

04 NCAC 19L .1803 ELIGIBILITY REQUIREMENTS

(a) Applications for Development Loan Funds must show that:

- (1) All activities are eligible under state and federal regulations; and
- (2) Development Loan Funds proposed for each activity meet a national objective as specified by HUD regulations incorporated by prior reference; and
- (3) The applicant has the capacity to administer a Development Loan Fund project.

(b) The Division must make the following findings prior to an award:

- (1) A loan loss reserve is in place equal to 10% of the amount of the outstanding balance.
- (2) The approved loan may not take the total amount of outstanding obligations under the Development Loan Fund to more than twice the amount of the annual CDBG allocation.

History Note: Authority G.S. 143B-431; 24 C.F.R. 570 Subpart M;
Eff. August 1, 1998;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. March 6, 2018.