Unifour Consortium
FY 2026 Action Plan

Unifour Consortium
City of Lenoir, Lead Entity
P.O. Box 958
Lenoir, NC 28645
(828) 485-4245

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ACTION PLAN 2026 UNIFOUR HOME CONSORTIUM
CITY OF LENOIR, NORTH CAROLINA

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II. INTRODUCTION

The Unifour Consortium, comprised of four counties and twenty-four municipalities, located in the western piedmont region of North Carolina have prepared a Consolidated Plan as required to receive HOME funds and an HOME entitlement jurisdiction. The total twenty-eight participating Consortium members are contiguous and are in agreement as to the components of this plan. The Consolidated Plan serves as a guide for decision-making by investors, non-profit organizations, community organizations, elected officials and concerned citizens. The Consolidated Plan, required by the Department of Housing and Urban Development, is designed to promote and coordinate citizen participation in the development of local priority needs and objectives.

The twenty-eight local governments that comprise the Unifour Consortium sit on the Unifour Consortium Governing Board. Each local government provides one representative to set on the board. Each representative has one vote. The City of Lenoir serves as the Lead Entity for the Unifour Consortium. All funding from the Department of Housing and Urban Development will flow though the City of Lenoir to the benefit of all twenty-eight local governments. The City of Lenoir assures compliance with all required regulations pertaining to the HOME Program. The City of Lenoir contracts with the Western Piedmont Council of Governments for the administration of the HOME Program.

The Consortium has established its general priorities for allocating HOME funds expected to be available over the five-year period. The data obtained from the 2020 Census of Population and Housing indicates that low and moderate-income households are more likely to experience housing problems. Older adults will continue to experience housing problems due to that population's decreased incomes, the age of their homes and their increasing frailty as they age. Priority has been given to making homeownership more available to low and moderate-income families and individuals. This will be addressed through downpayment assistance and counseling for those wishing to purchase a home.

Specifically, funds will be used to provide up to $20,000 downpayment assistance loans to low and moderate-income families, with incomes no greater than 80% of the area median income. These loans are 0% interest loans and are to be paid back upon the sale or refinancing of the home.

The downpayment assistance program was selected as the most pressing need at this point due to the increasing number of families moving to the Unifour area seeking employment. However, many of the jobs taken by new residents are lower income jobs. The downpayment assistance program will assist the working poor - those who are able to make rent payments but not save enough funds for a downpayment. By assisting individuals in obtaining their own homes, the Consortium hopes to increase the tax base of the area, strengthen neighborhoods, decrease transience, and empower and inspire families to become a permanent fiber in the local community fabric.

Homelessness and Other Special Needs. The Consortium will work closely with the existing network of agencies and organizations that are addressing the needs of the homeless, those threatened with homelessness and those with special needs housing. Implementation of the Continuum of Care plan will be done as federal funds are made available to agencies dealing directly with homeless issues.

The Consortium will set aside a minimum of at least 15% of its funding each year for investment in housing to be developed, sponsored or owned by community development housing organizations (CHDO's). These CHDO's must be a non-profit organizations whose purposes are to provide housing or housing opportunities to low income persons or families or those with special needs. Further, to qualify for funds participating CHDO's must meet criteria as defined by HUD and approved by the Consortium. The Executive Committee of the Consortium will recognize and approve CHDO's and will award funding for CHDO projects.

Preference for CHDO funding will be made to organizations addressing the needs of the homeless, persons with HIV/AIDS, at risk persons, older adults, affordable housing opportunities, or concentrating in areas or neighborhoods identified to have a concentrated need for housing assistance.

III. FIVE YEAR STRATEGY

Summary of the Five Year Strategy. Although significant housing initiatives have and will continue to take place by individual members of the Consortium, gaps in housing service have been identified. These include the lack of assistance for low and moderate-income household in purchasing housing, special needs housing development, affordable housing development (both rental and owner occupied), and housing counseling. The Unifour Consortium has established the following significant elements for fillings these gaps and achieving its purpose of creating housing opportunities through this Consolidated Plan.

- Stimulating homeownership opportunities for very-low and low income homebuyers by the continuation of a four county-wide Downpayment Assistance Program for First-Time Homebuyers.
- Homeownership opportunities will be stimulated through homebuying counseling for potential homebuyers
- Work with developers to increase the supply of standard, affordable housing through development of new housing units under the HOME Program.
- Encourage community based non-profit organizations to develop the resources and capacity to address special needs housing throughout the Consortium area.
- Increase the supply of standard, affordable housing opportunities through new construction of housing and rehabilitation of existing housing units under HOME Program, utilizing deferred loans/grants to very-low and low-income families.
- Provide assistance to agencies that assist homeless persons and families and those threatened with homelessness.
- Encourage efforts on a regional basis to further the study and address homelessness.
- Continuation of efforts to further Fair Housing and minimize relocation or displacement in all programs.

IV. SECOND YEAR ACTION PLAN 2026

Strategy Implementation Year 2

Total HOME Funding for FY 2026	**$ 976,597.50**
Total Estimated Program Income	**250,000.00**
Total Projected Resources	**$1,226,597.50**

In accordance with 24 CFR Part 91.220 of Title 1 of the Housing and Community Development act of 1974, as amended, the City of Lenoir's One Year Action Plan outlines the activities that will be funded using HOME funds.

A. Resources

1. **Federal**

Federal resources are expected to be available to address the priority needs and specific objectives identified in the strategic plan of the HOME Program. The Unifour Consortium anticipates receiving **$976,597.50 in FY 2026 HOME funds**.

2. **Program Income**

Based on past performance and the current number of loans on the books, program income of approximately $250,000 is estimated to be received from the repayment of down-payment assistance loan.

B. Activities to be Undertaken

Priority 1: **Regional Down-payment Assistance Program: $405,572.35 i**n HOME funds to provide Down-payment assistance for approximately 34 homebuyers in four-county area.

These HOME funds will be used to provide down-payment assistance for approximately 3 homebuyers in the four-county area. This program will provide up to 20% in down-payment assistance to low to moderate- income family with an income of no greater than 80% of the area median income. Applicant families will receive assistance on a first-come-first-served basis. The applicant family must have good credit and be able to obtain a loan.

Assistance will be provided in the form of 0% interest deferred loans. Repayment is due if and when a family sells or refinances. If the home is sold after ten years, one half of the loan amount is repayable to the Unifour Consortium at closing as program income and the other half is forgiven. Any such program income will be used for down-payment assistance prior to Treasury funds, in accordance with HUD HOME regulations.

Matching funds will be provided by local lending institutions through such means as reducing, waiving or discounting ordinary fees and charges such as origination fees, attorney fees, appraisal fees, flood certification fees, private mortgage

insurance premiums, etc. Because these discounts will serve as the required local match, local government financial participation will not be required.

Applications will be processed through the program administrator's office at the Western Piedmont Council of Governments.
Geographic Distribution. Funds are distributed on a first-come, first-serve basis.

Priority 2: **Program Income Regional Down-Payment Assistance Program: $225,000.00**

Priority 3: **Program Income Administration: $25,000.00** or approximately 10% of Program Income funds received, will be used to support the administrative services directly related to the expenditure and compliance of Program Income funds received.

Priority 4: **CHDO set-asides: $166,365.40** or approximately will be set-aside community housing development organizations for investment in housing only to be developed, sponsored or owned by community housing development organizations (CHDO's). CHDO's are non-profit community-based organization whose purpose is to provide housing or housing opportunities to low income persons and families or those with special needs. Total matching funds of 25% may be required of CHDO's. Preference will be given to those organizations that address the housing needs of the homeless, those threatened with homelessness, at risk persons, older adults, disabled persons, persons with HIV/AIDS, and CHDO's developing new affordable housing opportunities to low and moderate-income households. The Executive Committee of the Consortium will approve CHDO funding and activities.
Geographic Distribution. Funds will be distributed on a competitive priority needs basis for qualifying CHDO's located in the Consortium jurisdiction.

Priority 5: **Development of Multi-Family Housing: $307,000.00** will be used to work with developers to increase the supply of standard, affordable housing through the development of new housing units under the HOME Program.

Priority6: **Program Administration: $97,659.75** in HOME funds will provide efficient and timely administrative services. Planning and administration will be a key component to the success of the Consortium programs The staff will be responsible for preparing all documents required of the HOME Program, evaluation of applications, interviews with applicants, monitoring and other legal requirements of the Program.

Resale/Recapture Provision:

The Unifour Consortium uses the Recapture Provision with Recapture from net proceeds of sale. These provisions are imposed for the duration of the period of affordability on all HOME-assisted homebuyer projects through written agreements with the homebuyer, and enforced via a promissory note, deed of trust, and declaration of deed restrictions. The recapture provision is triggered by any transfer of title, either voluntary or involuntary, during the established period of affordability. Recapture is limited to the net proceeds available at sale. The period

of affordability is based upon direct HPME subsidy provided to the homebuyer that enabled the homebuyer to purchase the unit. The Unifour Consortium recaptures the entire amount of the direct HOME subsidy provided to the homebuyer before the homebuyer receives a return.

V. OTHER ACTION

A. Affordable Housing. Housing represents the chief means that families have of saving and forming capital. It also represents the key to successful community development. A neighborhood of homeowners is inherently more stable than one which has none. So, the key strengthening our society, or economy, and our families lies in improving access to homeownership. Housing affordability will continue to be addressed through the Unifour Consortium program and by housing programs of individual members of the Unifour Consortium.

B. **Homelessness and Other Special Needs**. The Consortium will work closely with the existing network of agencies and organizations that are addressing the needs of the homeless, those threatened with homelessness and those with special needs housing. Implementation of the Continuum of Care plan will be done as federal funds are made available to agencies dealing directly with homeless issues.

The Consortium will set aside a minimum of 15% of its funding each year for investment in housing to be developed, sponsored or owned by community development housing organizations (CHDO's). These CHDO's must be non-profit organizations whose purposes are to provide housing or housing opportunities to low income persons or families or those with special needs. Further, to qualify for funds participating CHDO's must meet criteria as defined by HUD and approved by the Consortium. To qualify for funding, each CHDO may have to provide a match of 25%. The Executive Committee of the Consortium will recognize and approve CHDO's and approve funding applications.

Preference for CHDO funding will be made to organizations addressing the needs of the homeless, persons with HIV/AIDS, older adults, affordable housing opportunities, or concentrating in areas or neighborhoods identified to have a concentrated need for housing assistance.

C. Non-Housing Community Development Needs. The Unifour Consortium is not seeking to use funds for non-housing community development needs. However, in accordance with HUD requirements, the non-housing community development plans of the three entitlement cities within the Unifour Consortium are herein incorporated.

D. Lead-Based Paint Hazard Reduction. The number of homes built before 1978 is 78,348, all of which can be classified as potential hazards. Any funds used for rehabilitation will address the lead hazard on a unit-by-unit basis. With limited funds available, the abatement of lead from all units is not possible. Approved measures such as wet scraping to reduce the amount of lead disturbed during rehabilitation will be used. All recipients of HOME funds will be provided information outlining the dangers of lead-based paint.

E. Public Housing Improvements. Each of the four conventional public housing authorities (Morganton, Lenoir, Valdese and Hickory) are working with their local law enforcement/public safety agencies to reduce crime in their PHA's. Since 1996 over $1.5 million has been spent to bring the public housing units into compliance with the Americans with Disabilities Act requirements.

F. Public Housing Resident Initiatives. Each of the five housing authorities within the Consortium jurisdiction is self-governing and responsible for administering its own funds. Appointments to each board are made from within their own memberships, and they each have their own polices regarding hiring, contracting and procurement.

Outreach efforts will be coordinated with each housing authority to inform residents of the downpayment assistance program and other housing assistance programs available within their jurisdictions. Within the Consortium jurisdiction there are five housing authorities: Hickory, Lenoir, Morganton, Valdese and the Western Piedmont Council of Governments. Among the assisted housing available are 1,628 units of conventional public housing, and housing subsidies for families and individuals through Section 8 vouchers and certificates. There is a need for private landlords for the Section 8 program throughout the Unifour area.

All of the above mentioned housing authorities anticipate no losses from their housing inventories. Those that own and operate conventional housing units as of March, 2018, report 0% vacancy rates and continuous waiting lists of needy families.

Each of the housing authorities will work to accomplish more self-reliance and independence through a variety of programs. They each will continue to strive to increase resident awareness of energy factors, job training, homeownership opportunities, credit counseling, drug elimination and community activities.

VI. MONITORING. The Unifour Consortium will take every measure to ensure the Consortium's long term compliance, completely and correctly, with provisions of the Consolidated Plan and all of the provisions of Title 1 of the National Affordable Housing Act.

The Unifour Consortium is committed in its efforts to develop and provide affordable housing and to meet the goals of their five strategies outlined in this plan. The Consortium will review the goals of their one-year strategy on a quarterly basis to determine progress made toward reaching the goals. The Consortium shall be responsible for monitoring only those funds that it receives from DHUD.

Specifically, for priority 1, the Unifour Consortium will ensure that all participants with the first time homebuyer program meeting HUD income eligibility requirements via income verifications. Such verifications will be maintained on file with each applicant. Each unit purchased with HOME assistance will be meet price limits, as determined annually by HUD. Each purchase price per unit will be maintained on file for each applicant. To ensure the lead-based paint status of each home purchased with HOME assistance, the year of construction for each unit will be verified through county tax records and maintained in each file. For homes built prior to 1978, verification from a lead-based paint inspector will be required for certification that the unit

is free of lead-based paint prior to closing. Under no circumstances will any unit built prior to 1978 be purchased with HOME assistance without proper certification of lead-free conditions if a child or children under age seven will reside in or be cared for within. Each unit purchased with HOME assistance shall be inspected by a qualified inspector to verify its compliance with Section 8 Housing Quality Standards at time of the closing. Such verification shall be maintained within each applicant file.

The Unifour Consortium will take every step necessary to ensure that CHDO's funded through the HOME program comply with the Consolidated Plan and all applicable Federal, State and local laws and policies. Specifically, for homeownership projects, each CHDO shall provide documentation of affordability by such means as deed restrictions, deeds of trust and promissory notes. CHDO's receiving funding for rental projects shall provide income verification for beneficiaries annually throughout the period of affordability. Rental project affordability shall be ensured by deeds of trust and promissory notes. All CHDO's shall provide annual project reports for their HOME assisted units throughout the period of affordability per project.

VII. FAIR HOUSING -BARRIERS TO AFFORDABLE HOUSING. The Unifour Consortium makes every effort in supporting affordable housing. With 28 participating local governments within the Consortium, there are varying degrees of adopted zoning and land use controls, fees and other costs that will affect the cost of housing. Adopted zoning and subdivision codes that are currently in force are not considered to be excessive or exclusionary. Lack of education about purchasing home can be a barrier to affordable housing. The Consortium staff, the Western Piedmont Council of Governments, will administer an Individual Development Account program with CDBG funds received by Caldwell County. This IDA program will be administered and available throughout the Unifour. The Western Piedmont Council of Governments is a HUD-approved comprehensive housing counseling agency, and as such, it will also continue to provide Home Equity Conversion Mortgage counseling to older adult homeowners.

The Unifour Consortium will take an active role in affirmatively furthering fair housing in its jurisdiction through the following activities:

- The Unifour Consortium staff will provide information to various citizens and/or groups about local housing programs offered throughout the area and staff will make available printed materials designed to inform citizens of their fair housing rights as outlined in state and federal housing laws. Information will be translated into Spanish for our Hispanic population.
- The Unifour Consortium will observe April as “Fair Housing Month” by the City adopting a fair housing resolution each April to recognize and support fair housing, The Unifour Consortium will sponsor public service announcements regarding fair housing and “Fair Housing Month” in local newspaper and/or radio.
- The Unifour Consortium will sponsor quarterly Fair Housing Workshops with the Catawba Valley Hispanic Ministry, better known as “Centro Latino:. Centro Latino is a non-profit organization offering a wide variety of programs including: health, social and educational services, community building, and advocacy for the Latino community of the Unifour area. Written material will be provided in Spanish and English,
- The Unifour Consortium will participate semi-annually in community meeting in predominately black neighborhoods in order to present information on various

housing programs and to make available printed materials designed to inform citizens of their fair housing rights as outlines in state and federal housing laws.

- The Unifour Consortium will supply informational posters, brochures and/or flyers to historically black churched and community centers to inform citizens about their fair housing rights.
- The Unifour Consortium will provide down payment assistance for first-time homebuyers, to qualifying low to moderate income minorities and will specifically affirmatively market the down payment assistance program to minority and/or predominately black communities by placing down payment assistance and fair housing posters, brochures, and/or flyers in minority and/or predominately black communities, churched, libraries, and community centers.
- The Unifour Consortium will annually budget funds for Community Development Housing Organizations (CHDO'S) such as Habitat for Humanity to help finance housing related projects resulting in a home for low to moderate income families.

VIII. ANTI-POVERY STRATEGY. Each member local government of the Consortium is very aggressive in trying to attracting new and diverse industries and commercial businesses into the area.

IX. COORDINATION OF EFFORTS. The Consortium will continue to work with area service providers and agencies to remain aware of existing programs and make referrals as needed to individuals and families. The WPCOG staff assigned to the Consortium will continue to be involved with various housing, aging, social service and non-profit agencies in order to stay abreast of other activities and expenditures.

The same outreach efforts will be made with area social services providers and non-profit organizations. The Consortium will coordinate its efforts with Blue Ridge Community Action, a local non-profit agency, which provides transitional housing units, new home construction, weatherization, rehabilitation and rental rehabilitation.

The cities of Hickory, Lenoir and Morganton are all HUD entitlement cities. The Consortium will work with each of these cities to coordinate housing initiatives and efforts. If any conflicts or negative effects arise, the Consortium will investigate all possible ways to alleviate the cause(s).

To meet housing and community development needs, individual local governments within the Unifour Consortium have applied for and received funding through other federal housing assistance programs including CDBG, Rural Development Corporation, and the North Carolina Housing Finance Agency. These localized programs assist low and moderate income, elderly and disabled owner occupied households.

X. SUMMARY OF CITIZEN COMMENTS. A summary of citizen comments regarding the proposed 2026 Action Plan from the February 26, 2026 and the May 19, 2026 public hearings will be included here:

XI. Certifications