

Rental Programs Reallocation of Funding

Program Area	Current Budget	Change	Revised Budget
Neighborhood Landlord Rental Program	\$53,947,904	(\$7,000,000)	\$46,947,904
Piggyback Program	\$36,700,000	\$7,000,000	\$43,700,000

Explanation:

During the course of application review under the Neighborhood Landlord Rental Program (NLRP) it was determined that 15 applications for a total of \$7,000,000 were deemed ineligible based on program policies.

Examples of Ineligibility:

- Most of the ineligible applications were for new construction through a non-profit entity, which would have required them to own the property at the time of application. These ineligible applicants did not have ownership of the property/land at the time of application submission.
- Zero award due to duplication of benefit.
- Applicant property is located within a special hazard flood zone.
- Applicant could not obtain construction financing.

Recommendation:

It is recommended that the remaining \$7M in NLRP be moved into the Piggyback Program and be dedicated specifically for projects in rural areas. "Rural areas" would be determined using USDA census tract data. Analysis indicates that of the entire rental population (28,611) affected by the 2016 Floods, 69% of these households were in a USDA determined rural tract (defined as municipality less than 5,000, parish less than 30,000). Adding these funds to the rural pool should add around 900 multifamily units. Of the current applications for the various rental recovery programs, 27% of the units to be awarded are located in a rural area. By dedicating the \$7M to projects in rural areas, the percentage of rural single and multifamily units will increase to around 50% of the overall CDBG-DR funded rental units.

	# of Renters	%	#LMI Renters	MID	%	Non-MID
Rural	19,687	69%	15,002	17,058	66%	2,629
Urban	8,924	31%	7,219	8,794	34%	130
Totals	28,611		22,221	25,852		2,759