



City of Lake Charles CDBG-DR Action Plan Louisiana Severe Storms, Tornadoes, and Flooding | 4606-DR-LA

DRAFT

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1.0 Executive Summary

The City of Lake Charles (the City) developed this Action Plan with the ongoing participation and support of numerous City departments and community and stakeholder organizations, and in coordination with relevant federal and state entities. While the City of Lake Charles is the primary entity responsible for management of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant–Disaster Recovery (CDBG-DR) funding, these participating organizations are essential partners that provide information throughout the planning process. They also help to ensure consistency with other local and regional planning efforts.

The City of Lake Charles will work closely with several key groups throughout the development and implementation of this Action Plan, including the Lake Charles Housing Authority, Volunteers of America, Calcasieu Council on Aging, Louisiana Housing Corporation, Louisiana Office of Community Development (OCD), Louisiana Governor’s Office of Security and Emergency Preparedness (GOHSEP), the American Red Cross, the Salvation Army of Lake Charles, the United Way of Southwest Louisiana, Calcasieu Workforce Development Board, SOWELA Technical Community College, McNeese State University, Lake Area Industry Alliance, the Calcasieu Parish Police Jury, the Chamber of Southwest Louisiana, Abraham’s Tent, Catholic Charities, La Familia Resource Center, and multiple non-profit housing developers. These groups bring a wealth of local knowledge and resources to the process, and they assisted with both the assessment of unmet needs and the development of the most effective recovery programs. These groups foster collaboration, ensure regional consistency, and will promote stakeholder engagement throughout the development of this Action Plan. Coordination with each of these groups also allows the City to establish open communication channels and relationships that will support the implementation of recovery activities.

1.1 Overview

Lake Charles, founded in 1861, is located in Calcasieu Parish in southwestern Louisiana, and is the fifth-largest incorporated city in the state. It is a major industrial center in southwest Louisiana, with a significant presence in the petrochemical refining, tourism, gaming, and education sectors. It is home to McNeese State University and SOWELA Technical Community College. Due to its unique geography, metropolitan Lake Charles is known as the Lake Area. The City is located on a level plain about 30 miles from the Gulf of Mexico, on the banks of the Calcasieu River bordering Lake Charles and Prien Lake, with an average elevation of 13 feet above sea level. The city limits include portions of the English, Contraband, and Henderson bayous, while the man-made Calcasieu Ship Channel affords access to the Port of Lake Charles by large ocean-going ships. The City has a total area of 44.8 square miles, of which 42.0 square miles is land and 2.7 square miles is water (representing 6.12% of the total area).

The Lake Charles Metropolitan Statistical Area (MSA) has a population of 202,040 and is the larger principal city of the Lake Charles–Jennings Combined Statistical Area, which has a population of 225,235. The 2010 population of the five-parish area of Southwest Louisiana was 292,619. According to the most recent U.S. Census Quick Facts, as of July 1, 2021, the City’s population was 81,097, having declined 5.1% since the April 1, 2020 count of 85,434. The residents are 43.9% non-Hispanic White, 2.1% White of Hispanic ethnicity, 47.9% Black/African-American, 0.2% Native/Alaskan American, 2.3% Asian, 0% Hawaiian/Pacific Islander, and 2.7% belonging to two or more races. The population was spread out in age ranges, with 27% under the age of 18; 8.5% from 20 to 24; 24.8% from 25 to 44; 25% from 45 to 64; and 14.1% 65 years of age or older. The median age was 35 years. For every 100 females, there were 90.9 males. The percentage of males was 45.7% versus 54.3% for females. Of the 33,093 households, the annual median household income was reported to be \$44,875, with 21.4% of the population living below the poverty line. The average home value was reported to be \$155,700, and average monthly rent was \$830. Education data indicate that 88% of the population possesses a high school diploma and 26.3% a bachelor’s or higher degree.

The average annual precipitation of Lake Charles is one of the highest among U.S. cities, at 57.49 inches per year. This gives the City an elevated risk of flooding, compounded by its proximity to the Gulf of Mexico and its low-lying terrain traversed by lakes, bayous, and rivers. The most recent natural disasters in Lake Charles began with category 4 Hurricane Laura, which devastated the city on August 27, 2020. The National Weather Service called the storm surge “unsurvivable,” and it was accompanied by one-minute sustained wind speeds of 150 miles per hour (mph). The Lake Charles Regional Airport saw a gust of 128 mph, and other wind meters within the City reached 137 mph, or 220 kilometers per hour (km/h). The radar at the National Weather Service Lake Charles forecast office—whose staff evacuated, transferring the office’s operations to the Brownsville, TX office—was destroyed around the time of landfall, with its dome sheared from the radar tower’s base and much of its internal equipment destroyed. To compound the catastrophe, a few weeks later, Hurricane Delta also hit Lake Charles, causing extensive damage. In February of 2021, a severe winter storm burst pipes in many storm-damaged properties, crippling the municipal water system. Finally, in May 2021, an extra-tropical storm would unleash 16–18 inches of rain on Lake Charles in less than six hours, as described below.

1.2 Disaster-Specific Overview

On Monday, May 17, 2021, the National Weather Service Weather Prediction Center highlighted parts of Texas, southeast Oklahoma, and much of Louisiana as having a “moderate risk” of flash flooding and excessive rainfall on Tuesday and Wednesday. About 30 million people were under flash flood watches, including those in cities like Dallas-Fort Worth, Austin, San Antonio, and Waco, TX; Oklahoma City, OK; Little Rock, AR; and New Orleans, Baton Rouge, and Lake Charles, LA. Soils in Louisiana were already saturated from multiple bouts of excessive rainfall over the preceding several weeks. To the east, New Orleans had recorded more than two feet of rain since the start of April, roughly three times the average amount. On that day, a

historic 16-18 inches of rain fell over a six-hour period, causing an unprecedented “1,000-year” flash flood. This event flooded more structures in Lake Charles than flooded during Hurricanes Laura and Delta combined.

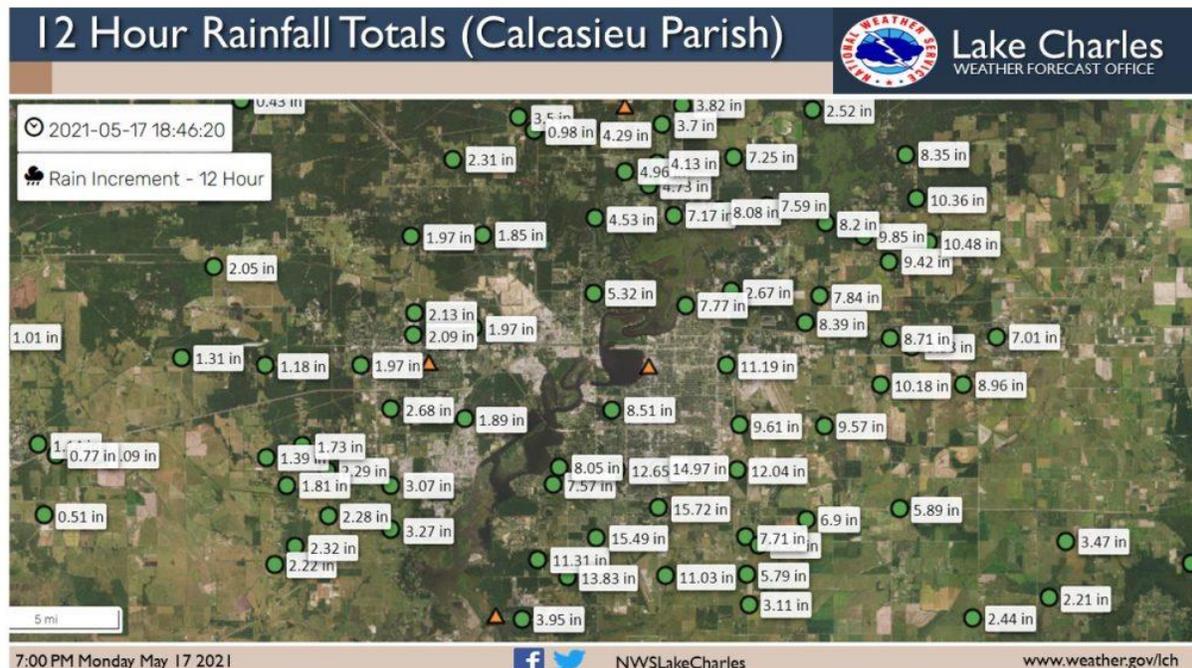


Figure 1: 12-Hour Rainfall Totals for Calcasieu Parish. Image is courtesy of the National Weather Service Lake Charles Office.

Local officials said that it was the third-highest daily rain event on record, dating back to the mid-1800s. A rain gauge near Contraband Bayou and McNeese Street that recorded 21 inches of rain may have set a “record amount for a one-day rain event” in the Parish, one official said. According to Richard “Dick” Gremillion, Director of the Calcasieu Parish Office of Emergency Preparedness, they anticipated that flooding would affect close to 3,000 housing units, based on flood insurance claims and damage claims filed online. Authorities rescued more than 80 people from floodwaters within the City and Calcasieu Parish, and they received more than 400 calls requesting high-water rescues. Flooded vehicles littered the City, which was still in the process of recovering from Hurricanes Laura and Delta. Four deaths were directly attributable to the flash flood event, and more than 500 residents were displaced from their homes. At the height of the storm, more than 2,600 customers of utility provider Entergy Louisiana lacked power. Because the storm hit during the course of a work and school day, many students were trapped in their schools, with parents and guardians unable to navigate the flooded streets safely to bring their children home. In many instances, teachers were required to carry their students through floodwaters to get them to their parents’ vehicles. Hundreds of residents sought temporary shelter at Trinity Baptist Church alone, which was just one site receiving storm survivors among many others doing the same throughout the devastated community.

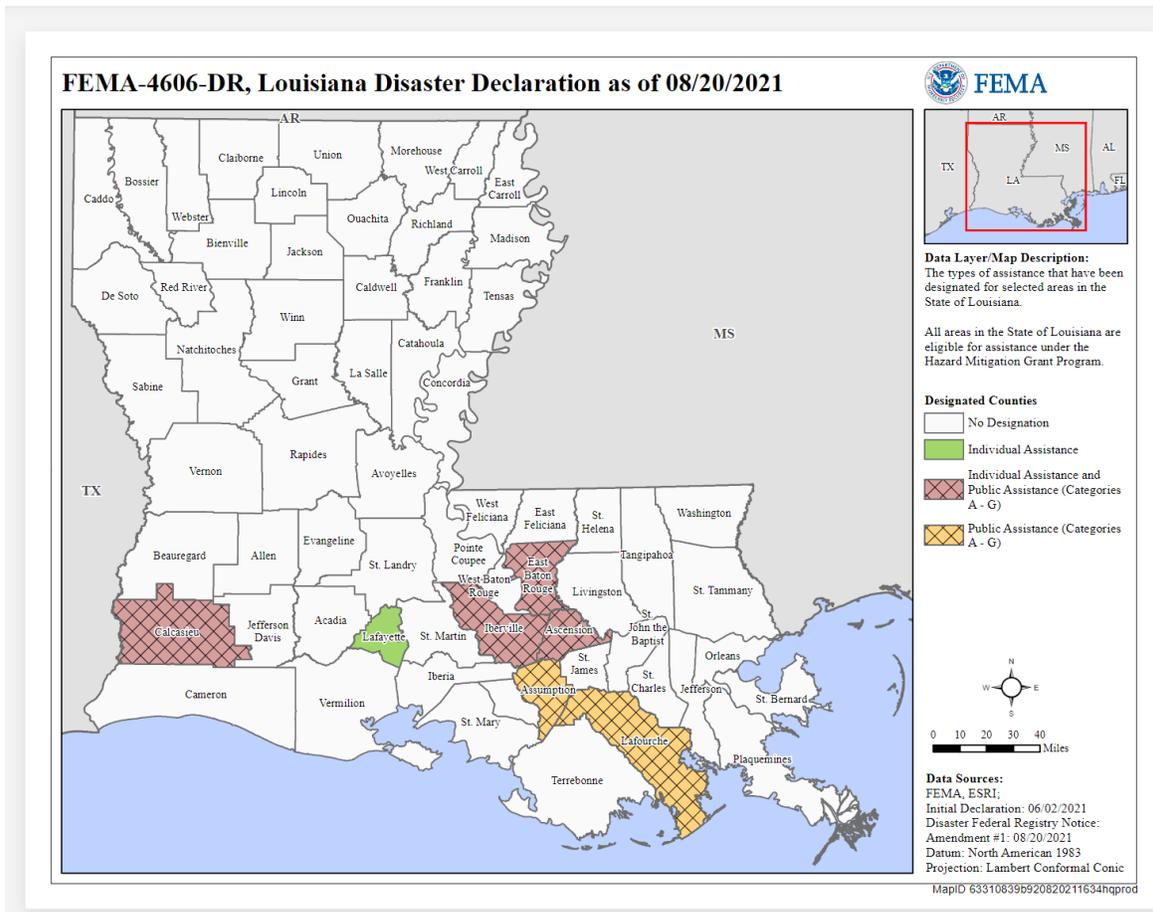


Figure 2: Louisiana Disaster Declarations for the May 2021 Flooding Event. *The image is provided courtesy of FEMA.*

To exacerbate the catastrophe, many dwellings outside of the 100-year floodplain were severely flooded. Many of these homeowners did not carry flood insurance, as they did not think that flooding would ever impact them. The May 2021 flood, combined with the ongoing recovery from Hurricanes Laura and Delta, made some residents consider leaving Lake Charles permanently. This is evidenced by the 5.1% decrease in population from April 1, 2020, to July 1, 2021. As a result of Hurricanes Laura and Delta, the Winter Storm of 2020, and the flash flood event of May 17, 2021, the Lake Charles community is experiencing significant struggles:

- 56% of Lake Charles businesses are no longer active in 2021 vs. 2019.
- There has been a 14% enrollment decline in Calcasieu Parish Public Schools, according to the School Board.
- McNeese University and SOWELA Technical Community College experienced a 9% decline in enrollment.
- 60% of public housing is still offline.
- Overdose deaths increased 45% in 2020 compared to 2019.

- United Way 211 usage increased 284% in 2020 compared to 2019.
- Parcels with unpaid property taxes increased 270% in 2020 compared to 2019.
- The City anticipates a 9% decrease in property tax revenue.
- An estimated 8% of citizens (approximately 5,000 people) remain displaced.
- The City experienced an 833% increase in blighted properties (storm-damaged structures that have yet to be addressed).

On September 30, 2021, Public Law 117-43, entitled *Extending Government Funding and Delivering Emergency Assistance Act*, provided for an additional amount of \$5 billion for a Community Development Fund that would remain available until expended, for necessary expenses for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed (MID) areas resulting from a major disaster that occurred in 2020 or 2021 pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

On March 22, 2022, HUD allocated nearly \$3 billion in CDBG-DR funds appropriated by the Disaster Relief Supplemental Appropriations Act of 2022 for major disasters occurring in 2020 and 2021, including FEMA DR-4606-LA, the May 2021 Floods. This Allocation Announcement Notice identified grant requirements for these funds, including requirements in HUD's CDBG-DR Consolidated Notice Appendix B, and some amendments to the Consolidated Notice that apply to CDBG-DR grants for disasters occurring in 2020 and 2021. The Consolidated Notice, as amended by this Allocation Announcement Notice, includes waivers and alternative requirements, relevant regulatory requirements, the grant award process, criteria for action plan approval, and eligible disaster recovery activities. This notice also includes a modification to the February 3, 2022 Notice (87 FR 6364) that announced CDBG-DR grants for disasters occurring in 2020. Under this modification, the City of Lake Charles received a direct allocation of \$10,776,000. The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this notice are 14.218 and 14.228.

1.3 Unmet Needs and Proposed Allocation

The CDBG-DR program is considered a “gap” funding source, and is intended to help meet recovery needs not covered by other public and private funding sources. While recovery efforts have continued without interruption since May 17, 2021, many impacts remain unaddressed due to several primary factors. These factors include the profound extent and diversity of the damages to housing, infrastructure, and the economy; the unique conditions and vulnerabilities of Lake Charles’ residents and businesses; and the limitations of available funding assistance. The unmet needs assessment provides the City with essential information, helping it to better understand the most impacted areas and populations, and guiding its development of the most effective recovery programs and priorities.

Table 1: Allocations to Address Unmet Needs. *Should other funds be made available in the future for the projects listed below, the City will revise this table via an Action Plan Amendment.*

Activity	Brief Synopsis	Proposed Use of CDBG-DR Allocation	Other Funding Sources ¹
Housing	Single-home repair, reconstruction, or elevation is being addressed by other funding sources.	\$0	\$0
Public Housing/ Affordable Housing	Construction of low-to-moderate-income (LMI) and age-restricted rental housing.	\$645,000	\$13,505,000
Infrastructure	Addressed by other funding sources.	\$0	\$0
Economic Revitalization	Development of non-profit disaster recovery center and separate workforce development center(s).	\$6,898,200	\$0
Public Services	Addressed by other funding sources.	\$0	\$0
Mitigation	Development of non-profit disaster recovery center and separate workforce development center(s).	\$1,616,400	\$1,800,000
Planning	10% of CDBG-DR grant as per the cap. combined with Administration and Project Delivery Costs equaling 15%.	\$1,077,600	\$0
Administration and Project Delivery	5% of CDBG-DR grant as per the cap.	\$538,800	\$600,000
Total		\$10,776,000	\$15,905,000

2.0 Unmet Needs Assessment

2.1 Overview

As described earlier, Lake Charles experienced four major events within nine months, including Hurricanes Laura and Delta. This Action Plan is specific to the May 2019 Floods (DR-4606), and to the greatest extent practicable, we have based data and assessments on that event. However, the proximity of those four events, and their shared widespread impact on the community, require us to make this assessment within that broader context.

¹ Other funding sources may include Low-Income Housing Tax Credit (LIHTC), CDBG, and private funding.

The City has based its estimates of unmet needs on the best available information as of October 2022, and represent the City’s initial calculation of remaining recovery gaps. This assessment is thus a living document that we will update as additional information becomes available.

The City has estimated its unmet needs by comparing the financial impacts of the qualified disaster event with the subsequent recovery funding that has been received or is anticipated. This assessment incorporates data from the following key sources:

- Federal Emergency Management Agency (FEMA) Individual and Household Assistance Program (IHP)
- FEMA Public Assistance (PA) Program
- Small Business Administration (SBA)
- National Flood Insurance Program (NFIP)
- City of Lake Charles departmental reports and studies
- United States 2020 Decennial Census
- 2019 American Community Survey (ACS)
- HUD Comprehensive Housing Affordability Strategy (CHAS) datasets
- Public and stakeholder outreach and feedback

This assessment is organized into three main categories: housing, infrastructure, and economic development. Identifying and documenting the needs across these three core areas allows the City to allocate limited resources strategically to address the most critical recovery needs, while also making proactive investments in resilience to minimize the impacts of future flood events.

The City has also taken alternative funding sources into account (see Table 2 below), although the most significant sources are statewide, competitive, require applicant initiative, or all of the above. In addition, we are likely to continue to identify other sources of funding, or additional data for existing programs may become available. Therefore, this list is intended to be illustrative, not comprehensive.

Table 2: Alternative Funding Sources. *The source for Restore 2020 figures is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Program	Agency	Purpose	Allocation
Homeowner Major Rehabilitation Program	City of Lake Charles	Forgivable loans for major home repair/rehabilitation	\$8,000,000
Statewide Buyout Program	Louisiana Office of Community Development/Louisiana Watershed Initiative	Voluntary Buyout in Disaster Risk Reduction Area	\$30,000,000

Program	Agency	Purpose	Allocation
Restore 2020	Louisiana Office of Community Development	Housing	\$867,873,287
Restore 2020	Louisiana Office of Community Development	Infrastructure	\$232,833,641
Restore 2020	Louisiana Office of Community Development	Economic Revitalization	\$120,695,232

2.2 Unmet Housing Needs

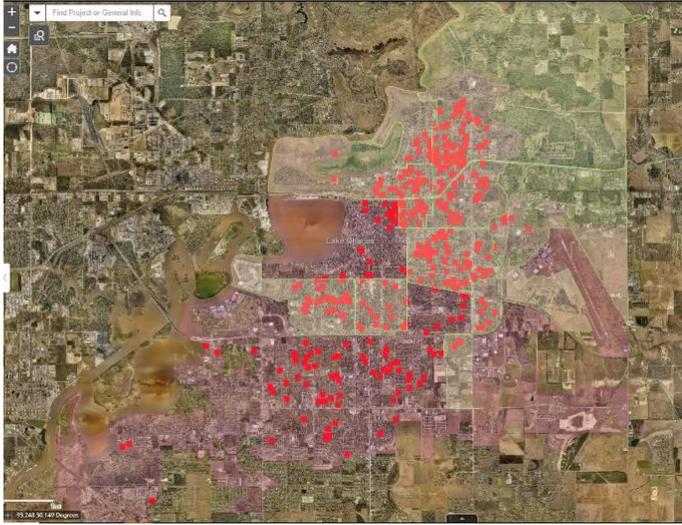
Some portions of the following data represent statewide numbers and are not specific to Lake Charles or surrounding Calcasieu Parish. We can reasonably extrapolate from the fact that the impacts were primarily on Lake Charles/Calcasieu Parish and East Baton Rouge Parish that approximately 20–25% of the aggregate dollar figures outlined in statewide sources should represent an approximation of the actual figure applicable to the City of Lake Charles.

2.2.1 Disaster Damage and Impacts

The map in the text box below illustrates the roughly 350 housing units the city has identified as damaged by the event. Over 85% of critically damaged units are in LMI areas, with greater than 20% experiencing poverty.

Housing Loss Highest in LMI Areas

- The green shade represents HUD-Qualified Census Tracts.
- The red squares represent single-family houses impacted by the storm and in review for condemnation.
- Over 85% of critically damaged houses are in LMI areas with more than 20% poverty.
- Data source: City of Lake Charles Occupational License Data (September 2021), City of Lake Charles Building Safety and Private Property Debris Removal (PDDR) Program data (October 2021).



As shown in Table 3 below, and according to *The Economic Impact of the May 17–21 Floods on the State of Louisiana*, a report commissioned by Louisiana Economic Development, Calcasieu Parish had the largest number of housing units damaged by the event. The lower damage costs

are due to lower property values in comparison to East Baton Rouge Parish. The estimates of units, however, is in line with numbers provided by the City. Available preliminary data from the City shows that almost 350 residential properties (340 single-family units and 6 multi-family units) in the City are likely to be condemned and demolished. By comparison, in a normal year, the City would condemn and demolish 20–25 residential properties. Out of these properties, 85% of the structures are in areas where the poverty rate is above the national average. The multi-family properties are all in areas with poverty rates greater than 30%.

Table 3: Residential Property Damage. *Data for this table comes from The Economic Impact of the May 17–21 Floods on the State of Louisiana.*

Parish	Residential Housing Structures	Damage (Millions)	Percent of Total Structures	Percent of Total Damage
Calcasieu	1,300	\$49.5	43%	33%
East Baton Rouge	1,250	\$73.6	41%	49%
All other Parishes	500	\$27.2	16%	18%
Total	3,050	\$150.3	100%	100%

The map in Figure 3 below also illustrates how widely flooding occurred in the community, where it had an impact not only on homeowners of various income levels, but on many large and small commercial interests as well.

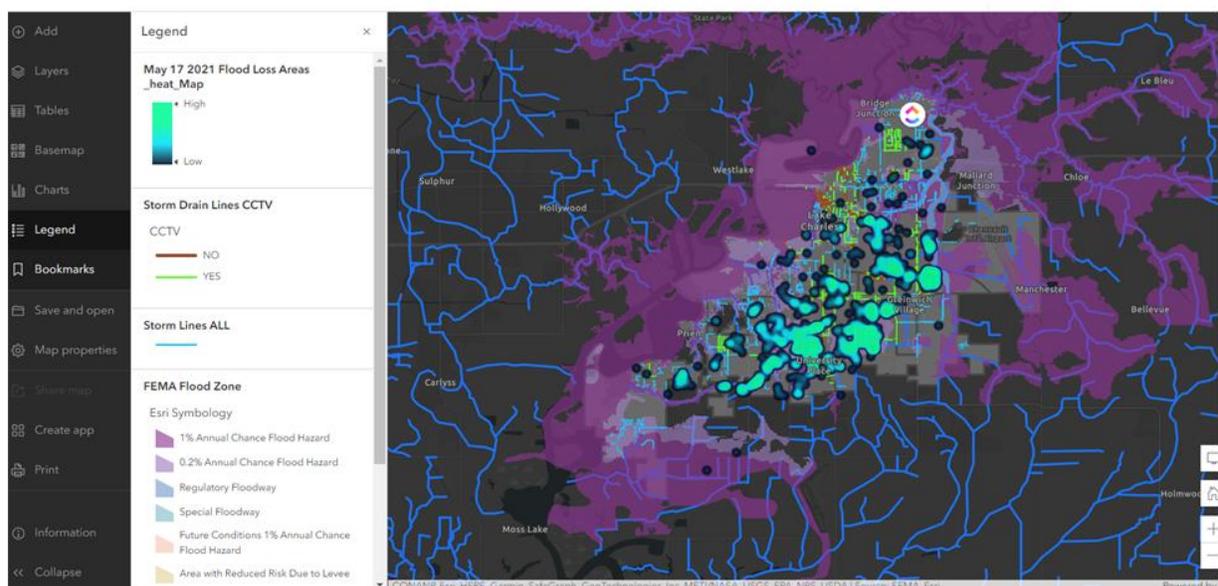


Figure 3: Flood Claims from the May 2021 Flood Event. *This GIS image is based on FEMA floodplain data and City data.*

2.2.2 Single-Family vs. Multi-Family Needs; Owner-Occupied vs. Tenant-Occupied

2.2.2.1 FEMA IA Owner-Occupied

Table 4: FEMA IA Data of Owner-Occupied Households. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Parish	# of Applicants	# of Inspections	# Inspected with Damage	# Received Assistance	Total FEMA Verified Loss	Average FEMA Verified Amount
Calcasieu	1,823	1,210	817	1,210	\$8,234,001	\$6,089

2.2.2.2 FEMA IA Tenant Applications

Table 5: FEMA IA Data of Tenant Applicants. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Parish	# of Applicants	# of Inspections	# Inspected with Damage	# Received Assistance	Total FEMA Verified Loss	Average FEMA Verified Amount
Calcasieu	1,611	760	279	760	\$1,222,076	\$1,608

2.2.2.3 FEMA Real Property Damage Owner Occupied Units

Table 6: FEMA IA Data Real Property Damage of Owner-Occupied Units. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Parish	Units with Minor-Low	Units with Minor-High	Units with Major-High	Units with Major-Low	Units with Severe
Calcasieu	219	493	28	263	2

2.2.2.4 FEMA Real Property Damage Rental Units

Table 7: FEMA IA Data Real Property Damage of Rental Units. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Parish	Units with Minor-Low	Units with Minor-High	Units with Major-Low	Units with Major-High	Units with Severe
Calcasieu	231	156	4	54	5

2.2.3 Public Housing and Affordable Housing

The Housing Authority of Lake Charles historically managed up to 833 units across multiple developments under the Public Housing Program. The Housing Authority has been actively

working to rehabilitate older developments and to convert properties to the Rental Assistance Demonstration (RAD) Program. The Housing Authority is managing 456 public housing units, 323 units under RAD, 70 moderate rehabilitation (Mod Rehab) units, and 2,108 Housing Choice Voucher units. According to HUD assisted housing data for 2019 and the Housing Authority of Lake Charles, Housing Choice Voucher (HCV) is the most widely used program, as 2,108 persons participated in the program in 2019. Public Housing helped 456 households and Mod Rehab helped 169 persons within 70 units. Black or African-American residents make up the largest proportion of residents in assisted housing. These residents comprise 89% of public housing, 93% of HCV, and 90% of Mod Rehab users. White, non-Hispanic residents represent 11% of public housing and 6% of HCV residents. Hispanic persons comprise less than 2% of assisted housing residents.

2.2.3.1 Insurance Claims and Losses in Disaster-Impacted Areas

Table 8: Insurance Claims and Losses. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Parish	# of Claims	# of Claims Resulting in Loss	Direct Incurred Losses
Calcasieu	179	77	\$2,097,735

2.2.3.2 Social Equity, Fair Housing, and Civil Rights

Based on the assessment provided in the updated *City of Lake Charles Analysis of Impediments to Fair Housing Choice* from 2013, the City found no significant negative effects from public or private policies on fair housing or the fair housing choice of protected classes and vulnerable populations in the jurisdiction, such as low-income residents. Moreover, in 2005, the City approved the Lake Charles Fair Housing Ordinance, which aims to curb the potential negative effects of public policies on housing for protected classes and low-income residents.

Since 2013, additional studies, such as the *2014 Southwest Louisiana Housing Study, Strategic Plan, and Implementation Strategy*, found that regional development efforts are needed to meet the growing demands for education, health care, and housing in Lake Charles and the region as a whole. Given population growth trends and economic development interests, the need for a variety of housing types at different affordability levels has become more crucial to the City and region. Public policy efforts should reflect these changes by adapting to the changing demographics by doing everything possible to promote density, new housing construction, and different housing types to meet the needs of current and new residents.

The City of Lake Charles fully complies with Title VI of the Civil Rights Act of 1964, Americans With Disabilities Act (ADA), and related statutes, executive orders, and regulations in all programs and activities. The City operates without regard to race, color, or national origin. Any person who believes himself or herself or any specific class of persons to be subjected to discrimination prohibited by Title VI or the ADA may file a written complaint with the City of Lake Charles by himself or herself or via a representative. The City’s Title VI Coordinator/ADA

Coordinator may be reached by phone at (337) 491-1440, via the Mayor’s Action Line at (337) 491-1346, or by contacting the appropriate Department Head.

2.2.3.3 Demographics of Disaster-Impacted Populations

Lake Charles is the principal city of Calcasieu Parish and the Lake Charles Metropolitan Statistical Area (MSA). The Lake Charles MSA consists of Calcasieu and Cameron parishes. Social and economic characteristics of the MSA are discussed in the Overview Section of this Plan. Lake Charles has a diversified population and is a HUD entitlement city.

2.2.3.4 Education Demographics

The majority of persons 25 years old or older in Lake Charles are at least high school graduates. Nearly a third of that population has a bachelor’s degree or higher.

Table 9: Education Demographics in the City of Lake Charles. *The source for this data is the U.S. Census Bureau’s American Community Survey database for 2021.*

High school graduate or higher, percent of persons age 25+ years, 2016–2020	88.5%
Bachelor’s degree or higher, percent of persons age 25+ years, 2016–2020	32.9%

2.2.3.5 Income Demographics

In 2021, more than a fifth of Lake Charles residents had incomes that qualified them as living in poverty.

Table 10: Income and Poverty in the City of Lake Charles. *The source for this data is the U.S. Census Bureau’s American Community Survey database for 2021.*

Median household income (in 2020 dollars), 2016–2020	\$44,785
Per capita income in past 12 months (in 2020 dollars), 2016–2020	\$30,683
Persons in poverty, percent	21.4%

2.2.3.6 LMI Demographics

As illustrated in Table 11, a majority of residents (60 %) maintain incomes less than or equal to 80% of the HUD Area Median Family Income (HAMFI). Renters represent 64% of that population, while homeowners represent 69% of those with incomes above 80% of HAMFI.

Table 11: Lake Charles, LA HAMFI Data. *The source for this data is HUD’s Office of Policy Development and Research (PD&R) Comprehensive Housing Affordability Strategy (CHAS) data for 2015–2019, <https://www.huduser.gov/portal/datasets/cp.html>.*

Income Distribution Overview	Owner	Renter	Total	% of Total
Household Income <= 30% HAMFI	1,510	4,050	5,560	17.0%
Household Income >30% to <=50% HAMFI	1,955	3,325	5,280	16.0%
Household Income >50% to <=80% HAMFI	2,385	3,085	5,470	17.0%
Household Income >80% to <=100% HAMFI	1,790	1,495	3,285	10.0%
Household Income >100% HAMFI	9,495	3,620	13,115	40.0%
Total	17,135	15,575	32,710	100%

HUD considers families that pay more than 30% of their income for housing to be cost-burdened, and as a result, likely to experience significant economic hardship. These individuals are likely to have amplified recovery needs due to a lack of resources to invest in improvements to increase preparedness, property protection, or recovery. As Table 12 shows, the majority of residents of Lake Charles are not cost-burdened, with nearly 67% equal to or below 30% of HAMFI. Not surprisingly, however, renters account for 72% of those who are cost-burdened or for whom the cost burden is not available.

Table 12: Lake Charles, LA HUD Housing Cost Burden Data. *The source for this data is HUD PD&R CHAS data for 2015–2019, <https://www.huduser.gov/portal/datasets/cp.html>.*

Housing Cost Burden Overview	Owner	Renter	Total	% of Total
Cost Burden <=30%	14,105	7,655	21,760	66.6%
Cost Burden >30% to <=50%	1,485	3,690	5,175	15.8%
Cost Burden >50%	1,390	3,715	5,105	15.6%
Cost Burden not available	150	510	660	2.0%
Total	17,130	15,570	32,700	100%

2.2.3.7 LMI Analysis: Federally Declared Disaster Areas

Table 13: LMI Analysis. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Parish	Non-MID-Total LMI Persons	Non-MID-Total Population	Non-MID-Percentage LMI	MID-Total LMI Persons	MID-Total Population	MID-Percentage LMI
Calcasieu	0	0	0%	285	421	66%

2.2.3.8 Mobile Housing Units Impacted by Disaster

Table 14: Mobile Housing Units Impacted. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Parish	Number of Units	% of Total Units in Parish
Calcasieu	45	0%

2.2.3.9 Limited English Proficiency Breakdown

Table 15: Population Speaking English Less Than "Very Well." *The source for this data is the 2020 Census, https://censusscope.org/us/s22/m3960/chart_language.html.*

Language Spoken at Home	Number	Percent
Spanish	755	28.44%
Other Indo-European	2,362	20.87%
Asian Language	353	52.37%
Other Language	49	21.21%

2.2.3.10 Affected Continuum-of-Care Entities

Table 16: Affected Continuum of Care Entities—January 2020 Point in Time (PIT) Count Data. *The source for this data is LA BOSCOB <https://laboscoc.org/fy19-point-in-time-count>*

Location	CoC Entity	Unsheltered Count
Lake Charles Region (Allen, Beauregard, Calcasieu, Cameron, Jefferson Davis)	Louisiana Balance of State Continuum of Care (LA BOSCOB)	283

Lake Charles is encompassed within the Continuum of Care (CoC) geography covered by the LA BOSCOB. The CoC conducts an annual Point-in-Time (PIT) Count of persons experiencing homelessness in the Lake Charles region and across the CoC's geographic coverage area. The City of Lake Charles, Calcasieu Parish, and a number of local non-profit organizations participate in the annual PIT Count. In 2018, the PIT Count identified 134 single individuals experiencing homelessness in the Lake Charles region. In 2019, the PIT Count decreased slightly from the prior year, identifying 133 single individuals experiencing homelessness. In 2020, the PIT Count increased from a total of 133 people to 172 people, with increases in both the sheltered and

unsheltered populations. Of those identified, approximately 27 are considered chronically homeless. Data from the CoC indicates that, outside of the annual PIT Count, approximately 97% of those accessing the homeless Coordinated Entry System in the Lake Charles region report that they originate from the region.

Of persons identified as experiencing homelessness in the 2019 PIT Count, 25 were youth (19%) and 14 reported veteran status (11%). No families experiencing homelessness were identified in either the 2018 or the 2019 annual count. PIT Count data for 2018 and 2019 indicates the prevalence of disabling conditions among persons experiencing homelessness in the region. In 2019, those experiencing homelessness reported a total of 64 disabling conditions, while 91 disabling conditions were reported by PIT Count respondents in 2018. The disabling conditions reported included mental health conditions, physical conditions, chronic health conditions, substance abuse, developmental disabilities, and HIV/AIDS. Detailed data on disability from the 2020 PIT Count is not yet publicly available.

Table 17 below provides an estimate of individuals experiencing sheltered and unsheltered homelessness in the Lake Charles region, as well as key information regarding household characteristics. This data is ultimately derived from the Louisiana Balance of State CoC’s 2019 PIT Count. Detailed information regarding the 2020 PIT Count is not yet publicly available.

Table 17: Homelessness in Lake Charles. *The immediate source for this data is the City of Lake Charles 2020-2-24 Consolidated Plan, July 2021.*

Population	Estimate the # of persons experiencing homelessness on a given night	
	Sheltered	Unsheltered
Persons in Households with Adult(s) and Child(ren)	7	0
Persons in Households with Only Children	0	7
Persons in Households with Only Adults	101	60
Chronically Homeless Individuals	21	6
Chronically Homeless Families	0	0
Veterans	5	14
Unaccompanied Child	10	9
Persons with HIV	0	9

2.3 Infrastructure Unmet Needs

It is estimated that in total, the flood and tornado event of May 17, 2021 cost the State of Louisiana \$1.3 billion in damages to residential, business, and public infrastructure. The following data is statewide and not specific to Lake Charles or to Calcasieu Parish. We can reasonably extrapolate from the fact that the impacts were primarily on Lake Charles/Calcasieu Parish and East Baton Rouge Parish that approximately 20–25% of the aggregate dollar figures outlined below should represent an approximation of the actual figure applicable to the City of Lake Charles.

2.3.1 FEMA Public Assistance Program Statewide

Table 18: FEMA PA Program Statewide. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

PA Category	# Damaged Sites	Sum of Approx. Cost	Sum of Federal Share	Sum of Non-Federal Share
A – Debris	476	\$475,214,862	\$443,742,610	\$31,472,252
B – Emergency Measures	952	\$1,194,431,986	\$1,089,600,457	\$104,831,529
C – Roads and Bridges	61	\$17,709,279	\$15,938,351	\$1,770,928
D – Water Control Facilities	61	\$49,855,528	\$44,869,975	\$4,985,553
E – Building and Equipment	1,188	\$688,888,779	\$619,999,902	\$68,888,877
F – Utilities	92	\$359,949,315	\$323,954,384	\$35,994,931
G – Other	200	\$35,120,530	\$31,608,477	\$3,512,053
All Categories	3,030	\$2,821,170,279	\$2,569,714,156	\$251,456,123
Total without A and B	1,602	\$1,151,523,431	\$1,036,371,089	\$115,152,342

2.3.2 Total Cost and Need by PA Category Statewide

Table 19: Total Cost and Need by PA Category Statewide. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

PA Category	Estimated PA Cost	10% Local Match	15% Resiliency	Total Need (Match + Resiliency)
A – Debris	\$475,214,862	\$31,472,252	\$71,282,229	\$102,754,481
B – Emergency Measures	\$1,194,431,986	\$104,831,529	\$179,164,798	\$283,996,327
C – Roads and Bridges	\$17,709,279	\$1,770,928	\$2,626,392	\$4,427,320
D – Water Control Facilities	\$49,855,528	\$4,985,553	\$7,478,329	\$12,463,882
E – Building and Equipment	\$688,888,779	\$68,888,877	\$103,333,317	\$172,222,194
F – Utilities	\$359,949,315	\$35,994,931	\$53,992,397	\$89,987,329
G – Other	\$35,120,530	\$3,512,053	\$5,268,079	\$8,780,132
Total	\$2,821,170,279	\$251,456,123	\$423,175,542	\$674,631,665

2.4 Economic Revitalization Unmet Need

As described above, it is estimated that in total, the flood and tornado event of May 17, 2021 cost the State of Louisiana \$1.3 billion in damages to residential, business, and public infrastructure. The following data is statewide and not specific to Lake Charles or to Calcasieu Parish. However, we can reasonably extrapolate from the fact that the impacts were primarily on Lake Charles/Calcasieu Parish and East Baton Rouge Parish that approximately 20–25% of the aggregate dollar figures outlined below should represent an approximation of the actual figure applicable to the City of Lake Charles. The summary of impact and unmet needs are presented in Table 20 below.

Table 20: Impact and Unmet Needs Statewide. *The source for this data is the State of Louisiana Substantial Action Plan Amendment No. 1 for the 2020 and 2021 federal declarations.*

Type of Loss	Total
Business Structures	\$6,867,000,000
Business Equipment	\$2,184,200,000
Business Interruption ²	\$2,576,400,000
Agriculture/Timber	\$584,424,392
Business Loans/Economic Injury Disaster Loans (EIDL)	(\$105,797,850)
Paid/Reserves of Reported Claims	(\$5,131,748,513)
Total Unmet Needs	\$6,974,478,029

2.4.1 Disaster Damage and Impacts

Lake Charles has a history of strong economic resilience going back many decades; this series of major disasters is the largest challenge this community has ever faced. The local and federal data on the economic impact is compelling:

- **Lake Charles MSA was the only MSA in the state not to grow in 2021.** In fact, employment in the MSA in June 2021 was actually lower (-7%) than in April 2020, when the COVID lockdowns first hit.³
- **Lake Charles lost a staggering number of businesses;** 56% of the businesses in existence in 2019 did not renew their occupational license.⁴
- Laura is the largest event of 2020 disasters, accounting for 32% of the total verified businesses losses (TVL) according to Small Business Administration (SBA) data. According to the same data, **Lake Charles is the most-impacted community, with nearly**

² Includes labor productivity and value-added losses.

³ Louisiana Economic Forecast, State and MSAs: 2022 and 2023. Dr. Loren Scott, October 2021. p74.

⁴ City of Lake Charles, Occupational License Data, (September 2021).

double the amount of TVL compared to the second city, Nashville, and larger than the losses for the rest of Louisiana added together.⁵

- Lake Charles shows significant evidence of **workforce displacement**: 60% of public housing is still offline; Calcasieu Parish School Board reports a 14% decline in public school enrollment; McNeese/SOWELA experienced a 9% decline in enrollment; and an estimated 8% of residents remain displaced.
- Forecasted **Loss of operational revenues** include a 270% increase in parcels of unpaid property taxes in 2020 compared to 2019, and an anticipated 9% decrease in property tax revenue.
- **An 833% increase in blighted properties (commercial and residential)** has increased the cost of condemnations and demolitions, caused a corresponding decrease in housing stock, and represents a loss of future property tax income for the City.

2.5 Mitigation Only Activities

The City will use mitigation funds to underwrite the costs of resilient construction standards applied to all structures funded through its CDBG-DR programs. This will prevent physical damage from future storm events, thereby mitigating the impact of these storms.

3.0 General Requirements

3.1 Citizen Participation

Feedback from our community stakeholders and citizens is critical to program design and planning. The City of Lake Charles Community Development Division gives its citizens the opportunity to participate in the planning and development of this Action Plan. The City approaches citizen participation on both community-wide and neighborhood levels, and conducts all aspects of citizen participation in an open manner, with freedom of access for all interested persons. The City employs various media and communication resources, including social media, news media, and placement of notices at public facilities, to inform citizens about the opportunity to participate in the planning process regarding allocation of these federal dollars.

3.1.1 Outreach and Engagement

To develop this disaster recovery Action Plan, the City of Lake Charles is consulting with disaster-affected citizens, stakeholders, and other affected parties to ensure the consistency of disaster impacts identified in the plan, and to ensure that the plan and the planning process alike are comprehensive and inclusive.

⁵ SBA's FFY 20 Business Disaster Loan database, <https://www.sba.gov/document/report-sba-disaster-loan-data>

The primary methods for providing notice of opportunities to participate in planning and reporting processes will be the local newspaper and the City's website. The City's website will serve as a consistent source of information related to community development that the public can access at any time. The website is located at www.cityoflakecharles.com.

The City will provide a schedule of the planning process, including key dates such as public hearings, publication of the proposed plan, and comment periods, to targeted groups such as local non-profits, the City of Lake Charles Citizen Advisory Committee, and other interested parties via e-mail correspondence and City website postings.

3.1.2 Public Hearings

As part of the initial Action Plan development process, the City of Lake Charles is holding two public hearings on November 15th, 2022. These public hearings are being held in two locations: one at City Hall, and the other at another accessible public facility to ensure accessibility for persons with physical disabilities. The earlier meeting will take place at the Allen P. August Multipurpose Center located at 2000 Moeling Street in Lake Charles. The later meeting will be held at the City Hall Council Chambers located at 326 Pujos Street. To accommodate as many people as possible, the City has scheduled the meetings at 2:00 p.m. and 6:00 p.m. respectively.

The City will attempt to accommodate translation for non-English-speaking residents and persons with disabilities if a request is made at least five days in advance. If the City cannot accommodate a request, the City will provide alternative opportunities for non-English-speaking persons and persons with disabilities to participate.

The City will hold a public comment period for 30 calendar days in which the public can provide written comments on the contents of the Action Plan. The City will include written comments received during the formal comment period and comments provided orally at public hearings in a summarized response incorporated into the documents submitted to HUD. Comments may be e-mailed to CommunityDevelopment@cityoflc.us or may be mailed to: Community Development Department, 326 Pujos Street, 5th Floor, Lake Charles, LA 70601.

3.1.3 Complaints

Any complaint regarding the City's planning efforts must be provided in writing and addressed to the Community Development Director. The City will evaluate the merit of each complaint and will make every effort to understand the reasons for the complaints and resolve them as soon as possible. The City will respond in writing to all written complaints within 15 business days of the receipt of the complaint. Complaints may be e-mailed to CommunityDevelopment@cityoflc.us or mailed to Community Development Department, 326 Pujos Street, 5th Floor, Lake Charles, LA 70601.

3.2 Public Website

To ensure public access to all records, the City will make the disaster recovery Action Plan available for review on the City's website at www.cityoflakecharles.com and at the Community Development Department, located at 326 Pujoe Street, 5th Floor, during normal business hours, 8:00 a.m. to 4:30 p.m. Please allow three business days to print the report after requesting a copy.

3.3 Amendments

From time to time, the City will need to amend the information in one of its plans. Depending on the nature of the change, the amendment will be a substantial amendment or a non-substantial (minor) amendment. Substantial amendments will trigger the additional public participation processes outlined below.

3.3.1 Substantial Amendment

The City will consider the following changes to constitute a substantial amendment to a disaster recovery Action Plan:

- Changes to priorities in how funds are allocated.
- Use of federal funds to undertake a project not previously described in the Action Plan.
- Changes in the use of CDBG funds from one eligible project to another if such changes exceed 25% of the total CDBG annual allocation.

Substantial amendments will trigger an additional public participation process, described below.

1. The City will post a draft of the proposed substantial amendment to its website.
2. The City will make reasonable efforts to conduct outreach via the local newspaper and City website, and through the representatives on the Citizen Advisory Committee.
3. The City will hold a 15-calendar-day public comment period to receive written comments on the content of the substantial amendment. The City will include any comment received during the public comment period in a summarized response incorporated into the Action Plan submitted to HUD.
4. Upon completion of the public participation process, the City will submit the amendment to HUD via the DRGR system.
5. After submission to HUD, the city will post the final adopted plan on the City's website.

3.3.2 Non-Substantial Amendment

If an amendment does not meet the definition of a substantial amendment, it is considered a minor amendment and will be included in the revised Action Plan. Interested parties wishing to comment on minor amendments may do so during the review of the plan.

3.4 Displacement of Persons and Other Entities

The projects proposed in this Action Plan will have minimal displacement effects on residents and businesses located within the City. While farms and related agricultural undertakings are required to be considered holistically in a CDBG-DR Action Plan, in this instance, there are no farms located within the identified MID area.

The proposed development of the non-profit center and separate workforce development center will not cause any displacement. While site control is in flux at present, the City will only identify and consider sites that have been vacant for over two years or are considered blighted. Acquisition will more than likely occur, but the final identified site will not require relocation of businesses or individuals, and therefore will not trigger the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act (URA).

The proposed new construction of the age- and income-restricted Capstone at the Oaks elderly rental housing site will also not trigger the URA. The nine-acre site contains a non-historic church structure and a large, mostly undeveloped parcel that was devastated during the past three presidentially-declared disasters to impact the City of Lake Charles, and is deemed blighted and unsafe; nor has it been used for the past two years due to sustained damage. No housing units or business will be impacted by this proposed development.

3.5 Protection of People and Property

3.5.1 Elevation Standards

Elevation is required for all CDBG-DR assisted rehabilitation and reconstruction housing programs. The City is not considering or proposing any rehabilitation or reconstruction of housing units other than the Capstone at the Oaks project, which is located outside of a regulatory floodway and the one-hundred-year floodplain as identified by FEMA panel 22019C0485F, effective 02/18/2011.

3.5.2 Flood Insurance Requirements

The Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) requires that projects receiving federal assistance and located in an area identified by FEMA as being within a Special Flood Hazard Area (SFHA) must be covered by flood insurance under the National Flood Insurance Program (NFIP). In order to be able to purchase flood insurance, the community must be participating in the NFIP. Lake Charles does participate in the NFIP, with its Federal Information

Processing Standards (FIPS) code being 22-41155. There are four statutory exceptions to this requirement:

1. Formula grants made to states
2. Self-insured, state-owned property within states approved by the Federal Insurance Administrator, consistent with 44 CFR 75.11
3. Small loans (\$5,000 or less)
4. Assisted leasing that is not used for repairs, improvements, or acquisition

In addition, HUD does not require flood insurance for a federal project consisting of minor repairs if all aggregated repairs cost less than the NFIP's maximum deductible of \$10,000.

The environmental review record for each proposed project in this Action Plan will include at least one of the following:

- Documentation supporting the determination that the project does not require flood insurance or is exempted from flood insurance
- A FEMA Flood Insurance Rate Map (FIRM) showing that the project is not located in a Special Flood Hazard Area
- A FEMA Flood Insurance Rate Map (FIRM) showing that the project is located in a Special Flood Hazard Area, along with a copy of the flood insurance policy declaration or a paid receipt for the current annual flood insurance premium and a copy of the application for flood insurance in the review

The proposed site of Capstone at the Oaks is the current Throne of Grace Church ministry located at 2401 6th St., Lake Charles, LA 70601, which is not located within a FEMA-designated SFHA or regulatory floodway. Preferred sites considered for the development of the non-profit disaster recovery center and separate workforce development center will be outside of SFHAs and regulatory floodways.

3.5.3 Construction Standards

All projects with construction components funded through CDBG-DR funds will use high-quality materials and will meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. The projects will adhere to International Residential Code (IRC) 2012 as required and where appropriate. All CDBG-assisted housing must meet all applicable State and local housing quality standards and code requirements, and if there are no such standards or code requirements, the housing must meet the housing quality standards outlined in 24 CFR §982.401. The City must correct all deficiencies identified in the final inspection before HUD releases the final retainage.

Applications for residential construction undertakings will be required to meet the Section 8 Housing Quality Standards detailed under local Construction Standards, as well as the Fair

Housing Accessibility Standards and Section 504 of the Rehabilitation Act of 1973. These developments must also meet all local building codes or standards that apply. In addition, substantial rehabilitation and the construction of new housing or replacement housing will follow Green Building Standards as defined by HUD.

The City of Lake Charles will promote the use of green infrastructure policies, as identified on the EPA's website (www.epa.gov/greenbuilding), for any infrastructure project undertaken using CDBG-DR funds.

3.5.4 Contractor Standards

The City of Lake Charles will maintain a contract registry of vendors, contractors, and subcontractors by date of procurement, type of procurement (e.g., micro-purchases, small purchases, requests for proposal, and sole-source and competitive bids), funding source, amount of the contract, and scope of work. The City will obtain an independent cost estimate for every procurement action prior to commencing procurement, and will post procurement opportunities pursuant to 2 CFR 200.318 - 200.326 and applicable Federal Register notices on its website. The City will select all bids, including cost reasonableness, and winning bidders according to federal and state statutes.

The City will actively reach out to small, minority-owned, woman-owned, veteran-owned, and Section 3 businesses, following its good faith efforts as extensively as possible to ensure their participation. The City will document compliance with its Section 3 policy on hiring local and LMI businesses. The City's procurement policies and procedures outline standards of conduct for employees engaged in the award or administration of contracts to prevent conflict of interest, and all employees involved in the administration and functioning of the CDBG-DR program are aware of them in order to comply with conflict of interest rules. The City will ensure that it makes no awards to a debarred contractor by checking the list of debarred contractors located at <https://www.sam.gov>. The City will make awards to the winning bidder following its procurement policy. Every award letter will include the 13 elements specified in 2 CFR §200.331.

If it makes subrecipient awards, the City will conduct due diligence on the following elements prior to making awards: financial stability; management systems in place to ensure compliance with federal and State requirements; history of prior performance; prior audit findings and resolution; and ability to effectively implement statutory, regulatory, and other grant requirements. The City will prepare contracts with contractors and agreements with subrecipients and other government agencies, and will include a penalty clause for non-compliance pursuant to 2 CFR §200.338 in all contracts and subrecipient agreements. The City will negotiate contract terms and ensure that all contracts include provisions required under CDBG-DR, including performance requirements and period of performance or date of completion. All contracts must adhere to the cost principles outlined in 2 CFR §200.402-200.410.

The City will assign a contract monitor to each contract to monitor scope and performance, and post all contracts using CDBG-DR funds, and a summary of all contracts including those procured by the City or its subrecipients, on its CDBG-DR Program comprehensive website. The City will also post the status of all services and goods that it is currently procuring to its CDBG-DR website.

The City's contract monitors will ensure that all construction contracts require bonding and insurance on work involving large construction contracts. The monitors will also ensure compliance with Davis-Bacon and Related Acts (DBRA). They will vet and review all future contract amendments to confirm that they are reasonable, necessary, and appropriate.

3.5.5 Preparedness, Mitigation and Resiliency

The City of Lake Charles is committed to both addressing immediate recovery needs and planning for improvements to resilience that will provide long-term recovery benefits and mitigate the impacts of future storms. The recovery programs outlined in this Action Plan contribute significantly to the City's overarching strategy for long-term recovery and resilience.

The non-profit disaster response center as proposed would provide a synergistic and collaborative space for Citywide non-profits to plan and prepare for present and future urgent needs, thereby facilitating more efficient disaster response and recovery.

In addition, the City anticipates funding at least one, if not multiple, workforce development projects that will focus on developing LMI individuals' skillsets to meet the local economy's needs give this disadvantaged population paths toward economic success. Like any other jurisdiction across the U.S., Lake Charles must be nimble to address its changing workforce needs and local landscape. The better trained and prepared a workforce is, the less impact a disaster has over the long-term recovery period. For this reason, a disaster triage center would allow the City to prepare for and address future disasters by being able to rapidly screen each household's specific needs for temporary housing, medical care, and other resources. These screenings will allow the City and its partners to refer the impacted households to suitable and appropriate shelters or temporary housing, which will mitigate the disruption posed by future storm events.

Any rehabilitation work or construction required for the non-profit center, the workforce development projects, or the elder LMI-restricted housing at Capstone at the Oaks will incorporate resilient construction standards to help them withstand physical damage from future storms, thereby mitigating the impact of these storms.

3.5.6 Broadband Infrastructure in Housing

The City's proposed elder LMI housing site, Capstone at the Oaks, is subject to and will comply with HUD's broadband infrastructure requirements for housing. The future solicitation to select an architecture and engineering firm will include this requirement in the design of the structures. CDBG-DR affordable housing being developed, rehabilitated, and reconstructed

outside of the CDBG-DR allocation specific to this Action Plan are subject to the same conditions, but are not cited in this Action Plan.

3.5.7 Cost-Effectiveness

The process for identifying duplication of benefits (DOB) includes verifying necessary and reasonable costs. This helps to ensure that funds are used efficiently and effectively. The determination of necessary and reasonable costs will apply to any project or program receiving funding, and to administrative and planning funds as well. The City will use the cost principles described in 2 CFR Part 225 (OMB Circular A-87) to determine cost necessity and reasonableness. According to 2 CFR part 225, “A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made.” To ensure responsible use of public funds, the City of Lake Charles will follow these principles and fund only project costs that are deemed necessary and reasonable through an independent cost estimate (ICE) at the time of project application submission and through a cost-reasonableness determination and memorandum at the time of 100% design of structures.

3.5.8 Duplication of Benefits

Federal law prohibits any person, business concern, or other entity from receiving federal funds for any part of a loss for which they have already received financial assistance under any other program, private insurance, charitable assistance, or other source. Such duplicative funding is called duplication of benefits (DOB). This prohibition, laid out in the Stafford Act, as amended, adds a significant layer of regulation not included in the City’s entitlement CDBG program. The City will comply with this new regulation for its CDBG-DR grant.

Pursuant to the Stafford Act, the City will establish and follow policies and procedures to safeguard against DOB within its program guidelines for each eligible activity. Because prevention of DOB is especially critical in the context of housing programs, the City has established a framework for identifying potentially duplicative sources of funds and reducing documented duplications from potential project awards prior to the award actually being made. The currently proposed economic development project does not have the potential for duplication of benefits. The elder affordable housing site will undergo a stringent verification of benefits process to ensure that no federal, insurance, publicly subsidized, state, local, or other sources of funding were provided to the project that would create a duplication of benefits.

During the application period and eligibility determination, a case manager will document the sources of funds received or approved from private insurance, SBA, FEMA, and volunteer organizations (including in-kind assistance) used for the same purpose for which the CDBG-DR award is intended. Once sources have been identified, and after determining an applicant’s remaining unmet recovery need, the City will deduct any funds previously received for the same recovery need, except where those funds were spent on activities allowable per Stafford Act and HUD guidance (sometimes referred to as allowable activities). Allowable activities will not result in a reduction of the final award. Additionally, per the Federal Register Notice and

longstanding HUD guidance, forced mortgage payoffs will not be considered duplicative, as those funds were never available to the applicant.

The City understands that applicant benefits from FEMA, SBA, and insurance can be a moving target due to additional funds being received much later than initial payouts, or due to appeals and litigation. Furthermore, not all funding sources may be known at the time of application. Therefore, the City of Lake Charles will continuously monitor program applicants and perform its due diligence to verify any benefits that may have been acquired from FEMA, SBA, private insurers, charitable contributions, and any other available financial assistance after the date of application. Late or additional benefits from other sources can also result in a change to the final award amount for which an applicant is ultimately eligible. Applicant awards may have to be adjusted as new funding sources are identified to prevent DOB and minimize recapture.

The City has already secured FEMA and SBA data that it will use as a part of its DOB analysis, and is working to put agreements in place in order to obtain updated data feeds. Furthermore, the City has already established relationships with volunteer organizations that have provided assistance to disaster-affected citizens. The City will work to leverage these relationships and applicant release forms to obtain additional DOB data from philanthropic sources.

As a part of its grant management process, the City will require applicants to execute an Application for Assistance that will include an income certification, insurance certification and release, philanthropic release of information, and a subrogation agreement, all of which will become part of each applicant's record. These documents will hold each applicant accountable for the accuracy of the information provided, and will also give the City recourse if it is determined at a later time that applicants received other financial assistance not identified at the time of application.

3.5.9 Grantee Proposed Use of Funds

The City of Lake Charles' initial analysis indicated unmet need in all three core recovery categories of housing, infrastructure, and economic development. Through this analysis, the City determined that the largest recovery need is for economic development and affordable housing. To reflect these findings, this initial Action Plan allocates the largest portion of funding to improve the non-profit social safety net, increase workforce development, improve future disaster response for survivors, and provide additional affordable housing for the specifically vulnerable elderly LMI population. Fortunately, other State- and federally-funded programs are also currently addressing these components of the storm recovery.

While the largest unmet needs identified were for housing and infrastructure programs, the City recognizes the importance of holistic recovery, and has also allocated CDBG-DR funding to address the identified needs for future disaster preparedness, workforce training, and enhancing the non-profit safety network. Lake Charles believes that focusing recovery efforts too strongly in a single area would ignore the interconnected nature of the community. For example, failing to address workforce and storm preparedness and response needs can lead to

even higher economic damages during future storms. Likewise, failing to address post-disaster economic recovery needs can have significant lasting impacts on residents' ability to find employment, buy and maintain safe homes, and pay for essential goods and services. In addition, an impaired economy can lead to substantial tax losses and hinder provision of necessary public services.

The City of Lake Charles has also allocated funding for program administration and resiliency planning. Program administration will fund the necessary costs of setting up and managing the CDBG-DR recovery programs, including application intake, compliance monitoring, performance tracking, management of the Disaster Recovery Grant Reporting (DRGR) system, quarterly reports, and general administration. Funding allocated for resiliency planning will be available to fund studies, analyses, and additional planning efforts that either support the design and implementation of CDBG-DR programs or establish additional recovery and resilience strategies, plans, and initiatives. Resilience planning activities may also include reimbursement for otherwise allowable costs of recovery plans and studies that were incurred on or after the incident date of the covered disaster.

4.0 Overview

The City of Lake Charles Department of Community Development is the lead agency and responsible entity for administering the Disaster Relief Supplemental Appropriations Act, 2022 (PL 117-43) CDBG-DR funds allocated for disaster recovery. Based on the unmet needs assessment and input from impacted communities throughout Lake Charles, the City has prioritized programs that will help it to meet the short- and long-term recovery needs of its residents and communities and to increase resilience against climate impacts. The City's initial analysis indicates unmet need in three core recovery categories: housing, infrastructure, and economic revitalization.

The largest recovery need is for housing assistance, followed by infrastructure and economic revitalization. To reflect these findings, the City intends to use CDBG-DR funding to support recovery programs that will complement one another. Furthermore, by implementing resilience measures across all programs, the City aims to facilitate recovery that results in improvements for a wide portion of Lake Charles' population, leading to greater housing, infrastructure, and economic features that can better withstand the impacts of future disaster.

The City has allocated the largest portion of funding to support the economic development sector, as other State and federal funds are not currently dedicated proportionally to serve this unmet need and are instead concentrated on housing and infrastructure projects. The economic revitalization proposed project included herein aims to support the City's long-term recovery in the following way:

- Provide assistance to small businesses that provide income-producing jobs to LMI residents of the disaster-impacted communities. Training and preparing a workforce

with skillsets and knowledge will fuel the local economy and provide career paths while also enabling building of household wealth. This will move households out of financial insecurity and help them become more resilient to future natural and economic catastrophes.

The residual portion of funding has been allocated to assist in the development of affordable housing. The May 17, 2021 flood and tornado event caused significant levels of damage to owner-occupied and rental housing within the City. Based on the City's review of the most recent data obtained from FEMA and SBA, the substantial unmet need for safe, decent, and affordable housing is a top City priority, which is why the City has prioritized funding for housing, specifically for low-to-moderate income limited clientele (LMC)—in this case, elderly individuals who are at greater risk in future storm-related and economic catastrophes. The City has allocated a proportion not equivalent to the unmet needs described above. The approximately 6% of programmatic funding will allow for leveraging other funds by a 24:1 ratio. The proposed housing project included herein aims to support the City's long-term recovery in the following way:

- Provide affordable income- and age-restricted sanitary, decent, and affordable housing to LMI households that is designed and constructed with catastrophe-resilient standards and that includes broadband accessibility.

All of the affordable housing and economic development construction programs will include mitigation efforts and some specific mitigation-only activities to ensure compliance with the minimum 15% mitigation funding.

4.1 Program Budget

Table 21: Program Budget. *The City of Lake Charles has proposed this budget to address the community's needs for this allocation.*

Program	Budget	HUD-Identified MID Budget	Percentage of Allocation	National Objective	Proposed Outcome
Housing	\$645,000	\$645,000	5.9%	LMI (LMC and Housing)	Acquisition, design, and new construction of 120 committed affordable 1- and 2-bedroom units in an elder multi-family housing complex by a community-based development organization (CBDO)
Economic Revitalization	\$8,514,600	\$8,514,600	79.1%	LMI (LMC and LMA); Slum/Blight (Spot Basis)	Rehabilitation of separate facilities owned/operated by non-profits for use as a non-profit disaster response center and workforce development center(s)
Planning	\$1,077,600	\$1,077,600	10%	N/A	
Administration and Project Delivery	\$538,800	\$538,800	5%	N/A	
Total	\$10,776,000	\$10,776,000	100.00 %		

4.2 Connection to Unmet Needs

Based on the unmet needs assessment and input from impacted communities throughout the City of Lake Charles, the City has prioritized programs that will help to meet the short- and long-term recovery needs of its residents and communities, in addition to increasing the City's resilience against climate impacts. The Disaster Relief Supplemental Appropriations Act requires that all CDBG-DR-funded activities address an impact of the disaster for which funding was appropriated. The CDBG-DR provisions require that each activity must meet all of the three following criteria:

1. Be CDBG eligible (or receive a waiver).
2. Meet a national objective as defined by 24 Code of Federal Regulations (CFR) 570.483.
3. Address a direct or indirect disaster impact in presidentially-declared impacted parishes.

The City can address a disaster impact through a number of eligible CDBG activities listed in Section 105(a) of the Housing and Community Development Act (HDCA) of 1974, as amended.

The recovery activities described herein will make full use of the three national objectives under 24 CFR 570.483, which include benefitting LMI persons, preventing or eliminating slums or blight, and meeting urgent needs to implement a robust and comprehensive recovery for the residents of Lake Charles.

4.3 Leveraging Funds

The City of Lake Charles fully understands the need to maximize the recovery value of limited resources. As illustrated by the substantial unmet needs identified in this Action Plan, the costs to fully recover and become more resilient during future storms far outweigh the available funding. Therefore, the City of Lake Charles has made it a priority to leverage multiple sources of funding wherever possible, to support the greatest potential recovery and to provide the greatest resilience benefits. The City will prioritize projects in which other federal, state, and local funding sources can be leveraged to allow CDBG-DR funding to pay only a portion of project costs. This strategy will allow the City to use limited CDBG-DR funding to support the maximum number of programs and projects. As part of this Action Plan, the City of Lake Charles is initially prioritizing the use of CDBG-DR funding as local match for two projects—one with pending State, federal, and housing tax credit financing in excess of \$14 million, which represents close to eight dollars leveraged for each dollar of the proposed CDBG-DR match as described in this Action Plan.

In addition, since the first recovery efforts began, the City has pursued and used numerous resources to advance critically important recovery projects. These resources have contributed to significant recovery achievements, and have allowed for these CDBG-DR funds to be used to assist with needs that are not supported by other available sources.

4.4 Program Partners

For the non-profit disaster response center, the City will partner with a non-profit agency to rehabilitate and make improvements to an existing facility. The partner non-profit will own and operate the facility. The City will work with non-profit organizations such as Volunteers of America, the American Red Cross, Salvation Army, and local municipal emergency preparedness and response agencies via the disaster response triage center to maintain and improve their immediate response capabilities and their abilities to serve in a future disaster. The City also plans to work extensively with local higher education institutions, the public school system, local chambers of commerce, and any organizations with vested interest in community workforce development to improve and develop workforce training projects.

4.5 Distribution of Funds

The City of Lake Charles will implement all programs at this time, unless noted otherwise in the respective program descriptions. The State may allocate additional funds to parishes or other subrecipients through future Substantial Action Plan Amendments based on its continued

assessment of unmet needs, mitigation needs, and available funding. The programs established in this Action Plan are not entitlement programs and are subject to available funding.

4.6 Program Income

The City will re-allocate any program income resulting from programs or projects derived from CDBG-DR funds to the purposes stated in this Action Plan. By doing so, the City will ensure that program income will support the continuing recovery process of the City of Lake Charles and allow it to accomplish the maximum benefits from its CDBG-DR funds. We do not expect that the non-profit and workforce development centers will generate any program income. The Capstone at the Oaks elder income-restricted affordable housing site will generate minor program income after deducting operations and maintenance, loan/debt servicing, investor dividends, and reserve replacement fund capitalization. Any residual receipts based on the fact that CDBG-DR will account for only 3.6% of the total construction and acquisition budget will be booked as program income and used by the City of Lake Charles for future affordable housing development and accounted for in its annual budget for entitlement CDBG.

4.7 Resale or Recapture

Resale requirements will ensure that for the duration of the affordability period, the CDBG-DR-assisted housing units can only be purchased by an entity that will ensure that the original or a new extended affordability clause is complied with, and that will not violate the original restrictive affordability uses and period. Recapture provisions will ensure that the City of Lake Charles recoups all or a portion of the CDBG-DR assistance to the project during the period of affordability. The recapture requirement would be triggered by a sale (voluntary or involuntary) of the assisted project. The amount recaptured cannot exceed the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than CDBG-DR funds). The City of Lake Charles has various options to consider in determining the amount recaptured, which can be accessed at 24 CFR Part 92.254 for more detail. The City's agreement with the non-profit housing agency that will own the Capstone at the Oaks property must stipulate the City's recapture approach.

4.7.1 Program Details

Of the estimated \$18 million budget for the Capstone at the Oaks affordable elder housing, the City anticipates that \$645,000 will be composed of CDBG-DR funds as outlined in this Action Plan. Although it may vary depending on other funding brought to bear on this project, the property will have at a minimum a restrictive affordability period of no less than 20 years, during which time only 100% eligible LMI households will benefit. Should any provisions promulgated in the future affordability agreement be violated, or the property be sold and not used as an income-restricted rental property for the remainder of the affordability period by the new owner/operator, HUD will recapture its funding on a pro-rated basis.

The non-profit disaster recovery center will be eligible for its primary use only to residents and non-profits of Lake Charles. As Lake Charles has over 51% LMI persons, the site will benefit the residents of Lake Charles by presumption of benefitting the low-to-moderate-income area (LMA). Similarly, local partners will own and operate the workforce training center(s) and will provide services only to low-income residents of Lake Charles.

5.0 Appendix

5.1 Certifications

To be inserted by the City at time of submission of draft Action Plan on 12/28/2022.

5.2 Waivers (If Applicable)

None requested at present.

5.3 Summary and Response of Public Comments

Insert after public comment period expires and City of Lake Charles provides written responses.

5.4 Data Sources/Methodologies

Under development

5.5 Important Definitions and Terms

ADA: Americans With Disabilities Act

AMI: Area Median Income

BOSCO: (Louisiana) Balance of State Continuum of Care

CBDO: Community-Based Development Organization

CDBG: Community Development Block Grant

CDBG-DR: Community Development Block Grant–Disaster Recovery

CFR: Code of Federal Regulations

CO: Certifying Officer

CP: Citizen Participation

DBRA: Davis-Bacon and Related Acts

DOB: Duplication of Benefits

DRGR: Disaster Recovery and Grant Reporting (System)

EIDL: Economic Injury Disaster Loan
FEMA: Federal Emergency Management Agency
FIPS: Federal Information Processing Standards
FIRM: Flood Insurance Rate Maps
GOHSEP: Governor’s Office of Homeland Security and Emergency Preparedness
HAMFI: HUD Area Median Family Income
HCD Act: Housing and Community Development Act of 1974, as amended
HCV: Housing Choice Voucher
HMGP: (FEMA) Hazard Mitigation Grant Program
HUD: U.S. Department of Housing and Urban Development
IA: (FEMA) Individual Assistance
LIHTC: Low-Income Housing Tax Credits
LMC: Low-to-moderate income limited clientele
LMA: Low-to-moderate (income) area
LMI: Low-to-moderate-income
MID: Most impacted and distressed
MPH: Miles per hour
NFIP: National Flood Insurance Program
PA: (FEMA) Public Assistance
PDDR: Private Property Debris Removal
QPR: Quarterly Performance Reports
RAD: Rental Assistance Demonstration
RE: Responsible Entity
RFP: Request for Proposals
SBA: U.S. Small Business Administration
SFHA: Special Flood Hazard Area
TVL: Total verified losses
UGLG: Unit of general local government
URA: Uniform Relocation Act

5.6 Standard Form 424

Completed and inserted by the City on 12/28/2022 for submission to HUD.