Subsidy Award Process

All pre-applications received are evaluated on the Disadvantaged Community criteria as stated in the Annual IUP. The disadvantaged community information is tracked in the Loan and Grants Tracking System (LGTS).

During the annual award period, the minimum subsidy requirement (i.e. typically 10% of the CAP grant amount) is determined. The priority list of uncommitted projects (i.e. future funding list) is assessed for receiving the determined allocation amount for that funding cycle. Those projects considered for funding which meet all three criteria are given priority for subsidy, followed by those projects only meeting two of the three criteria, etc. The preliminary subsidy earmarked for award is considered by a percentage of the loan amount not to exceed $500,000.

Preliminary Subsidy to Award

Maximum Preliminary Subsidy Amount = $500,000

If meeting all three disadvantaged criteria = 75% - 100%

If meeting two of three disadvantaged criteria = 50% - 75%

If meeting only one of the three disadvantaged criteria = 25% - 50%

Note that the preliminary subsidy amount may change depending on the total number of qualified subsidy projects. The Louisiana CWSRF will award at least the minimum required subsidy as per the CAP grant.

The final subsidy amount awarded to a project is determined after reviewing the applicant’s financial ability to repay a loan. The final awarded subsidy amount may differ from the preliminary amount.

NOTICE: A rate study may be requested or a rate increase may be required as a condition for receiving subsidy.