CDBG-DR Commercial District Revitalization

Grant Planning

Board of Commissioners Briefing

April 21st, 2026

North Carolina CDBG-DR Allocation Overview

- **$1.4B total** Community Development Block Grant – Disaster Recovery (CDBG-DR) award from the Dept. of Housing and Urban Development
- **Emphasizes Housing Repair**
  - Owner-occupied, single-family program run by the state = ~60% of total funding
- **Competitive Programs**
  - Multi-Family Housing Construction*
  - Community Infrastructure
  - ***Commercial District Revitalization***
  - Workforce Housing Opportunities
    - Program not yet in development

Program	**Allocation**
RenewNC (single family housing repair and reconstruction)	$860M
Community Infrastructure	$192M
Multi-Family New Construction	$190M
Commercial District Revitalization	***$111M***

*"Large" funding will be managed through NCHFA

Commercial District Revitalization

- **Total Funding Available**: $111M
- **Funding in First Round:** $40M
- **Max Award**: $10M
- **Eligible Applicants**
  - Local Governments
  - Non-profits (with local government support)
- No grant match required
- All “Most Impacted and Distressed” areas (MIDs) are eligible

- **Program Focus**
  - **Commercial Areas** with significant physical damage from Tropical Storm Helene
  - Projects related to **physical repair and improvements in commercial areas**: new construction, repair, hazard and safety mitigation, etc.
    - **Ineligible** project examples:
      - Workforce development programming
      - Working capital grant program
  - “Restore jobs, commercial tenants, and customers in commercial areas affected by Hurricane Helene”

Commercial District Revitalization – Project Eligibility

In order to be eligible, projects must meet three criteria:

Tie-Back to the Storm	HUD National Objective	Eligible Activity Under Action Plan
Clear and documented connection between the proposed activity and the impacts of the disaster: - Physical damage - Economic damage - Vulnerability revealed or exacerbated by TS Helene - Mitigation needs	- Low- to moderate-income benefit (primary) - Urgent Need (secondary) - Eliminating slum and blight (secondary)	*Identified HUD-eligible activities in the Action Plan. The Commercial District Revitalization program prioritizes:* - Physical recovery from storm damage in commercial areas - Mitigation activities

Staff will consider alignment with Helene Recovery Plan and community feedback for other planning processes (Swannanoa SAP, Ped Plan, etc.) while developing potential projects.

Commercial District Revitalization Timeline and Next Steps

February 2026
Pre-Screening Open

April 6th
Application Open

2-3.5 months
Develop Projects in Accordance with NOFO

*May 19th**
Public Hearing #1

Public Comment

*July 21st**
Public Hearing #2

August 4th
Submit Applications by Deadline

**Dates are tentative and subject to change.*

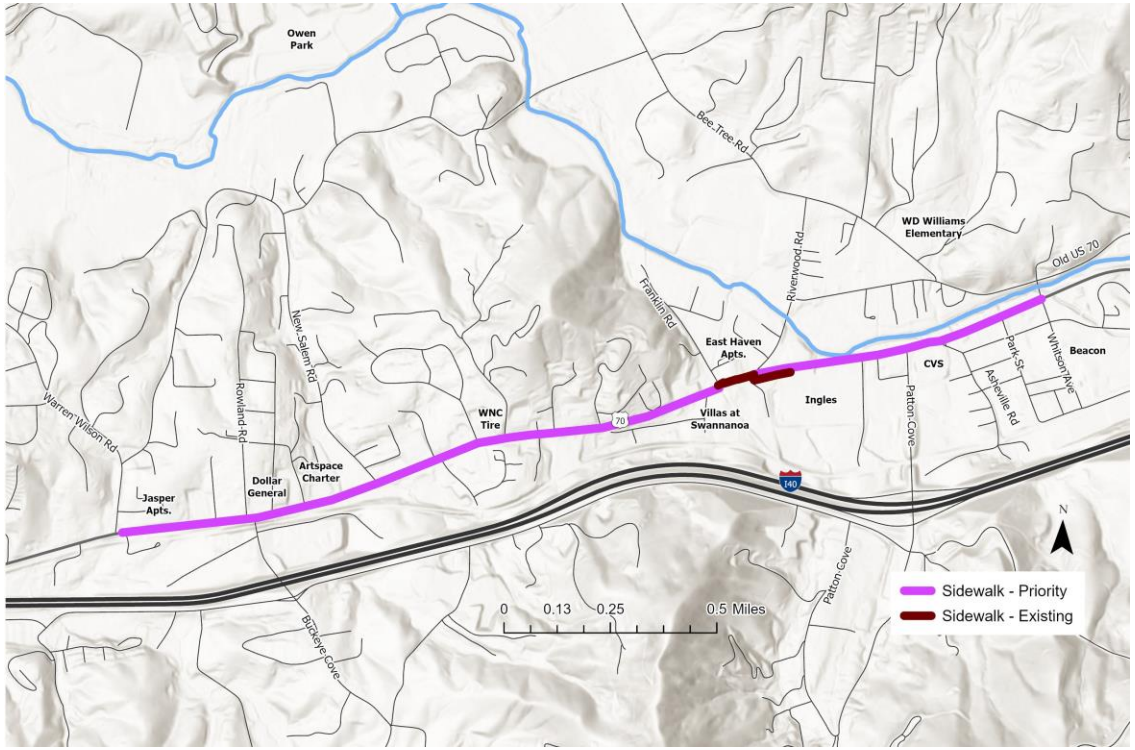
Potential Projects



Commercial Corridor HMGP Property Activation

- Goal: Improve properties acquired through HMGP (as allowed by HMGP guidelines)
- Unmet Needs
  - HMGP will result in property acquisition with constrained uses
  - Eligible uses of property include activities that could yield positive economic outcomes (greenways, space for livestock, etc.)
- Deliverables
  - Improve (to the extent possible) properties acquired through HMGP
  - Examples:
    - Passive recreation and greenway development
    - Agricultural use
    - Flood storage
- Project Status
  - Pre-screening submitted to the State

Swannanoa Commercial Corridor Revitalizaiton



- Goal: Increase pedestrian access in Swannanoa commercial corridor by partnering with NCDOT to construct sidewalks from Warren Wilson Rd to Whitson Ave along Hwy 70
- Unmet Needs
  - Place-making: pedestrian access and connectivity, outdoor recreation, and public facilities
  - Commercial space: preventing vacancies and increasing access
  - Infrastructure mitigation
- Deliverables
  - Increased connectivity throughout Swannanoa, improved resiliency, and increased access to commercial areas
  - Sidewalks from Warren Wilson Rd to Whitson Ave
- Project Status
  - Pre-screening submitted to the State

Commercial Corridor Remediation and Revitalization

- Goal: Address storm-related damage in unincorporated commercial areas/corridors
- Unmet Needs
  - Insufficient resources to administer and enforce building code with regards to Helene damaged property in commercial corridors
  - Community morale impacted by visual damage
- Deliverables
  - Address code enforcement needs in commercial corridors with properties that remain impacted by damage from T.S. Helene
  - Examples:
    - Remediation of damaged properties
    - Removal of damaged structures
    - Debris abatement
- Project Status
  - Pre-screening submitted to the State

Other Potential Projects

- Swannanoa Commercial Corridor Mitigation
  - Goal: stabilize streambanks in the Swannanoa Commercial Corridor, mitigating future flood risks by increasing flood storage and reducing erosion of unstable banks.

DISCUSSION

Buncombe County Commercial District Revitalization Project Idea Summary

Project Concept	Tie-Back to the Storm	National Objective	Eligible Activity
Swannanoa Commercial Corridor Revitalization: pedestrian access on Hwy 70	Economic damage, storm-exacerbated vulnerability, mitigation	Benefit to low- to moderate-income area	Yes, physical improvement in a Helene-damaged commercial area
Commercial Corridor Remediation and Revitalization: address storm damage	Physical damage, economic damage	Eliminate slum/blight, benefit to low- to moderate-income area	Yes, remediation of physical damage in a Helene-impacted commercial area
Commercial Corridor HMGP Property Activation: improve HMGP-acquired properties	Physical damage, economic damage	Eliminate slum/blight, benefit to low- to moderate-income area	Yes, improvement to HMGP-acquired property in a Helene-impacted commercial area

Next Steps

- Commercial District Revitalization grant application is OPEN
  - Grant application development, next 2-3.5 months
    - Staff will develop projects in accordance with the Notice of Funding Opportunity
    - Citizen Participation: return for ***two public hearings*** and to advise the board of the ***public comment process*** at future meetings
  - Application closes August 4th, 2026
  - After application closes:
    - State Evaluation and Award: *no timeline*
    - Post-Award Requirements (NEPA, reporting, compliance, etc.): *no timeline*

Citizen Participation Plan

- 5/19/2026* - **first public hearing**.
  - Public notice of the hearing must be published at least 10 days prior.

- **Public comment period** will open after the first hearing and will remain open for a period of at least 14 days.
  - All information related to the process for submitting comments will be provided at the 5/19* regular meeting and in the public notice prior to the comment period opening.

- 7/21/2026* - **second public hearing**.
  - Public notice of the hearing must be published at least 10 days prior.

**Dates are tentative and subject to change.*

APPENDIX

Overview: CDBG-DR Basics

- CDBG-DR: appropriated by Congress and allocated by HUD to rebuild disaster-impacted areas by funding **housing, infrastructure,** and **economic revitalization** activities
- Uses of CDBG-DR funds must meet three basic criteria:
  1. ***Tie-back to the Disaster*** by addressing a direct or indirect impact
  2. ***Meet a CDBG National Objective***: Benefit LMI persons, prevent or eliminate slums/blight, or address an urgent need
     - 70% of DR funds must benefit LMI persons
  3. ***Eligible Use*** under section 105 of the Housing and Community Development act or be allowed by waiver
- Funds must benefit the **Most Impacted and Distressed (MID)** areas
  - 80% of funds must be spent in HUD-identified MIDs
  - Further defined in the Action Plans
- "Funding of last resort": projects require duplication of benefit analysis
  - Funds can benefit FEMA-PA or HMGP projects OR "stand alone" unmet needs

Overview: CDBG-DR Process

- Funding Recipients must publish detailed documents and engage communities in order to justify expenditure of funds:
  1. Action Plan
  2. Programs & Policies
  3. Notice of Funding Opportunity
- Recipients can manage funds by:
  1. **Managing programs** (ex: DCR's RenewNC Single Family program)
  2. Awarding funds to **subrecipients** to manage activities (ex: the city of Asheville's Small Business Support Program)
  3. Awarding through **competitive NOFOs** (ex: COA's Multi-Family NOFO, the upcoming State CI and CDR opportunities)

North Carolina Competitive Grant Program Timeline

	Action Plan	Policies and Procedures	*Pre-Screening*	Notice of Funding Opportunity
Multi-Family Housing Large Construction	Completed	Completed	*N/A*	N/A*
Community Infrastructure	Completed	Completed	*Open*	Anticipated this summer
Commercial District Revitalization	Completed	Completed	*Open*	Opened on April 6th

*The State is working with NCHFA to manage the funding for "Large" projects (LIHTC).

Future CDBG-DR Opportunities

- Upcoming CDBG-DR State Competitive Grants
  - **Community Infrastructure**: first round anticipated this summer
  - **Workforce Housing for Ownership:** no timeline
    - not anticipated to be a good fit for county projects
  - **Commercial District Revitalization:** second round to be announced at a future date

Buncombe County Recovery Projects

with Economic Revitalization Impact

- Affordable Housing Development
  - **Ferry Road**
  - **Coxe Ave**
- Commercial District Revitalization
  - **Pedestrian Access**
  - **Remediation (safety and hazard mitigation)**
  - **HMGP Activation**
- Cultural Asset Restoration
  - **Restore county parks, libraries, and community centers**
  - **Owen Park**
  - **Riverfront Parks**
- Public Art
  - **Commission and install public art pieces across key public spaces**
- Resilience Hubs
  - **Add features to public facilities for resilience before, during, and after emergencies**
- Sewer Extension & Septic Mitigation
  - **Work with partners to develop and implement plans for sewer system expansions**
- More than a Job NC
  - Increase "More Than a Job NC" enrollment and program graduation rates
- Small Business Grants
  - Seek additional opportunities for working capital grants
- Swannanoa Small Area & Resilience Plan
  - Engage the Swannanoa community in needs/priority assessment and development of a framework to guide future development

Projects that Align with State CDBG-DR Programs:

XXX = Commercial District Revitalization

XXX = Community Infrastructure

XXX = Multi-Family Large Construction