

Final Notice and Public Explanation of a Proposed Activity in a Floodplain or Wetland

To: All interested Agencies, Groups and Individuals

This is to give notice that North Carolina Department of Commerce (NCDOC), Division of Community Revitalization (DCR), as the responsible entity under 24 CFR Part 58, has conducted an evaluation as required by Executive Orders 11988, as amended by Executive Order 13690, and Executive Order 11990, in accordance with HUD regulations at 24 CFR 55.20 in Subpart C Procedures for Making Determinations on Floodplain Management and Wetlands Protection. The activity is funded through the U.S. Department of Housing and Urban Development (HUD), Community Development Block Grant - Disaster Recovery (CDBG-DR) program. The DCR is proposing to implement housing recovery programs including Reconstruction and Rehabilitation of Owner-Occupied Housing, and Multifamily Construction and Repair (the Programs) to assist homeowners and rental unit owners and tenants that have been and continue to be affected by disasters.

The Programs will facilitate the rehabilitation and reconstruction of single-family housing units (residential dwellings with a maximum of 1-4 units per property/activity) damaged by Tropical Storm Helene. Although individual project locations are not known at this time, project sites will be located within the eligible Program area, which is comprised of twenty-eight (28) counties and one (1) additional zip code in western North Carolina, specifically, the counties of Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Catawba, Clay, Cleveland, Gaston, Haywood, Henderson, Jackson, Lincoln, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Surry, Swain, Transylvania, Watauga, Wilkes, Yadkin, Yancey, and zip code 28214 in Mecklenburg County. DCR is preparing tiered environmental reviews to eliminate redundancy and improve efficiency in evaluating potential impacts of these programs. Under this tiering approach, the twenty-eight (28) counties and one (1) zip code spanning western North Carolina will be grouped into one of two Ecoregions, Blue Ridge Mountains and Piedmont, with each region being evaluated for potential impacts at a Tier 1 Environmental Assessment level of review. These regions are widely accepted boundaries for conservation planning efforts and are commonly used in organizing, interpreting and reporting information about land-use dynamics.

Although individual project locations are not known at this time, the extent of the floodplain at individual project sites will be determined using the best available data, which may include the Climate Informed Science Approach (CISA), 0.2 percent flood approach, freeboard value approach, and preliminary and effective flood hazard maps, to identify the most protective flood elevation. According to study by the North Carolina Division of Water Resources (NCDWR), the National Wetlands Inventory (NWI) has inconsistent accuracy across the state of NC with very high errors of omission for smaller wetlands (<1.0 acre). With the strong correlation between wetland size and ecoregions, NWI accuracy is especially low in areas of the state where wetlands tend to small, specifically the Piedmont and Blue Ridge Mountain ecoregions. Although more modern approaches and automated models have been explored and utilized to create preliminary coastal wetland maps, NWI is the only source of wetland maps available in western North Carolina. Therefore, NWI will be referenced as a potential indicator; however, the extent of wetlands at individual project sites will be primarily determined by assessing each site for the presence of vegetation, soil, and hydrology indicative of the types of wetlands found in these ecoregions.

The scope of the proposed construction-related activities may consist of major and minor rehabilitation, reconstruction, relocation, elevation, demolition substantially conforming to the existing footprint of each damaged structure or developed lot, acquisition of previously residential developed land, and repair or

reconstruction of existing private roads and bridges. Any ground disturbance will occur substantially within the original footprint of the damaged/previous structure and associated private roads, bridges and utilities. For properties in the floodplain or designated disaster risk reduction area (DRRA), property owners may opt for voluntary buyout, in which case, properties will be cleared of all structures and above ground improvements as necessary for consistency with open space and floodplain management principles, and a permanent restrictive covenant will be placed on the deed to ensure these properties are retained as greenspace in perpetuity. In cases where a damaged property is deemed unsuitable or unavailable for rehabilitation or reconstruction due to voluntary buyout, land loss, soil stability, loss of lease or other factors, the Programs may decide to relocate the same eligible activity to another property (relocation). In the case of relocation, homes will be placed on previously developed properties outside of floodplains, DRRAs and wetlands, and construction will be limited to substantially within the footprint of a previously extant structure.

DCR has determined that the proposed project activities could affect up to an estimated total of 10,000 acres (based on an estimated 10,000 applicants, and each project site being approximately 1-acre in size on average). A substantial percentage of these activities anticipated to be located within the floodplain, with a much smaller percentage anticipated to be in or adjacent to wetlands. Although the Programs anticipate the majority of project activities to consist of rehabilitation, reconstruction, and potential relocation of residential structures within the footprint of previously developed areas, which would have no impact on wetlands, projects involving the repair or reconstruction of existing private roads and bridges may occur in, and potentially impact, Waters of the US, including wetlands.

DCR has identified and evaluated potential alternatives and mitigation measures to minimize adverse impacts and to restore and preserve natural and beneficial functions and intrinsic values of the existing floodplains and/or wetlands. Alternatives considered include 1) not implementing the proposed action in the designated floodplain, 2) commissioning infrastructure projects to achieve community-wide flood protection, 3) exclusively implementing acquisition of damaged structures in the designated floodplain for demolition and conversion to green space, and 4) relocating all projects outside of the designated floodplain. These alternatives were rejected as sole alternatives to the proposed action, because they do not support the Programs' goal of meeting unmet housing needs by providing safe and sanitary housing to disaster-impacted property owners. Having incorporated the alternatives and mitigation measures into the proposed project to the extent feasible, DCR has determined there is no practicable alternative to locating the proposed project in the designated floodplain and/or wetlands due to 1) the need to restore safe, sanitary and affordable housing within the disaster-impacted community; 2) the desire to not unduly displace residents, disconnecting them from their economic and social networks; 3) the need to enact economically viable and fiscally responsible programs within federal CDBG-DR allocation limits; and 4) the limited scope and impact of the proposed project combined with the Programs' ability to mitigate and minimize impacts on human health, public property floodplain values, and wetlands.

The Programs will be designed to minimize adverse impacts to lives and property, mitigate and avoid adverse impacts within the floodplain, and where feasible, restore the natural and beneficial values of the floodplain by implementing acquisition/buyout and relocation alternatives. The Program's will also require that all reconstruction and repair of substantially damaged structures in the floodplain adhere to the most protective flood elevation, and all participants with property in the 100-year floodplain as shown on the effective Flood Insurance Rate Map (FIRM) will obtain and maintain flood insurance on the subject structure in perpetuity.

Therefore, DCR has reevaluated alternatives to building in floodplains and/or wetlands and determined that it has no practicable alternative to floodplains and/or wetlands development. Environmental files documenting compliance with Executive Order 11988, as amended by Executive Order 13690, and Executive Order 11990, are available for public inspection, review and copying upon request as stated in the last paragraph of this notice.

There are three primary purposes for this notice. First, people who may be affected by activities in floodplains and/or wetlands and those who have an interest in the protection of the natural environment should be given an opportunity to express their concerns and provide information about these areas. Second, an adequate public notice program can be an important public educational tool. The dissemination of information and request for public comment about floodplains and/or wetlands can facilitate and enhance Federal efforts to reduce the risks and impacts associated with the occupancy and modification of these special areas. Third, as a matter of fairness, when the Federal government determines it will participate in actions taking place in floodplains and/or wetlands, it must inform those who may be put at greater or continued risk.

Written comments must be received by the Division of Community Revitalization (DCR), at the following address, on or before May 6, 2025: North Carolina Department of Commerce (NCDOC), Division of Community Revitalization (DCR), 4301 Mail Service Center, Raleigh, NC 27699-4301, Attention: Stephanie McGarrah, Deputy Secretary. Additional project information is available Monday – Friday from 8:00 AM to 4:00 PM at the North Carolina Department of Commerce, 301 North Wilmington Street, 4th Floor, Raleigh, North Carolina 27601-1058, online at <https://www.commerce.nc.gov/grants-incentives/disaster-recovery>, or by calling (984) 800-1918. Comments may also be submitted via email at helene.recovery@commerce.nc.gov.

Date: April 29, 2025