City Council Staff Report

Council Meeting Date

- June 9, 2026

Subject

- Public Hearing to Consider a Substantial Amendment to the CDBG-DR Action Plan to Reallocate Funds to Single-Family Rehab & Reconstruction Program

Staff Resource(s)

- Nikki Reid, Community and Economic Development Department Director
- James Shelton, Community Development Division Manager

Action Requested

- Public hearing to consider reducing the Affordable Multi-Family Housing Construction Program budget to $18,800,000 from $28,000,000 and reducing the Infrastructure budget to $115,000,000 from $125,000,000. These reductions sum to $19,200,000, which would be reallocated to the Single-Family Reconstruction and Rehabilitation (R&R) Program budget for a total of $22,200,000 from its current $3,000,000. Other non-substantial technical amendments to the Action Plan are also included as part of this amendment.

Background

- The City of Asheville was allocated $225,010,000 in Community Development Block Grant-Disaster Recovery (CDBG-DR) funds from the U.S. Department of Housing and Urban Development (HUD) on January 16, 2025. These funds are governed by an Action Plan detailing programmatic priorities.
- The City is currently implementing the CDBG-DR single-family home repair program in partnership with the State of North Carolina Department of Commerce.The current allocation of $3 million is insufficient to meet current needs. Staff are proposing a Substantial Amendment to the Action Plan to reallocate funds to address the needs.
- The amendment proposes to reallocate $9,200,000 million from the CDBG-DR Multi-Family New Construction Program and $10,000,000 million from the Infrastructure program to the Single-Family Home Repair Program, resulting in a $22,200,000 total allocation for Single-Family Home Repair administered by the State of North Carolina's Renew NC program, $18,800,000 remaining in Multifamily New Construction, and $115,000,000 remaining in Infrastructure.
- The City's Citizen Participation Plan requires a public hearing and a 30-day public comment period for any Substantial Amendment. The 30-day period is open from May 15 through June 14, 2026.

- Following the completion of the public comment period and the public hearing, staff will request a vote to authorize the amendments from the Housing and Community Development (HCD) Council Committee on June 16, 2026 and City Council on June 23, 2026.

Vendor Outreach Efforts:

- N/A

Council Vision 2036 Focus Area(s):

- Quality Affordable Housing

Council Priority Recovery Area(s):

- People
- Housing

Committee(s):

- Housing Recovery Board - June 3, 2026 - Voted 6-4 to NOT support the amendment
- Infrastructure Recovery Board - June 23, 2026

Fiscal Impact

- None - CDBG-DR funds are federal grant funds and have no impact to the City's general fund

Suggested Motion

- No action requested, public hearing only.

Attachment(s)

- None.