



WATERSHED PROJECTS GRANT PROGRAM: LOCAL AND REGIONAL – ROUND 2

PROGRAM POLICIES AND PROCEDURES

PROGRAM ADMINISTERED BY:
Office of Community Development
Division of Administration
State of Louisiana

www.watershed.la.gov



TABLE OF CONTENTS

VERSION HISTORY.....	3
1. Background.....	4
2. Eligibility.....	6
3. Watershed Regions and LWI coordination.....	12
4. Round 2 Method of Distribution	123
CDBG-MIT AND FEDERAL CROSS-CUTTING REQUIREMENTS	144
1. Labor Standards.....	144
2. Uniform Relocation and Real Property Acquisition Act (URA)	15
3. Section 3 Compliance in the Provision of Training, Employment and Business Opportunities	155
4. Elevation Standards.....	16
5. Procurement.....	16
6. Environmental Review.....	17
7. Duplication of Benefits	18
8. Flood Insurance	18
9. Other resources and information.....	19
DEFINITIONS.....	20-22
APPENDIX A. BENEFITS SCORING CRITERIA.....	22-234
APPENDIX B. PROFESSIONAL DESIGN COSTS SUPPLEMENTAL INFORMATION.....	26



VERSION HISTORY

Version 1	Initial set of policies and procedures for Round 2 of the Local and Regional Projects and Programs Grant.
-----------	---



PREFACE

The Local and Regional Projects and Programs Grant - Round 2: Policies and Procedures (P&Ps) are addressed in this document. The state intends to regularly update this document to provide applicants and grantees with the most accurate and concise guidance related to ongoing program activities.

The Office of Community Development has a Community Development Block Grants (CDBG) Grantee Administrative Manual located at: doa.la.gov/Pages/ocd-dru/DRadminManual.aspx. In the event of a conflict between these Policies and Procedures and the Administrative Manual, the Administrative Manual will take precedence in the administration of awarded grants unless specifically noted otherwise in these Policies or as required due to requirements specified within Federal Register Notice Docket No. FR-6109-N-02.

The Local and Regional Projects and Programs Grant is divided into three rounds of funding. The Policies and Procedures related to **Round 2** are addressed in this document. Round 1 Policies and Procedures are available at [Round-1-Policies-and-Procedures-v1.3-11-23-2020.pdf \(la.gov\)](#). The state will post policies and procedures for future rounds of funding as developed, including eligible activities and methods of distribution to provide applicants and grantees with the most accurate and concise guidance related to ongoing program activities. Applicants or grantees are strongly encouraged to verify online at watershed.la.gov use of the most current version of this document, which is reflected in the version history located on page 3.

1. BACKGROUND

1.1 About the Louisiana Watershed Initiative or LWI

The LWI is the state's effort to support watershed-based floodplain management to more effectively reduce future flood risk vulnerabilities along riverine systems statewide. The effort is managed by the Council on Watershed Management (Council)—currently composed of the Office of Community Development (OCD), Coastal Protection and Restoration Authority (CPRA), Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), Department of Transportation and Development (DOTD), and the Department of Wildlife and Fisheries (DWF)—and created by Governor John Bel Edwards via Executive Order JBE18-16.

The LWI's mission is to “reduce flood risk and improve floodplain management across the state, including through maximizing the natural and beneficial functions of the floodplain.” The Council actively implements this mission through a holistic approach that focuses on:

- Regional water management
- Scientific tools and approaches
- Transparent and objective decision-making
- Maximizing natural functions of the floodplains

1.2 Unique program fund source tied to mitigation activities



U.S. Department of Housing and Urban Development (HUD) announced a first-time allocation of nearly \$16 billion in **Community Development Block Grant-Mitigation (CDBG-MIT)** funds, as directed by the 2018 Congressional Supplemental Appropriation (Pub. L 115-123, Feb. 9, 2018) to be used for mitigation activities for qualifying disasters in 2015, 2016 and 2017. While HUD acknowledges that it is impossible to eliminate all risks, it will distribute CDBG-MIT funds with the intention of enabling grantees to mitigate against disaster risks, while at the same time allowing grantees the opportunity to transform state and local planning. The allocation specifically designated \$1,213,917,000 of CDBG-MIT funds to the State of Louisiana for the specific purpose of **mitigation activities**, with requirements and procedures as specified in the Federal Register Notice (FRN) for this allocation.

1.3 Consistency with the State's Action Plan or AP

As required by the FRN, the State of Louisiana, through the Office of Community Development (OCD) as the CDBG-MIT grantee, has developed a **CDBG-MIT Action Plan**, incorporating extensive public outreach and the latest data and science available, which has been approved by HUD. The state also identified and analyzed all significant current and future disaster risks and found that—whether by flash flooding, inland rivers, stormwater or coastal storm surge—Louisiana is facing increased risk, in both magnitude and frequency, of flood events.

The AP provides a concise summary of the proposed programs and activities for use of the CDBG-MIT funds in order to meet the unmet mitigation needs identified through the extended risk assessment process. This includes identifying the resources necessary, including aligning and leveraging across other federally-funded programs and private sources, to maximize efficiencies and address the State of Louisiana's priority mitigation needs and goals. These policies, and any grants or sub-recipient agreements made in this Program, cannot be inconsistent or beyond the scope of activities authorized in the action plan. Similarly, these Policies cannot be interpreted to amend or override any applicable federal or state law, regulation, or directive applicable to the expenditure of CDBG MIT funds.

1.4 Rounds of funding

This Program is implemented in three distinct “rounds”. Awards for Rounds 1, 2 and 3 are designed to encourage regional discussion and prioritization of projects, allow full consideration of a broad array of impactful mitigation activities, and ultimately to focus the detailed level of project formulation only to the most qualified projects that have the highest likelihood of success.

Round 1 provided an initial allocation of approximately \$100 million for resilience projects and programs within a watershed area. Round 1 awards support implementation ready, low-risk programs and projects known not to negatively impact flood risk or the natural and beneficial function of the floodplain either up or downstream, and that consider flood risks through a watershed-based approach and to incentivize units of local government to organize collectively as regional coalitions. Round 1 resulted in more eligible applications than available funding thus the state extended an additional \$100 million in funding to support eligible but incomplete Round 1 applications to become fundable projects, through the Design Support Program.

Round 2 is a \$100 million opportunity. Projects must benefit low- to moderate-income communities to be eligible for funding, and projects that benefit most impacted and distressed parishes will score higher



than those that do not. The state will provide feedback to applicants regarding their projects, including those ineligible for funding.

Round 3 is anticipated to award the remaining program funding on a competitive basis to implement flood-risk reduction projects justified by fully completed watershed models and will incentivize the adoption of resilient policies on a regional basis. Solicitations for Round 3, and any additional Rounds, will be released as available.

2. ELIGIBILITY

2.1 Eligible Applicants

Eligibility to submit applications for Round 2 is open to any public entity. Eligible applicants must also have the authority and jurisdiction to implement, operate and maintain the project. Private entities are ineligible. Per the guidelines in FRN, OCD will evaluate the capacity of public entity applicants to serve as a subrecipient for CDBG-MIT funds, and to ensure procedures to detect and prevent fraud, waste and abuse. Please note the definition of a public entity in the definitions section of this document.

2.2 National Objective

Each project funded with CDBG-MIT must meet a national objective in accordance with the general CDBG framework. Under the CDBG regulations, a project is not considered as meeting a national objective until it is complete. Therefore, applicants must be aware of the national objective category prior to embarking on a project or program and document compliance appropriately. Projects or programs in this Program must meet the LMI national objective. The Alternative Requirements in meeting the LMI national objectives, as prescribed by HUD, are further detailed in Sections 3.1 and 3.2 below.

Additionally, HUD established Alternative Requirements in the FRN that impose additional criteria for all mitigation activities funded with CDBG-MIT funds. To meet a national objective, all CDBG-MIT activities must:

- (1) Demonstrate the ability of infrastructure and public facility projects to operate for the useful life of the project – have a plan for a funding for long-term operation.
- (2) Be consistent with other mitigation activities in MID areas¹.

2.3 Low - to - Moderate Income (LMI)

In order to qualify as addressing the national objective of benefit to LMI persons, an activity must benefit LMI persons directly or indirectly based on an area (LMI area benefit). To qualify as an LMI area benefit an activity must provide a benefit that is considered available to all residents in a particular area, where at least 51% of residents are LMI persons.

¹ Page 71 of the FRN: FR-6109-N-02



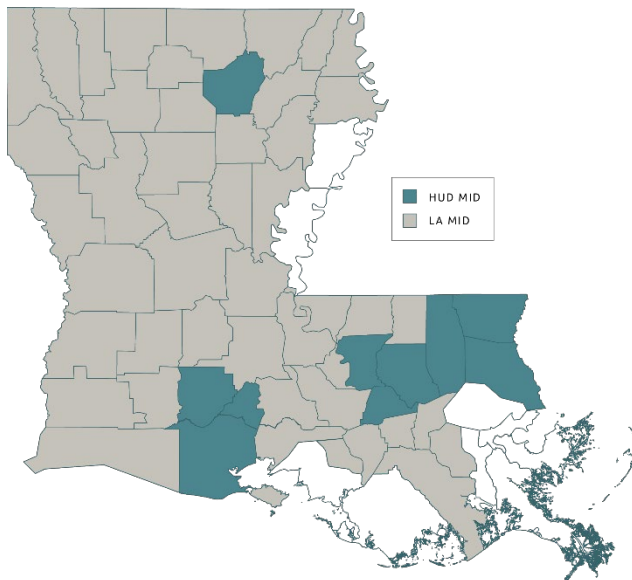
2.4 Geographic Eligibility

Under the guidelines of FRN², the state must spend money to benefit areas determined to be Most Impacted and Distressed (MID) as a result of the major disaster identified in the allocation – 2016 floods: DR-4263 and DR-4277 for mitigation activities that address identified risks within those areas. HUD requires that at least 50 percent of all CDBG-MIT funds be used for mitigation activities that benefit the HUD-identified MID (HUD MID) areas. HUD identified 10 parishes as MIDs (See **Figure 1**).

HUD allows the state to use quantifiable and verifiable data to designate additional MID areas where it can use the remaining 50 percent of the CDBG-MIT funds for mitigation activities that address identified risks resulting from the identified major disasters. The state has identified an additional 46 parishes as LA-identified MIDs (LA MID). All 46 parishes received federal disaster declarations (Individual Assistance or Public Assistance) as a result of either the March or August 2016 floods (See **Figure 1**).

Any projects for eligible mitigation activities outside of the HUD or LA-identified MID areas are eligible to be submitted, but they must specifically demonstrate how the expenditure of CDBG-MIT funds in their area will measurably benefit/mitigate risks within the HUD or LA-identified MID area (e.g., upstream water retention projects to reduce downstream flooding in the MID areas).

Figure 1. MID Parishes Impacted by 2016 Flood



HUD MIDs: *East Baton Rouge, Livingston, Ascension, Tangipahoa, Ouachita, Lafayette, Vermilion, Acadia, Washington, and St. Tammany parishes*

LA MIDs: *Allen, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, De Soto, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, LaSalle, Lafourche, Lincoln, Madison, Morehouse, Natchitoches, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, Union, Vernon, Webster, West Baton Rouge, West Carroll, West Feliciana*

² FR-6109-N-02, Section IIC; Pages 14-15



and Winn parishes

2.5 Disadvantaged Communities

For Round 2 funding eligibility, a project must also benefit a USDOT disadvantage community. Consistent with OMB's Interim Guidance for the Justice40 Initiative, USDOT's interim definition of a Disadvantaged Community includes (a) certain qualifying census tracts, (b) any tribal land or (c) any territory or possession of the United States. USDOT has provided a mapping tool to assist parishes/municipalities in identifying whether a project is located in a Disadvantaged Community, available at [Transportation Disadvantaged Census Tracts \(arcgis.com\)](https://transportation.arcgis.com).

A shapefile of the geospatial data is available at [Transportation Disadvantaged Census Tracts shapefile \(version 2.0, posted 5/10/22\)](#).

2.6 Eligible Activities

For CDBG-MIT funds, HUD requires that funding be used for *mitigation activities* –activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering or hardship, by lessening the impact of future disasters³.

An eligible project may include more than one similar or related mitigation activity. For selected projects, application preparation and pre-award costs related to the Round 2 process are eligible for reimbursement, as are administration and activity delivery costs (provided such costs are consistent with other applicable regulations of this Program). These costs must be incurred on or after HUD's grant agreement executed with the State of Louisiana on September 17, 2020 to be eligible for reimbursement.

The following project types are anticipated activities to be funded in Round 2:

- **Floodplain Restoration and Preservation:** Enhancement of critical areas and ecological restoration activities to promote flood resilience that would enhance the storage capacity and other ecosystem services of existing floodplains, floodways and waterways (e.g., floodplain reforestation, floodplain expansion/benching, stream restoration, wetlands restoration/creation, conservation easements/ land acquisitions, and riparian buffer establishments).
- **Flood Storage:** Activities that improve resilience to flooding, provide significant stormwater storage, or are flood protection in nature (e.g., regional detention /retention basins, including bundled smaller upstream projects).
- **Critical Facilities and Infrastructure Flood Mitigation:** Flood mitigation measures for critical and essential facilities or infrastructure. For example, activities may include water and sanitary sewer protective measures, other public utility protective measures including roads and bridges, and key infrastructure (e.g., ASCE 7 and 24 risk category III or IV facilities, evacuation routes) protective measures
- **Physical non-structural mitigation (Commercial/Agricultural/ Industrial):** Elevations that meet CDBG-MIT requirements, voluntary acquisition, reconstruction, relocation, and wet or dry-floodproofing and/or elevation of flood-prone non-residential structures (excluding activities

³ Page 10 of the FRN: FR-6109-N-02



primarily utilizing fill). Proposals for non-structural protection must be for community or neighborhood scale activities (i.e., not only for single structures).

- **Stormwater Management - Gray Infrastructure:** Necessary gray stormwater infrastructure measures including storm drain and culvert improvements and/or redesign, channel improvements and floodgates/flap gates. Increasing the flow of waterways with upgrades or modification to river crossings, roadways and removal of other impediments/ constrictions such as spoil-banks, old railroad spurs, old bridge pilings, weirs. These activities must demonstrate they will not increase flooding downstream (through analysis of drainage impacts on a HUC-12, 10 or 8 level watershed impact analysis) and are ideally paired with green stormwater infrastructure measures.
- **Stormwater Management- Green Infrastructure (GI):** Green infrastructure activities, systems and practices that protect, restore or mimic natural processes in order to protect communities from flooding, protect water quality and associated aquatic habitat, and provide other benefits. (e.g., wetland, floodplain and riparian area restoration and conservation, stream daylighting and restoration, permeable pavement, green roofs, bioswales/stormwater parks, green streets/urban tree canopy, rain gardens/bioretenion, cisterns and rainfall harvesting devices, subsurface infiltration, etc.). Proposals for green infrastructure protection should be incorporated into community, neighborhood, or landscape scale projects.
- **Other innovative and/or replicable flood control activities:** For example, groundwater storage, to improve/restore floodplain capacity and storage, and recovery or community transformation activities that integrate flood risk mitigation with economic, social, and recreational benefits not otherwise captured in the activity list above.

2.7 Ineligible Activities

- In accordance with the FRN, CDBG-MIT funds to assist flood control structures (i.e., dams and levees) are prohibited from being used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. Dams and Levee structures are not eligible projects within this Round 2 funding opportunity.
- CDBG-MIT funds made available in this program cannot be used to assist privately-owned utilities.
- CDBG-MIT funds cannot be used for ongoing maintenance or deferred maintenance projects.
- CDBG-MIT funds cannot be used for programs and projects to provide emergency response services⁴. However, CDBG-MIT funds may be used for mitigation activities to enhance the resilience of facilities used to provide emergency response services, provided that such assistance is not used for buildings for the general conduct of government as defined at 24 CFR 570.3.
- CDBG-MIT funds cannot be used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use⁵.
- CDBG-MIT funds cannot be used for reimbursement for mitigation activities undertaken before approval of a grant agreement between HUD and the State of Louisiana.

⁴ Emergency Response Services are defined in Section V.C.5, page 115 of FR-6109-N-02

⁵ Must be in accordance with the public use definition in Section V.D.7, page 117 of FR-6109-N-02.



2.8 Project Size

The Round 2 projects will have a minimum threshold grant request of **\$500,000** and a maximum funding request of **\$15 million**.

2.9 Project Delivery Costs

Project delivery costs are expenses incurred for implementing and carrying out eligible CDBG activities. Project delivery costs are capped at 15% of the overall project budget within this Program. Examples of Project delivery costs include costs to supplement a grantee's single audit, costs associated with environmental clearance, and newspaper advertisements. When applicable, project delivery costs are a subset of project/program costs and must be included with the associated CDBG-MIT activity budget. OCD may reimburse for ADCs in excess of the caps specified herein upon review of documentation submitted by the grantee.

Additional professional and engineering services included in a contract for professional design include laboratory testing services, recordation fees, advertisement for bids, environmental assessments, hydrologic and hydraulic studies, traffic studies, and similar costs determined by OCD to be allowable and considered project delivery costs.

2.10 Grant Management Costs

Grant Management costs should be estimated according to the total grant request for the application and included in the application budget. The maximum allowable grant management cost per project shall be less than or equal to the caps as outlined in the table of Figure 3. The grant management cap is inclusive of all grant management services including but not limited to administrative oversight, preparation of the environmental review record, program reporting, scheduling, document management, review, technical assistance, and consultation as required to continue accomplishing the objectives of the project development through program closeout phases as described in the current CDBG Grantee Administrative Manual. The applicant must demonstrate the reasonableness of the costs. Justification based solely on the fact that the fees are within the amount allowed by OCD is not adequate. Applicants may choose to use their own staff to conduct grant management activities, procure a third-party grant administrator, or a combination of the two.

Figure 3. Grant management cap amounts.

Total CDBG-MIT Project Award	Grant Management Cap Amount
\$500,000 - \$749,999.99	\$50,000.00
\$750,000 - \$1,499,999.99	\$60,000.00
\$1.5 million - \$2,499,999.00	\$80,000.00
\$2.5 million - \$5,999,999.99	\$100,000.00



\$6 million - \$10 million	\$120,000.00
\$10 million-15 million	\$140,000.00

2.10 Professional Design Costs

Professional design costs for Basic Services or Additional Services may be eligible for reimbursement up to the established fee schedule by State of Louisiana Office of Facility Planning and Control included as Appendix B. All design and case management costs would be included under project costs and not be allocated as project delivery costs. Architectural/ Engineering fees, even those provided under either a fixed price contract or cost reimbursement contract, must be reasonable and justifiable. Sole justification that the fees are within the amount allowed by OCD is not adequate, and design contracts priced on the basis of a percentage of project cost are prohibited.

Basic Services

Basic Services under a contract for professional design services may include costs for design services and related costs determined by OCD (see Appendix C) Services costs cannot exceed 10% of the construction cost.

Additional Services

Additional Services included in a contract for professional design include laboratory testing services, recordation fees, advertisement for bids, environmental assessments, hydrologic and hydraulic studies, traffic studies, wetlands permitting, surveys, geotechnical investigations, construction observation, builders risk insurance, and similar costs determined by OCD to be allowable. OCD reimbursement for Additional Services cannot exceed 5% of the construction cost. OCD may pay Additional Services in excess of the 5% cap upon review of justification submitted by the project architect/engineer

2.11 Coordination with other Federal Sources/ the Federal Emergency Management Agency (FEMA)

HUD notes in the FRN that the guiding structure and objectives established for CDBG-MIT funds bear similarities to other federal programs that address hazard mitigation, particularly FEMA's Hazard Mitigation Grant Program (HMGP). To that end, the state has established programs in the AP and activities of the LWI that seek to complement HMGP policies and processes where possible. Additionally, where program funds are available for similar activities, the state will provide applicants with technical assistance and briefings to understand how to apply for additional resilience and mitigation funding opportunities or leverage existing resources.

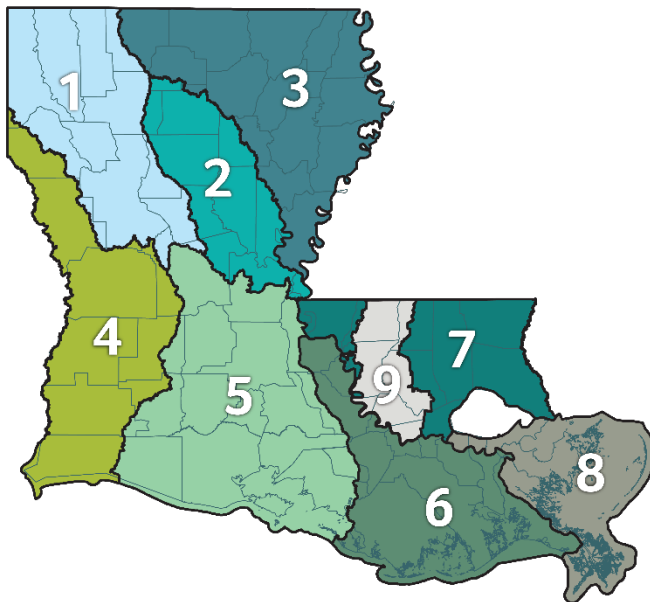
Projects submitted in Round 2, can be the same as submitted for concurrent open application programs funded by FEMA. The state will coordinate to ensure projects are selected without duplication of funding source. Note, this Program is NOT intended to cover the non-federal match share of an existing project. OCD has an additional program in its AP with that objective.



3. WATERSHED REGIONS AND LWI COORDINATION

The round 2 program will primarily provide funding on a regional (watershed) basis for local governments or legally authorized public entities to apply for a competitive-based grant. The state agencies as part of the LWI, assembled in response to Gov. John Bel Edwards' Executive Order, recognize the depicted delineation of provisional watershed regions to enable successful implementation and coordination of LWI program activities. **Figure 2** below illustrates the LWI provisional watershed regions. The state designates a *living watershed boundary* that can be amended through the coordinated support of both regional and state watershed entities to reflect changing risk profiles clarified by the LWI modeling effort and resulting from project impacts, climate change or land development standards.

Figure 2. LWI Provisional Watershed Regions



The following objectives define a successful round 1 project and are reflected in the scoring criteria:

- **Science-based.** Projects that are science-based and clearly contemplate uncertainty associated with future flood risk, such as through designs that may be adaptable to address higher flood depths over time.
- **Natural Function.** Projects that balance quality of life benefits for residents with restoring natural floodplain processes.
- **Regional in Scale.** Projects that are expected to produce benefits at a watershed or otherwise-defined regional scale. The project should promote watershed-based floodplain management.
- **Cooperative Efforts.** Projects that demonstrate cooperative partnerships around sustainable development within the watershed and its floodplains. Projects that have been prioritized by the region and do not duplicate other proposed or ongoing efforts in that region.

In evaluating projects submitted for round 2 funding, RSCs will prioritize projects and submit their recommendations to the Council of Watershed Management. . The implementation of the round 2 program will complement capacity building efforts. OCD intends to provide briefings and technical assistance to potential applicants of the round 2 program in each of the nine watershed regions.



4. ROUND 2 METHOD OF DISTRIBUTION

4.1 Pre-Application Evaluation Process

OCD, in coordination with state agency staff representing the LWI Council agencies, will evaluate pre-applications for CDBG-MIT basic threshold eligibility, ensuring no disqualifying factors for the proposed project.

Eligible pre-applications will be reviewed by the Region Steering Committees (RSC) from each region.

RSCs will meet with eligible applicants and prioritize projects based upon mitigation needs at the local level. Upon request, the RSC's will be supported by the state agency project technical advisory group (TAG). The RSCs will select a set number of projects for recommendation of the feasibility study. The Council of Watershed Management will review and announce projects moving forward for the phase 1 feasibility study.

Disqualifying factors include, but are not limited to:

- Applicant is not an eligible entity
- Proposed project is not an eligible activity
- Proposed project does not mitigate flood risk
- Proposed project has potential to increase flooding in surrounding areas
- Proposed project does not demonstrate risk mitigation benefits for a MID, LMI and Disadvantaged Community area

4.2 Full Application Evaluation Process

The State will provide engineering services (H&H, etc.) for eligible pre-applications recommended by the RSCs and additional technical assistance to the regions and local entities for development of full applications. Full applications will be evaluated and scored in a process based upon the outcomes of the engineering studies performed by LWI engineers. Projects submitted for Round 2 funding can earn up to 100 points. Each project is anticipated to be scored and ranked according to the criteria detailed in Appendix A.



CDBG-MIT AND FEDERAL CROSS CUTTING REQUIREMENTS

The following is a summary of key cross-cutting requirements and their application to the Watershed Projects Grant Program: Local and Regional. HUD has approved basic waivers common to CDBG Disaster Recover (CDBG-DR) that are allowed in CDBG-MIT, otherwise CDBG-DR rules are presiding. HUD has determined certain Alternative Requirements applicable only to the CDBG-MIT funds, as detailed in the authorizing FRN. The Alternative Requirements provide flexibility in program implementation while ensuring HUD CDBG requirements are met.

For a comprehensive understanding of the CDBG-DR and federal cross-cutting requirements, please refer to the Disaster Recovery CDBG Grantee Administrative Manual: <http://www.doa.la.gov/Pages/ocd-dru/DRadminManual.aspx>.

Grantees are expected to comply with all compliance provisions and policies. Based on OCD's past experience, program participants should pay particular attention to the following compliance subject areas as they have often proven the most challenging to address:

- Labor Compliance Requirements (Davis- Bacon and Related Acts)
- Uniform Relocation and Real Property Acquisition Act (URA)
- Section 3 Compliance
- Procurement Methods
- Environmental Review
- Duplication of Benefits

OCD will provide technical assistance to inform and assist with compliance. Failure to comply fully with the CDBG-MIT and federal cross-cutting requirements may result in the project being ineligible and/or a recapture of funds.

1. LABOR STANDARDS

In general, Davis-Bacon and Related Acts (DBRA) requires payment of prevailing wages to laborers and mechanics on contracts, financed in whole or in part with CDBG-DR funds that involve construction work valued in excess of \$2,000. Also, all employees must be paid at least time and a half for any time they work more than 40 hours per week. The Federal Labor Standards Provisions and the applicable federal wage decision(s) must be included in bid packages and contract documents as well as referenced in all bid advertisements. Prevailing wage rates are higher than regular wages in many rural areas and may affect the project budget.

Eligible applicants must comply with and will be responsible for insuring compliance of all of its construction contracts with the following labor requirements and any other regulations issued to implement such requirements:

- 1) Section 110 of the Housing and Community Development Act of 1974, as amended and as set forth in 24 CFR§570.603.
- 2) Davis-Bacon Act, as amended (40 U.S.C. §3141 et seq.) as supplemented by Department of Labor regulations (29 CFR Parts 1, 3, 5, 6 and 7).



- 3) Contract Work Hours and Safety Standards Act (40 U.S.C. §3701 et seq.).
- 4) Federal Fair Labor Standards Act (29 U.S.C. §201 et seq.).
- 5) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. §874) as supplemented in Department of Labor regulations (29 CFR Part 3).

For further guidance, please see Section 7: Labor Regulations of the Disaster Recovery CDBG Grantee Administrative Manual, available at: <https://www.doa.la.gov/Pages/ocd-dru/DRadminManual.aspx>.

2. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION ACT (URA)

In executing projects, grantees may need to acquire real property to complete specific activities. Before acquiring real property or attempting to undertake a relocation project, a determination must be made as to whether or not the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (URA) (as amended in 1986) apply. The applicant must follow the procedures of the Uniform Relocation and Real Property Acquisition Act before the site acquisition. ANY acquisition of real property made by a grantee, even when financed with non-federal funds (i.e., general funds), can be subject to URA if the project's end result is a federally assisted project. Acquisition and relocation can be very time consuming; please develop your program time schedule accordingly.

There are three major regulations that cover relocation and acquisition activities in CDBG programs:

- a) URA regulations, effective February 2005, implementing the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (URA), as amended (49 CFR Part 24);
- b) Section 104(d) of the Housing and Community Development Act of 1974 (HCDA) and the implementing regulations at 24 CFR Part 42;
- c) 24 CFR 570.606 of the CDBG Regulations which requires compliance with the regulations listed above.

For further guidance, please see Section 10 Acquisition and Relocation of the Disaster Recovery CDBG Grantee Administrative Manual:
<https://www.doa.la.gov/Pages/ocd-dru/DRadminManual.aspx>.

3. SECTION 3 COMPLIANCE IN THE PROVISION OF TRAINING, EMPLOYMENT AND BUSINESS OPPORTUNITIES

To the greatest extent feasible, employment and other economic opportunities should be directed to (1) low and very low-income persons, and (2) business concerns which provide economic opportunities to low and very low-income persons. Requirements are triggered when a recipient of CDBG-MIT assistance invests \$200,000 or more into projects/activities involving housing construction, rehabilitation or other public construction. If Section 3 of the HUD Act of 1968 is triggered for the applicant, then contractors/subcontractors whose contracts exceed \$100,000 must also comply. The applicant will have to report to the OCD information on Section 3 new hires and contracts awarded to Section 3 business concerns.

Applicants must ensure they comply with



- a) Section 3 of the Housing and Urban Development Act of 1968, as amended;
- b) 12 U.S.C. 1701u;
- c) 24 CFR Part 75.

For further guidance, please see Section 8 Civil Rights of the Disaster Recovery CDBG Grantee Administrative Manual, available at: <https://www.doa.la.gov/Pages/ocd-dru/DRadminManual.aspx>.

4. ELEVATION STANDARDS

Elevation standards apply to new construction, repair of substantial damage, or substantial improvement. The following elevation standards apply to new construction, repair of substantial damage, or substantial improvement of structures to mitigate risks identified in a grantee's Mitigation Needs Assessment, when those structures are located in an area delineated as a flood hazard area or equivalent in FEMA's data source identified in 24 CFR 55.2(b)(1)⁶.

Nonresidential structures must be elevated to the standards in the FRN (Page 112-113) or floodproofed in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least 2 feet above the 100-year (or 1 percent annual chance) floodplain and may include using structural or nonstructural methods to reduce or prevent damage; or, designing it to adapt to, withstand and rapidly recover from a flood event.

All Critical Actions, as defined at 24 CFR 55.2(b)(3), within the 500-year (0.2 percent annual chance) floodplain must be elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain elevation or 3 feet above the 100-year floodplain elevation. If the 500-year floodplain is unavailable, and the Critical Action is in the 100-year floodplain, then the structure must be elevated or floodproofed at least 3 feet above the 100-year floodplain elevation. Critical Actions are defined as an "activity for which even a slight chance of flooding would be too great, because such flooding might result in loss of life, injury to persons or damage to property." For example, Critical Actions include hospitals, nursing homes, police stations, fire stations and principal utility lines.

Non-structural infrastructure must be resilient to flooding. The vertical flood elevation establishes the level to which a facility must be resilient. This may include using structural or nonstructural methods to reduce or prevent damage; or, designing it to withstand and rapidly recover from a flood event.⁷

For elevation activities, grantees are reminded that the elevation of structures must comply with all applicable federal accessibility standards outlined in section V.A.31. Applicable State, local, and tribal codes and standards for floodplain management that exceed these requirements, including elevation, setbacks and cumulative substantial damage requirements, must be followed.

5. PROCUREMENT

Applicants must follow federal procurement rules (or State rules when more stringent) 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 CDBG-MIT programs. These standards are furnished to

⁶ FR-6109-N-02, Section V.B.1.d, Pages 98-99.

⁷ FRN: FR-6109-N-02, Pages 112-113.



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.

Applicants can refer to 2 CFR Part 200 for full details of requirements. Grantees are required to adopt written procurement procedures as required in 2 CFR 200.318-326. All procurement transactions funded in whole or in part with CDBG-MIT funds, regardless of dollar amount, must be conducted to provide “maximum open and free competition.” 2 CFR 200.318(i) requires that applicants maintain records sufficient to detail the significant history of a procurement. These records must include, but are not limited to, the following:

- 1) Rationale for the method of procurement;
- 2) Selection of contract type;
- 3) Contractor selection or rejection; and,
- 4) The basis for the contract price.

Two critical areas of compliance under 2 CFR Part 200 to which grantees should adhere:

- 1) Per 2 CFR Part 200.323, the grantee must make independent estimates before receiving bids or proposals;
- 2) The contract provisions for non-federal entity contracts listed in Appendix II to 2 CFR Part 200 must be incorporated into all CDBG-MIT funded contracts. These provisions are included in the Grantee Administrative Manual as Exhibit 6-2 and Exhibit 6-16.

Applicants shall maintain a contract administration system to monitor contractor’s performance against the terms, conditions, and specifications of their contracts or purchase orders.

For additional information and more details, please see Section 6 – Procurement Methods and Contractual Requirements in the OCD-DRU Grantee Administrative Manual at:

<http://www.doa.la.gov/Pages/ocd-dru/DRAdminManual.aspx>.

6. ENVIRONMENTAL REVIEW

All activities funded by CDBG-MIT are 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](#). Applicants cannot make any choice limiting actions prior the completion of the HUD environmental review process.

No contracts can be entered committing the applicant. This includes but is not limited to contracting for property rights or acquisition or construction contracts. Work may not commence on a project before the environmental review process is completed. These requirements apply even if such contracts or work is funded with non-federal dollars. Breach of this requirement results in the entire project being ineligible even for costs incurred after the environmental review.

The primary objectives of the HUD environmental review are to identify specific environmental factors that may be encountered at potential project sites and to develop procedures to ensure compliance with regulations pertaining to these factors. All CDBG-MIT funded projects and activities must have documentation that they follow NEPA and all other environmental requirements.

Laws and regulations which contain environmental provisions that must be complied with include:

- Noise
- Historic Properties



- Coastal Zones
- Environmental Justice
- Floodplains
- Wetlands
- Man-made Hazards
- Water Quality
- Air Quality
- Endangered Species
- Farmland Protection

The timeline for an Environmental Assessment (**EA**) level (i.e., requiring a Phase I Report for new construction or reconstruction) environmental process is 90-120 days from the receipt of a comprehensive environmental review record (ERR). However, the amount of information collected and required in the environmental review process are also impacted by the type of work being completed. The stated condition of the property and recognized environmental conditions in vicinity of the project also dictate follow-up necessities which further prolong the review process. The range of time required to completely review an ERR for a given property varies and is largely dependent upon how well the ERR submission is compiled. There is no official HUD timeline for all of the steps of the environmental review process.

After the environmental review process is completed, there are additional steps before release of funds:

- Finding of No Significant Impact (FONSI)/Notice Of Intent (NOI) public notice period prior to submitting the RROF (15-18 days), and
- The HUD review/comment period prior to the Authorization to Use Grant Funds (**AUGF**) (15-18 days or more). OCD will send the grantee the AUGF when the grantee has satisfied all program requirements.

For additional information and more details, please see Section 9 – Environmental Review in the OCD-DRU Grantee Administrative Manual at: <http://www.doa.la.gov/Pages/ocd-dru/DRAdminManual.aspx>.

7. DUPLICATION OF BENEFITS

Applicants 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. Supplemental Appropriations Acts also include restrictions against certain types of matching requirements, share or contribution for any other federal program.

If receiving funds, an applicant (subrecipient or grantee) must have adequate procedures to prevent the duplication of benefits. This includes: (a) verifying all sources of assistance received, as applicable, before the award of CDBG-MIT funds; (b) determining remaining funding need(s) for CDBG-MIT assistance before committing funds or awarding assistance; and (c) requiring beneficiaries to enter into a signed agreement to repay any duplicative assistance if they later receive additional assistance for the same purpose for which the CDBG-MIT award was provided.

It is required to use the best, most recent available data from FEMA, the Small Business Administration (SBA), as applicable, insurers, and any other sources of information on local, state and federal funding to prevent the duplication of benefits. Policies and procedures related to Duplication of Benefits (DOB)



should take note of FRN published on June 20, 2019 entitled, “Updates to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees” (2019 DOB Notice) (84 FR 28836). The policies and procedures must reflect the treatment of loans that is consistent with the requirements of the Declined Loans Provision and the Disaster Recovery Reform Act⁸ and requirements of HUD associated with duplication of benefits. Additional reference should be made to the State of Louisiana Substantial Action Plan Amendment No. 12 for the Utilization of Community Development Block Grant Funds in Response to the Great Floods of 2016 (submitted to HUD on Aug. 14, 2019).

8. FLOOD INSURANCE

Public entities applying for CDBG-MIT funding must be in good standing with the National Flood Insurance Program (NFIP). Applicants are advised to include consultation with local and regional floodplain administrators and managers.

9. ACQUISITION PROGRAM STANDARDS

Some projects funded through the round 2 program may necessitate acquisition of land to facilitate the strategic disposition of property for the purpose of open space, recreational, natural floodplain functions, other ecosystem restoration or wetlands management practices. Properties acquired by this program may be associated with the construction or implementation of flood risk reduction projects such as public works projects or improvements.

Real property acquisitions for this program are generally subject to the requirements in URA regulations at 49 CFR part 24, subpart B, unless they satisfy an exception at 49 CFR 24.101(b)(1)-(5).

This program is in furtherance of the strategic acquisition of land or property by the grantee in support of flood mitigation projects or strategies. Acquisition costs for this program will be based on the current fair market value of the subject property as determined by the grantee, meaning the parish or political subdivision administering this program, and such projects should include an indication of the intended project area. In carrying out acquisition activities, grantees must ensure they are in compliance with their long-term redevelopment plans and hazard mitigation plans.

10. OTHER RESOURCES AND INFORMATION

Resources, reference documents and links to guidance documents and regulations related to this program and the LWI will be posted on the LWI website at watershed.la.gov.

⁸ P.L. 115-254, Division D, “DRRA” section V.A.24. of FRN FR-6109-N-02 and the 2019 DOB Notice (Pages 24-25)



DEFINITIONS & ACRONYMS

Action Plan (AP): After HUD publishes the Federal Register Notice (FRN) for a congressional appropriation, the grantee (eligible government) must develop and submit an Action Plan. HUD must approve the Action Plan before funds are available.

Acquisition: Acquisition of property appropriate for the eligible activities listed in 42 U.S. Code 5305(a)(1), including, but not limited to provision of flood risk reduction public works projects or improvements.

CDBG-DR: Community Development Block Grant-Disaster Recovery funds. Assistance from the U.S. Department of Housing and Urban Development (HUD) to help the state recover from presidentially declared disasters, especially in low-income areas, subject to availability of supplemental appropriations.

CDBG-MIT: Community Development Block Grant-Mitigation assistance allocated by HUD to eligible disaster recovery entities via congressional appropriations. HUD provided CDBG-MIT funds to grantees impacted by qualifying disasters in 2015, 2016 and 2017.

Cross-Cutting Regulations: Regulations outside of CDBG-MIT regulations that apply to CDBG-MIT programs. These include regulations pertaining to financial management, procurement, environmental, labor, acquisition, relocation, fair housing and non-discrimination.

Current Fair Market Value: Value of a home, as determined by an appraisal conducted by an appraiser licensed in the state of Louisiana and acceptable to OCD.

Davis Bacon and Related Acts (DBRA): Federal law requiring payment of local prevailing wages as determined by the Department of Labor on public works projects. It applies to contractors and subcontractors performing work on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration or repair of public buildings, certain privately owned buildings, and public works.

Duplication of Benefits (DOB): A duplication of benefit is the receipt of funding from multiple sources for the same purpose. The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern or other entity from receiving financial assistance from CDBG-DR funding with respect to any part of the loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other sources. It is an amount determined by the program that may result in the reduction of an award value.

Environmental Review Record (ERR): The document resulting from required environmental review, which includes a description of activities, evaluation of environmental impact, documentation of compliance with applicable environmental regulations and an environmental determination.

Federal Register (FR): The Federal Register is the official journal of the federal government of the United States that contains government agency rules, proposed rules, and public notices. It is published daily, except on federal holidays.

Federal Register Notice (FRN): Notices to the public of the proposed issuance of rules and regulations. For each congressional appropriation, HUD publishes a Federal Register Notice that outlines the rules and regulations for the CDBG disaster and mitigation funding. Any use of FRN in this document will refer specifically to FR-6109-N-02, unless otherwise noted.

Federal Emergency Management Agency (FEMA): The Federal Emergency Management Agency's



mission is to support the citizens and first responders to build, sustain, and improve capability to prepare for, protect against, respond to, recover from and mitigate all hazards. FEMA is under the U.S. Department of Homeland Security.

FEMA Hazard Mitigation Grant Program or HMGP: The FEMA Hazard Mitigation Grant Program helps communities implement hazard mitigation measures following a Presidential Major Disaster Declaration in the areas of the state, tribe, or territory requested by the Governor or Tribal Executive. The key purpose of this grant program is to enact mitigation measures that reduce the risk of loss of life and property from future disasters. HMGP is authorized under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

Floodplain: Any area of land within a watershed that is susceptible to inundation by floodwaters from any source.

Floodplain management: A decision-making process that aims to achieve the wise use of the nation's floodplains. It encompasses the choices made by owners of homes and businesses in the floodplain, decisions made by officials at all levels of government, plans made by land developers and contractors, and the judgment of the general public regarding future decisions to be made with regard to land use. 44CFR 59.1 defines flood plain management as "the operation of an overall program of corrective and preventive measures for reducing flood damage, including but not limited to emergency preparedness plans, flood control works and flood plain management regulations."

Grantee: The awardee of a Local and Regional Projects and Programs grant. Only eligible applicants as defined in Round 2, a public entity with the authority to implement, operate and maintain the project, can become a grantee.

Grantor: State of Louisiana, Office of Community Development

Levee: An earthen embankment, floodwall, or structure along a water course whose purpose is flood risk reduction or water conveyance⁹.

Louisiana Watershed Initiative (LWI): Gov. John Bel Edwards established the Council on Watershed Management, which serves as the coordinated, interagency structure at the state level for watershed-based flood risk reduction. In August 2018, the Council launched the LWI to serve as the programmatic arm under which all related efforts operate.

Low - to - Moderate Income (LMI): Those having incomes lower than 80% of the area median Income, set by the federal government. The LMI standard is confirmed or changed by HUD annually and varies by household size, county and the metropolitan statistical area.

Major Disaster Declaration: The president can declare a Major Disaster Declaration for any event that the president believes has caused damage of such severity that it is beyond the combined capabilities of state and local governments to respond. Louisiana's major disaster declarations for the March and August flooding events include:

- Severe Flooding (Disaster 4277) declared Aug. 14, 2016
- Severe Flooding (Disaster 4263) declared March 13, 2016

Mitigation Activities: Those activities that increase resilience to disasters and reduce or eliminate the

⁹ Definition from the US Army Corps of Engineers



long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

Notice of Funding Availability (NOFA): A Notice of Funding Availability is a notice published describing the type of funding available on a competitive basis and provides a contact where an application may be submitted, typically defining a number of days from the date of NOFA publication. Selection will then be made based upon specific factors and criteria identified within the NOFA.

Public Entity: For the purposes of this Program, a Public Entity means a state agency, board or commission, political subdivision, or a federally recognized Indian tribe ("tribe"). For a tribe to apply for or receive a grant, it must agree to a waiver of its sovereign immunity and submit to the jurisdiction of the 19th judicial district court for the Parish of East Baton Rouge, State of Louisiana with regard to any legal action associated with the application or grant, or for enforcement of security rights on real estate, if any, the state judicial district court for the parish in which such property is located.

Watershed regions: The LWI has established watershed regions throughout the state. These regions aggregate HUC8-level watersheds into nine watershed regions for LWI management purposes.

Section 3: A provision of the Housing and Urban Development (HUD) Act of 1968 that requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment and contracting opportunities for low- or very low-income residents in connection with projects and activities in their neighborhoods.

Section 504: A provision of the Rehabilitation Act of 1973, which provides that no qualified individual with a disability should, only by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

U.S. Department of Housing and Urban Development or HUD: HUD is the agency that administers the Community Development Block Grant-Disaster Recovery and Mitigation funds made available to Louisiana from congressional appropriations.

Watershed: A watershed is a geographic area within the boundary of a drainage divide. The USGS defines a watershed as follows: "A watershed is an area of land that drains all the streams and rainfall to a common outlet such as the outflow of a reservoir, mouth of a bay, or any point along a stream channel."



APPENDIX A. BENEFITS SCORING CRITERIA

FLOOD RISK BENEFITS (70 points maximum)		
Sub criteria	Scoring Element <i>For each scoring element documentation, i.e., reports supported by exhibits/maps, of the following types of information is required in the full proposal to receive the points</i>	Points
Effectiveness of the Project	Project Impacts and Improvements (up to 25 points)	25 (Total)
	<ul style="list-style-type: none"> - An assessment that documents all upstream and downstream impacts to LMI areas (adverse and beneficial) as well as any flood risk improvements. The assessment should be based on recent data (or constraints limiting this need to be explained). 	15
	<ul style="list-style-type: none"> - Documentation of upstream and downstream changes in flood risk in an H&H model, using historical flood inundation or FEMA maps. 	10
Addressing Unmet Need	Magnitude of avoided damages/losses. <i>(Projects may alleviate damages/losses for any frequency of storms.)</i> <ul style="list-style-type: none"> - Alleviating damages from, at a minimum, the 1% AEP flood depth in the target LMI area - Documentation of the frequency of storm used in the assessment and anticipated avoided damages/losses for each frequency. 	10
	Extent/ Magnitude of Flooding Reduction. <i>(Projects must make a substantial contribution to alleviating flood risk.)</i> <ul style="list-style-type: none"> - Description of project impacts, e.g., reduced inundation area, velocities, or flood depths, within the LMI area 	10



FLOOD RISK BENEFITS (70 points maximum)		
# Structures/People Benefited	Enhanced protection of Critical Facilities¹⁰ and Essential Lifelines¹¹ <i>(Projects must substantially reduce flood risk in one or more critical facilities and lifelines within or accessible to an LMI area, e.g., evacuation route redesign to increase egress and ingress during storm events while avoiding ancillary impacts, elevation of critical equipment to the regulatory freeboard of two feet above base flood elevation, and improving resilience to flood risk at water treatment facilities)</i> <ul style="list-style-type: none"> - >5 =10 points - 4-5=8 points - 3-4=6 points - 2-3=4 points - 1=2 points - The frequency of storm used in the assessment and anticipated protection for each frequency. 	10
	Increased resilience <i>(Projects which can be readily adapted or adjusted should flood levels rise in the future.)</i> <p>Examples:</p> <ul style="list-style-type: none"> - The resilience benefits of designing to a higher frequency storm than industry standard for the project (e.g., a local road may require a bridge to pass the 2% frequency storm and the bridge is designed to pass the 1% frequency storm. - The resilience benefits of embankments retrofitted with revetment to withstand overtopping or the use of NBS to limit overtopping during a higher than design frequency storm. - Projects addressing current flood risk that derive the majority of their benefits by restoring/conserving floodplain or wetlands, thus preventing future development that could increase future flood risk and ensuring that their natural functions will be provided in perpetuity. <p>Documentation should be provided on what frequency of storm is used in the assessment and anticipated protection for each scenario.</p>	5
Longevity of Benefits	Operations and Maintenance Plan <i>(Provided letter of intent from state, federal local or private funding source to support O&M)</i>	5
	Life of Project <i>(Project design life in accordance with guidance in the NOFA.)</i> <ul style="list-style-type: none"> - >50 years = 5 points - 30-49 years = 4 points - 15-29 years = 3 points - <15 years = 2 point 	5

¹⁰ Critical Facilities include hospitals, evacuation routes, emergency response facilities, power generation stations, etc.

¹¹ Essential community lifelines include transportation, communication, health, shelter, hazardous material, water, and power.



APPLICATION OF NBS (10 points maximum)		
Sub criteria	Scoring Element <i>For each scoring element documentation, i.e., reports supported by exhibits/maps, of the following types of information is required in the full proposal to receive the points</i>	Points
Project uses and applies NBS in a way that meaningfully contributes to the benefits and improves natural functions	<p>Project derives at least 50% of benefits through meaningful use of NBS that provides a net benefit/improvement to natural functions.</p> <p>Examples:</p> <ul style="list-style-type: none"> - Use of a forested, riparian corridor or vegetation into a channel restoration and improvements. The natural functions provided by the NBS components must fully offset any deleterious impacts to natural functions and provide substantial surplus benefit. - Restoration of floodplain habitats to provide flood risk reduction to downstream areas, with no additional impacts to natural functions - Use of retention and bioswales to treat water before entering water-bodies. - Use of forested wetland restoration to reduce wave overtopping of embankments in exposed areas <p>Documentation should additionally include a functional assessment that clearly shows a net benefit to natural functions. acknowledgement of any conservation servitudes and NBS maintenance plan.</p>	10

MANAGEMENT CAPACITY (20 points maximum)		
Sub criteria	Scoring Element <i>For each scoring element documentation, i.e., reports supported by exhibits/maps, of the following types of information is required in the full proposal to receive the points</i>	Points
Experience	<p>Years of experience of grant implementation with CDBG-DR funds</p> <ul style="list-style-type: none"> - >10 yrs =10 points - 5-10 yrs=5 points - <5 yrs 2 points <p>Must provide Core Documentation policies and procedures, etc.</p>	10
Performance	<p>Has met required performance metrics and remained in good standing with OCD and HUD requirements</p> <p>Must not have not received audit report within the last 5 yrs</p> <p>Other supporting information could include: timely expenditure letters, expenditure projections, monthly activity reports, quarterly performance metrics</p>	10



APPENDIX B: PROFESSIONAL DESIGN COSTS SUPPLEMENTAL INFORMATION

Professional design costs for basic services or additional services may be eligible for reimbursement up to the established fee schedule by the State of Louisiana Office of Facility Planning and Control (see Figure 1 on next page). All design costs would be included under project costs and not included in the project delivery costs. Architectural/engineering fees, even those provided under either a fixed price contract or cost reimbursement contract, must be reasonable and justifiable. Sole justification that the fees are within the amount allowed by OCD is not adequate, and design contracts priced on the basis of a percentage of cost are prohibited. The fee for basic services, as described hereinafter, shall be calculated as the product of the fee percentage, adjusted for inflation, and the amount available for construction (AFC), adjusted for inflation. The fee percentage shall be computed by the formula:

$$\text{FEE PERCENTAGE} = \frac{\text{46.10}}{\text{Log (AFC (1975 BCI/Current BCI))}}$$

The fee shall be computed by the following formula:

FEE = FEE PERCENTAGE (AFC(1975 BCI/Current BCI)(Current CPI/1975 CPI) Where "BCI" = Building Cost Index as published by Engineering News Record and "CPI" = Consumer Price Index as published by U.S. Department of Labor, Bureau of Labor Statistics. Since the annual average computed in December of the BCI and CPI are used, fee calculations are based upon the most current calendar year average of both indices. Should fee modifications occur during the course of the project, the BCI and CPI index factors used to calculate the original fee shall be used. If a project, through no fault of the Designer, is inactive for more than 24 months, the current BCI and CPI index factors shall be applied to the project once re-activated.



Figure 1: State of Louisiana Office of Facility Planning and Control Fee Schedule

State of Louisiana Facility Planning & Control

BCI & CPI FOR 2020

BCI		CPI
1306	1975	53.8
6136	2019	255.7

SCHEDULE OF REPRESENTATIVE FEES FOR 2020

AFC	Fee as a Percentage of AFC	Fee
\$ 10,000.00	14.0100%	\$ 1,401.00
\$ 50,000.00	11.5800%	\$ 5,790.00
\$ 100,000.00	10.7750%	\$ 10,775.00
\$ 200,000.00	10.0740%	\$ 20,148.00
\$ 500,000.00	9.2768%	\$ 46,384.00
\$ 750,000.00	8.9628%	\$ 67,221.00
\$ 1,000,000.00	8.7526%	\$ 87,526.00
\$ 1,500,000.00	8.4726%	\$ 127,089.00
\$ 2,000,000.00	8.2846%	\$ 165,691.00
\$ 3,500,000.00	7.9417%	\$ 277,958.00
\$ 5,000,000.00	7.7376%	\$ 386,878.00
\$ 7,500,000.00	7.5179%	\$ 563,843.00
\$ 10,000,000.00	7.3695%	\$ 736,948.00
\$ 20,000,000.00	7.0348%	\$ 1,406,966.00
\$ 50,000,000.00	6.6364%	\$ 3,318,223.00