JOSH STEIN
Governor

D. REID WILSON
Secretary

SHADI ESKAF
Director

NORTH CAROLINA
Environmental Quality

Memo

To: CDBG-I Grantees

From: Eric Karis, Program Manager, CDBG-Infrastructure Unit, Division of Water Infrastructure, North Carolina Department of Environmental Quality

EK

Date: December 4, 2025

Subject: DWI CDBG-I Guidance on Interim Final Rule for Affirmatively Further Fair Housing

This memo applies to both existing and newly awarded CDBG-I grantees.

The **Interim Final Rule for Affirmatively Furthering Fair Housing (24 CFR 5.151)** became effective April 2, 2025. This rule reverts Affirmatively Furthering Fair Housing compliance to its original interpretation prior to 1994.

This rule implements **Executive Order (EO) 14192** - *Unleashing Prosperity Through Deregulation*, issued by the Federal Government's Executive Branch in Winter 2025. The EO aims to reduce regulatory costs and burdens.

As a result, HUD grantees are now required to **certify their commitment to taking active steps to promote fair housing**.

CDBG-I FY 2024 and Future Grantees
Requirements:
- Certification of commitment to Affirmatively Further Fair Housing
- Completion of a Fair Housing Activity Plan:
  - Plan and conduct at least one fair housing-promoting activity for each quarter the grant is active.
  - Refer to the current CDBG-I Program Manual for guidance.

No Longer Required:
- **Analysis of Impediments (AI)** to Affirmatively Furthering Fair Housing
  - This change affects the contract milestone related to AFFH AI.

Existing CDBG-I Grantees (Awarded FY23 and Before)
Requirements:
- Grantees with active grants must continue implementing their adopted Fair Housing Plan.
- If a grant receives a closeout extension, **additional fair housing activities** will be required.

If you have questions, please contact Emily Bacon at Emily.bacon@deq.nc.gov or 919-707-9242.

North Carolina Department of Environmental Quality | Division of Water Infrastructure
512 N. Salisbury Street | 1633 Mail Service Center | Raleigh, North Carolina 27699-1633
919.707.9160   An Equal Opportunity/ Affirmative Action Employer
Equal Housing Opportunity

EQUAL HOUSING OPPORTUNITY