



NORTH CAROLINA OFFICE OF RECOVERY AND RESILIENCY

**NORTH CAROLINA DEPARTMENT OF PUBLIC SAFETY**

OFFICE OF RECOVERY AND RESILIENCY

# 2021 Community Development Block Grant (CDBG) – Disaster Recovery Public Action Plan | Public Meeting



# Housekeeping

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- This presentation will discuss the 2021 CDBG-DR allocation. If you are a survivor of this or previous disasters and have questions regarding your FEMA, ReBuild application, or state assistance please go to [www.DisasterAssistance.gov](https://www.DisasterAssistance.gov) for FEMA assistance, contact [Ask-RBNC@rebuild.nc.gov](mailto:Ask-RBNC@rebuild.nc.gov) or 833-275-7262 for ReBuild NC assistance, or reach out to [TSFred@nc.gov](mailto:TSFred@nc.gov) or (844) 935-1744 for state assistance from OSBM-DR, which has an office in the Historic Courthouse that is open Monday through Friday from 9 am to 5 pm.
- You can access the Draft 2021 Action Plan here: <https://www.rebuild.nc.gov/about/plans-policies-reports/action-plans>.
- NCORR will go through the presentation and then open it up for public comment.
- Public comments and/or questions can also be submitted via email: [publiccomments@rebuild.nc.gov](mailto:publiccomments@rebuild.nc.gov).
- For more information on how people with disabilities can access and comment on the Action Plan, please call 984-833-5350.
- Hard copies of the Action Plan may be requested by calling 984-272-7053.



# Agenda

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- Introductions
- Overview of Tropical Storm Fred
- CDBG-DR Overview
- 2021 CDBG-DR Allocation
- CDBG-DR Unmet Needs
- 2021 CDBG-DR Budget
- CDBG-DR Programming
- Action Plan Timeline
- Public Comments



# Introductions

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- North Carolina Session Law 2018-136 established the North Carolina Office of Recovery and Resiliency (NCORR) in 2018, as the administering agency for CDBG-DR funds. NCORR is a division of the NC Department of Public Safety.
- NCORR and its partners can assist residents directly or indirectly impacted by a disaster by providing services to restore housing and support communities damaged by presidentially declared disasters, or to act to mitigate against future disasters.
- To fulfill the requirements of the 2021 CDBG-DR allocation, NCORR must submit an Action Plan to identify unmet recovery needs and recovery efforts related to the 2021 disasters to the U.S. Department of Housing and Urban Development (HUD).



# ReBuild NC

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- NCORR's disaster recovery programs are known collectively as "ReBuild NC."
- NCORR currently manages CDBG-DR and CDBG-MIT Programs associated with Hurricane Matthew and Hurricane Florence.
- This Action Plan focuses on the new 2021 CDBG-DR funding of \$7,975,000.
- Additional information related to ReBuild NC Programs can be found at [rebuild.nc.gov](https://rebuild.nc.gov).







# Overview of Tropical Storm Fred

On August 27, 2021, Governor Roy Cooper requested a major disaster declaration due to the remnants of Tropical Storm Fred. Tropical moisture combined with local topographical conditions resulted in enhanced rainfall rates across the southeast-slopes of the North Carolina mountains, with storm total rainfall of 5-15 inches reported across the region.

On September 8, 2021, President Biden declared a major disaster, DR-4617, for the region.



# Disaster Response

**FEMA IA: \$4,965,996.46**

**FEMA PA: \$8,201,111.33**

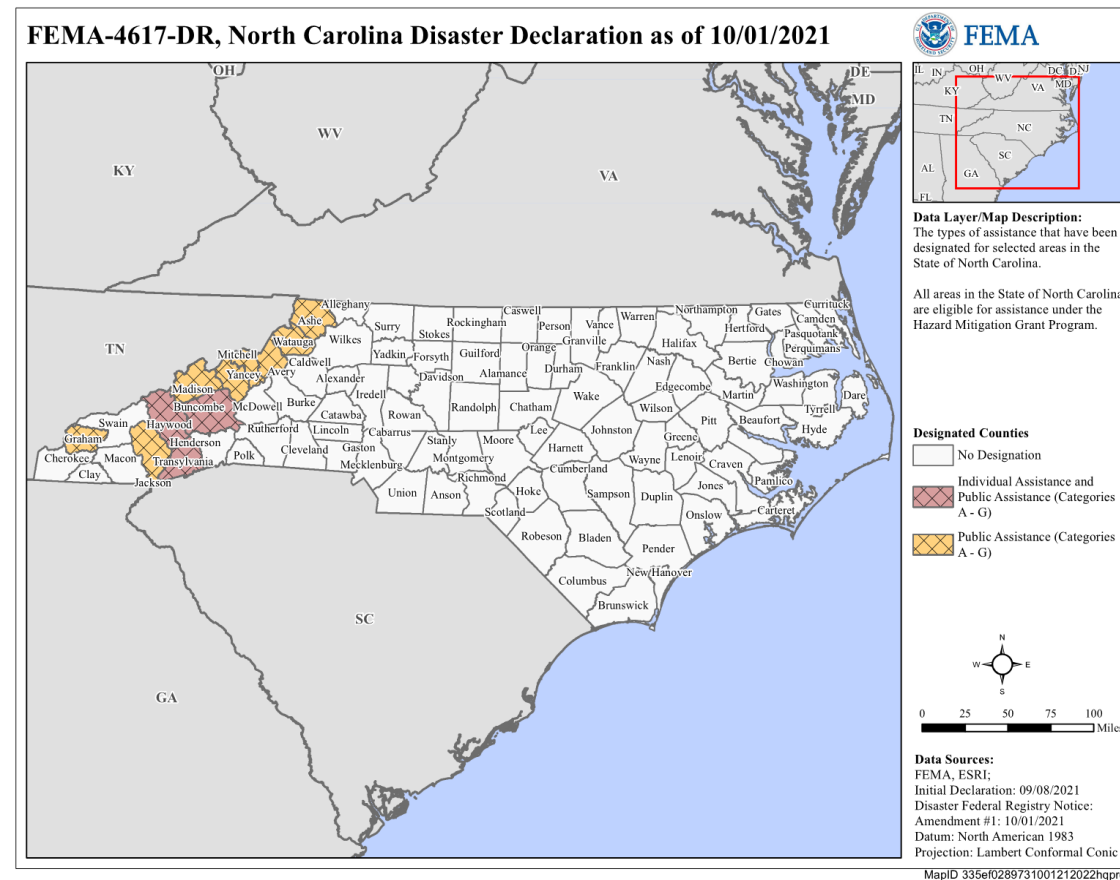
**FEMA HMGP: \$182,464.00 (Obligated)**

**NC OSBM: \$44 million\***

**Total NC Budget Allocation:  
\$124,400,000**

\*Amount is part of the state budget allocation. As of July, 632 applications for housing recovery assistance received.

FEMA = Federal Emergency Management Agency



# CDBG-DR Overview

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- When the President declares a major disaster, Congress may appropriate funds to the Department of Housing and Urban Development (HUD) when there are significant unmet needs for long-term recovery.
- “Unmet needs” are needs that are not covered by other sources and can be covered by CDBG-DR funds.
- The special appropriation provides funds to the most impacted and distressed areas for:
  - Disaster Relief
  - Long Term-Recovery
  - Restoration of Infrastructure
  - Housing
  - Economic Revitalization
- By design, CDBG-DR funding supplements other federal recovery assistance programs and efforts, such as those by FEMA.

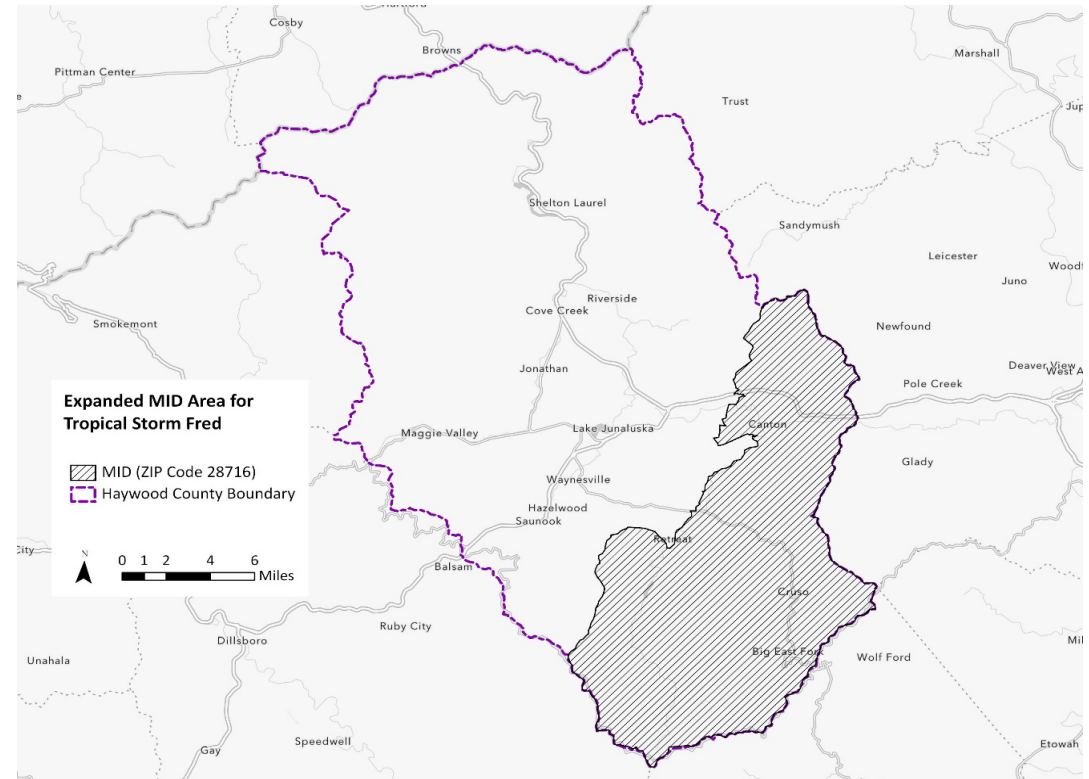


## 2021 CDBG-DR Allocation

On May 24, 2022, HUD allocated **\$7,975,000** in CDBG-DR funds to North Carolina to support long-term recovery efforts related to Tropical Storm Fred, DR-4617.

The Federal Register Notice, 87 FR 31636, set \$6,935,000 for unmet needs in the MID\* area, Zip Code 28716, and \$1,040,000 for mitigation measures. The MID area was expanded to encompass all of Haywood County.

\*MID = Most Impacted and Distressed



# CDBG-DR Funding Requirements

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- **Expenditure deadline:** Six years after grant agreement execution.
- **Mitigation:** 15% of the allocation must be spent on mitigation activities (mitigation set-aside)
- **Overall Benefit:** 70 percent of the total allocation must benefit LMI persons, defined as individuals earning 80 percent of Area Median Income and below (LMI Benefit)
- **Public Engagement:** The state must hold one public meeting and a public comment period of 30 days to ensure that stakeholders can weigh in on proposed programs.
- **Approval:** HUD must approve the Action Plan before the state can access funds.

## CDBG-DR Unmet Needs

The unmet needs assessment of the Action plan is the first attempted analysis of ongoing needs in the HUD-identified MID areas following Tropical Storm Fred.

The analysis focuses on Haywood County, the HUD MID area. It attempts to quantify the unmet needs primarily for housing, infrastructure, and economic revitalization.

Category	Remaining Unmet Need	% of Unmet Need	Program Allocation Amount*	% of Program Allocation
Housing	\$16,275,380	96%	\$7,000,000	88%
Infrastructure	\$754,042	4%	\$0	0%
Economic Revitalization*	N/A	N/A	\$0	0%
Planning	N/A	N/A	\$576,250	7%
Administrative Costs	N/A	N/A	\$398,750	5%

\*Potential impacts to the economic sector, such as businesses or economic activities recovering from the storm. Not a comprehensive analysis due to small sample size and limited SBA data.

# 2021 CDBG-DR Budget

Program	Total	% of Total Allocation	\$ to LMI	% to LMI	\$ to HUD-defined MID areas	% to HUD-defined MID areas
Administrative Costs	\$398,750	5.00%	\$0	0.00%	\$319,000	80.00%
Planning Costs	\$576,250	7.20%	\$0	0.00%	\$461,000	80.00%
Affordable Housing Development Fund	\$7,000,000	87.80%	\$7,000,000	100.00%	\$7,000,000	100.00%
Total	\$7,975,000	100.00%	\$7,000,000	87.77%	\$7,780,000	97.55%

\*Allocation amount includes project delivery costs.

# CDBG-DR Budget Details

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- Programs must directly reflect the unmet recovery needs of the MID areas.
- NCORR will focus on housing recovery and planning activities to support recovery efforts and maximize benefits for impacted communities.
- NCORR will use a partnership model with Haywood County to leverage local resources and knowledge.
- Mitigation measures are included as part of the development of safe and affordable housing in areas that will help reduce or eliminate potential hazards.
- Planning costs include ongoing support of planning activities to conduct additional affordable housing development analyses for the impacted areas.



# 2021 CDBG-DR Programming

## Affordable Housing Development Fund: \$7 Million

- Partnership with Haywood County to fund shovel-ready affordable housing development projects.
- Partnership with Haywood County to identify and pilot new affordable housing development proposals.
- Additional support may be provided by other identified local partners.

## Local and Regional Planning Support: \$576,250

- Fund local and regional planning activities proposed by Haywood County and other local partners.
- Fund a housing analysis to understand long-term development needs and risks in impacted areas.
- Support additional NCORR-identified planning efforts.

# 2021 CDBG-DR Programs Eligibility

## Affordable Housing Development Fund

### Eligible costs include:

- Activity delivery costs to administer and monitor the program, including allocable direct and indirect staff costs and consultant costs
- Architectural and engineering design
- Permitting fees
- Developer fees
- Mobilization, site prep, and clean up
- Construction costs
- Land and building acquisition costs (on a case-by-case basis)
- Hazard mitigation costs

### Ineligible costs include:

- Pre-application costs and application development costs
- Advances of any type, including construction
- Facility operating or maintenance expenses
- Offsite improvements

# Action Plan Timeline

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- **April-June:** Consultations with a variety of stakeholders in the impacted areas.
- **May-July:** Development of Public Action Plan Draft.
- **August 1:** Action Plan Draft is published; Public Comment period begins.
- **August 15:** Public Meeting in Haywood County.
- **August 30:** Public Comment Period Ends.
- **September 1:** NCORR Submits Action Plan and Implementation Plan to HUD.
- **November:** HUD Approves Action Plan.
- **December/January 2023:** NCORR and HUD execute grant agreement.

# Public Comment

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- Review the draft document here: <https://www.rebuild.nc.gov/about/plans-policies-reports/action-plans>.
- Submit your comment and/or question via email: [publiccomments@rebuild.nc.gov](mailto:publiccomments@rebuild.nc.gov).
- Comments may also be submitted by U.S. Postal Service to: NCORR Public Comments, P.O. Box 110465, Durham, NC 27709.
- For more information on how people with disabilities can access and comment on the Action Plan, dial 984-833-5350.
- Comments must be received by **August 30, 2022 at 5:00 PM EST**.



## 2021 Community Development Block Grant (CDBG) – Disaster Recovery Public Action Plan

# Thank you!