Community Development Block Grant - Disaster Recovery (CDBG-DR) - Substantial Action Plan Amendment

June 3, 2026

Housing Recovery Board

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Community & Economic Development Department

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Agenda

- Review of current program allocations
- Proposed substantial amendment
- Timeline and process for substantial amendment to reallocate funds to the single family program
- Recovery Board Deliberation & Vote

Key Takeaways

- The City's CDBG-DR Action Plan originally allocated $3 million to the Single Family Rehabilitation & Reconstruction Program and $28 million to the Affordable Multi-Family Housing Construction Program.
- The total cost of the program to address all applicants is estimated to be between $30-$40 million.
- Staff are proposing a Substantial Amendment to the CDBG-DR Action Plan, reallocating $19.2 million in funding to the Single Family Rehabilitation & Reconstruction Program, for a new total of $22.2 million.
- The Housing Recovery Board is being asked to vote on the amendment and comment on the proposed reallocation of funding.

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CDBG-DR Single Family Rehabilitation & Reconstruction Considerations

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Renew NC

The Renew NC Single Family Housing Program is a centralized housing rehabilitation, reconstruction or replacement program that will prioritize **low-to-moderate income** families with seniors aged 62 and older, children, and/or disabled household members who were impacted by Hurricane Helene.

- Includes single-family and manufactured homes
- Must be primary residence
- Eligible homeowners who are awarded the grant are expected to remain in the house for 3 years (3-year unsecured, forgivable promissory note).

Prioritization:

Application priority is assigned based on income (below 60%, 60-80%, and under 120% of area median income) and at least one of the following:

- Households with seniors age 62 and older.
- Households with children under the age of 18.
- Households with individuals with disabilities.

Renew NC - Program Status

- Rehabilitation threshold = $100,000 of estimated repairs
  - If a property's costs to repair are greater than $100,000, then it is recategorized as full reconstruction (like-for-like)
    - Costs to meet CDBG-DR home repair requirements include:
      1. Disaster related repairs
      2. Cost to repair or replace all non-code compliant issues
      3. Cost to repair or replace all identified health and safety issues
      4. Mitigation against future disasters (elevation, weatherization, slope stabilization, etc)

Renew NC - Program Status

- Maximum reconstruction award/cost per property = $450,000
  - Anticipated average cost of reconstruction per home = $360,000
- Meeting all required repair needs identified for *reconstruction* are unlikely to be alleviated by other programs or funding sources
- Temporary Relocation Assistance (TRA) may be available to support families while their homes are being rebuilt.
  - This is new thanks to community input
- Homeowners receive a decent, safe, and resilient replacement home

Renew NC - Program Status (Updated 5.28.2026)

RenewNC HOUSING

AMI Range	Household Criteria	Program Phase & Priority	Household Count
0–60% AMI	Child, Elderly, or Disabled	Phase 1/Priority 1	87
0–60% AMI	Other Eligible Households	Phase 1/Priority 2	21
60–80% AMI	Child, Elderly, or Disabled	Phase 2/Priority 1	6
60–80% AMI	No Child, Elderly, or Disabled	Phase 2/Priority 2	3
81–120% AMI	Child, Elderly, or Disabled	Phase 4/Priority 1	30
Under Review	Pending Final Determination	TBD	5

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Renew NC - Program Status

- The current $3 million allocation will serve 8 households.
  - Many applications are above the reconstruction threshold ($100,000 of repairs + code + health & safety + mitigation) and have costs of around $360,000 to fully reconstruct a home
  - Seven projects are currently authorized under the initial funding allocation.
  - One project was completed in April and a second is in active construction.

April 2026 Housing Recovery Board Feedback

- **Multi-Family:** Maximizes investment per household served and long-term affordability (35+ year deed restrictions) through gap financing and tax credit layering.
- **Single-Family:** Supports residents directly impacted by the disaster, preserves generational wealth, prevents the displacement of residents in existing neighborhoods
- Acknowledged the tensions and need to **rebalance the portfolio** to ensure meaningful impact across both housing types.

Proposed Reallocation to Single Family

- Staff propose pursuing a Substantial Amendment to the CDBG-DR Action Plan
  - **$9.2 million** from the Affordable Multi-Family Construction Program
    i. New total = $18,800,000
      1. $1,385,000 - District East Commons
      2. $7,000,000 - 319 Biltmore B
      3. $9,505,000 - Unawarded and available for future projects or reallocation
      4. $ 910,000 - Activity delivery costs
  - **$10 million** from the CDBG-DR Infrastructure Program
    i. New total = $115,000,000
      1. $10M in estimated design costs for the North Fork Reservoir Project identified as funds likely to be reimbursed first through HMGP

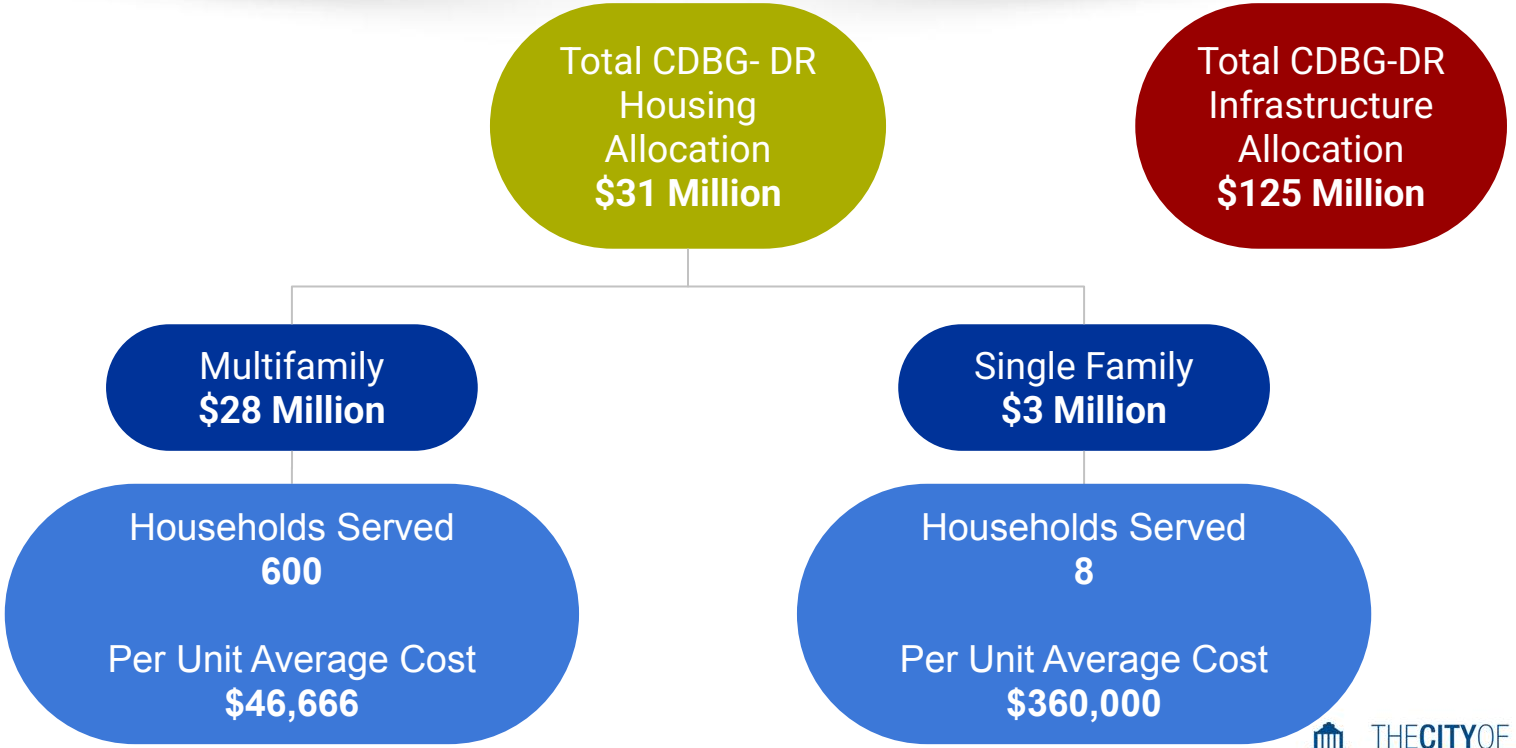
Proposed Re-allocation to Single Family

- **Total reallocation to Single Family = $19.2 million**
  - Total program allocation = $22.2 million
  - Will serve an estimated 53 additional households
  - Focus continues to be on:
    - < 60% AMI
    - Elderly, disabled, or children in the home
    - Reconstruction (repair estimates > $100,000)

December 2025 Housing Recovery Board Feedback

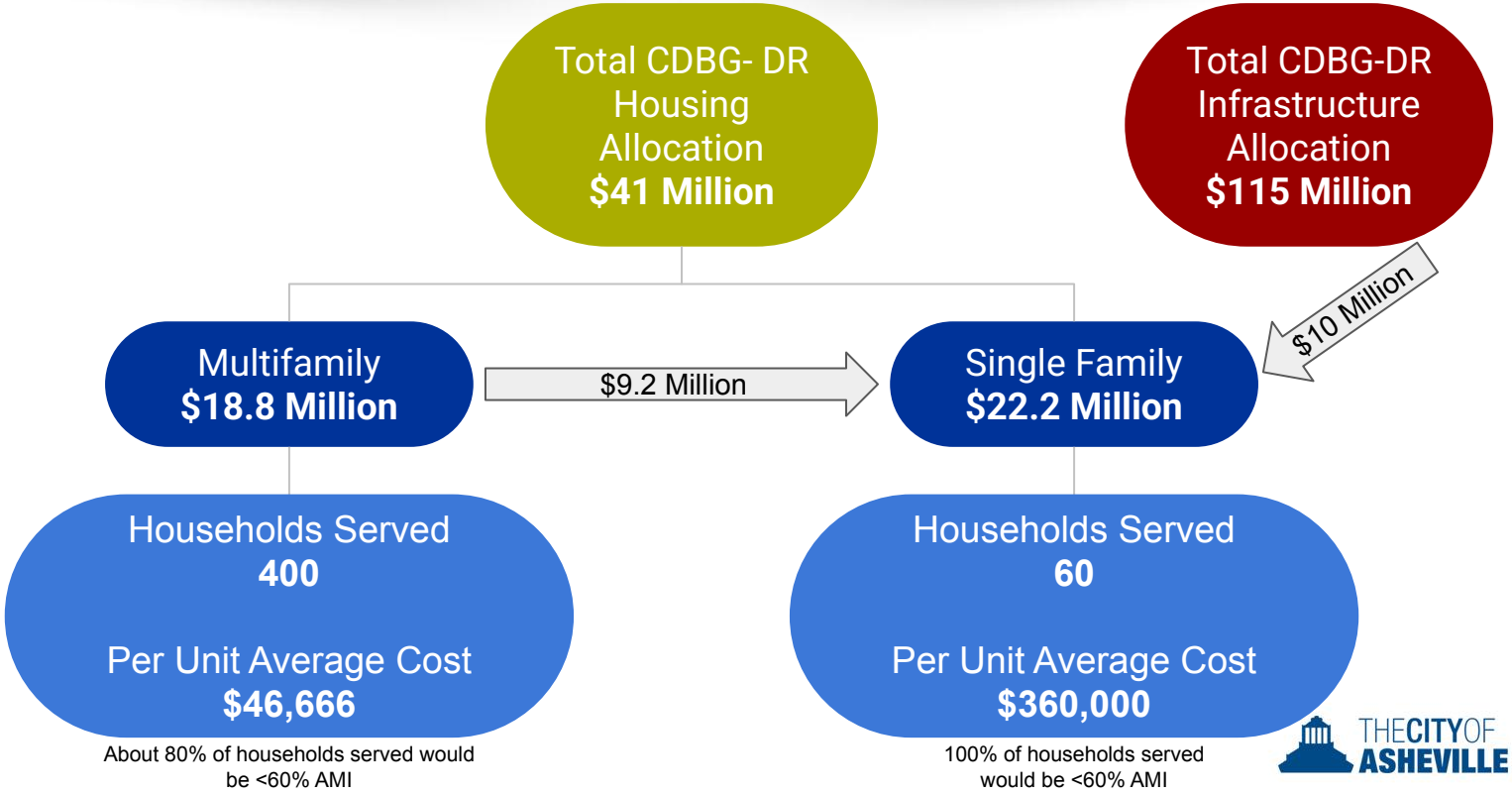
- Staff had originally proposed a $17 Million reallocation from the Multifamily Program in December 2025
- Since then, we have gathered data and considered alternative options
- The new recommended reallocation leaves the MFH program with a total of $18.8 Million, as opposed to the December recommended reduction to $11 Million

Current Funding Allocations



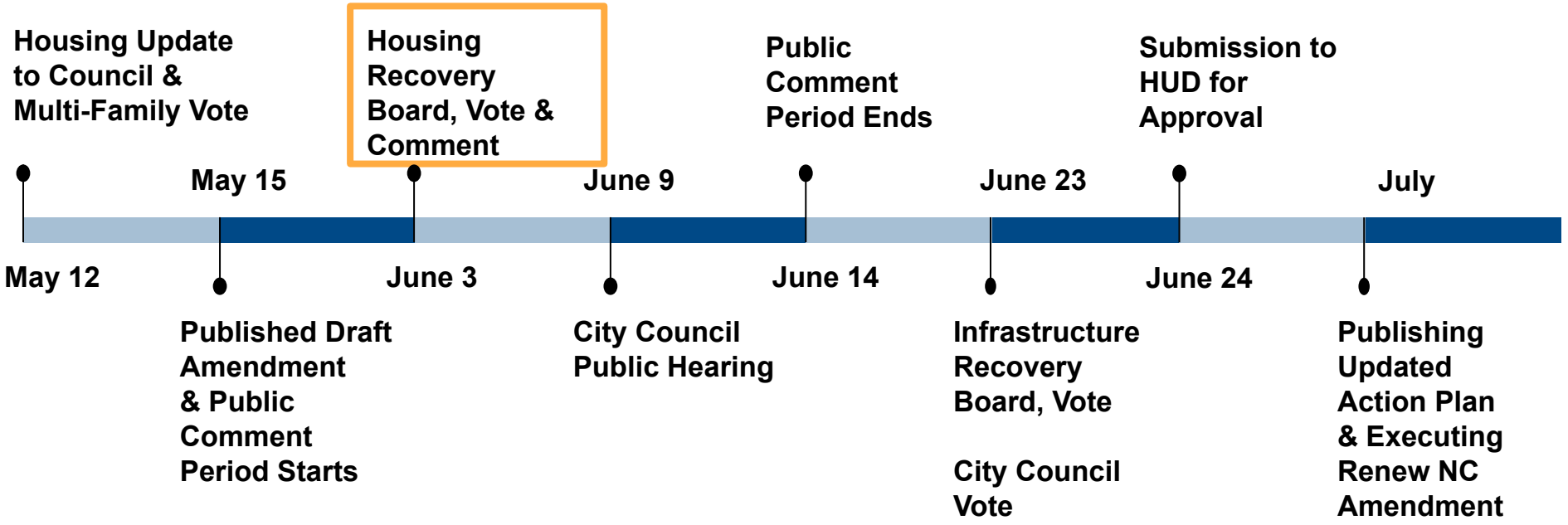
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Proposed Funding Allocations



Substantial Action Plan Amendment Process

Substantial Action Plan Amendment Timeline



Public Comment Period

- The 30-day public comment period runs May 15–June 14, 2026.
  - Residents may review the amended Action Plan on the Asheville Recovers website under “Action Plan and Amendment” or request a physical copy at Asheville City Hall, 70 Court Plaza.
- A public hearing will be held during the Asheville City Council meeting on Tuesday, June 9th.
- Written comments and questions may be submitted by 5pm June 14 to: cdbg-dr@ashevillenc.gov or on publicinput.com/b82874
- Public comment taken during today’s HRB meeting
- Infrastructure Recovery Board will review final recommendations on June 23rd
- City Council vote on June 23rd

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Key Takeaways

- The City's CDBG-DR Action Plan originally allocated $3 million to the Single Family Rehabilitation & Reconstruction Program and $28 million to the Affordable Multi-Family Housing Construction Program.
- The higher-than-anticipated demand and cost for home repair require additional funding resources for the Single-Family Home Repair and Reconstruction Program managed by Renew NC. The final cost is estimated to be between $30-$40 million.
- Staff are proposing a Substantial Amendment to the CDBG-DR Action Plan, reallocating $19.2 million in funding to the Single Family Rehabilitation & Reconstruction Program, for a new total of $22.2 million.
- The Housing Recovery Board is being asked to vote on the amendment and comment on the proposed reallocation of funding.

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Suggested Motion

Motion to support staff's recommendation to amend the CDBG-DR Action Plan to reallocate $10 million from the Infrastructure Program and $9.2 Million from the Affordable Multifamily Construction Program to the Single Family Rehabilitation & Reconstruction Program, for a new total of $22.2 million.

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