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

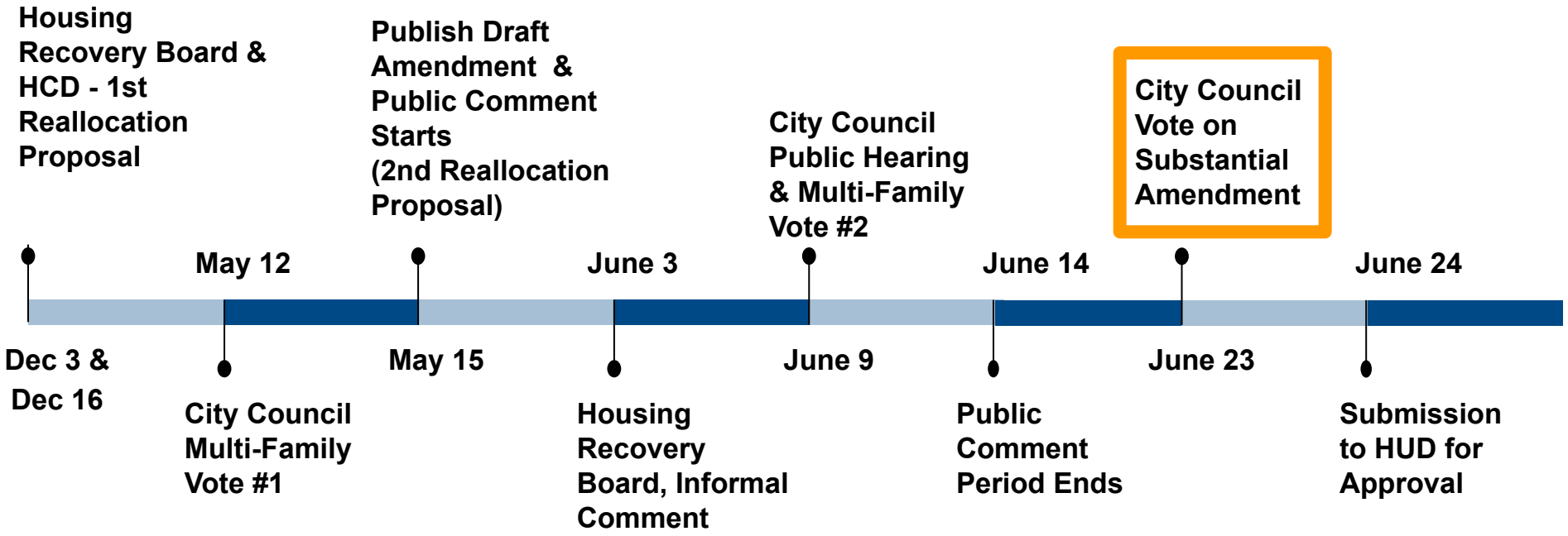
June 23, 2026

Bridget Herring
Recovery Coordinator

THE CITY OF ASHEVILLE



Timeline


Housing Recovery Board & HCD - 1st Reallocation Proposal
Dec 3 & Dec 16
May 12
City Council Multi-Family Vote #1
Publish Draft Amendment & Public Comment Starts (2nd Reallocation Proposal)
May 15
June 3
Housing Recovery Board, Informal Comment
City Council Public Hearing & Multi-Family Vote #2
June 9
June 14
Public Comment Period Ends
City Council Vote on Substantial Amendment
June 23
June 24
Submission to HUD for Approval

What We Heard: Public Input Summary

- Overall support to fund single family home repair, infrastructure projects and new multi-family development.
- Opposition to utilizing CDBG-DR funds for single family home repair.
- Concern over CDBG-DR and Renew NC requirements that result in more costly home repairs.
- Concern about housing availability for displaced residents.
- Concern over moving funds that are already secured to fulfill other needs.
- Preference to utilize CDBG-DR funds for multi-family development

THE CITY OF ASHEVILLE

What We Heard: Recovery Boards Input

CDBG-DR Substantial Amendment Review

- **June 3, 2026 – Housing Recovery Board:** Reviewed proposed $9.2M reallocation from the Affordable Multi-Family Construction Program to Single-Family Home Repair Program.
  - Motion not to support reallocation passed **6–4**.
  - Board unanimously recommended pursuing state-level CDBG-DR housing recovery funds to support eligible households and reduce pressure on City funds.
- **June 23, 2026 – Infrastructure Recovery Board:** Reviewed proposed $10M reallocation from the Infrastructure Program to Single-Family Home Repair Program. Scheduled to review the proposed substantial amendment.
  - Motion to support reallocation ended in a tie 5-5.

THE CITY OF ASHEVILLE

Single Family Home Repair

- Estimated **$32M gap** in single-family home construction costs due to Helene.
- Without additional CDBG-DR funding, many RenewNC applicants may not receive support through a City-funded program.
- $3 million for home repair from 2024 Affordable Housing Bond insufficient to serve added demand from Helene

Prioritization of Eligible Applicants			
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
Total			152

Multi-Family Housing

- Refined staff's original substantial amendment recommendation to expand support for affordable multi-family housing.
- Allocated additional CDBG-DR funding to shovel-ready multi-family projects in response to demonstrated demand beyond the City issued $10M Notice of Funding Opportunity (NOFO).
- City Council approved **$17,890,000** to support development of **331 affordable housing units**.
  - District East Commons: 93 units
  - 319 Biltmore Ave (B): 112 units
  - Terrace at River Hills: 126 units

THE CITY OF ASHEVILLE

Infrastructure

- City pursuing multiple funding sources to strengthen water system resilience.
- Progress Indicators Include:
  - **$10M NC DEQ State Revolving Fund loan secured** for North Fork infrastructure project.
  - **$260M** NCEM Hazard Mitigation Grant application submitted to FEMA (April 2026); first phase estimated at **$10M**.
  - Permanent pretreatment system at DeBruhl Water Treatment Plant deemed eligible for FEMA Public Assistance, currently estimated at **$25M.**

THE CITY OF ASHEVILLE

State Partnership & Collaboration

- Collaboration with RenewNC to provide additional support to program participants through program improvements, information sharing while balancing privacy protections and resource sharing.
- Collaboration with GrowNC and Governor Stein's office to lobby Federal partners for additional funding and educate funding partners on unmet need in Asheville and WNC.
- Direct advocacy with FEMA and Federal Delegation to advance obligation of funds through the FEMA Public Assistance program and private property acquisitions through HMGP.
- Coordinated conversations with NCEM to improve competitiveness of City's applications and move to FEMA Region 4 for review.
- Funding opportunities through State grants:
    - Small Business Infrastructure Grant - $2.4 Million for Biltmore Village Sidewalks
    - Helene Local Government Capital Grants Program - $2.5 for Recreation Park Reconstruction
- Coordination of Federal Dignitary visits to raise awareness and knowledge of Asheville's specific recovery needs.

THE CITY OF ASHEVILLE

Proposed Action: Reallocation of CDBG-DR Resources

CDBG-DR Program	Original Allocation	Change	Amended Allocation
Housing: State of North Carolina Reconstruction and Rehabilitation (R&R) Program	$ 3,000,000	+ $19,200,000	$ 22,200,000
Housing: Affordable Multi-Family Construction Program*	$ 28,000,000	- $9,200,000	$ 18,800,000
Infrastructure	$ 125,000,000	- $10,000,000	$ 115,000,000

- Will serve an estimated 55-65 households
- Focus continues to be on repair/reconstruction of Phase 1, Priority 1

THE CITY OF ASHEVILLE

Suggested Motion

- Motion to recommend City Council authorize the City Manager to submit an amendment to the CDBG-DR Action Plan to reallocate $19,200,000 to the Single Family Reconstruction with $9,200,000 from the Multi-Family Housing Construction Program and $10,000,000 from the Infrastructure Program, update the Unmet Needs Assessment and mitigation needs assessment to reflect new data.