

August 17, 2000

MEMORANDUM

TO: All Interested Persons

FROM: Nick D. Bailey
Acting Director

RE: Water/Sewer Hook-ups for CDBG Competitive Projects

This is to advise you that effective the date of this memorandum, all expenditures of CDBG grant funds for hook-ups must be limited to LMI households as determined by an ADECA approved individual income verification procedure. Furthermore, water/sewer line hook-ups in the CDBG Competitive grant program are a housing activity exclusively, which means the 100 percent LMI benefit criterion will be used to determine eligibility.

If you have any questions, please contact Sam Henderson at (334) 242-5467.

NDB:LEP:brr

TO WHOM IT MAY CONCERN:

Several questions have been asked by CDBG grantees since the issuance date of this memorandum regarding the applicability of the memo to reconnections on existing water and/or sewer rehabilitation projects. It is the position of this office that the limitations on hook-ups as specified in the August 17, 2000 memorandum do not apply to reconnections. In short, reconnections are considered a construction activity caused or necessitated by the project's design and the property owner should not be asked to bear the expense, if any, of any required water or sewer reconnection activity associated with the project. (NOTE: This position has been verbally supported by Mr. Eddie Davis, ADECA's General Counsel).