

RESTORE LOUISIANA SMALL BUSINESS PROGRAM

SOLICITATION FOR GRANT APPLICATIONS

Louisiana Office of Community Development, Disaster Recovery Unit

APPLICATIONS DUE BY:

April 11, 2017 3:00 P.M. CST

(late submissions will not be accepted)

Deliver 1 original with signatures and 5 copies of Applications to:

Louisiana Office of Community Development

Disaster Recovery Unit

Attention: Eugenia Williams

617 N. Third Street, 6th floor

Baton Rouge, LA 70802

(Only courier or hand delivery accepted at this address. Electronic or facsimile copies will not be accepted.)

For further information, contact:

Lasonta Davenport

Louisiana Office of Community Development

(225) 219-9616

Fax: (225) 219-9605

lasonta.davenport@la.gov

Community Development Block Grant
Restore Louisiana Small Business Program
Solicitation for Grant Applications

Notice of Intent to Apply

Fax this form to (225) 219-9605 or email information to eugenia.williams@la.gov.

Name of organization: _____

Email: _____

will be submitting an application for the:

Region: (check all sections that will be covered by your Application)

- Parishes Impacted by March 2016 Flood Events
- Parishes Impacted by August 2016 Flood Events
- Parishes Impacted by Both March and August 2016 Flood Events

Specific Impacted Parish(es) or Cities – list

**PLEASE SUBMIT THIS PAGE ONCE IT IS DETERMINED YOUR ORGANIZATION
WILL RESPOND TO THIS SOLICITATION.**

Parishes Affected

March Flood Impacted Parishes	August Flood Impacted Parishes
<p style="text-align: center;"> Allen Ascension Avoyelles Beauregard Bienville Bossier Caddo Calcasieu Caldwell Catahoula Claiborne DeSoto East Carroll Franklin Grant Jackson LaSalle Lincoln Livingston Madison Morehouse Natchitoches Ouachita Rapides Red River Richland Sabine St. Helena St. Tammany Tangipahoa Union Vernon Washington Webster West Carroll Winn </p>	<p style="text-align: center;"> Acadia Ascension Avoyelles East Baton Rouge East Feliciana Evangeline Iberia Iberville Jefferson Davis Lafayette Livingston Point Coupee St. Helena St. James St. Landry St. Martin St. Tammany Tangipahoa Vermilion Washington West Baton Rouge West Feliciana </p>

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I. Program Purpose

The Purpose of the Restore Louisiana Small Business Program (Program) is to fund participating community-based organizations and other service organizations to provide low-cost loans to eligible small businesses that are currently located in an area adversely affected by the 2016 Severe Storms and Flooding Events. The Program is further described in the attached Program policies and procedures.

It is anticipated that Applications will be received from a variety of potential Program Respondents, and that multiple Respondents will be selected to deliver services under this Program.

This Solicitation solicits information about Respondents' current operations, existing capacity and proposed methodology and expansion efforts needed for implementation of the Program. Office of Community Development, Disaster Recovery Unit (OCD-DRU) will work with each participating Subrecipient to incorporate components of its Application into the Cooperative Endeavor Agreement (CEA), but reserves the right to require the submission of modifications or additions to Applications before any such CEA is finalized.

II. Definitions

2016 Severe Storms and Flooding Events: Louisiana's severe storms and flooding in both March (Disaster Number 4263) and August (Disaster Number 4277) 2016 resulting in parishes receiving a federal disaster declaration.

Administration Costs: Costs incurred by the Subrecipient for performing overall general administrative functions, including:

- general management, oversight and coordination;
- providing local officials and citizens with information about the general CDBG program;
- preparing budget, invoices and schedules;
- preparing reports and other HUD required documents;
- monitoring program activities

More specifically, general administrative functions include accounting, budgeting, financial and cash management functions; procurement and purchasing functions; property management functions; personnel management functions; payroll functions; coordinating the resolutions of findings arising from audits, reviews, investigations, and incident reports of this program; audit functions; general legal services; and developing systems and procedures, including information systems, required for these administrative functions; oversight and monitoring responsibilities related to administrative functions; goods and services required for administrative functions of the Program, including rental or purchase of equipment, utilities, office supplies, postage and rental and maintenance of office space; travel expenses, in compliance with state travel regulations, incurred for official business in carrying out administrative activities.

All administrative costs must be direct costs related to the Program, and cannot exceed 1% of the total budget.

Application: The completed forms within this solicitation in Appendices I – VI.

Benefits: Amounts paid on behalf of employees by the employer. These are fringe benefits payments that include group insurance, social security, Medicare, retirement, unemployment compensation, worker's compensation, and other employee benefits.

Cooperative Endeavor Agreement (CEA): The written contract between OCD-DRU and the Subrecipient.

Direct Program Costs: The amounts distributed to eligible businesses in the form of a loan and/or grant.

Eligible Business: Small Business that applies to the Program and meet all eligibility requirements listed in the Program policies and procedures.

Equipment: Non-expendable personal property, which generally is considered to include *tangible* personal property having a useful life of more than one year and an acquisition cost of \$300 or more per unit. Examples are computers, scanners, etc. Equipment must be procured as per 2 CFR Part 200. Equipment must also be tracked on the Property Control Tracking log that will be provided by and reported on to OCD-DRU. Management and disposition of equipment per 24 CFR 84.34 must be followed.

Microenterprise Business: A commercial enterprise that has 5 or fewer employees, 1 or more of whom owns the enterprise.

Miscellaneous/Other: Goods and services not otherwise classified as Direct Program, Administrative, Salary, Benefit, Travel, Operating, Supply or Professional/Contractual costs.

Operating Services: Direct and pro-rata services needed to fulfill everyday functions. Examples are utilities, phone and communication services, copier services, postal services, rentals, maintenance, insurance, etc.

Professional/Contractual Services: Any service contracted out to a vendor. These may include accounting/audit services, consulting services, training Subrecipient staff, outreach services, assessment services, etc. Professional and contractual services must be competitively procured, as per 2 CFR Part 200.

Program Delivery Costs: Costs associated with direct delivery of the Program. Program Delivery Costs are generally linked to a project or are project-specific. They are costs directly related to implementing the eligible CDBG projects/activity. This includes the costs of carrying out the eligible CDBG activity and include Subrecipients' costs, as well as third parties' (subgrantees and contractors). For example, the time spent by staff conducting application intake, applicant and jobs income verification, use of funds verification and underwriting would

be considered to be costs of delivering the activity.

Program Delivery Costs must be direct costs related to the Program and cannot exceed 15% of the total budget.

Respondent: An organization that provides an Application in response to this solicitation.

Salaries: Compensation for time and effort by employees. May include wages for temporary or part-time labor hired on staff for this Program.

Subgrantee: A governmental agency or non-profit organization that the Subrecipient engages to assist in implementing this Program.

Subrecipient: A governmental agency or non-profit organization OCD-DRU engages to implement this Program.

Supplies: Items that are consumed, or deteriorated through use. Examples are direct office supplies, computer supplies, loan software, etc. necessary to meet the goals and objectives of the Program.

Tenant Business: Business that occupies commercial property under a lease or tenancy agreement with the property owner.

Travel: Expenses, in compliance with state travel regulations (PPM-49), incurred while an individual is traveling in order to accomplish the goals and objectives of the Program. Examples include lodging, meals, mileage or airfare. Information on PPM-49 can be found at: <http://www.doa.la.gov/pages/osp/travel/travelpolicy.aspx>

U.S. Department of Housing and Urban Development: Administering agency for the Community Development Block Grant Program funds that are available to the State from an appropriation by the United States Congress and are funding this solicitation and program.

III. Eligibility

Respondents must be those organizations that have experience with, and at the time of application, are actively lending to small businesses. Preference may be given to those organizations that have experience working with small businesses that have difficulty securing loans from traditional lending sources. Preference may also be given to those organizations that have the ability to serve multiple eligible parishes.

Respondents must be a quasi-public or non-profit organization established under Section 501 of the Internal Revenue Code of 1986 (the "Code"), as amended, or a for-profit organization that is certified by the U.S. Department of Treasury as a Community Development Financial Institution or a Community-Based Development Organization, as defined by the U.S. Department of Housing and Urban Development (HUD). Insured and active credit unions are also eligible to apply, provided they can demonstrate their ability to comply and issue loans according to Program policies and procedures.

IV. Timeline of the Program

OCD-DRU will evaluate Applications and determine Program funding allocations. Applications will be reviewed to ensure that all required elements are submitted. OCD-DRU anticipates entering into Cooperative Endeavor Agreements with approved Subrecipients at the completion of the evaluation period.

Schedule of Events

EVENT	DATE
Advertise solicitation	March 10, 2017
Email Notice of Intent	upon applicant's decision to apply
Deadline for receipt of Written inquiries	March 17, 2017
Issue responses to written inquiries	March 24, 2017
Deadline for receipt of Application	April 11, 2017
Oral Presentations, if necessary, on or about	April 17- 28, 2017
Announce award of Subrecipients selection on or about	April 28- May 5, 2017

V. Availability of Funds

Funds for this Program will be made available from a grant to the State of Louisiana from the U.S. Department of Housing and Urban Development's Community Development Block Grant Program (HUD/CDBG). Programs implemented with these funds are not CDBG entitlement programs and all awards under this solicitation are subject to availability of funding.

VI. Allowable Activities/Use of Funds

Grants will be awarded, through a competitive process, to Subrecipients to provide low-cost loans based on Program terms outlined in the Program policies and procedures, to small businesses, including nonprofits that are currently located in or plan to open in an area affected by the 2016 Severe Storms and Flooding events.

Subrecipients will be reimbursed for eligible costs incurred that are related to the implementation of the final approved scope of services detailed in the Cooperative Endeavor Agreement executed by the OCD-DRU and Subrecipient. No fees for services will be provided. Successful Subrecipients will be required to submit support documentation for all eligible expenses incurred that were also included in a budget pre-approved by OCD-DRU.

Loans to eligible small businesses who apply to the Program will be limited to funding eligible and documented unmet recovery needs within the following types of expenses:

- Working capital expenses to include monthly rent or mortgage payments, non-owner employee wages and benefits, utilities, inventory and other eligible operating expenses defined in the Program policies and procedures;
- Movable equipment expenses;

Real property and fixture acquisition, construction or construction-related expenses **are not eligible under this Program, even on an exceptions basis.**

The minimum loan amount is \$20,000 and the maximum loan amount is \$50,000. Exceptions may be made by Subrecipients only with OCD-DRU's approval, which will be granted on a case-by-case basis, as is outlined in the Program's exceptions policy.

Loan terms are as follows:

- Interest Rate: 0%, Default Interest Rate: 8%
- Loan Term: maximum of 5 years, to be supported by the underwriting carried out by the Subrecipient

Business eligibility requirements are further detailed in Program policies and procedures, but at a minimum, eligible businesses must have been open for business at the time of the storm event, must have an unmet need, must have experienced physical or financial damages as a result of the Great Floods of 2016, employ 1 to 50 full-time equivalent employees and must be located in one of the following parishes:

Acadia, Allen, Ascension, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Catahoula, Claiborne, DeSoto, East Carroll, East Baton Rouge, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, Lafayette, LaSalle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Ouachita, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Helena, St. James, St. Landry, St. Martin, St. Tammany, Tangipahoa, Union, Vermilion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana and Winn.

VII. Program Application Phases

Due to a shortage of funding, the Program may decide to implement the Program in one or multiple phases.

Phase I

The first phase of the Program is limited to providing assistance to businesses that meet the Program eligibility requirements AND are considered to provide an essential goods or services to an impacted community. Essential goods or services are those goods or services necessary for immediate and long-term housing and community recovery. Such goods and services may include grocery stores, pharmacies, healthcare providers, gas stations, residential construction-related companies, childcare providers and locally-owned restaurants or residential service providers. Prior to final eligibility determination of a particular business that does not fall within this list of essential good or service providers, Subrecipients may submit recommendations and justifications for expanding the list of types of businesses included in this definition, subject to approval by OCD-DRU.

Future Phases

Should additional funding be available after the Phase I eligibility review and award determination, OCD-DRU may decide to open the Program for additional phases and may decide to expand the pool of eligible businesses. OCD-DRU will work with Subrecipients and an updated unmet needs assessment to determine the most effective and needed approach to

opening the program in additional phases.

VIII. Performance and Reporting Requirements

Subrecipients will be required to report the following data on a regular basis to OCD-DRU in electronic format in the software system established by OCD-DRU. Data requested may include the following and other items detailed in Subrecipient's Cooperative Endeavor Agreement:

- Number and dollar value of loans originated
- Uses of funds for each of the loans originated (e.g. working capital, inventory, movable equipment)
- Number of loans under review, denied, approved and closed
- Data reported in the software system will include information on jobs created or retained by each of the businesses and tenant businesses directly and indirectly assisted including the total number of individuals in each job position, job titles and salaries, and Low to Moderate Income status. This information is required for each business loan.
- Loan portfolio aging reports may also be requested from Subrecipients

Subrecipients will be expected to set reasonable targets for each indicator listed above, and meet or exceed targets.

OCD-DRU will monitor Subrecipients to ensure they comply with all applicable federal and state laws and regulations. In addition to reviewing data reported, regular site visits and monitoring visits to Subrecipients and to businesses served will be conducted by OCD-DRU staff to ensure compliance and the quality of the Program.

The Cooperative Endeavor Agreement will contain further information on Program reporting and monitoring.

IX. Termination of Contracts

OCD-DRU reserves the right to terminate any awarded CEA with a thirty-day written notice at any time during the contract period if the contractor, in the state's judgment, has not provided evidence of substantial progress; has not implemented the contract as defined in its application or on schedule to a reasonable degree; is delinquent with required reports and documentation; has misused funds or not delivered services as proposed, etc.

X. Competitive Selection Process

OCD-DRU will use a competitive selection process, using weighted evaluation criteria, to determine which Applications will be funded. No Application will be opened and read before the final deadline to submit Applications. OCD-DRU staff will review all Applications to ensure that all required application elements are submitted. Failure to submit all mandatory Application requirements will result in disqualification of the Application.

Applications that contain all required Application elements will be evaluated by a team of

objective evaluators with expertise in small business lending. The evaluation team will award points based on how well the applications meet the weighted evaluation criteria.

XI. Application Evaluation and Approval Process

The deadline for receipt of Responses to this Solicitation is April 11, 2017. OCD-DRU anticipates entering into Cooperative Endeavor Agreements with Subrecipients shortly after completion of the evaluation period.

OCD-DRU will evaluate Applications and determine Program funding allocations using the following criteria:

- Completeness of the Application, including attachments and submission of the following:
 - Complete annual financial statements as described in Section XIII hereof; and
 - Complete and accurate loan reports as described in Appendix II hereof.
- Conformance of the Application with the Program Purpose and requirements, and Program policies and procedures, and the terms and conditions of this Solicitation;
- The Respondent's organizational background and track record in service delivery, its proposed Target Area(s) and marketing strategy, and its proposed level of coordination with other organizations;
- The historic performance of Respondent's loan portfolio, and the Respondent's estimated demand for Program loans; and
- The Respondent's experience and capacity for using Program funds effectively.

XII. Mandatory Application Requirements

Respondents must submit (in the order shown) all of the components listed below and shown in the Application Checklist Section XVII. The application must be paginated and include a useful table of contents. **Applications that do not include all of the required components will be disqualified.**

To apply for Restore Louisiana Small Business Program funding, applications shall include the following in the order listed:

1. A **cover page** with contact information of the Respondent. A cover page form is provided in the application.
2. **Table of contents**
3. A **project narrative** with adequate information to evaluate the application based on the evaluation criteria. The project narrative should be limited to 10 pages. The cover page, table of contents, budget forms, board resolution, assurances, fiscal statements, and letters of commitment will not count against the 10-page limit.
4. A **budget** justifying all proposed expenditures, and demonstrating scalable costs of the

Program. A mandatory budget form is provided.

5. A **board resolution** naming the individual authorized to sign on behalf of the organization.
6. **Executed standard set of assurances** including all federal and state assurances. (See Appendix V)
7. **HUD 2880 form**
8. A copy of the Respondent’s most recent **fiscal audit or audited financial statements**, which shall not be older than the Respondent’s previous fiscal year. The state may choose to disqualify a Respondent if there are unresolved audit findings.

XIII. Evaluation Criteria and Elements

Evaluation Criteria	Points
Organizational Background and Capacity	0-35
Project Plan	0-50
Additional Funding provided by Respondent	0-15

1. Organizational Background and Capacity (0-35 points)

A. Organizational history, mission and structure, including:

1. Mission of the organization
2. Structure of the organization (for profit or not-for profit) and its governing body (e.g., Board of Directors).
3. Names and qualifications of the members of any such governing body.
4. Organization’s current employees and their functions.
5. Names and qualifications of key personnel.
6. Length of time in operation.
7. Organization’s resources and limitations.
8. The geographic area and/or populations served by the organization.

Attach the following:

- Proof of the Respondent’s not-for-profit status, or, if the Respondent is a for-profit organization, proof of current certification as a Community Development Financial Institution by the United States Department of the Treasury.
- Audited or reviewed annual financial statements. If the most recent annual statements are more than six months old, the organization must submit interim statements.
- A copy of the operating budget for the current fiscal year, including all projected sources of revenue and all items of expense, and showing year-to-date budget progress. Identify any sources of revenue in addition to those contemplated to be provided by the Program

that could be used to match funds or leverage Eligible Loans as defined in the Program policies and procedures.

B. Lending practices, policies and outreach

In this section, Respondents must:

1. Describe in detail the organization's current small business lending program.
2. Provide information about the types of loan products offered and the year that small business lending commenced. Include:
 - a. Maximum and minimum loan amounts
 - b. Maximum and minimum loan terms
 - c. Type of assets that can be financed; include any restrictions or prohibitions
 - d. Collateral requirements, personal guarantees
3. Provide information on loan approval and authority for loans.
 - a. Collection procedures, closing fees, servicing fees
 - b. Processing time from application to disbursement
 - c. Repayment rate
4. Provide information on loan portfolio to include loan reports

2. Project Plan: Lending Activities (0-50 points)

Describe your proposed plan for implementation and service delivery of the Restore Louisiana Small Business Program.

A. Proposed Program Focus

- A. The Program policies and procedures limit the provision of assistance to businesses that meet specific eligibility, prioritized industry criteria as well as specific geographic requirements. As such, Respondents must respond to the following areas to demonstrate how they will successfully implement the Program policies and procedures:
- The Respondent must describe how they will perform outreach to businesses geographically eligible and/or prioritized in the Program policies and procedures;
 - If the Respondent does not currently serve the impacted areas or intends to expand their operations to additional eligible impacted areas, the Respondent should describe how they will perform outreach and expand their operations to include the eligible impacted areas.
 - The Respondent should describe their methodologies (i.e. leasing additional space, partnering with other organizations, deploying mobile units, etc.) for expanding services to areas not currently served by the organization.
 - The Respondent should describe their outreach strategy for specifically engaging and encouraging impacted businesses to apply for the Program. Describe the outreach methodologies to target businesses prioritized or eligible per Program policies and procedures.

- B. Describe projected Applicant goals of the Program – Provide the number of businesses expected to be underwritten and approved for assistance and the expected outcomes for businesses.
- C. Given the Program policies, procedures and basic underwriting requirements, describe the means that the Respondent would use to provide support to businesses, including:
- a) Anticipated intake and underwriting i) process and ii) timeline for determining whether a business applicant is eligible for funding, including general eligibility review, the assessment of funding needs and disbursement of funding.
 - b) Any referral services provided for additional business services not provided by the organization.
 - c) Any referral services for businesses denied assistance.
- D. Detail the monitoring and reporting systems to be employed to ensure Program requirements are met by eligible businesses.
- E. Identify the institutional resources that the organization would devote to the Program, including specific staff members (or position titles) and their qualifications and salary ranges.

B. Program Lending Policies and Practices

- Provide complete detail concerning the adjustments the Respondent will need to make in order to lend per the Program policies and procedures. If there are potential or real organizational limitations that may prohibit the Respondent from implementing the Program per the policies and procedures, those limitations should be identified here with proposed alternatives or solutions to the potential or real limitations.
- Describe the means that the organization would use to provide support to Borrowers during the term of the Eligible Loan, to monitor the use and repayment of Eligible Loans, and to address delinquencies and defaults on Eligible Loans. Include a description of the accounting and reporting systems to be employed.

C. Estimated Demand for Program Loans

Carefully review the definitions of Affected Areas, Eligible Businesses, Loan Terms, Eligible Uses of Loan Proceeds and Documentation Collection Requirements as set forth in the Program policies and procedures. Respondents are reminded that the proceeds of Eligible Loans funded through this Program may only be used by businesses open before the relevant storm events and located in the impacted areas.

The minimum loan amount is \$20,000 and the standard loan maximum is \$50,000. Loans may exceed the Program standard loan maximum on a case-by-case basis with prior approval by OCD-DRU, but no loan will exceed \$150,000. Exceptions criteria are listed in the Program policies and procedures.

Based on the criteria specified in the Program policies and procedures, state the estimated number of Eligible Loans anticipated to be issued by the Respondent by volume and

dollar amount over a year timeline. Separate the loans between loans that meet the low-to-moderate income national objective and loans that meet the urgent need national objective.

Projections

	Quarter								Total
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	
A) Total # of Loans									
# of LMI Loans									
# of Urgent Need Loans									
B) Avg Loan Amount									
Total (A*B)									

D. Marketing and Outreach

Describe the means that the organization would use to market the Program in its targeted area or to its targeted business group.

E. Partnerships and Subgrantees

- Clearly identify and describe the role of any collaborative or combined efforts with other agencies necessary to the completion of the project. If the Respondent intends to enter into a legal contract with other organizations, those organizations will be considered Program Subgrantees.
- If the Subgrantees are going to perform work on behalf of the successful Respondents, the Respondents will be required to monitor the Subgrantees for Program compliance and use of funds. Describe the Respondent’s ability to monitor Subgrantees for Program performance and compliance.

F. Performance Measurements

Include the process for measuring the effectiveness of Respondent’s project in relation to the Restore Louisiana Small Business Program policies and procedures, including:

- The Respondent’s demonstrated ability to serve as a financial intermediary in past programs;
- The Respondent’s lending policies and practices as they relate to the Program’s purpose, including lending formula (by business size, assessing working capital needs, assessment of need and terms and rates for equipment purchases, etc.);
- The Respondent’s capacity to undertake the proposed Program as demonstrated by information submitted in the application, including organizational and technological

resources;

- The Respondent's estimated demand for loan capital as set forth in its application; and,
- The Respondent's ability to contribute other financial or organizational resources to the Program, including:
 - Locations from which to intake clients and process loans
 - Staff to perform business-to-business outreach
 - Additional capital for follow-on loans

G. Long Term Sustainability Plan: Revolving Loan Fund

It is anticipated successful Respondents will be allowed to retain the repayments generated from the initial round of funding through the Program. Additional funding will not be made available for the long-term administration of those funds. However, successful Respondents may be allowed to use a portion of the funding for ongoing program delivery and administration costs related to additional lending activities.

Describe the ways in which the organization will utilize the revolving loan fund.

Describe the resources needed from the revolving loan fund in order to manage and generate additional loans from the revolving loan fund.

Describe the additional funds the organization will provide for servicing the loans made through the initial round of funding through the Program.

3. Additional Funding (0-15 points)

Additional points will be given to organizations that contribute cash and/or in-kind matching funds toward the implementation of the Program.

1. Identify the sources and amounts of any matching funds or in-kind contribution (i.e., gifts, services, 3rd party funding and labor), that would be committed to this Program and that could be used to fund Eligible Loans as defined in the Program policies and procedures. Identify all pending applications and applications the organization has submitted to other funding sources in connection with the 2016 Severe Storms and Flooding Events, including the amounts requested and the proposed use of funds.
2. Discuss the ways that the organization would utilize all such other funding in coordination with Program funding.

XIV. Program Management, Reporting and Monitoring

OCD-DRU will ensure that Subrecipients comply with all federal regulations including but not limited to 24 CFR 570.482 and 2 CFR Part 200. OCD-DRU program managers or their designees will make scheduled and random visits to the businesses served as well as to the Subrecipients, to ensure program success and accuracy of information sent to OCD-DRU. Subrecipients will be required to comply with information requests.

Subrecipients will maintain accurate books and records concerning the Program, according to the OCD-DRU Grant Administration Manual

(<http://www.doa.la.gov/Pages/ocd-dru/DRadminManual.aspx>), which includes, but is not limited to the following:

- A. Financial records (i.e. budget, general ledger, bank statements, cancelled checks, supporting invoices, financial statements, procurement documentation, etc.).
- B. Programmatic records for each approved and denied business applicant. Documentation shall include, but is not limited to: business applications; approval and/or denial forms; legal documents (promissory notes and loan documents); receipts and uses of funds documentation; jobs retention and creation documentation from approved businesses and their tenants, where applicable; income documentation for owners of microenterprises; compliance documentation for loan monitoring; loan aging reports; etc..
- C. Any other documents that the Subrecipient considers material to a potential audit.
- D. Use of funds documentation for all loans and grants.
- E. Source documentation for the number of jobs created or retained, to include comparative payroll records for primary and tenant businesses, where applicable.
- F. Business owner household income information and source documentation will also be required for businesses meeting the definition of a microenterprise (with 6 or less employees).
- G. Subrecipient agrees to the completion of an annual audit or financial report after the subrecipient's fiscal year end and to provide copies to the Louisiana Legislative Auditor (LLA) and OCD-DRU. Failure to do so may cause the subrecipient to fall on the LLA's or OCD-DRU's non-compliance list, which may result in the inability to fund the Subrecipient.
- H. Subrecipient agrees to maintain all books and records for (5) years following the final close-out of the grant from HUD to OCD-DRU. However, if any litigation, claim, negotiation audit or other action involving the records has been started before the expiration of the five year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five year period, whichever is later. OCD-DRU will notify the Subrecipient of the grant close-out date.
- I. In addition, the Subrecipient shall allow access to all books, accounts, records, reports, files, and other papers pertaining to the administration, receipt and use of federal funds as necessary to facilitate all required reviews and audits.

If Subrecipients partner for services, it is the Respondents' responsibility to ensure that all

partners are in full compliance with the Cooperative Endeavor Agreement and Program rules, including the submission of any and all requirements listed above and required reports and OCD-DRU established Program policies and procedures and time frames. Subrecipients will ensure that all Subrecipients and Eligible Businesses comply with any applicable provisions of 2 CFR Part 200 and the Louisiana Ethics Code for state expenditures.

The Cooperative Endeavor Agreement will contain further information on Program reporting and monitoring.

XV. Additional Considerations

1. By submitting its Application, each Respondent authorizes OCD-DRU to contact any and all other persons identified in its Application or in any inquiry conducted by or on behalf of OCD-DRU or the State, and to obtain the release of pertinent financial and other information, as well as to obtain verification of the information provided by each Respondent.
2. The Program funds and any remuneration for contracted services will be funded in whole by Federal funds made available through HUD. Cooperative Endeavor Agreements will therefore be subject to all applicable provisions required by HUD.
3. OCD-DRU will not be liable for any costs incurred by any Respondent for work performed in the preparation and production of an Application, including any requests for additional information, interviews or negotiations, or for any work performed prior to written authorization from OCD-DRU to proceed. All Applications submitted will become the property of OCD-DRU.
4. OCD-DRU reserves the right to:
 - Reject any or all Applications received.
 - Select all, or fewer than all, organizations responding to the Solicitation as part of a partnership, consortia, team or similar organizational structure in one Application.
 - Allocate and or reallocate funds in any amount, depending upon the number and quality of Applications selected.
 - Negotiate any element of an Application and require the submission of modifications or additions to Applications as a condition of further participation in the selection process.
 - Amend this Solicitation for Applications.
 - Amend the Program policies and procedures, as necessary, during the life of the Program.
5. To be eligible to receive Program funds from OCD-DRU, a Respondent must:
 - Be legally able to receive and use the proceeds as herein stated.
 - Meet any other Program requirements herein stated or issued by OCD-DRU.
 - Meet HUD requirements, including the gathering and reporting to OCD-DRU of all required information, and the maintenance of all records pertaining to the making of

- Eligible Loans and grants.
- Must not be debarred, suspended or excluded from or ineligible for participation in federal assistance programs.

XVI. Submittal Instructions

One original and 5 copies of the Application must be received no later than 3:00PM on **April 11, 2017** and should be delivered to:

Louisiana Office of Community Development
 Disaster Recovery Unit
 Attention: Eugenia Williams
 617 N. Third Street, 6th floor
 Baton Rouge, LA 70802

(Only courier or hand delivery accepted at this address. Electronic or facsimile copies will not be accepted.)

The submission must include a cover letter signed by an individual authorized to commit the Respondent organization to the implementation of the Program, and the attached cover sheet.

Additional information regarding this Solicitation for Applications may be obtained at the address shown above.

Written inquiries regarding this solicitation will be accepted until March 17, 2017. Inquiries should be emailed to lasonta.davenport@la.gov. Responses to written inquiries will be published at http://www.doa.la.gov/Pages/ocd-dru/GF_EcoDev_Programs.aspx by March 24, 2017.

XVII. Application Checklist

A *complete* original application including the signature of person(s) authorized to sign for the organization, and *five (5) complete* copies, must be submitted to the Office of Community Development Disaster Recovery Unit by **3:00 p.m. CST on April 11, 2017.**

Incomplete applications missing any of the required components listed below or late applications will be disqualified from consideration. The forms and documentation shown in the chart below must be sent and arranged in the order shown below for each original and all copies of the application.

√	Documentation and Required Forms
	Cover Page See Appendix I
	Table of Contents See Appendix II
	Project Narrative See Appendix III
	Budget Forms See Appendix IV

	Board Resolution See Appendix V
	Assurances See Appendix VI- must be signed by Respondent
	HUD 2880 See Appendix VII
	Fiscal Audit or Audited Financial Statements

This checklist is for the Respondent's use only and does not need to be submitted with the application.

XVIII. Required Application Forms and Instructions

Respondents are required to use the cover page, budget and HUD 2880 forms for the application. A board resolution providing signatory authority to an authorizing official is required. A template form is provided; however, Respondents may use their own form of board resolution.

XIX. Instructions

The **cover page** must be complete and contain all information that is requested. A contact person with the organization must be listed, and an official of the organization who has been given signatory authority must sign the cover page. The organization's Federal Tax I.D. number must be listed on the cover page.

All **budget forms** must be complete. **Any applications submitted with an incomplete budget will be disqualified.** The budget forms are to be used to demonstrate CDBG funds only. Do not include leveraged, or in-kind funds, on the budget forms. If in-kind funds will be used, include a description in the "Strength and breadth of collaboration, and coordination of services and resources" section of the budget narrative.

The **Budget Summary Form** must be complete with the total of all program and administrative costs by budget category. The **Budget Detail Form** must include all details outlined for each budget category. Include enough information to justify each budget item, and include the full amount for the entire proposed timeframe of the grant. Details must be classified as program or administrative costs. Include calculations of how costs were estimated. The budget should be inclusive of expenses for two years or less.

A **Board Resolution** must be included with the application. Below is a template form that organizations may use for the **required** board resolution. Respondents may use their own form. Board resolutions must be signed and dated.

All Respondents must sign the standard set of **Assurances**. Assurances must be signed by the official with signatory authority.

XX. Appendices

Appendix I

Restore Louisiana Small Business Program Application

General Business Description Cover Page			
Legal Name of Respondent (include d/b/a):			
Street Address (not P.O. Box):			
City:	State:	Zip:	Parish:
Phone:	Ext:	Fax:	e-mail:
Executive Director/President:			
Contact Name & Title & Email for Solicitation:			
Federal Tax ID # / Charity Reg. # (non-profits only):			
LA Unemployment Insurance Tax ID#:			
Parent Organization Name (if applicable):			
Street Address (not P.O. Box):			
City:	State:	Zip:	County:
Is the Respondent currently seeking any other Louisiana State assistance? Yes <input type="checkbox"/> No <input type="checkbox"/>			
Has the Respondent ever applied for or received prior CDBG funding? Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, describe the program:			
If the answer to any of the above questions is "Yes", were the funds applied for or received under a name different than the Legal Name provided above? Yes <input type="checkbox"/> No <input type="checkbox"/> <input type="checkbox"/> If yes, please provide name: _____			
Signature:			

Appendix II

Project Narrative

Organizational Background and Capacity (0-35)

A. History, Mission and Structure

Mission of the organization

Structure of the organization (for profit or not-for profit) and its governing body (e.g., Board of Directors)

Names and qualifications of the members of any such governing body

Organization's current employees and their functions

Names and qualifications of key personnel

Length of time in operation

Organization's resources and limitations

The geographic area and/or populations served by the organization

B. Lending practices, policies and outreach

Describe in detail the organization's current small business lending program, including the types of loan products offered and the year that small business lending commenced. Include:

- Maximum and minimum loan amounts
- Maximum and minimum loan terms
- Type of assets that can be financed; include any restrictions or prohibitions
- Collateral requirements, personal guarantees
- Technical assistance services provided to borrowers

Information on loan approval and authority for loans, if applicable

- Collection procedures, closing fees, servicing fees
- Processing time from application to disbursement
- Repayment rate

Information on the organization's loan portfolio as follows:

- Submit *business* loan reports and clearly label the information "Business Loan Portfolio Report." These reports must be certified by an officer of the organization, and show the number of business loan applications received, the number approved, and the number and aggregate principal amount of business loans closed, for the past 2 years, and year-to-date.

Appendix II (continued)

Project Plan (0-50 points)

A. Proposed Program Focus

1. Describe how the organization will focus its efforts, including identifying any specific types of businesses and the rationale for such a focus. Refer to Program policies and procedures for eligibility criteria.
2. Describe projected goals of the Program – the number of businesses expected to serve, for how long, and expected outcomes for businesses.
3. Given the Program policies, procedures and basic underwriting requirements, describe the means that the organization would use to provide support to businesses, including:
 - Anticipated intake and underwriting i) process and ii) timeline for determining whether a business applicant is eligible for funding, including the general eligibility review, the assessment of funding needs and disbursement of funding.
 - Any referral services provided for additional business services not provided by the organization.
 - Any referral services for businesses denied assistance.
4. Detail the monitoring and reporting systems to be employed to ensure Program requirements are met by eligible businesses.
5. Identify the institutional resources that the organization would devote to the Program, including specific staff members (or position titles) and their qualifications and salary ranges.

Appendix II (continued)

B. Program Lending Policies and Practices

1. Provide complete detail concerning the adjustments the organization would employ for Eligible Loans to be funded under the Program, highlighting any differences and including the terms that are provided in the Program policies and procedures from current policies and practices as described previously in the Application:
 - Describe the means that the organization would use to provide support to Borrowers during the term of the Eligible Loan, to monitor the use and repayment of Eligible Loans, and to address delinquencies and defaults on Eligible Loans. Include a description of the accounting and reporting systems to be employed.

C. Estimated Demand for Program Loans

Carefully review the definitions of Affected Areas, Eligible Businesses, Loan Terms and Eligible Uses of Loans Proceeds, and Documentation Collection Requirements as set forth in the Program policies and procedures. Respondents are reminded that the proceeds of Eligible Loans funded through this Program may be used by businesses open before the storm and flood events and located in the impacted areas only.

For organizations participating as Eligible Lenders, the maximum amount of each Eligible Loan will be specified in the CEA, but will not exceed \$50,000. The minimum loan amount is \$20,000. Loans may exceed the Program standard loan maximum on a case-by-case basis with prior approval by OCD-DRU, but no loan will exceed \$150,000. Exceptions criteria are listed in the Program policies and procedures.

Based on the criteria specified in the Program policies and procedures, state the estimated number of Eligible Loans anticipated to be issued by the Respondent by volume and dollar amount for two years. Separate the loans between loans that meet the low-to-moderate income, national objective and loans that meet the urgent need national objective.

Projected Loan Budget

	Quarter								Total
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	
A) Total # of Loans									
# of LMI Loans									
# of Urgent Need Loans									
B) Avg Loan Amount									
Total (A*B)									

D. Marketing and Outreach

Describe the means that the organization would use to market the Program in its targeted area or to its targeted business group.

E. Partnerships and Subgrantees

- Clearly identify and describe the role of any collaborative or combined efforts with other agencies necessary to the completion of the project. If the Respondent intends to enter into a legal contract with other organizations, those organizations will be considered Program Subgrantees.
- If the Subgrantees are going to perform work on behalf of the successful Respondents, the Respondents will be required to monitor the Subgrantees for Program compliance and use of funds. Describe the Respondent’s ability to monitor Subgrantees for Program performance and compliance.

F. Performance Measurements

Include the process for measuring the effectiveness of your project in relation to the objectives of the Restore Louisiana Small Business Program, including:

- The Respondent's demonstrated ability to serve as an intermediary in past programs;
- The Respondent's lending policies and practices as they relate to Program's purpose, including lending formula (by business size, assessing working capital needs, assessment of need and terms and rates for equipment purchases, etc.);
- The Respondent's capacity to undertake the proposed Program as demonstrated by information submitted in the application, including organizational and technological resources;
- The Respondent's estimated demand for loan capital as set forth in its application;
- The Respondent's ability to contribute other financial or organizational resources to the Program, including:
 - Locations from which to intake clients and process loans
 - Staff to perform business-to-business outreach
 - Additional capital for follow-on loans

G. Long Term Sustainability Plan: Revolving Loan Fund

It is anticipated successful Respondents will be allowed to retain the repayments generated from the initial round of funding through the Program. Additional funding will not be made available for the long-term administration of those funds. However, successful Respondents may be allowed to use a portion of the funding for ongoing program delivery and administration costs related to additional lending activities.

Describe the ways in which the organization will utilize the revolving loan fund.

Describe the resources needed from the revolving loan fund in order to manage and generate additional loans from the revolving loan fund.

Describe the additional funds the organization will provide for servicing the loans made through the initial round of funding through the Program.

Appendix II (continued)

Additional Funding (0-15 points)

Additional points will be given to organizations that contribute cash and/or in-kind matching funds toward the implementation of the Program.

1. Identify the sources and amounts of any matching funds or in-kind contribution (i.e., gifts, services, 3 rd party funding and labor), that would be committed to this Program and that could be used to fund Eligible Loans as defined in the Program policies and procedures.
--

2. Identify all pending applications and applications the organization has submitted to other funding sources in connection with 2016 Storm and Flood Events, including the amounts requested and the proposed use of funds.
--

3. Discuss the ways that the organization would utilize all such other funding in coordination with Program funding.
--

Appendix III

Budget Summary Form

<u>Budget Category</u>	Program Costs (15% limit)	Administration (0.5% limit)	Total
Salaries	\$	\$	\$
Benefits	\$	\$	\$
Travel	\$	\$	\$
Operating Services	\$	\$	\$
Supplies	\$	\$	\$
Professional/Contractual Services	\$	\$	\$
Equipment	\$	\$	\$
Other/Misc.	\$	\$	\$
Total	\$	\$	\$

Appendix III (continued)

Budget Detail Form

Budget Category: Salaries

Total Amount: \$ _____

Applications shall include:

List each position, a brief job description, and the amount paid to that position. Include the length of time that each position will be employed, and include part-time and full-time, permanent and temporary employees. State the percentage of time and effort of each position that will be charged to the grant.

Program Delivery Costs:

Administrative Costs:

Budget Category: Benefits

Total Amount: \$ _____

Applications shall include:

List the benefits paid to each position listed in the Salaries category.

Program Delivery Costs:

Administrative Costs:

Budget Category: Travel

Total Amount \$ _____

Applications shall include:

Appendix III (continued)

To the extent practicable, list destinations, dates, who will be traveling, why, and the amount for each trip. Include all applicable costs for each trip, including lodging, meals, mileage, airfare, conference fees, etc. Include costs for travel to Baton Rouge for at least one technical assistance meeting (date to be determined). All travel costs shall conform to state travel regulations. Travel regulations can be found at <http://www.doa.la.gov/Pages/osp/travel/travelpolicy.aspx>.

Program Delivery Costs:

Administrative Costs:

Budget Category: Operating Services

Total Amount: \$ _____

Applications shall include:

List each item of cost, a description and purpose of the item, and the amount for that item. Include the total cost for the duration of the Program.

Program Delivery Costs:

Administrative Costs:

Budget Category: Supplies

Total Amount: \$ _____

Applications shall include:

List each item of cost, a description and purpose of the item, and the amount for that item. Include the total cost for the duration of the Program.

Program Delivery Costs:

Administrative Costs:

Appendix III (continued)

Budget Category: Professional/Contractual Services

Total Amount: \$ _____

Applications shall include:

List each contractor, a brief description of the service provided, and the total cost. Include enough information to completely justify the cost of each contract. State whether the contract is a fee for service, or cost reimbursement contract. If the contract is a fee for service contract, include a brief description of deliverables and the cost for each deliverable. If the contract is a cost reimbursement contract, include a summary budget for the contract.

Program Delivery Costs:

Administrative Costs:

Budget Category: Equipment

Total Amount: \$ _____

Applications shall include:

List each item of cost, a description of the item, the purpose of the item, and the cost of the item.

Program Delivery Costs:

Administrative Costs:

Budget Category: Other/ Miscellaneous

Total Amount: \$ _____

Applications shall include:

List any items of cost not classified in any of the above categories. Include a full description, the purpose of the item, the cost of the item, and any information to justify the expense.

Program Delivery Costs:

Appendix III (continued)

Administrative Costs:

Appendix IV

Board Resolution Template

MEETING OF (BOARD, OR COMMISSION, ETC.)
OF
(ORGANIZATION'S NAME)

A meeting of the (BOARD, OR COMMISSION, ETC.) of (ORGANIZATION'S NAME) was held on (DATE), whereby a resolution was passed authorizing (NAME AND TITLE OF THE INDIVIDUAL AUTHORIZED TO SIGN ON BEHALF OF THE ORGANIZATION) by his signature, to submit this application for Community Development Block Grant funds, and to enter into any and all contractual obligations on behalf of this organization.

Secretary and/or Chairman

Date

Appendix V

GRANTEE STATEMENT OF ASSURANCES

This Respondent/Grantee/Subrecipient hereby assures and certifies that:

1. It possesses legal authority to apply for a Community Development Block Grant (“CDBG”) and to execute the proposed CDBG program.
2. Its governing body has duly adopted, or passed as an official act, a resolution, motion, or similar action authorizing the filing of the CDBG application and directing and authorizing the person identified as the official representative of the Respondent/Grantee/Subrecipient to act in connection with the application, sign all understandings and assurances contained therein, and to provide such additional information as may be required.
3. It has facilitated citizen participation by providing adequate notices containing the information specified in the program instructions and by providing citizens an opportunity to review and submit comments on the proposed application.
4. Its chief executive officer, or other officer or representative of Respondent/Grantee/Subrecipient approved by the State:
 - a. Consents to assume the status of a responsible federal official under the National Environmental Policy Act of 1969 (**42 U.S.C.A. §4331, et seq.**) insofar as the provisions of such Act apply to the proposed CDBG Program; and
 - b. Is authorized and consents, on behalf of the Respondent/Grantee/Subrecipient and himself, to submit to the jurisdiction of the federal courts for the purpose of enforcement of Respondent/Grantee/Subrecipient’s responsibilities and his or her responsibilities as an official.
5. It will develop the CDBG program and use CDBG funds so as to give maximum feasible priority to activities that will benefit low and moderate income families, aid in the prevention or elimination of slums or blight, or meet other community development needs having a particular urgency.
6. It will comply with the following applicable federal grant management regulations, policies, Program policies and procedures, and/or requirements as they relate to the application, acceptance, and use of federal funds: 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards).
7. It will administer and enforce the labor standards requirements set forth in 24 CFR §570.603 and any other regulations issued to implement such requirements.
8. It will comply with the provisions of Executive Order 11988, as amended by Executive Order 12148, relating to evaluation of flood hazards, and Executive Order 12088, as amended by Executive Order 12580, relating to the prevention, control and abatement of water pollution.
9. It will require every building or facility (other than a privately owned residential structure) designed, constructed, or altered with funds provided to Respondent/Grantee/Subrecipient to comply with any accessibility requirements, as required by Title III of the Americans with Disabilities Act of 1990 (42 U.S.C.A. § 12101 et seq.). The Respondent/Grantee/Subrecipient

Appendix V (continued)

will be responsible for conducting inspections to ensure compliance with these specifications by the contractor.

10. It will comply with:

- a. Title VI of the Civil Rights Acts of 1964, 42 U.S.C. §2000d et seq., as amended, and the regulations issued pursuant thereto (24 CFR Part 1), which provide that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Respondent/Grantee/Subrecipient receives federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of federal financial assistance extended to the Respondent/Grantee/Subrecipient, this assurance shall obligate the Respondent/Grantee/Subrecipient, or in the case of any transfer of such property, any transferee, for the period during which the property or structure is used for another purpose involving the provision of similar services or benefits.
- b. Section 104 (b) (2) of Title VIII of the Civil Rights Act of 1968 (**42 U.S.C.A. §3601, et seq.**), as amended, which requires administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing. Title VIII further prohibits discrimination against any person in the sale or rental of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap or familial status.
- c. Section 109 of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. §5309), and the regulations issued pursuant thereto (24 CFR Part §570.602), which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds provided under that Part. Section 109 further prohibits discrimination to an otherwise qualified individual with a handicap, as provided under Section 504 of the Rehabilitation Act of 1973, as amended, and prohibits discrimination based on age as provided under the Age Discrimination Act of 1975. The policies and procedures necessary to ensure enforcement of section 109 are codified in 24 CFR part 6.
- d. Executive Order 11063, as amended by Executive Order 12259, and the regulations issued pursuant thereto, which pertains to equal opportunity in housing and non-discrimination in the sale or rental of housing built with federal assistance.
- e. Executive Order 11246, as amended by Executive Orders 11375 and 12086, and the regulations issued pursuant thereto, which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in

Appendix V (continued)

all phases of employment during the performance of federal or federally assisted construction contracts. Further, contractors and subcontractors on federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training and apprenticeship.

- f. Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual shall, solely, by reason of his or her handicap be excluded from participation, denied program benefits or subjected to discrimination on the basis of age under any program or activity receiving federal funding assistance.
11. The work to be performed by Grantee is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Grantee agrees to comply with HUD's regulations in 24 CFR part 135, which implement section 3. Grantee also certifies that there are under no contractual or other impediment that would prevent it from complying with the part 135 regulations.

Grantee agrees to send to each labor organization or representative of workers with which the Grantee has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Grantee's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and Respondents for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

Grantee agrees to include this section 3 clause in every subrecipient agreement and contract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of such contract or in this section 3 clause, upon a finding that the subrecipient or contractor is in violation of the regulations in 24 CFR part 135. Grantee will not contract with any subrecipient or contractor where the contractor has notice or knowledge that the subrecipient or contractor has been found in violation of the regulations in 24 CFR part 135.

The Grantee will certify that any vacant employment positions, including training positions, that are filled (1) after the Grantee is selected but before the contract is executed,

Appendix V (continued)

and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Grantee's obligations under 24 CFR part 135.

Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this CEA for default, and debarment or suspension from future HUD assisted contracts.

With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this CEA. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

12. It will minimize displacement of persons as a result of activities assisted with CDBG funds. In addition, it will:
 - a. Comply with Title II (Uniform Relocation Assistance) and Sections 301-304 of Title III (Uniform Real Property Acquisition Policy) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. Chapter 61), and HUD implementing instructions at 24 CFR Part 42 and 24 CFR §570.606; and
 - b. Inform affected persons of their rights and of the acquisition policies and procedures set forth in the regulations at 24 CFR Part 42; and
 - c. Provide relocation payments and offer relocation assistance as described in Section 205 of the Uniform Relocation Assistance Act to all persons displaced as a result of acquisition of real property for an activity assisted under the CDBG Program. Such payments and assistance shall be provided in a fair, consistent and equitable manner that ensures that the relocation process does not result in different or separate treatment of such persons on account of race, color, religion, national origin, sex or source of income; and
 - d. Assure that, within a reasonable period of time prior to displacement, comparable decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices available to such persons will not vary on account of their race, color, religion, national origin, sex, or source of income; and
 - e. Assure that if displacement is precipitated by CDBG funded activities that require the acquisition (either in whole or in part) of real property, all appropriate benefits

Appendix V (continued)

required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq., Pub. L. 91-646) and amendments thereto shall be provided to the displaced person(s). Persons displaced by rehabilitation of “Non-Uniform Act” acquisition financed (in whole or in part) with CDBG funds shall be provided relocation assistance in accordance with one of the following: (1) the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as required under 24 CFR Section 570.606 (a) and HUD implementing regulations at 24 CFR Part 42; (2) the requirements in 24 CFR Section 570.606 (b) governing the Residential Antidisplacement and Relocation Assistance Plan under Section 104 (d) of the Housing and Community Development Act of 1974; (3) the relocation requirements of Section 104 (k) of the Act; (4) the relocation requirements of 24 CFR Section 570.606 (d) governing optional relocation assistance under Section 105 (a) (11) of the Act;

13. It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties, in accordance with CDBG regulations.
14. It will comply with the provisions of the Hatch Act that limit the political activity of employees and the HUD regulations governing political activity at 24 CFR §570.207.
15. It will give the State and HUD, and any of their representatives or agents, access to and the right to examine all records, books, papers, or documents related to the grant.
16. It will ensure that the facilities under Respondent/Grantee/Subrecipient’s ownership, lease or supervision utilized in the accomplishment of the CDBG Program are not listed on the Environmental Protection Agency’s (EPA) list of violating facilities and that it will notify HUD of the receipt of any communication from the EPA Office of Federal Activities indicating that a facility to be used in the CDBG Program is being considered for listing by the EPA as a violating facility.
17. With regard to environmental impact, it will comply with the National Environmental Policy Act of 1969 (42 U.S.C. §4321-4347), and Section 104(f) of the Housing and Community Development Act of 1974 (42 U.S.C. §5304(d)).
18. It will comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.), as amended, Executive Order 11593, and the Preservation of Archaeological and Historical Data Act of 1966 (16 U.S.C. §469a-1 et. seq.), as amended, by:
 - a. Consulting with the State Historic Preservation Office to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800) by the proposed activity; and

Appendix V (continued)

- b. Complying with all requirements established by the State to avoid or mitigate adverse effects upon such properties.
19. It will comply with the provisions in 24 CFR **§570.200(c)** regarding special assessments to recover capital costs.
20. It will adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individual engaged in non-violent Civil Rights demonstrations and will enforce applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
21. It certifies that no federally appropriated funds will be used for any lobbying purposes regardless of the level of government.
22. It will abide by and enforce the conflict of interest requirement set forth in 24 CFR **§570.489(h)**.
23. It will comply with HUD rules prohibiting the use of CDBG funds for inherently religious activities, as set forth in 24 CFR **§570.200(j)**.
24. Activities involving new building construction, alterations, or rehabilitation will comply with the Louisiana State Building Code.
25. In relation to labor standards, it will comply with:
 - a. Section 110 of the Housing and Community Development Act of 1974, as amended and as set forth in 24 CFR **§570.603**.
 - b. Davis-Bacon Act, as amended (40 U.S.C. **§3141** et seq.).
 - c. Contract Work Hours and Safety Standards Act (40 U.S.C. **§327** et seq.).
 - d. Federal Fair Labor Standards Act (29 U.S.C. **§201** et seq.)
26. It will comply with the flood insurance purchase requirement of Section 102(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. **§4001** et seq., which requires the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of HUD as an area having special flood hazards. The phrase “federal financial assistance” includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect federal funding. It will comply with 42 USC **§ 4012a**, which requires that if the federal financial assistance is provided in the form of a loan or an insurance or guaranty of a loan, the amount of flood insurance required need not exceed the

Appendix V (continued)

outstanding principal balance of the loan and need not be required beyond the term of the loan. If the federal financial assistance is in the form of a grant, the requirement of maintaining flood insurance on any dwelling on any part of the property in an amount equal to the lesser of 1) the value of the property less land costs or 2) the maximum amount of flood insurance available under the National Flood Insurance Program to the extent coverage can be obtained under the National Flood Insurance Program, shall apply during the life of the property, regardless of transfer of ownership of such property.

27. It will comply with the Farmland Protection Policy Act, 7 U.S.C.A. §4201 et seq., which requires recipients of federal assistance to minimize the extent to which their projects contribute to the unnecessary and irreversible commitment of farmland to nonagricultural uses.
28. It will comply with Sections 1012 and 1013 of Title X of the Housing and Community Development Act of 1992 (Public Law 102-550, as amended). The regulation appears within Title 24 of the Code of Federal Regulations as part 35 (codified in 24 CFR 35). The purpose of this regulation is to protect young children from lead-based paint hazards in housing that is financially assisted by the Federal government or sold by the government. This regulation applies only to structures built prior to 1978.
29. It will comply with the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901, et seq.).
30. It will comply with the Clean Air Act (42 U.S.C. §7401, et seq.), which prohibits engaging in, supporting in any way, or providing financial assistance for, licensing or permitting, or approving any activity which does not conform to the State implementation plan for national primary and secondary ambient air quality standards.
31. In relation to water quality, it will comply with:
 - a. The Safe Drinking Water Act of 1974 (42 U.S.C. §§ 201, 300(f) et seq. and U.S.C. §349), as amended, particularly Section 1424(e) (42 U.S.C. §§ 300h-303(e)), which is intended to protect underground sources of water. No commitment for federal financial assistance can be entered into for any project which the U.S. Environmental Protection Agency determines may contaminate an aquifer which is the sole or principal draining water source for an area; and
 - b. The Federal Water Pollution Control Act of 1972, as amended, including the Clear Water Act of 1977, Public Law 92-212 (33 U.S.C. §1251, et seq.) which provides for the restoration and maintenance of the chemical, physical and biological integrity of the nation's water.
32. It will comply with HUD Environmental Standards (24 CFR, Part 51 and 44 F.R. 40860-40866).

Appendix V (continued)

33. With regard to wildlife, it will comply with:
- a. The Endangered Species Act of 1973, as amended (16 U.S.C. §1531 et seq.). Federally authorized and funded projects must not jeopardize the continued existence of endangered and threatened species or result in the destruction of or modification of habitat of such species which is determined by the U.S. Department of the Interior, after consultation with the state, to be critical; and
 - b. The Fish and Wildlife Coordination Act of 1958, as amended, (16 U.S.C. §661 et seq.) which requires that wildlife conservation receives equal consideration and is coordinated with other features of water resource development programs.

Signing these assurances means that Respondent/Grantee/Sub recipient agrees to implement its program in accordance with these provisions. Failure to comply can result in serious audit and/or monitoring findings that require repayment of funds to the State or expending Respondent/Grantee/Sub recipient funds to correct deficiencies.

Respondent

By: _____

Title: _____

This ____ day of _____, 20____.

Applicant/Recipient Disclosure/Update Report

U.S. Department of Housing and Urban Development

OMB Approval No. 2510-0011 (exp. 12/31/2015)

Instructions. (See Public Reporting Statement and Privacy Act Statement and detailed instructions on page 2.)

Applicant/Recipient Information

Indicate whether this is an Initial Report or an Update Report

1. Applicant/Recipient Name, Address, and Phone (include area code):	2. Social Security Number or Employer ID Number:
3. HUD Program Name	4. Amount of HUD Assistance Requested/Received
5. State the name and location (street address, City and State) of the project or activity:	

Part I Threshold Determinations

1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. (For further information see 24 CFR Sec. 4.3). <input type="checkbox"/> Yes <input type="checkbox"/> No	2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1 - Sep. 30)? For further information, see 24 CFR Sec. 4.9 <input type="checkbox"/> Yes <input type="checkbox"/> No.
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If you answered "No" to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form. **However,** you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds

(Note: Use Additional pages if necessary.)

Part III Interested Parties. You must disclose:

- All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
- any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)

(Note: Use Additional pages if necessary.)

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

I certify that this information is true and complete.

Signature: X	Date: (mm/dd/yyyy)
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Public reporting burden for this collection of information is estimated to average 2.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number.

Privacy Act Statement. Except for Social Security Numbers (SSNs) and Employer Identification Numbers (EINs), the Department of Housing and Urban Development (HUD) is authorized to collect all the information required by this form under section 102 of the Department of Housing and Urban Development Reform Act of 1989, 42 U.S.C. 3531. Disclosure of SSNs and EINs is voluntary. HUD is authorized to collect this information under the Housing and Community Development Act of 1987 42 U.S.C.3543 (a). The SSN or EIN is used as a unique identifier. The information you provide will enable HUD to carry out its responsibilities under Sections 102(b), (c), and (d) of the Department of Housing and Urban Development Reform Act of 1989, Pub. L. 101-235, approved December 15, 1989. These provisions will help ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. They will also help ensure that HUD assistance for a specific housing project under Section 102(d) is not more than is necessary to make the project feasible after taking account of other government assistance. HUD will make available to the public all applicant disclosure reports for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be made available along with the disclosure reports, but in no case for a period generally less than three years. All reports, both initial reports and update reports, will be made available in accordance with the Freedom of Information Act (5 U.S.C. §552) and HUD's implementing regulations at 24 CFR Part 15. HUD will use the information in evaluating individual assistance applications and in performing internal administrative analyses to assist in the management of specific HUD programs. The information will also be used in making the determination under Section 102(d) whether HUD assistance for a specific housing project is more than is necessary to make the project feasible after taking account of other government assistance. You must provide all the required information. Failure to provide any required information may delay the processing of your application, and may result in sanctions and penalties, including imposition of the administrative and civil money penalties specified under 24 CFR §4.38.

Note: This form only covers assistance made available by the Department. States and units of general local government that carry out responsibilities under Sections 102(b) and (c) of the Reform Act must develop their own procedures for complying with the Act.

Instructions

Overview.

A. Coverage. You must complete this report if:

- (1) You are applying for assistance from HUD for a specific project or activity **and** you have received, or expect to receive, assistance from HUD in excess of \$200,000 during the during the fiscal year;
- (2) You are updating a prior report as discussed below; or
- (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. Update reports (filed by "Recipients" of HUD Assistance):

General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's SSN or EIN, as appropriate, is optional.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. NOTE: In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. **Recipients filing Update Reports should not complete this Part.**

If the answer to **either** questions 1 or 2 is No, the applicant need not complete Parts II and III of the report, but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
2. State the type of other government assistance (e.g., loan, grant, loan insurance).
3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a number of structural costs, such as roof, elevators, exterior masonry, etc.

B. Non-Government Assistance. Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD **and any other source** - that have been or are to be, made available for the project or activity. Non-government sources of

funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Social Security Number (SSN) or Employee Identification Number (EIN), as appropriate, for each person listed is optional.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need

not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, and on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required.

Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.
4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.
5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.