



Addressing Housing Challenges Following Helene: CDBG-DR Action Plan

February 2025



NC DEPARTMENT
of COMMERCE
COMMUNITY REVITALIZATION

Helene's impacts were severe and long-lasting to western North Carolina – a comprehensive recovery will be vital to addressing the need

\$59.6B

Total estimated damages and needs

=

\$44.4B

Estimated direct cost

+

\$9.4B

Estimated indirect cost

+

\$5.8B

Strengthening and mitigation

106

North Carolinians lost their lives

74K

Homes damaged (estimated)

5K

Miles of state-maintained roads severely impacted

7K

Private roads, bridges, and culverts reported damaged

50M

Cubic yards of debris

HUD requires grantees to develop an action plan before it will release funding

✓ An action plan outlines the proposed use of Community Development Block Grant – Disaster Recovery (CDBG-DR) funds

✓ HUD must approve the action plan before the grantee can draw down any federal funds

✓ HUD identifies Most Impacted and Distressed (MID) areas for the grantees & requires that at least 80% of the CDBG-DR funds are spent in these areas

NC will receive

\$1.2B for unmet needs

and

\$186M for mitigation activities



North Carolina's draft HUD Action Plan proposes distributing incoming funds to a range of programs across three main recovery areas

HUD Grantees must address three areas of recovery with their Action Plan:



Housing



Infrastructure



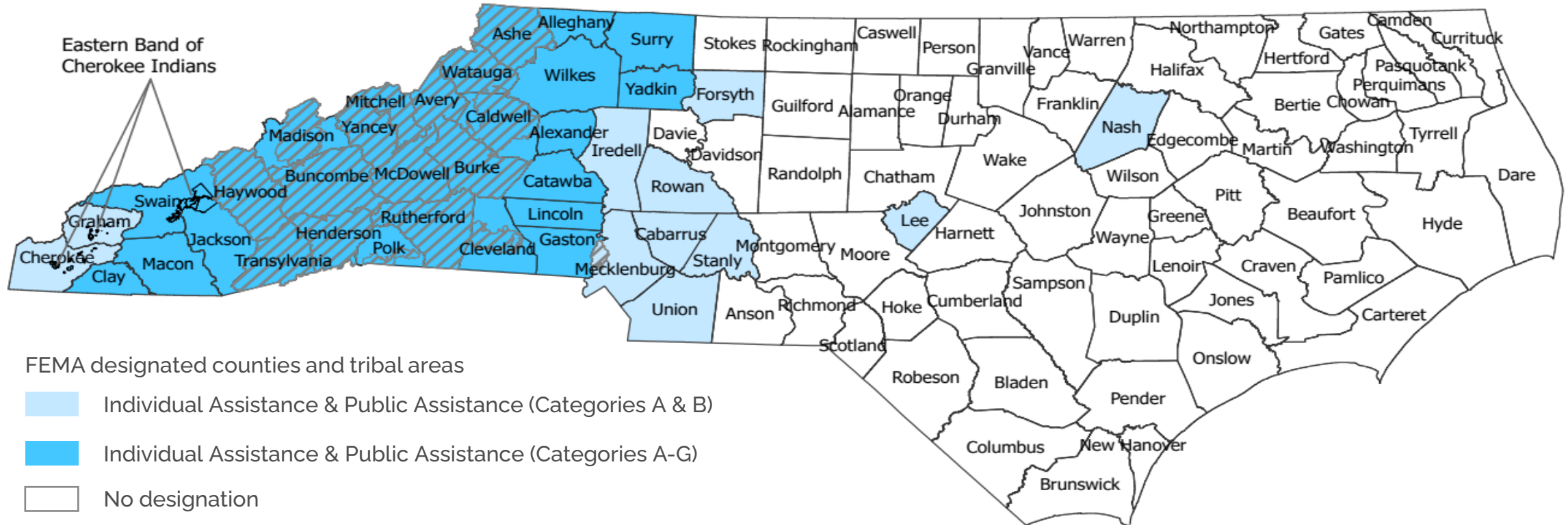
Economy

North Carolina proposes to spend the majority of its funding in housing and the rest to support community infrastructure (e.g., rebuilding of parks) and economic support (e.g., rebuilding downtowns)



HUD-designated Most Impacted and Distressed (MID) areas

FEMA / HUD Helene MID areas



FEMA designated counties and tribal areas

- Individual Assistance & Public Assistance (Categories A & B)
- Individual Assistance & Public Assistance (Categories A-G)
- No designation

HUD Designated Most Impacted & Distressed Areas

- HUD Designated Most Impacted & Distressed Area

The proposed funding breakdown allocates the majority to housing, with \$807M for owner-occupied unit reconstruction and rehabilitation

PRELIMINARY



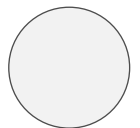
Economy

- \$111M: Commercial district revitalization



Infrastructure

- \$194M: Community infrastructure program

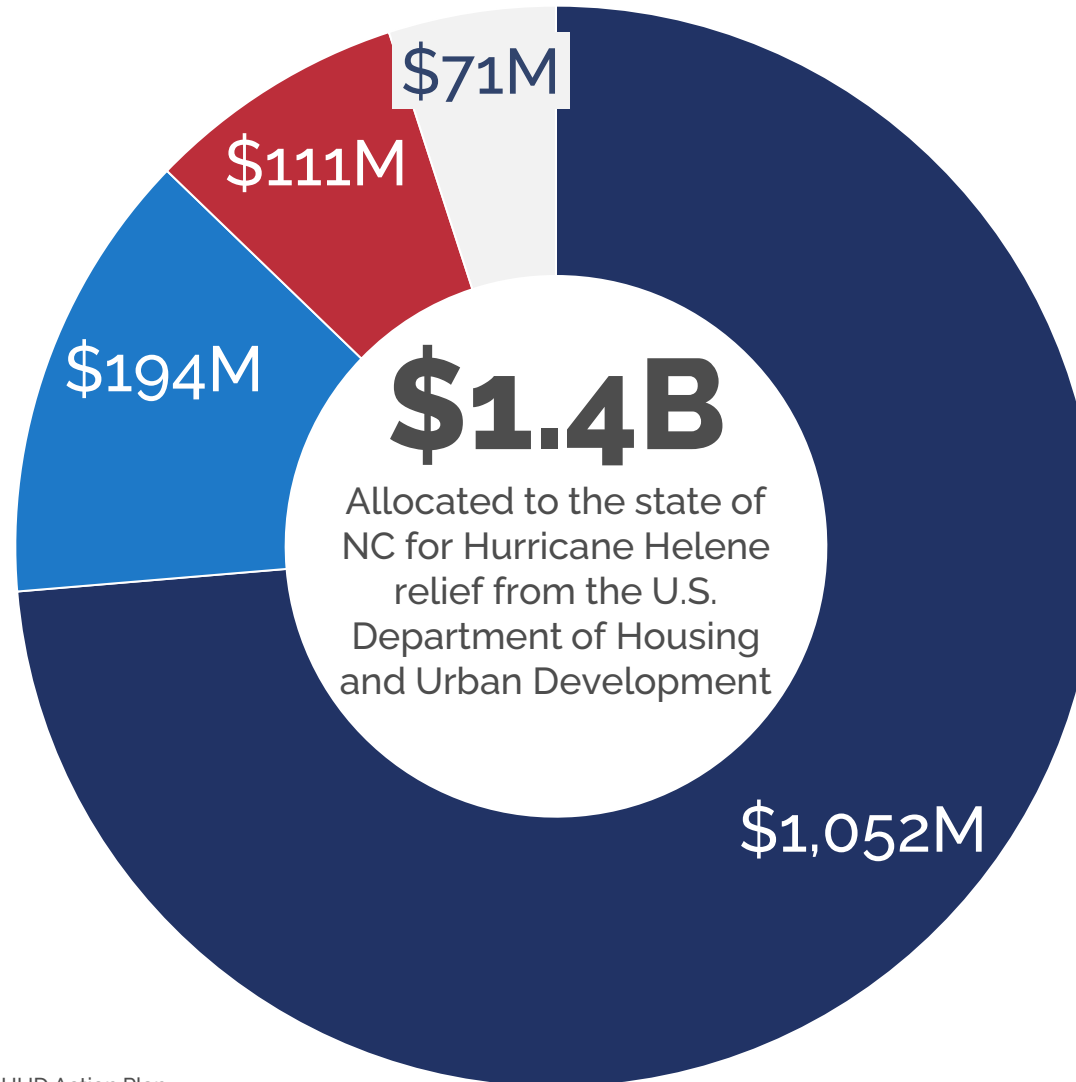


Administration



Housing

- \$807M: Reconstruction and rehabilitation for owner-occupied units
- \$53M: Workforce housing for ownership
- \$191M: Small Rental R&R and Multifamily construction program



Note: Numbers may not sum due to rounding

Source: [HUD disaster relief funding announcement](#); NC Draft HUD Action Plan



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North Carolina is proposing 5 programs in its HUD Action Plan, including three for housing

PRELIMINARY








Housing



Infrastructure



Economy

Program	Description	Eligible geographic area
 Reconstruction and rehabilitation for owner-occupied units	Program will provide grants for reconstruction or rehabilitation of owner - occupied units seriously damaged or destroyed by the effects of Hurricane Helene.	Priority will be for seriously damaged or destroyed units in the HUD-defined Most Impacted and Distressed (MID) areas with the State-Identified MID areas having a secondary priority.
 Workforce housing for ownership	Fund construction of units for purchase by low - and moderate-income (LMI) households. ¹	Program will provide homeownership opportunities with 100% of funds to expended for construction of units to be purchased by LMI households.
 Small Rental R&R and Multifamily construction program	<p><u>Small rental R&R</u>: Grant for reconstruction/rehabilitation of small rental properties with seven or fewer units. Additional amounts available for mitigation and access activities</p> <p><u>Multifamily construction</u>: Program will restore housing and promote new construction of multifamily housing in HUD-identified MID areas and will focus benefit on. Funding will be via competitive process. LMI groups by imposing affordability requirements on new construction</p>	<p><u>Small rental R&R</u>: units in either MID area</p> <p><u>Multifamily construction</u>: Projects must be units in either MID area</p>
 Community infrastructure program	Provides funding for infrastructure projects that will help impacted communities become more resilient to current and future natural hazards.	Eligible applicants (local governments) must be located in HUD or State-identified MID areas and projects will be required to document link to disaster recovery needs.
 Commercial district revitalization	Program will provide grants to local governments or non-profit organizations to carry out revitalization activities in areas covered by the Helene major disaster declaration (DR-4827-NC).	Eligible applicants (local governments or non-profit organizations) must be located in HUD or State-identified MID areas and projects will be required to document link to disaster recovery needs

¹ Low- and moderate-income households as defined by HUD
Source: NC Draft HUD Action Plan








For discussion: Questions for Community input

- 1 Which of these programs do you think will be most relevant for your communities?
- 2 How can NC DOC make these programs as simple to access for your constituents as possible, e.g.:
 - How can NC DOC ensure that the application process is streamlined and easy to understand?
 - How can NC DOC ensure that these programs are publicized effectively to those who need them?
- 3 Are there additional unmet needs not captured in these programs that DOC should keep in mind as it refines program goals?



Citizens and policymakers have many ways to offer input during the 30-day open comment period

PRELIMINARY

Channel	Description	How to comment
 Website	The draft Action Plan will be published on the N.C. Commerce website. People may leave a comment using a web form. Additional helpful information will be available.	commerce.nc.gov/recovery
 Email	Comments can be sent using email. This account will be monitored daily by N.C. Commerce personnel.	helene.recovery@commerce.nc.gov Subject = Action Plan Comment
 Public meetings (in-person or virtual)	At least six public meetings will be held across western North Carolina beginning February 18. Citizens, local government officials, local and regional non-profit groups and any stakeholder wishing to comment on the proposal are welcome to attend and participate	Meeting calendar available at commerce.nc.gov/recovery
 Postal mail	Comments can be sent using postal mail or overnight delivery service.	4346 Mail Service Center Raleigh, NC 27699-4346 Attention: CDBG-DR Public Comment
 Fax	Comments can be sent using a facsimile machine (fax machine)	(919) 715-0096