide assistance in the form of a soft second mortgage to eligible first time homebuyers who wish to purchase *and/or* rehabilitate a single family or a two family property that has sustained damage from Hurricanes Gustav and Ike. These disaster recovery funds may only be used to accommodate unmet housing needs and is intended to assist first time homebuyers at 80% or less of the Area Median Income (AMI). The program is designed to fill the gap between what an applicant can afford and the sale price of the property.

There are two (2) programs available for funding: First Time Homebuyer Purchase Assistance Program (FTHPA) and First Time Homebuyer Purchase-Rehabilitation Assistance Program (FTHPR). HUD’s definition of a first-time homebuyer is an individual who meets any one of the following criteria:

1. An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers).
2. A single person who has only owned a property with a former spouse.
3. An individual who is a displaced homemaker and has only owned with a spouse.
4. An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.
5. An individual who has only owned a property that was not in compliance with State, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.

## *Type of Assistance*

Each parish will be responsible for developing the specific parameters that best suit the needs of their community while also meeting Federal CDBG regulations associated with a homebuyer\homebuyer rehabilitation program of this nature. Examples of these parameters include:



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- Number of units to be produced or rehabilitated
- Number of households assisted
- Number of units purchased
- Can be single family or duplex (2 Family)
- Property type (conventional build, modular, townhome)
- Existing Area Median Price for units
- Anticipated sale price of units (existing or acquisition/rehab only)
- Appraised value or after-rehabilitation value of assisted units
- Can be used as a take-out, soft second mortgage
- Targeted populations for assistance (low moderate income only)
- Affordability of units to assisted households
  - ✓ Amount of subsidy to be provided
  - ✓ Structure of other funds (grant, loan, deferred, etc.)
  - ✓ Maximum and minimum front- and back-end ratios

As part of designing your program and type of assistance, the Parish must determine the subsidy amount needed to assist local homebuyers. This would entail an analysis of the homebuyer's finances to determine how much the homebuyer could afford to borrow from the primary lender towards homeownership.

- *Maximum Soft Second Mortgage:* The maximum purchase assistance for any applicant is 25% of the contract sales price of the property plus reasonable closing costs. Exceptions above 25% are granted on a case-by case basis, but will not exceed 50% of the contract sales price. Closing costs are not to exceed 9% of the sales price or \$10,000, whichever is less. The amount of the soft second mortgage is calculated after other down payment funds are considered such as gift funds, grants or other Federal, State or Parish down payment assistance funds.
- *Second Mortgage Interest and Payment Requirements:* The annual percentage rate of interest on the CDBG funded loan shall be 0%. No monthly payments will be required. The administrator of the program will monitor all first mortgage lender fees to insure that they are consistent with standard fees charged for a FHA/VA 30 year fixed rate mortgage loan product. The administrator can allow for up to a \$250 lender processing fee for the second mortgage.
- *Second Mortgage Payee:* The second mortgage will be made payable to the Parish.
- *Loan Forgiveness:* The CDBG Soft Second Loan is forgiven after five years with proof of continuous owner occupancy over the prior five (5) year period with a Forgivable Deferred Loan (FDL). Exceptions to this rule are serious illness, death



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of the homebuyer or job relocation over 150 miles. There is no requirement for repayment unless the property is sold or transfers within 5 year period. The loan is forgiven at equal intervals over the period of the loan.

- *Occupancy Requirement:* Purchasers of homes financed with the CDBG leveraged loan product must occupy purchased unit as their principal residence for at least five (5) years. Failure to do so without the written permission from the administrator will result in the prorated amount of the CDBG loan being immediately due and payable. Repayment of the original CDBG second loan shall be due if the first mortgage loan is extinguished upon sale or refinance within five (5) years of origination.
- *Gift of Funds:* “Gift of funds” up to 10% of the selling price may be used to reduce the principle amount to be financed.
- *Homebuyer Investment:* Homebuyer is required to make an initial investment in the home of at least 1% of the purchase price or \$1,000, whichever is the greater.
- *Homebuyer Education and Counseling:* All eligible homebuyers must receive at least 12 hours of homebuyer education and/or counseling from one of the participating homebuyer training organizations certified by the Louisiana Homebuyer Training Collaborative, Inc. Homebuyers of a two unit residence must also complete a landlord training seminar from one of the participating homebuyer training organizations certified by the Louisiana Homebuyer Training Collaborative, Inc.
- *Maximum Purchase Price:* The purchase price of each property will not be greater than the Area Median Price (AMP) for that area. It is the parish’s responsibility to determine the Area Median Price for the area in which the property is located. Local real estate offices and local lending institutions may assist each parish with this information. Allowances above the AMP and up to the FHA loan limits can be made on a case-by-case basis and must be approved by the Parish.

*Refer to Section 5.1 Homeowner Rehabilitation for additional information and/or requirements regarding rehabilitation of a purchased home.*

### *Sample Forms*

The Appendix Section titled “Purchase Program” includes sample forms for the development and administration of a Purchase Program including a sample applicant intake form. The Appendix Section titled “Rehabilitation Program” includes sample



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forms for the development and administration of a Rehabilitation Program including a sample applicant intake form. The intake form is a required document to be attached to the parish application.

### 5.3 Minor Repair

#### *Program Description*

The purpose of the Minor Repair Program is to provide assistance to homeowners for unmet needs such as roof damage or other minor damage caused by Gustav/Ike. The Minor Repair Program is designed to alleviate immediate threats to the health and safety of low income (80% and below AMI) home owners by providing grants for minor home repairs.

Minor Repair is defined as limited, necessary repairs completed to alleviate health and safety concerns such as thermal environment, water leaks, unsafe plumbing conditions, and unsafe electrical hazards.

#### *Type of Assistance*

Each parish will be responsible for developing the program guidelines that best suit the needs of their community while also meeting Federal CDBG regulations associated with a minor repair program of this nature. Program guidelines should include information on the following:

- Types of assistance to be provided (including maximum amount of grant funds to be provided to each homeowner) and number of applicants. Will assistance be provided in the form of a grant or Forgivable Deferred Loan (FDL)? If FDL, what will be the terms of the Note and Mortgage?
- Program guidelines, outreach/marketing efforts, and applicant intake process (please attach a copy of the intake form)
- Describe how the parish will prioritize applications for assistance
- Process for Insurance verification/Duplication of Benefits
- Income verification process
- Method of establishing ownership and occupancy at the time of the storm
- Minor versus major rehabilitation repairs
- Formula for calculating an award
- Process of how the parish will determine if the property was damaged as a result of Gustav/Ike (apart from Katrina/Rita or deferred maintenance)
- Process to determine the costs of minor repairs and to ensure that the costs of repair are necessary and reasonable to address only immediate threats to health and safety



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- Process of ensuring that repairs are completed in accordance with federal guidelines and local building codes
- Process for recruitment of reputable contractors, bidding procedures, method of contracting, insurance and inspection requirements including outreach efforts to Woman Owned Businesses (WBE) and/or Minority Owned Businesses (MBE)

The minimum assistance amount is \$1,000 and the maximum assistance amount is \$15,000. This includes securing a structure from further exposure and degradation caused by exposure to the elements.

Such repairs will not be designed to bring an entire structure into conformance with any standard or code except health and safety regulations. However, codes, standards and specifications will be applied to individual repairs and all repairs should be considered permanent.

For example, a leaking roof creates health and safety issues and exposes the structure to further degradation. Replacing a roof will not require that additional insulation be added or a heater repaired. However, the roof itself will meet applicable codes including wind requirements. Parishes must determine the costs of minor repairs and ensure that the costs of repair are necessary and reasonable.

Ineligible repairs include, but are not limited to, work on other buildings on the property not considered the primary residence (i.e. detached garage, sheds, and barns) or the repair or replacement of non-essential items (hot tubs, swimming pools, paint, etc.).

**NO REHABILITATION/REPAIRS CAN BE UNDERTAKEN INVOLVING PAINT DETERIORATION, LOOSE PAINT, VISIBLE SURFACE DUST, PAINT CHIPS, OR ANY REHABILITATION OR REPAIR THAT WOULD INVOKE THE REQUIREMENTS OF 24 CFR PART 35 (LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES).**

If all health and safety threats or roof repairs cannot be completed under this program the property would be deemed infeasible and referred to the Homeowner Rehabilitation Program, if available. Parishes must design their program to best meet the needs of their residents. It is understood that fully functional homes better protect the occupants and add value to the overall neighborhood, thus increasing the livability of the entire parish.



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## *Sample Forms*

The Appendix Section titled “Minor Repair” includes sample forms for the development and administration of a Minor Repair Program including a sample applicant intake form. The intake form is a required document to be attached to the parish application.

## **5.4 Elevation**

### *Program Description*

The purpose of the elevation program is the process of raising a damaged home so that the lowest floor is above the ground level by foundation walls, shear walls, posts, piers, pilings, or fill dirt. Homes must be elevated to or above the Advisory Base Flood Elevations (ABFE), or Base Flood Elevations (BFE) whichever is higher, or to the Digital Flood Insurance Rate Maps (DFIRM) if the property is located in a Coastal High Hazard Area or Velocity zone. All elevation activities must meet applicable local and state codes.

### *Type of Assistance*

Each parish will be responsible for developing the program guidelines that best suit the needs of their community while also meeting Federal CDBG regulations associated with an elevation program of this nature. Program guidelines should include information on the following:

- Types and amounts of assistance to be provided (loans and grants) and number of anticipated applicants broken down by income range (0-30% AMI, 31-60% AMI, and 61-80% AMI). Will assistance be provided in the form of a grant or Forgivable Deferred Loan (FDL)? If FDL, what will be the terms of the Note and Mortgage?
- Program guidelines, outreach/marketing efforts, and applicant intake process
- How the parish will prioritize applications for assistance
- List of eligible program expenses
- Formula for calculating an award
- Process for insurance verification/duplication of Benefits
- Process for income verification and methods to ensure that at least 50% of funding is provided to LMI applicants
- Determine method of establishing ownership and occupancy at the time of the storm
- Determine the general provisions of a 3 year Forgivable Deferred Loan, Note and Mortgage or if the assistance to be provided will be in the form of a grant



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- Develop process for temporary relocation if included as an eligible program expense
- Develop process for recruitment of reputable contractors, bidding procedures, method of contracting, insurance and inspection requirements including outreach efforts to Woman Owned Businesses (WBE) and/or Minority Owned Businesses (MBE)
- Determine method for determining type of foundation and the height of elevation in accordance with the State's Elevation Unit Cost Guide
- Determine method for processing applications that exceed allowable elevation costs (including other available options)
- Determine the availability of local elevation contractors and their experience

CDBG funds can also be used to provide assistance to home owners of owner occupied 1 to 2 units. CDBG funds in the form of a 3 year forgivable deferred loan to property owners for some or the entire amount of the Elevation.

The Parish must adopt the States Cost Reasonableness Standards for Elevation in order to ensure that the mitigation activity is cost beneficial. Elevation unit cost guides are based on type of foundation, height of elevation and square footage of the home. Elevation costs include foundation, extending utilities, and miscellaneous items, such as sidewalks and driveways. All completed elevation projects will require an Elevation Certificate.

In addition, the parish must develop processes for recruiting local contractors that are experienced in elevating structures. (Refer to Section 6: Procurement Methods and Contractual Requirements of the Grantee Administrative Manual for additional information regarding contracting requirements.)

*Homeowners who received payments for flood damage for Hurricanes Katrina and or Rita and who did not have flood insurance at the time of Gustav/Ike are ineligible.*

### *Sample Forms*

The Appendix Section titled "Elevation" includes sample forms for the development and administration of an Elevation Program including a sample applicant intake form. The intake form is a required document to be attached to the parish application.



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### 5.5 Voluntary and Non-Voluntary Relocation/Buyout Program

#### *Program Description*

The purpose of the relocation/buyout program is to assist owners of property located in dangerous areas prone to flooding for the purposes of allowing residents to relocate to safer areas. This program will enable the purchase of damaged or destroyed homes from homeowners. These projects may include:

- Buyout payments for owners of property living in high-risk areas;
- Optional relocation payments to encourage residents to move to safer locations
- Eminent Domain

#### *Type of Assistance*

Each parish will be responsible for developing program guidelines that best suit the needs of their community while also meeting Federal CDBG regulations associated with a relocation/buyout program of this nature. Programs guidelines should include information on the following:

- Process of how the parish will determine and prioritize areas prone to flooding for assistance
- Types of assistance to be provided (including amounts of elevation grant) and number of anticipated applicants broken down by income range (0-30% AMI, 31-60% AMI, and 61-80% AMI). If applicants have already been identified for participation, provide Project Benefit Profiles for Beneficiaries and Households.
- Number of potentially eligible properties in target area (s) by property type. Develop a project area map showing the location of the area within the jurisdiction and relationship to flood prone areas including census tracts.
- Program guidelines, outreach/marketing efforts, and applicant intake process
- Formula for calculating an award
- Insurance verification/Duplication of Benefits process
- Income verification process and methods to ensure that at least 50% of funding is provided to LMI applicants
- Type of program: buyout or relocation
- Appraisal Process

The Uniform Relocation Assistance (URA) and Real Property Acquisition Act of 1970 explains the relocation payments and relocation advisory services for which a displaced person is **entitled**. Displaced individuals, families, businesses, nonprofit organizations, and farm operations are covered by the Act. Any person displaced as a result of a project's rehabilitation, demolition, or acquisition activities, **privately undertaken or**



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**public** is entitled to a relocation payment and the advisory services specified in the Act. Refer to Section 10: Acquisition and Relocation of the Grantee Administrative Manual for additional information regarding the relocation requirements.

#### *Sample Forms*

The Appendix Section titled “Relocation/Buyout” includes sample forms for the development and administration of a Relocation/Buyout Program including a sample applicant intake form. The intake form is a required document to be attached to the parish application.

Refer to Section 10: Acquisition and Relocation of the Grantee Administrative Manual for sample relocation forms.

## **5.6 Compensation Program**

#### *Program Description*

The purpose of the Homeowner Compensation Program is to allow parishes to offer assistance to homeowners in order to offset increased named storm deductibles and provide low-to-moderate income (LMI) households with additional incentive funding to remediate damage to their home resulting from Hurricanes Gustav and Ike, and maintain insurance to prevent future repetitive losses to their properties.

#### *Type of Assistance*

Each parish will be responsible for developing the program guidelines that best suit the needs of their community while also meeting Federal CDBG regulations associated with a compensation program of this nature. Program guidelines should include information on the following:

- Types of assistance to be provided (including amounts of compensation) and number of anticipated applicants broken down by income range (0-30% AMI, 31-60% AMI, and 61-80% AMI)
- Program guidelines, outreach/marketing efforts, and applicant intake process (please attach a copy of the proposed intake form)
- How the parish will prioritize applications for assistance
- Insurance verification process
- Income verification process and methods to ensure that at least 50% of compensation funding is provided to LMI applicants
- Method of establishing ownership and occupancy at the time of the storm



## HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



- General provisions to be included in 3 year Forgivable Deferred Loan Note and Mortgage for the Additional Compensation Grant for LMI homeowners
- Parish monitoring strategy

Parishes can use CDBG funds to assist homeowners to offset increased named storm deductibles (associated with Gustav/Ike damages) for both LMI and non-LMI homeowners in the form of an incentive payment to encourage homeowner to maintain insurance for future repetitive losses.

In addition, \$50,000 in CDBG funds can be provided to LMI households in the form of a three year forgivable deferred loan as an incentive to remediate damages and maintain property and flood insurance on their properties.

In order to permit funding of a compensation program, the state and parish must:

- ensure that compensation payments will result in disaster recovery or economic revitalization,
- justify that a compensation program is more appropriate than a rehabilitation, reconstruction, or buyout program,
- establish appropriate compensation amounts, and evaluate outcomes of the program by monitoring a statistically valid sample of program participants within one year of providing a final payment.

### *Sample Forms*

The Appendix Section titled “Compensation” includes sample forms for the development and administration of a Compensation Program including a sample applicant intake form. The intake form is a required document to be attached to the parish application.

## **5.7 Neighborhood Redevelopment**

### *Program Description*

The purpose of the Neighborhood Redevelopment and New Development Program is to provide Parishes with a mechanism to remediate damages in defined neighborhoods, ensure that areas blighted by Hurricanes Gustav or Ike are redeveloped. This can include new developments or the additional infrastructure necessary for neighborhood developments. These projects can be voluntary or non-voluntary.

### *Type of Assistance*

Each parish will be responsible for developing the program guidelines that best suit the needs of their community while also meeting Federal CDBG regulations associated with



## HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



a neighborhood redevelopment program of this nature. Program guidelines should include information on the following:

- Location, character and extent of public and private land ownership and uses proposed as part of the project.
- Proposed land acquisition, demolition, and clearance activities.
- Proposed redevelopment and improvements (if any).
- Proposed rehabilitation activities (if any).
- Relationships of this plan to local development objectives, strategies and standards.
- Maximum density and building requirements.
- Determine types of assistance to be provided (including amounts) and number of anticipated applicants broken down by income range (0-30% AMI, 31-60% AMI, and 61-80% AMI)
- Program guidelines, outreach/marketing efforts (if voluntary), and applicant intake process (please attach a copy of the proposed intake form)
- How the parish will prioritize applications for assistance (If voluntary)
- Insurance verification process
- Income verification process and methods to ensure that at least 50% of compensation funding is provided to LMI applicants
- How verification will be conducted to determine that all households assisted with CDBG are current with their mortgage, property taxes and utilities.

### *Sample Forms*

The Appendix Section titled “Neighborhood Redevelopment” includes sample forms for the development and administration of a Neighborhood Redevelopment Program including a sample applicant intake form. The intake form is a required document to be attached to the parish application.

### **6.0 INELIGIBLE ACTIVITIES**

The general rule is that any activity not specifically authorized under the CDBG regulations is ineligible to be assisted with CDBG funds.

In general, ineligible activities include the following:

- Income payments, which are defined as grants to an individual, or family that are used to provide basic levels of food, shelter (i.e., payment for rent, mortgage and/or utilities) or clothing;
- Luxury items, such as swimming pools, Jacuzzis, high-end appliances, window air conditioners, washers and dryers, etc.; and



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- Labor time for sweat equity may not be paid out to recipients of rehabilitation assistance.

### 7.0 GENERAL PROGRAM GUIDELINES

The grantee must develop program guidelines covering the procedural requirements of its rehabilitation program and administer the guidelines uniformly.

These guidelines should be specific to the project and well defined as to what the grantee requires of the property owner in return for providing the assistance. Guidelines should generally contain the following key elements:

- Types of financial assistance,
- Applicant eligibility,
- Property eligibility,
- Property standards,
- Contracting requirements,
- Optional relocation requirements,
- Grievance procedures, and
- Maintenance agreements.

All applicants are required to complete and sign the CDBG Reporting Form at the initial Homeowner Rehab interview. All applicants initially selected to participate in the program are potential applicants until verification of income can prove they are low and moderate-income based on the applicable HUD income limits. This applicant's household income is not required to be re-examined at the time CDBG assistance is provided unless more than six months have elapsed since the household's income was certified.

#### *Types of Financial Assistance*

There are two types of financial assistance that can be provided in housing rehabilitation programs – grants and loans -- and within each category there are numerous variations. OCD/DRU allows grantees the flexibility to determine which type of financial assistance to use depending upon local program design.

- ✓ **Grants.** Grantees can use CDBG funds to make outright grants to eligible households to cover the cost of rehabilitation of homes. Grants do not have to be paid back and normally come with no restrictions or further obligations by the recipient to the grantee. Many grantees will provide grants for the cost of temporary relocation or lead hazard removal.



## HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



- ✓ **Loans.** A loan is a sum of money lent to a borrower. The use of loans to rehabilitation recipients may enable the grantee to recover all or a portion of the original financial assistance for use in accomplishing additional housing rehabilitation. Loans also provide the recipient with security on the property that is not possible when funds are provided as a grant.
  - Loan programs are self-perpetuating when loan proceeds are used to provide other loans. Repayments from housing rehabilitation loans made with CDBG funds are considered program income and are to be expended according to OCD/DRU requirements. (See Section 5: Financial Management of the Grantee Administrative Manual for more information.)

There are three basic types of loan programs that may be established:

- ✓ **Forgivable loans.** A forgivable loan resembles a grant in that if the present owner retains the property for a certain period (usually a minimum period of five years), no repayment is required. The forgivable loan is instituted through the use of a mortgage and often accompanied by a promissory note. Each year the owner retains ownership and resides in the home a certain percentage of the loan amount is forgiven as if it were a grant. Should the owner continue as owner-occupant of the home until the term of the note expires, the owner pays nothing and has no conditions on the disposition of the property. Should the property be sold, vacated or its use changed prior to the expiration of the note, the owner owes the grantee whatever balance remains on the note. Mortgages and promissory notes must be recorded at the Parish Clerk's Office.
- ✓ **Deferred loans.** A deferred loan is a loan made to an eligible homeowner that does not require repayment for a specified number of years or until the property is sold, at which time the remaining prorated balance would become due. This prorated value may be due to the depreciation of the rehabilitation work. OCD/DRU recommends a deferment period of five years. Grantees often use deferred loans to provide assistance to households that are currently unable to afford loan repayments. Funds received by the grantee for repayment of a deferred loan may be recycled for additional housing rehabilitation when repaid. This must be in accordance with the Grantee's revolving loan fund policy. (Refer to Section 5: Financial Management of the Grantee Administrative Manual for additional guidance on revolving loan funds.) The deferred loan is instituted through the use of a mortgage and often accompanied by a promissory note.
- ✓ **Amortizing loans.** Amortizing loans are loans that require payment and that have a set interest rate and term. Grantees may provide loans at a single interest rate, or establish a sliding scale in which the interest rate is related to a household's income



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or ability to pay. The term of the loan is also at the discretion of the grantee. All loans may be made for the same term or terms may be adjusted depending upon the size of the loan and the borrower's ability to pay (e.g., larger loans having longer terms). The amortizing loan is instituted through the use of a mortgage and often accompanied by a promissory note. There are several techniques or practices that can be used by grantees in loan programs to leverage funds:

- ✓ **Write downs or principal interest subsidy.** A write down, also commonly referred to as a principal or interest subsidy, is a mechanism in which rehabilitation is financed by a loan from another source such as a private lender, but the amount repaid by the property owner is partially subsidized, or offset by the inclusion of grant funds. The amount of write down is predicated on the owner's ability to pay. CDBG funds may be used to pay the write down either as a grant or forgivable loan. The remaining amount is loaned to the owner and is amortized by monthly payments. The loan portion of the write down may be provided by a bank or other private or public funding sources.
- ✓ **Loan leveraging.** Loan leveraging is the practice of using CDBG funds along with funds from private lending institutions. Having other entities involved in the financing of a project will leverage CDBG dollars. Loan leveraging programs often require staff with financial background and lending experience.

A grantee should design its programs so that financial assistance is affordable to recipients. It is generally assumed that a household can afford to pay up to 25 to 30 percent of their gross monthly income for housing costs. The guidelines should clearly explain how ability to pay will be calculated (specifically what percent of household income will be used). If a household's ability to pay is zero, a forgivable payment loan may be the most appropriate option. Regardless of the percentage amount chosen, the determination must be used consistently across the program for all recipients.

### 8.0 PROPERTY STANDARDS

The local government will be required to adopt standards that apply to rehabilitation and reconstruction relative to the CDBG program which must meet, at a minimum, (a) the International Building Code as adopted by the State of Louisiana, (b) asbestos detection and abatement requirements of the Louisiana Department of Environmental Quality (c) HUD's Lead-based Paint Controls and Abatement Standards, and the Fire Administration Authorization Act of 1992.

The guidelines should clearly state both the eligible and ineligible improvements. Key rules in this area include:



# HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



- ✓ Any improvement needed to bring the unit to code or which will result in energy conservation should be specified as an eligible improvement.
- ✓ Exterior painting or siding should also be eligible, depending on local weather conditions.
- ✓ General property improvements – carports, window air conditioning, den additions, etc., are generally ineligible. Refer to 24 CFR 570.487 (c) for additional information.

To comply with HUD’s Lead Safe Housing Rule (LSHR), rehabilitation to all units built prior to 1978 must follow prescribed rehabilitation practices and pass final clearance before re-occupancy of the unit. See Section 14: Lead Based Paint, Asbestos and Mold of the Grantee Administrative Manual for more information on compliance with LSHR.

## 9.0 CONTRACTING REQUIREMENTS

It is recommended that the contract for homeowner rehabilitation recipients be between the property owner and contractor. The grantee or subrecipient may act on the homeowner’s behalf if the owner voluntarily delegates this authority to them and signs an authorization form. The grantee remains responsible for monitoring contractor compliance with payments and all other program requirements.

Grantees are required to ensure that contractors receiving work funded by CDBG have not been excluded from participation in Federal programs before contracts are awarded. To do this, the grantee must check the website at General Services Administration’s (GSA) list of parties excluded from Federal Procurement or Non-procurement Programs at <http://epls.arnet.gov/>.

GSA’s List of Parties  
Excluded from Federal  
Procurement or Non-  
procurement Programs  
<http://epls.arnet.gov/>

The guidelines should also specify contracting procedures which govern the conduct of work, such as those relating to change orders, dispute resolution, and acceptance of work. The grantee should assume final authority for sign-off on completion of work in the event of a dispute between the owner and contractor. See Section 6: Procurement Methods and Contractual Requirements of the Grantee Administrative Manual for more information.

## 10.0 RELOCATION REQUIREMENTS

As described in Section 10: Acquisition and Relocation of the Grantee Administrative Manual, Federal relocation requirements generally do not apply to homeowner rehabilitation programs since participation is voluntary and usually does not involve permanent displacement. However, if the owner's home is a two- to four-unit structure with rental units, the tenants are covered by the Uniform Relocation Act (URA) and



## HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



possibly by Section 104(d) of the Housing and Community Development Act. 24 CFR Part 42 are the regulations that implement Section 104(d) of the Housing and Community Development Act. See Section 10: Acquisition and Relocation of the Grantee Administrative Manual for more information.

In addition, the LSHR states that temporary relocation may be required if lead hazard reduction work is performed. The grantee is not obligated to provide financial assistance; however, it must ensure the family is relocated to a suitable, decent, safe and similarly accessible dwelling unit that does not have lead-based paint hazards. See Section 10: Acquisition and Relocation of the Grantee Administrative Manual and 24 CFR 35.1345 for more information.

For all other situations, grantees are permitted (but not required) to relocate homeowner households temporarily while work is being completed. (For example, if rehabilitation work requires shutting off heat or plumbing for some period of time, temporary relocation may be appropriate.) In these cases, the grantees must meet several requirements:

- ✓ Grantees must have a written policy on eligibility and level of relocation benefits, known as an Optional Relocation Policy, so that benefits are distributed in a fair, nondiscriminatory manner.
- ✓ Residents who are relocated temporarily must be offered a dwelling that is suitable, safe, sanitary and lead safe. However, the unit does not have to be comparable. All other conditions of the move must be reasonable.

### 11.0 GRIEVANCE PROCEDURES

Grievances are a part of every rehabilitation program. The best prevention is to conduct frequent on-site inspections of the work, and stop work when there are problems until the problems are corrected. Also grantees should make efforts to ensure recipients are well informed about the contract work, have initialed and signed-off on the work write-up, and have a copy of the program guidelines that include the grantee's grievance procedure. Refer to Section 2: Administration of the Grantee Administrative Manual for more information on grievances. A sample Grievance Procedures is provided in the Appendix.



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## 12.0 MAINTENANCE AGREEMENTS

Each recipient under a voluntary program is required to agree to maintain their property for the term of the financial assistance. Maintenance of the property should be examined by the grantee throughout the term of financial assistance.

The grantee should reserve the right to take any appropriate action necessary to ensure that the rehabilitated property is maintained, which may include requiring an early payback of financial assistance. Therefore, the rehabilitation guidelines should detail the maintenance standards and procedures for enforcement.

## 13.0 MARKETING

In order to ensure a sufficient pool of qualified applicants, program staff should develop marketing procedures and materials (e.g., ads, flyers, etc).

- ✓ Marketing procedures should assure that the program is marketed and available to the full range of potential applicants, including those least likely to apply. These procedures should address the following:
- ✓ Use of equal opportunity language in advertisements and literature;
- ✓ Grantee waiver of eminent domain in advertisements and literature;
- ✓ Literature that is understandable to applicants, including key information available in other languages;
- ✓ A schedule and plans to ensure that advertising or other outreach efforts reach potential applicants at places they frequent;
- ✓ Lists of the places and/or personal contacts where program information is distributed such as churches, laundry mats, service providers, parks, etc.; and
- ✓ Accessible facilities such as the ability to accommodate people with disabilities and the completion of an accessibility self-assessment.

## 14.0 SCREENING APPLICANTS

Applicants must be screened to determine income, property ownership and any other applicable criteria, as may be specified in the parish guidelines.



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- ✓ The screening process is initially done through using OCD/DRU's Rehabilitation Household Survey. Re-verification of income using the Part 5 (Section 8) definition of income is required before providing direct benefit if the household is receiving more than \$1,000. A sample Individual Intake Form is included in the Appendix for each program type or another application format, at a minimum, must contain the following information:
  - Name of the owner and address of the property.
  - Signature of the owner and the date.
  - Number of persons (adults and children) in the occupant household and their ages.
  - Sufficient information concerning the occupant's household income.
  - The grantee should also verify that property taxes are current and in the case of an existing mortgage, that principle and interest payments are current and the mortgage is not in a delinquent or fail status.
  - Sufficient information to show that the occupant meets the grantee's program eligibility criteria, including household income.
  - Verification of the above-referenced information.
  
- ✓ The interview is also a good time to give the applicant a copy of the pamphlet "Protect Your Family from Lead in Your Home". The grantee must document that the Lead-Based Paint Pamphlet was provided to the applicant before any work may begin. The pamphlet can also be downloaded from OCD/DRU's website. If the house is reconstructed, it is not required that the applicants be given the Lead Based Paint Pamphlet. The file should, however, be documented that the project is exempt from the Lead Safe Housing Rule since it is a reconstructed property. (For additional information, refer to Section 14: Lead Based Paint, Asbestos and Mold of the Grantee Administrative Manual.)

The information collected is confidential and should be treated as such. Applicant's permission to obtain and verify any personal information must always be granted.

### 15.0 APPLICANT ELIGIBILITY

Program guidelines should specify who is eligible for the program, the types of assistance for which they are eligible, and the amount of assistance available. The types and amounts of assistance available should be based on household and tenure characteristics and ability to pay and should be consistent across a grantee's program.



## HURRICANES GUSTAV AND IKE Community Development Block Grant (CDBG) Housing Program Guidelines



### *Determining Household Income*

OCD/DRU requires that applicants conduct an initial threshold determination of household income prior to grant application to OCD/DRU. The income determination must be conducted using the current fiscal year Section 8 Median Income Limits for the applicants' parish. These limits are posted on OCD/DRU's website. However, once funds have been awarded, but before providing any assistance, the grantee must conduct a detailed income verification of all applicants. OCD/DRU requires all grantees to follow the Part 5 (Section 8) method of calculating annual household income.

The Part 5 (Section 8) definition of annual income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period. This income definition is used by a variety of Federal affordable housing programs including Section 8, Home Investment Partnerships Program (HOME), Public Housing and the Low Income Housing Tax Credit (LIHTC) Program.

24 CFR Part 5 provides a comprehensive list of the types of income that are included and excluded from the calculation of annual gross income. Income from assets is also recognized as part of annual income under the Section 8 definition. Details and forms used for calculating household income for rehabilitation projects are provided in the "Technical Guide for Determining Income and Allowances for the HOME Program" which can be ordered from Community Connections at [www.comcon.org](http://www.comcon.org) or by calling Community Connections at 1-800-998-9999.

*Technical Guide for  
Determining Income and  
Allowances for the HOME  
Program*  
Community Connections  
[www.comcon.org](http://www.comcon.org) or  
1.800.998.9999

The following steps should be taken to determine household income for the purpose of determining eligibility for CDBG housing assistance:

- ✓ Step 1: Ask questions of the household regarding annual income and income from assets.  
Follow the rules pertaining to what types of income to include and exclude.
- ✓ Step 2: Gather appropriate documentation such as wage statements, interest statements, third-party verifications, etc. Grantees should use the Applicant Release to Obtain Verification of Income form included in the Appendix. Note: While verification from other agencies and employers is considered appropriate, self-certification of income by the household is not sufficient for housing activities.
- ✓ Step 3: Use the Annual Household Income Calculation Form to calculate total household income by adding up the information obtained.
- ✓ Step 4: Compare the total household income to the HUD income limits for that household's size. Income limits are provided by OCD/DRU and can be found on HUD's or OCD/DRU's website. Determine if eligible for assistance.



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- ✓ Step 5: Place the income calculation, determination and back-up documentation in the appropriate files.

HUD's HOME Program website has an electronic income calculator that allows the user to do the income calculation in an automated fashion. Because the rules for calculating income are the same for both programs (HOME and CDBG), grantees can utilize this tool. The income calculator can be accessed at

HUD's Income Calculator Website:  
<http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/calculator.cfm>

<http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/calculator.cfm>.

### 16.0 PROPERTY ELIGIBILITY

Eligible units for rehabilitation must be substandard and occupied by LMI households (households whose income is below 80 percent of the area median income as provided by HUD annually). Grantees must identify and document the major deficiencies that qualify the unit as substandard. The unit must be owned by the applicant and be the primary residence of the applicant. The grantee must receive and document proof of ownership from the recipient. A family or individual owns the property if that family or person:

- ✓ Has fee simple title to the property;
- ✓ Maintains a 99-year leasehold interest in the property;
- ✓ Has a recorded life estate agreement; or
- ✓ Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law.

OCD/DRU requires the grantee to conduct a title-search to determine the applicant is the rightful owner of the property. The title search will also allow grantees to learn if there are any outstanding liens on the property. These liens must be cleared before assistance can be provided to the applicant.

Since OCD/DRU has a minimum five-year residency requirement for all recipients, it is recommended that grantees have recipients sign a certification that the property is and will remain their primary residence. This five-year residency requirement should also be clearly stated in the agreement between the recipient and the grantee and recorded in a lien or covenant.

Homeowners must also have current insurance and maintain insurance over the period of CDBG assistance for a property to be eligible for rehabilitation with CDBG funds. The grantee should be listed on the policy as an additional party to obtain notification of insurance coverage or changes to the policy.



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The property must be assessed to determine the environmental eligibility of the rehabilitation project. This includes determining whether the property to be rehabilitated meets the following:

1. Project does not result in a change in unit density of 20%;
2. Project does not involve changes in land use from residential to non-residential; or
3. The estimated cost of rehabilitation is less than 75% of the total estimated cost of replacement after rehabilitation.

If the property meets all of the above, the parish prepares an environmental review screening checklist to evaluate the property with the environmental requirements at 24 CFR Part 58.5. The property may not be rehabilitated depending on the results of the checklist and evaluation. (Refer to Section 9: Environmental Review of the Grantee Administrative Manual for additional information.)

### 17.0 PERFORMING WORK WRITE-UPS AND COST ESTIMATES

A very thorough inspection of the property must be conducted to determine the type and cost of work necessary to bring the property into compliance with International Code Council (ICC) Property Maintenance Code (for rehabilitation) or the International Building Code (IBC) (for reconstruction). After the inspection, the work to be done should be written down. This is termed a work write-up. At this stage, the items must be estimated in terms of cost, a process to produce a cost estimate. These write-ups are usually done on a room-by-room basis. Some grantees with experienced staff have blank forms the housing inspector completes. If the staff is inexperienced, they may need detailed check-off forms which list virtually every possible deficiency. The housing inspector checks for each one and specifies action needed to remedy the problem. It is better to err on the side of caution. A Sample Work-Write up and Cost Estimate Form is included.

- ✓ If a home was constructed prior to 1978, the Lead Safe Housing Rule (LSHR) applies. Therefore, there will need to be two work write-ups -- one initial and a final work write-up. The initial work write-up must specify all the work to be done to bring the building to standard. The final write-up should include all work necessary to comply with applicable lead hazard reduction requirements. (For additional information, refer to Section 14: Lead Based Paint, Asbestos and Mold of the Grantee Administrative Manual.)



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In addition, historic properties (those more than 50 years old and/or listed or eligible for inclusion on a national, state or local historic register) are required to follow the Secretary of Interior's Standards for Rehabilitation (also referred to as the Section 106 requirements). During the environmental review process, grantees must consult the State Historic Preservation Officer (SHPO) for guidance for historic properties, which may require a Memorandum of Agreement or documentation approved by the SHPO. Grantees must then ensure the requirements stipulated by the SHPO be incorporated into the work write-up and cost estimate. Release of CDBG funds cannot be obtained until the grantee receives SHPO concurrence. (Refer to Section 9: Environmental Review of the Grantee Administrative Manual for detailed guidance.)

### *Pre-1978 Properties and Lead Hazard Reduction*

All units in a project assisted with CDBG funds must comply with 24 CFR Part 35 which implements Title X of the Housing and Community Development Act of 1992, also referred to as the Lead Safe Housing Rule (LSHR). This regulation has been in effect since September 15, 2000, and Subpart J applies to rehabilitation projects.

The applicability of the requirements for Subpart J depends on the level of assistance provided for a project. This level of assistance is determined by taking the lower of:

- ✓ The per unit rehabilitation hard costs (regardless of source of funds), or
- ✓ The per unit amount of Federal assistance (regardless of the use of the funds).

Some rehabilitation work performed in pre-1978 units may be exempt from following the lead safe housing rule such as:

- ✓ Properties found not to have lead-based paint during current testing and earlier testing that meets the requirements of prior evaluations.
- ✓ Properties where all lead-based paint has been identified and removed using approved methods; and
- ✓ Rehabilitation that does not disturb paint.

Grantees should refer to the Lead Safe Housing Requirements Screening Worksheet Parts 1-4 and 24 CFR 35.115 and 35.165 for more information regarding exemptions.

### *Evaluation Method*

After the initial work write-up is complete, the rehabilitation specialist must determine which lead evaluation activity must be followed. The evaluation activity required depends on the level of assistance (see above for the definition of the level of assistance):



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- ✓ < \$5,000. Paint testing of surfaces to be disturbed must be completed. Paint testing must be conducted by a certified paint inspector or risk assessor.
- ✓ \$5,000-\$25,000. A risk assessment must be performed of the entire unit. A risk assessment must be conducted by a certified risk assessor.
- ✓ > \$25,000. A risk assessment must be performed of the entire unit. A risk assessment must be conducted by a certified risk assessor.

Grantees should be aware that there are additional rules for the type of work that is performed depending on the intent of the work. See the combined HUD-EPA Notice and Guidance for more information.

Attachment 10-17: HUD-EPA  
Notice and Guidance

<http://www.hud.gov/offices/cpd/affordablehousing/training/web/leadsaferehabprograms/abateguidelines.pdf>

### *Notification*

Results of the paint test and risk assessment must be provided in a Notice of Lead Hazard Evaluation to the homeowner within 15 days of the grantee receiving them. The person performing the evaluation may be able to assist the grantee in completing the form. It is important for the homeowner to know that, under the LSHR, they must disclose any knowledge of lead in the home to any future buyers of the property.

- ✓ Grantees also have the option to presume there is lead in the unit rather than paint testing or risk assessments. If presumption method is followed, a “Notice of Presumption” must be provided to the homeowner within 15 days of performing the initial inspection. (For additional information and sample documents, refer to Section 14: Lead Based Paint, Asbestos and Mold of the Grantee Administrative Manual.)

### *Finalizing the Work Write-Up*

If the paint testing or risk assessment shows there are no lead hazards, then traditional rehabilitation practices may be followed.

If there are lead hazards found in the home then the following lead hazard reduction activities must be followed based on the amount of assistance and incorporated into the work write-up.

- ✓ < \$5,000. Repair surfaces to be disturbed using safe work practices and trained workers.
- ✓ \$5,000-\$25,000. Perform interim controls using safe work practices and trained workers. If presumption occurred, perform standard treatments using safe work practices and trained workers.



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- ✓ > \$25,000. Perform abatement using safe work practices and certified abatement supervisor and certified workers.

The work write-up must be revised to incorporate the appropriate lead hazard reduction work and methods required to perform the work. Once the work write-up has been finalized, the cost estimate tells whether or not the work can be done within the average loan limits and the owner's ability to repay.

The person preparing cost estimates should be familiar with the current rates for materials and labor and be able to estimate accurately the time required to complete each task. Good, reliable cost estimates are critical. Since costs change rapidly, it is important that cost estimates be used as soon as possible.

### 18.0 EXECUTING AGREEMENTS WITH BENEFICIARIES

The grantee must enter into a formal written agreement with the applicant for the amount of the assistance made available (regardless of whether the assistance is in the form of a grant or loan). A Sample Rehabilitation Granting Agreement is provided in the Appendix.

- ✓ This agreement needs to be signed by the homeowner, prior to the start of work, and represents the official financial obligating instrument between the homeowner and the grantee.
- ✓ At a minimum, this agreement shall certify the legal owner of the property, the type of assistance (i.e., whether a grant or loan or combination), as well as outline all conditions associated with the assistance.
- ✓ Conditions of the agreement may include a monthly payment schedule if applicable, a minimum five year primary residency requirement, hazard insurance and property maintenance requirements, death of the applicant, conversion, transfer or sale of the property rehabilitated, and any other conditions that, if violated, may result in a reimbursement of funds by the applicant.

If assistance takes the form of a traditional loan or a conditional loan, the grantee must also utilize a recorded mortgage to secure the amount of the Federal investment. A sample Louisiana Mortgage is provided in the Appendix.

Following approval, grantees should meet with the applicant to review the proposed scope of work to be undertaken. OCD/DRU requires the applicant to initial each page and sign the last page of work items, thereby attesting to the fact that the applicant was made aware of the improvements to be made to the property. The homeowner should also receive all proper notices and information about lead-based paint. It is also important to finalize any temporary relocation plans and set a schedule for the work.



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### 19.0 CONTRACTING FOR REHABILITATION

Developing and implementing effective contracting procedures is one of the most critical tasks in a housing rehabilitation program. Four key elements involved in the contracting process are covered in the following discussion: recruiting contractors, bidding procedures, preparing the contract, and contract award and monitoring.

#### *Recruiting Contractors*

It is often difficult to recruit Louisiana licensed contractors if there are only relatively small jobs for repairing homes in poor condition. The grantee should identify possible contractors and attempt to interest them in program participation. The Louisiana Board for Contractors, yellow pages of the telephone book, the Chamber of Commerce, the local Small and Minority Business Administration, conversations with construction materials suppliers, and word of mouth are all information resources to aid in developing a contractors list.

In addition, grantees must ensure that they are using trained and certified workers to perform work in compliance with the lead safe housing rule.

#### *Bidding Procedures*

Bidding procedures need to be developed by grantees. Grantees must demonstrate that bids were let in a fair, unbiased manner and that efforts were made to solicit bids from small, minority and woman owned businesses. Below are some guidelines to include in bidding procedures.

- ✓ Bids may be advertised in the newspaper, through public notice or radio and by contacting an already approved list of contractors.
- ✓ Advertising at the start of the program and establishing a list of contractors interested in bidding for jobs throughout the duration of the program is acceptable.
- ✓ At least three contractors should be encouraged to bid on each job.
- ✓ Grantees are required to check GSA's List of excluded Parties

GSA's List of Parties  
Excluded from Federal  
Procurement or Non-  
procurement Programs  
<http://epls.arnet.gov/>

Excluded from Federal Procurement before awarding a bid and must check this list when bids are received.

- ✓ Each contractor must provide proof of liability insurance in an amount deemed reasonable by the grantee. (OCD/DRU strongly recommends a minimum of \$100,000.) The liability insurance shall be maintained during the life of the contract.



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- ✓ Each contractor must provide evidence of workers compensation insurance at a level in conformance with state law for all employees at the job site and shall require subcontractors to provide evidence of the same.
- ✓ If applicable to the project, Contractors must submit documentation that shows they are qualified to perform lead work. It should be noted that a separate contractor must be procured for lead based testing/clearance testing and lead based paint remediation.

Any solicitation for bids by the grantee should include:

- ✓ Location for bid document pick up and submission;
- ✓ Address of unit to be rehabilitated;
- ✓ Time the unit is open for inspection; and
- ✓ Time and place for bid opening.
- ✓ Work write up

OCD/DRU requires that minutes from the bid opening be taken. The minutes should include names of all present at the meeting, a list of all bids received and the amounts bid for the work.

Bids need to be reviewed for cost reasonableness. Grantees should be wary of bids below 15 percent of the cost estimate. Grantees should not award to the low bidder if the contractor has a backlog of incomplete rehabilitation jobs or a history of poor performance.

### *Preparing the Contract*

The contract for rehabilitation must be a two-party contract between the homeowner and the contractor. The grantee or sub-recipient may act on behalf of the homeowner if the homeowner delegates this responsibility. The grantee remains responsible for monitoring contractor compliance with payments and all other program requirements.

- ✓ Key Federal provisions which apply to all rehabilitation contracts are:
  - Lead Based Paint clause, and
  - Conflict of Interest clause.

Davis-Bacon and other labor standard provisions do not apply unless the rehabilitation involves a structure with eight or more units.



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Within the contract, the grantee should require the contractor to:

- ✓ Retainage of 10%
- ✓ Obtain and pay for all necessary permits and licenses;
- ✓ Perform all work in conformance with the International Code Council (ICC) Property Maintenance Code whether or not covered by the specifications and drawings;
- ✓ Keep the premises clean and orderly during repairs and remove all debris at the completion of work;
- ✓ Obtain written consent from the grantee and the homeowner for changes to specifications;
- ✓ Comply with all required rehabilitation practices for the lead safe housing rule;
- ✓ Obtain written consent prior to sub-contracting;
- ✓ Provisions for termination and for non-performance;
- ✓ Pay for all lead-based paint clearance tests of the unit and continue work until the unit passes clearance; and
- ✓ Warrant the work for one year from final acceptance.

OCD/DRU requires that grantees attach a copy of the work write-up to the contract. A Sample Contract Package for Rehabilitation is provided in the Appendix.

### *Contract Award and Monitoring*

Following award of the contract, the contract package must be executed by all parties. The homeowner must sign the contract and initial each page and sign the last page of the work write-up. A Notice to Proceed should be issued promptly to the contractor, specifying the time period within which the work should begin and when the work should be completed. A sample Notice to Proceed is provided.

It is good practice to hold a pre-construction conference to clarify the responsibilities of all parties. A sample Pre-Construction Conference Checklist is provided.

### *Inspections*

Grantee is responsible for ensuring all rehabilitation/reconstruction work is completed in accordance with the work write up or construction drawings. In addition, all footer framing and final inspections must be inspected by a certified building inspector.

- ✓ Inspections should be conducted frequently and should be formally documented in the files.
- ✓ Periodic interim inspections of the rehabilitation construction will be made by the grantee throughout the contract period.
  - These inspections will be conducted to assure compliance with the contract standards for workmanship and materials, to detect any unauthorized deviations and to identify necessary changes to the contract work in its early stages.



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- Interim inspection reports must be prepared and signed by the grantee representative, rehabilitation inspector, contractor and owner.
- ✓ Inspection and approval of completed work must be conducted by the grantee prior to the contractor's request for partial or final payment. The owner's approval of the work is also required when payment is requested. A sample copy of the Notice of Acceptance of Work is provided.
- The grantee has the authorization to override an owner's decision and accept the work in accordance with grievance procedures if an owner makes unreasonable requests/demands and the contractor has satisfied all the requirements of the grantee.
- ✓ A final inspection of the work must be performed prior to final payment to the contractor in order for the project to be considered complete. A sample copy of Certification of Final Inspection is provided. It is important for grantees to realize that this final inspection of the work is not the last inspection of the project. OCD/DRU requires a follow-up inspection be performed 60 days after project completion as referenced in follow-up inspection listed at the end of this section.

### *Change Orders*

Any additions to, deletions from, or changes in the rehabilitation contract work, time, or price must be approved in a written change order request before the additional work is started. A sample Change Order is provided.

- ✓ The change order must be executed by the owner and the contractor and approved by the rehabilitation inspector and the grantee. Change orders may be used to add items of work that are essential to complete the original work and were not evident until after the work started.
- ✓ The contractor shall not be authorized to perform any work outside the scope of the original contract without a written and properly executed change order.

### *Clearance*

If the rehabilitation job had any lead hazard reduction work performed, a clearance of the unit must be passed before re-occupancy.

- ✓ A clearance examination involves a visual assessment and dust testing to determine if the unit or worksite is safe for occupancy.
- ✓ Clearance must be performed by a certified risk assessor, certified lead-based paint inspector or certified lead sampling technician.
- ✓ Clearance cannot be performed by the same contractor who performed the work. It must be a separate party.

The clearance test cannot be performed until one hour after the final cleaning of the unit.



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- ✓ Results of the clearance test must be incorporated into a “Notice of Lead Hazard Reduction Activities” by the grantee. This notice must be provided to the homeowner within 15 days of the clearance test. (For additional information and sample documents, refer to Section 14: Lead Based Paint, Asbestos and Mold of the Grantee Administrative Manual.)

Grantees must be aware that if the unit fails the clearance test the unit cannot be reoccupied. The contractor will need to re-clean and another clearance test must be performed. Once the unit has passed the clearance test the final invoice may be processed.

### *Final Documentation*

Grantees should have the contractor sign an affidavit for Contract Termination and Release of Lien Form and provide warranty documents, and subcontractors release of lien waivers before final payout. After which, the Notice of Acceptance of Work may be issued to the contractor. A sample Project Benefit Profile by Person and by Household, Contract Termination and Release of Lien Form and Notice of Acceptance of Work is provided.

### *Follow-Up Inspection*

It is OCD/DRU's policy that the grantee performs a follow-up inspection of the property 60 days after job completion. This inspection allows the grantee to see if there are any problems with the job. If problems have occurred, the grantee should assist the property owner to obtain corrective action according to the warranty. A sample 60 day follow-up form is provided.

## **20.0 CONFLICT OF INTEREST**

CDBG grantees and sub-recipients must comply with procurement requirements found at 24 CFR 570.489, 24 CFR 85.36 (for local governments) and 84.42 (for non-profit organizations) and with other state and local applicable conflict-of-interest provisions.

If a grantee believes there may be a potential conflict of interest with a property or applicant, the grantee should contact OCD/DRU for further guidance.

## **21.0 CITIZEN PARTICIPATION**

It is important that citizens of local jurisdictions are able to participate in the funding and decision-making process of local CDBG projects. To that end, Section 5304(a)(2) and



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(a)(3) of Title I and 24 CFR 570.486(a)5 and 91.115(e) require grantees to provide adequate citizen participation in the planning, implementation, and evaluation of CDBG activities. These procedures facilitate citizen participation.

Local government must provide reasonable opportunities for citizen participation, hearings, and access to information with respect to local community. Grantees are expected to take whatever actions are appropriate to encourage the participation of all its citizens, including minorities and non-English speaking persons, as well as persons with disabilities.

Grantees are required to conduct at least one public hearing during the course of the application process to elicit citizen feedback on the proposed housing application.

To review the Citizen Participation requirements for Local Government participating in the Gustav/Ike funding, refer to Page 21 of the Gustav/Ike Action Plan:

<http://www.doa.louisiana.gov/cdbg/dr/plans/Gustav-Ike-ActionPlan-HUD-Submittal-09-01-08.pdf>

*Refer to Section 2: Administration of the Grantee Administrative Manual for more details on this requirement.*

### 22.0 COMPLAINT/LOCAL COMPLAINTS

Resolving local complaints is the grantee's responsibility. Grantees are required by Federal regulations to establish a procedure for handling complaints that deal with local program administration, management, or operational procedures. The OCD/DRU is responsible for monitoring to insure that a judicious procedure for handling local complaints is in place and is utilized when necessary. The grantee may provide HUD contact information to complainants as needed. For civil rights violations about grant programs, they should contact the Department of HUD, Office of Fair Housing and Equal Opportunity (1-800-669-9777). Complaints about fraud, waste, and abuse about grant programs that represent criminal wrongdoing or HUD standards of ethics and conduct may be submitted to the Office of Inspector General (1-800-347-3735).

*For additional information on complaints, see Section 2: Administration of the Grantee Administration Manual.*

### 23.0 PERFORMANCE MEASURES

The goal of performance measures is to inform Congress and the public of the outcomes of CDBG Disaster Recovery activities. Demonstrating the results of these



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federally funded programs helps maintain and sustain public support and continued. Performance measures translate the impacts of activities into measurable results, which is helpful in communicating the benefit of the activities funded by Louisiana Office of Community Development, Disaster Recovery Unit.

### 23.1 Objectives

As it relates to housing, there are two main objectives that the performance measures evaluate: suitable living environment and decent housing. Grantees are to determine the objective that their activity best fits. These objectives, which are intentionally broadly framed so as to the wide range of community impacts that result from program activities, are defined as:

- Creating Suitable Living Environments – applies to activities designed to improve the living environment in low- and moderate-income areas. Activities under this objective include those intended to address physical problems such as poor quality infrastructure, and social issues such as literacy, health services, and crime prevention.
- Providing Decent Housing – applies to activities intended to meet individual family or community needs. It does not include programs where housing is an element of a larger effort to make community-wide improvements; such programs would be more appropriately reported under the suitable living environments objective.

### 23.2 Outcomes

For each of these objectives there is an expected outcome, such as new or improved availability/accessibility, improved affordability, and improved sustainability. Grantees must select the outcome which their activity produces. The program outcome captures the impact or expected result of the objectives the grantee is seeking to achieve.

- Availability/Accessibility – applies to activities that make housing available or accessible to low- and moderate income people, including persons with disabilities. In this category, accessibility does not refer solely to physical barriers, but to services and facilities that low- and moderate-income people need to have access to in their community.
- Affordability - applies to activities that provide affordability in a variety of ways to low- and moderate-income people. It can include the creation or maintenance of affordable housing. Affordability is an appropriate outcome whenever an activity



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is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household.

- Sustainability – applies to activities aimed at sustaining or improving geographic areas such as neighborhoods by making them livable or viable and eliminating slum and blight. Activities under this outcome are targeted to specific physical locations.

### 23.3 Indicators

Indicators are the benefit described in numeric terms. There are four common indicators that are relevant for most activities. These indicators include:

- Funds leveraged from other federal, state, local, and private sources, by activity
- Number of persons, households, units, or beds assisted, as appropriate
- Total number of persons served and the percentage of low- and moderate-income individuals served
- Race/ethnicity and disability, for all activities other than administration and some planning activities.

Grantees are required to submit reports on a quarterly basis using the procedures developed by OCD/DRU. Contact OCD/DRU for current reporting requirements.

### 24.0 RECORD KEEPING

It is important for the grantee to maintain complete files and record keeping of the work they are performing and the units being rehabilitated. A Program File Checklist for each type of program should be in the front of each project file. In addition to the items listed in the program checklist, general files including the following should also be set up and maintained:

- ✓ Local rehabilitation policies and procedures;
- ✓ Documentation of marketing and outreach efforts;
- ✓ Pending applications;
- ✓ Disqualified applicants; and
- ✓ Evidence of contractor participation

Refer to the CDBG Administrative Manual for more detailed information regarding these general file requirements. Also, a sample file checklist for each program is included.



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### 25.0 OTHER FEDERAL AND STATE STATUTES AND REGULATIONS

The following regulations, standards and/or requirements may be applicable and should be considered in the preparation of your application.

- Audit Requirements: OMB Circular A-133 requires single audits of all grantees that have total annual federal expenditures in excess of \$500,000. Financial audits and/or certifications are required in accordance with State law when grantee has total annual federal expenditures less than \$500,000. Single audit costs may be eligible for reimbursement in part as an administrative expense.
- Uniform Act (Acquisition and Relocation): The relocation provisions of Uniform Act as it pertains to permanent relocation of citizens are applicable to the CDBG Housing Program. Housing programs usually do not cause permanent relocation but if such should happen, the relocation provisions of the Uniform Act will be applicable. The acquisition provisions of the Uniform Act will be applicable to a Housing application/grant only if acquisition of property is involved.
- Davis-Bacon Act & Contract Work Hours and Safety Standards Act (CWHSSA): Davis-Bacon and CWHSSA apply only if there are more than seven housing units under one construction contract. If Davis-Bacon is determined to be applicable, it requires that Federal prevailing wage rates be paid to all employees working under a construction contract of \$2,000 or more. Also, under CWHSSA, when it is applicable, all employees must be paid at least time and a half for any time they work more than forty hours per week.
- Lead-Based Paint: The construction or rehabilitation of residential structures is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35. Any grants or loans made for the rehabilitation of residential structures shall be made subject to the provisions for the elimination of lead-base paint hazards under subpart B of said regulations, and the grantee shall be responsible for the inspections and certifications required under Section 35.14(f) thereof.
- Environmental Review: Every project undertaken with Disaster Recovery CDBG funds, and all activities related to that project, is subject to the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as to the HUD environmental review regulations at 24 CFR Part 58. However, there are identified exceptions that may be applicable to some rehabilitation projects. The grantee is responsible for ensuring that the HUD environmental review process is



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completed, if required. A violation of this requirement may jeopardize federal funding to this project.

- **Duplication of Benefits:** Grantees must be aware that the Supplemental Appropriations Act authorizing CDBG funding or the Stafford Act itself may include restrictions on using those program funds to provide assistance when insurance providers or other federal or state agencies have already funded all or a portion of the activity. Certain Supplemental Appropriations Acts also include restrictions against use of those program funds as matching requirement, share or contribution for any other federal program. The Stafford Act also contains eligibility requirements for recipients who have received prior disaster funding based upon whether or not they are in compliance with requirements associated with receipt of those funds. Where applicable, recipients must be in compliance with these restrictions or individual funding will be denied. (See Section 2: Administration of the Grantee Administrative Manual for additional information.)
- **Procurement Requirements:** Both grantees and sub recipients must follow federal procurement rules when purchasing services, supplies, materials or equipment. The federal procurement rules establish standards and guidelines for the procurement of supplies, equipment, construction, engineering, architectural, consulting, and other professional services for Disaster Recovery CDBG programs. These standards are furnished to ensure that such materials and services are obtained efficiently and economically and in compliance with the provisions of applicable Federal and State laws and executive orders.

*Refer to the Grantee Administrative Manual for more detailed information regarding these requirements.*

### 26.0 CDBG ADMINISTRATIVE MANUAL

The purpose of the CDBG Administrative Manual is to:

- Assist grant administrators in the day-to-day administration of CDBG projects.
- Provide practical information on how to implement a CDBG project that will meet legal, financial and program obligations.
- Provide the grant administrator a simple step-by-step approach for the implementation of
- CDBG-funded projects including set-up, compliance with applicable requirements, audits and close-out.
- Provide tools to assist in CDBG project implementation. The tools include tips, lists, forms and sample documents.



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- Note, however, that this Manual is intended as a guide and reference, not as a substitute for thorough knowledge of State and Federal laws and regulations referenced in the manual.

Though not all inclusive, this Manual covers the major areas of CDBG administration, provides required and suggested forms and instructions, and provides references for applicable State and Federal laws and regulations.

Contact OCD/DRU for a copy of the CDBG Administrative Manual. This Manual should be retained and kept up-to-date to ensure effective administration of Disaster Recovery CDBG grants.

### 27.0 OTHER RESOURCES AND INFORMATION

It is very important to note that the applicable regulations and requirements are subject to change. Grantees are responsible for ensuring that they are in compliance with all applicable rules. This can be accomplished by periodically checking the websites listed below to see if updated or revised regulations have been issued:

Louisiana Recovery Authority: <http://lra.louisiana.gov/>

Guide to National Objectives and Eligible Activities for State CDBG Programs:  
[www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/index.cfm](http://www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/index.cfm)

HOME Income Calculator:  
[www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/index.cfm](http://www.hud.gov/offices/cpd/affordablehousing/training/web/calculator/index.cfm)

HUD Office of Healthy Homes and Lead Hazard Control:  
[www.hud.gov/offices/lead/index.cfm](http://www.hud.gov/offices/lead/index.cfm)

HUD database: [www.hudclips.org](http://www.hudclips.org)

National Archives: [www.gpoaccess.gov/nara/index.html](http://www.gpoaccess.gov/nara/index.html)

HUD Office of Labor Relations: [www.hud.gov/offices/olr/](http://www.hud.gov/offices/olr/)

HUD Office of Environment and Energy: [www.hud.gov/offices/cpd/environment](http://www.hud.gov/offices/cpd/environment)

Department of Labor: [www.dol.gov](http://www.dol.gov)

Office of Management and Budget: [www.whitehouse.gov/omb](http://www.whitehouse.gov/omb)



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Guide to National Objectives and Eligible Activities for State CDBG Program:  
[www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/index.cfm](http://www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/index.cfm)

HUD acquisition and relocation brochures, claim forms, and other documents may be obtained from [www.hud.gov/offices/cpd/library/relocation/publications/index.cfm](http://www.hud.gov/offices/cpd/library/relocation/publications/index.cfm).

The HUD rules and regulations that govern the Uniform Act Relocation process can be found at 24 CFR Part 42. [http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr42\\_main\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr42_main_02.tpl)

For more information or assistance, grantees are encouraged to contact OCD/DRU.