

GENERAL ASSEMBLY OF NORTH CAROLINA  
1987 SESSION

CHAPTER 992  
HOUSE BILL 2360

AN ACT TO ALLOW "SEVERELY DISTRESSED COUNTIES" AND CITIES IN  
THOSE COUNTIES TO RETAIN SMALL CITIES COMMUNITY  
DEVELOPMENT BLOCK GRANT PROGRAM INCOME.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-376 is amended by adding the following new subsection:

"(f) All program income from Economic Development Grants from the Small Cities Community Development Block Grant Program may be retained by recipient 'severely distressed counties', as designated under G.S. 105-130.40(c), for the purposes of creating local economic development revolving loan funds. Such program income derived through the use by counties of Small Cities Community Development Block Grant money includes but is not limited to: (i) payment of principal and interest on loans made by the county using Community Development Block Grant Funds; (ii) proceeds from the lease or disposition of real property acquired with Community Development Block Grant Funds; and (iii) any late fees associated with loan or lease payments in (i) and (ii) above. The local economic development revolving loan fund set up by the county shall fund only those activities eligible under Title I of the federal Housing and Community Development Act of 1974, as amended (P.L. 93-383), and shall meet at least one of the three national objectives of the Housing and Community Development Act. Any expiration of G.S. 105-130.40(c) shall not affect this subsection as to designations of severely distressed counties made prior to its expiration."

Sec. 2. G.S. 160A-456 is amended by adding the following new subsection:

"(e1) All program income from Economic Development Grants from the Small Cities Community Development Block Grant Program may be retained by recipient cities in 'severely distressed counties', as designated under G.S. 105-130.40(c), for the purposes of creating local economic development revolving loan funds. Such program income derived through the use by cities of Small Cities Community Development Block Grant money includes but is not limited to: (i) payment of principal and interest on loans made by the county using Community Development Block Grant Funds; (ii) proceeds from the lease or disposition of real property acquired with Community Development Block Grant Funds; and (iii) any late fees associated with loan or lease payments in (i) and (ii) above. The local economic development revolving loan fund set up by the city shall fund only those activities eligible under Title I of the federal Housing and Community Development Act of 1974, as amended (P.L. 93-383), and shall meet at least one of the three national objectives of the Housing and Community

Development Act. Any expiration of G.S. 105-130.40(c) shall not affect this subsection as to designations of severely distressed counties made prior to its expiration."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 27th day of June, 1988.