

**State Water Infrastructure Authority**  
**Meeting Date – January 15, 2015**  
**Agenda Item E – CDBG-I: One Potential New Project Type for Fall 2015 Applications**

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**Division of Water Infrastructure Staff Report – Information Item**

**Background**

North Carolina General Statute G.S. 159G-71 contains the powers and the duties of the State Water Infrastructure Authority (Authority) which include the following:

- To establish priorities for making loans and grants consistent with federal law

The Authority has this responsibility for the federal Community Development Block Grant-Infrastructure (CDBG-I) program administered in North Carolina by the Division of Water Infrastructure.

The federal CDBG-I program is administered by the US Department of Housing and Urban Development (HUD). While the program supports general community development, the subject of fair housing is woven into every aspect of the program. States administering this program and the grantees that receive funding must demonstrate that they “affirmatively further fair housing”. In a meeting on April 9, 2014, officials from HUD central office in Washington encouraged the North Carolina CDBG-I program to provide grant funding for water and sewer lines serving low-income housing. This measure would help demonstrate the state’s commitment to furthering fair housing for low-income people.

**Information Item**

North Carolina’s current CDBG-I priority rating system does not prioritize water and/or sewer for low-income housing. In order to include this project type in the priority rating system, the Authority would first need to approve the addition, the Division would need to hold a public hearing and the 2015 Annual Action Plan would need to be amended. This is a time-consuming process that would take several months.

This information item is presented to the Authority for consideration and to gain a sense of the Authority’s potential support for and concerns about prioritizing this type of project for the applications to be received in the fall of 2015.

If there is a general sense of support, Division staff will begin letting potential applicants know that prioritizing grant funding for low-income housing to be served with public water and/or sewer may be considered by the Authority later this year, thereby allowing applicants to begin to consider applying for this type of project well in advance.