

Substantial Amendment to FY21 & FY22 Action Plan DRAFT

Recovery Housing Program (RHP) Grantee:North Carolina

FY 21 Grant Award Amount:	\$ 778,974.00 <i>(Prior Year Allocation "B-21-RH-37-001" within a HUD-approved Action Plan)</i>
FY 22 Grant Award Amount:	\$ 806,625.00 <i>(Prior Year Allocation "B-22-RH-37-001" within a HUD-approved Action Plan)</i>
FY 23 Grant Award Amount:	<u>\$1,054,616.00</u> <i>(New Allocation requiring a substantial amendment)</i>
Total Budget:	<u>\$2,640,215.00</u>

In accordance with Section 8071 of the SUPPORT for Patients and Communities Act, entitled Pilot Program to Help Individuals in Recovery From a Substance Use Disorder Become Stably Housed, herein referred to as the as the Recovery Housing Program (RHP), North Carolina Department of Commerce Rural Economic Development Division (REDD) proposes the following substantial amendment to the fiscal year 2021 and 2022 Recovery Housing Program HUD-approved Action Plan.

Narratives

Program Summary:

Within this section the information related to fiscal year 2021 and 2022 RHP allocations will remain the same as indicated in the HUD-approved Action Plan. However, the fourth cycle fiscal year 2023 will address within the following additional paragraph:

A fourth cycle of RHP allocations has been announced, this cycle included an allocation of \$1,054,616 to the State of North Carolina North Carolina. North Carolina's allocation this cycle was attributed to the state having a 39.2% overall age adjusted rate for drug overdose death that has exceeded the national's 32.4 overall age adjusted rate for drug overdose death. Additionally, North Carolina Department of Health and Human Services (NCDHHS) has tracked and reported that overdose deaths have increased 22% across the state. In light of the staggering statistics, the state will utilize the fourth cycle of RHP allocation to target the entire state, while the second and third cycle of RHP allocation will continue targeting the Appalachian counties in the State of North Carolina.

Resources:

Within this section the information related to fiscal year 2021 and 2022 RHP allocations will remain the same as indicated in the HUD-approved Action Plan. However, the fourth cycle fiscal year 2023 will reflect the following information:



Expected Amount Available Year 3 (FY2023)

Annual Allocation: \$1,054,616
Program Income: \$ 0.00
Prior Year Allocation: \$1,585,599 shown within Grand Total
Total: \$1,054,616

Breakdown

*Program Funds: \$1,001,885
*TA (3%) is included in Program Funds
State Administration (5%): \$ 52,731
Total: \$ 1,054,616

Grand Total of Expected Amount Available Year 1 (2021), Year 2 (2022), and Year 2 (2023): \$2,640,215

Per RHP Implementation Notice, and Federal Register Notice (FR-6225-N-01), the State of North Carolina is not required to provide administrative matching funds.

The State of North Carolina will comply with RHP expenditure requirements and deadlines, including to expend at least 30% of the state's RHP funds within one year from the date HUD signs the RHP grant agreement, to expend 100% of the RHP funds before the end of the period of performance on September 1, 2029, and to limit administrative costs to 5% of the RHP grant. Unless, otherwise, waived or extended under the authorization of HUD.

Administration Summary:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

Use of Funds – Method of Distribution:

Within this section the information related to fiscal year 2021 and 2022 RHP allocations will remain the same as indicated in the HUD-approved Action Plan. However, the fourth cycle fiscal year 2023 will reflect the following additional paragraph:

The State of North Carolina will make available from the **fourth cycle of RHP allocation up to \$1,001,885 in RHP funds** to one or more subrecipients, as grants, to help individuals throughout the state that have been affected by substance use disorder (SUD). Subrecipients will be solicited, evaluated, and selected for RHP activities through the process of first, releasing a Notice of Funds Availability (NOFA) — after the State of North Carolina has received its grant agreement and approval from HUD. Primary applicant for RHP must be County-Level or County's municipality designee and first priority will be given to Tier 1 & 2 counties (*especially those with overdose rates over the national average*). Subrecipient's project applications received must meet RHP criteria and can earn up to 100 points based on the elements with the Use of Funds - Criteria for Evaluation section of this plan.

Use of Funds – Activities Carried Out Directly:

Within this section the information related to fiscal year 2021 and 2022 RHP allocations will remain the same as indicated in the HUD-approved Action Plan. However, the fourth cycle fiscal year 2023 will reflect the following additional paragraphs:

REDD's staff capacity and structure will permit the State of North Carolina to act directly using one or more subrecipients (entitlement, non-entitlement, or non-profit) to carry out RHP activities throughout the state utilizing the fourth cycle fiscal year 2023 RHP funds.



Breakdown of RHP Funds:

Expected Amount Available Year 3 (FY2023)

Annual Allocation: \$1,054,616
Program Income: \$ 0.00
Prior Year Allocation: \$1,585,599 shown within Grand Total
Total: \$1,054,616

Breakdown

*Program Funds: \$1,001,885
*TA (3%) is included in Program Funds
State Administration (5%): \$ 52,731
Total: \$ 1,054,616

Grand Total of Expected Amount Available Year 1 (2021), Year 2 (2022), and Year 2 (2023): \$2,640,215

Use of Funds – Eligible Subrecipients:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

Use of Funds – Criteria for Evaluation:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

Definitions – Individual in Recovery:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

Definitions – Substance Use Disorder:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

Anticipated Outcomes:

Within this section the information related to fiscal year 2021 and 2022 RHP allocations will be combine fiscal year 2023 within the HUD-approved Action Plan. The changes indicated within this section only reflect an 50% increase in the estimated number to be assisted and the goal for individuals to transition to permanent housing:

The state estimates at least 80 individuals will be assisted through RHP, with a goal of 75% (60) individuals able to transition to permanent housing through RHP-assisted temporary housing.

Expenditure Plan:

Within this section the information related to fiscal year 2021 and 2022 RHP allocations will remain the same as indicated in the HUD-approved Action Plan. However, the fourth cycle fiscal year 2023 will include the same language but the dates will be extended out two more additional years. To comply with RHP expenditure requirements and deadlines and limit for administrative costs associated as it relates to only the fourth cycle fiscal year 2023.



Citizen Participation Summary:

Within this section the information related to fiscal year 2021 and 2022 RHP allocations will remain the same as indicated in the HUD-approved Action Plan. However, the fourth cycle fiscal year 2023 will include the following additional paragraph as part of this substantial amendment.

Although RHP was granted a waiver/modification of CDBG Citizen Participation Requirements 24 CFR 570.486 and 24 CFR 91.505, to allow at least 15 calendar days of RHP public comments. The State of North Carolina elected to a 30-calendar day public comment period from Tuesday, May 2, 2023 to Wednesday, May 31, 2023. A public notice will be published May 2, 2023 on the North Carolina Department of Commerce 's website at www.commerce.nc.gov and will be sent out through a statewide email list serv with the draft RHP substantial amendment attached.

In addition, a public notice will be published in major newspapers to cover the eastern, western, northern and southern parts of the state concerning the substantial amendment. Prior and during the public comment period for RHP, REDD will publish the draft RHP substantial amendment in a manner that will afford citizens, units of general local governments, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments.

A virtual public hearing will be held remotely through WebEx on May 18, 2023 with all persons given access to call into the meeting. The state is required to submit the final FY21 RHP AAP to HUD within the Disaster Recover Grants Reporting System (DRGR) on or before August 16, 2023.

Partner Coordination:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2023.

Subrecipient Management and Monitoring:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

Pre-Award/Pre-Agreement Costs:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

Certifications:

There are no changes within this section of the HUD-approved Action Plan associated with the RHP allocations for fiscal year 2021 and 2022.

