



LOCAL CAPITAL IMPROVEMENT PROGRAM (LoCIP) GRANT BEST PRACTICES

Pursuant to [Section 7-536](#) of the Connecticut General Statutes, the Local Capital Improvement Project (LoCIP) program provides direct grants to municipalities and boroughs for the fiscal years ending June 30, 2024, and forward. Grants will be processed through an annual certification process. Funds will be disbursed by June 30th and an annual expense report will be due from the municipality or borough by September 1st.

Best practices have been prepared to assist municipalities in administering state aid grants under the Local Capital Improvement Program (LoCIP). Additional information can be found on the [LoCIP website](#).

LoCIP provides financial assistance to municipalities for eligible capital projects funded with State general obligation bonds. Annual grants are announced on March 1st of each year.

LoCIP REQUIREMENTS INCLUDE:

- Funds will be used in compliance with [Conn. Gen. Stat. § 7-536\(a\)\(4\), \(k\), or \(l\)](#) and are an allowable project for LoCIP purposes.
- All LoCIP-funded projects are subject to all federal, state, and local laws, ordinances, regulations, and municipal charter or bylaws. LoCIP funded projects may be subject to the following: Commission on Human Rights and Opportunities ([CHRO](#)), Connecticut Environmental Policy Act ([CEPA](#)) Evaluation, Environmental Impact Evaluation ([EIE](#)), Flood Management Certification ([FMC](#)); State Historic and Preservation Office ([SHPO](#)) review and determination; Municipal Plan of Conservation and Development ([POCD](#)) provisions; and/or municipal fiscal or other local approvals;
- All required reviews, evaluations, permits and/or certifications have been secured prior to expenditure of LoCIP funds;
- Not later than September 1st, a municipality issued a grant in the preceding fiscal year shall submit a report to OPM describing the amount of grant funds expended in such fiscal year in accordance with Conn. Gen. Stat. § 7-536(j).
- In order to receive your municipality's LoCIP funds the Chief Executive Officer must forward the Local Capital Improvement Program (LoCIP) Grant Certification by the required deadline. Distribution of grant funds will be made by June 30th.

ALLOWABLE LoCIP PROJECTS:

LoCIP funds can only be used for municipal capital expenditure projects authorized by Conn. Gen. Stat. § 7-536(a)(4), (k), and (l), as may be amended.

AUDIT AND RECORDS RETENTION:

- Both the entitlement and grant provisions of LoCIP have requirements under the [Connecticut State Single Audit Compliance Supplement](#).
- Pursuant to Conn. Gen. Stat. § 7-536(h) each municipality receiving a Local Capital Improvement Project grant under this section shall retain detailed accounting records of all expenses incurred relative to the local capital improvement project for which a grant is received for a period of not less than three (3) years following the completion of such project and applicable State of Connecticut State Library Public Records Administrator records retention guidelines.

CONTACTS:

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