

# 2025 Substantial Amendment to HUD-approved Action Plans for HUD-approved RHP-NC Action Plan #1



## Recovery Housing Program (RHP) Grantee: North Carolina

<b>FY 21 Grant Award Amount:</b>	\$ 778,974.00 (Prior Year Allocation "B-21-RH-37-001" within a HUD-approved Action Plan)
<b>FY 22 Grant Award Amount:</b>	\$ 806,625.00 (Prior Year Allocation "B-22-RH-37-001" within a HUD-approved Action Plan)
<b>FY 23 Grant Award Amount:</b>	\$1,054,616.00 (Prior Year Allocation "B-23-RH-37-001" within a HUD-approved Action Plan)
<b>FY 24 Grant Award Amount:</b>	\$1,166,440.00 (Prior Year Allocation "B-24-RH-37-001" within a HUD-approved Action Plan)
<b>FY 25 Grant Award Amount:</b>	<b><u>\$1,166,440.00</u></b> (New Allocation requiring a substantial amendment)
<b>Total of All Allocations:</b>	<b><u>\$4,973,095.00</u></b>

In accordance with Section 8071 of the SUPPORT for Patients and Communities Act, which established a pilot program aimed at assisting individuals recovering from substance use disorders (SUDs) in achieving stable housing—hereafter referred to as the Recovery Housing Program (RHP)—the North Carolina Department of Commerce Rural Economic Development Division (REDD) proposes a substantial amendment to the HUD-approved RHP Action Plans for the fiscal years 2021, 2022, 2023, and 2024. This amendment seeks to integrate the new funding allocation for the year 2025.

## Narratives

### Program Summary:

This statutory section, which must be fulfilled as outlined in the Federal Register Notice (FR-6225-N-01) (hereinafter referred to as "the Notice"), has undergone only one modification since the FY24 RHP Substantial Amendment; however, it does not qualify as substantial. REDD has provided the following table to illustrate how RHP funds are allocated to our State based on the age-adjusted rate of drug overdose deaths when above the national overdose mortality rate (OMR), according to the Centers for Disease Control (CDC) and North Carolina Department of Health and Human Services (NCDHHS) data.

State of North Carolina Versus National Overdose Mortality Rate (OMR)		
Fiscal Year	National (US) - OMR	North Carolina (NC) - OMR
2020	21.6%	22.3%
2021	28.3%	38.2%
2022	32.6%	40.6%
2023	31.3%	41.8%
2024	23.4%	29.7%
2025	Final Data Not Available	Final Data Not Available



## Resources:

This statutory section, which must be fulfilled as outlined in the Notice, has undergone only one modification since the FY24 RHP Substantial Amendment, thereby qualifying as a substantial. A substantial amendment is required to incorporate an additional allocation of approximately \$1,166,440, received as part of the 2025 allocation from HUD, into the State's current RHP Program to assist individuals in recovery from a substance use disorder (SUD) with stable, transitional housing while on the path to self-sufficiency.

The financial breakdown of resources will account for the \$1,000,000 in RHP funds awarded to one RHP project in the Appalachian region, specifically for Buncombe County. Additionally, it will encompass the additional funds of \$2,502,123 awarded to Buncombe County. The funds are intended to replace the local funds in the Pathway to Recovery project, enabling the county to address infrastructure losses and other needs resulting from Tropical Storm Helene. These two awards accounted for the remaining balance of RHP funds from all four previous allocations of funding.

<b><u>1<sup>st</sup> Allocation (FY2021)</u></b> Annual Allocation: \$778,974 Program Income: \$0.00  <b>1<sup>st</sup> Allocation (FY21) Total: \$778,974</b>	<b><u>Financial Breakdown</u></b> Program Funds: \$716,656 State Admin (5%): \$38,949 State TA (3%): \$23,369  <b>1<sup>st</sup> Allocation (FY21) Total: \$778,974</b>
<b><u>2<sup>nd</sup> Allocation (FY2022)</u></b> Annual Allocation: \$806,625 Program Income: \$0.00  <b>2<sup>nd</sup> Allocation (FY22) Total: \$806,625</b>	<b><u>Financial Breakdown</u></b> Program Funds: \$742,095 State Admin (5%): \$40,331 State TA (3%): \$24,199  <b>2<sup>nd</sup> Allocation (FY22) Total: \$806,625</b>
<b><u>3<sup>rd</sup> Allocation (FY2023)</u></b> Annual Allocation: \$1,054,616 Program Income: \$0.00  <b>3<sup>rd</sup> Allocation (FY23) Total: \$1,054,616</b>	<b><u>Financial Breakdown</u></b> Program Funds: \$970,247 State Admin (5%): \$52,731 State TA (3%): \$31,638  <b>3<sup>rd</sup> Allocation (FY23) Total: \$1,054,616</b>
<b>Allocations (1<sup>st</sup> – 3<sup>rd</sup>) Grand Total: \$2,640,215</b>	<b>Program Funds (1<sup>st</sup> – 3<sup>rd</sup>) Total: \$2,428,998</b> <b>Minus Buncombe County's 1<sup>st</sup> RHP Award: \$1,000,000</b> <b>Remaining Program Funds (1<sup>st</sup> – 3<sup>rd</sup>) Total: \$1,428,998</b>
<b><u>4<sup>th</sup> Allocation (FY2024)</u></b> Annual Allocation: \$1,166,440 Program Income: \$0.00  <b>4<sup>th</sup> Allocation (FY24) Total: \$1,166,440</b>  <b>Allocations (1<sup>st</sup> – 4<sup>th</sup>) Grand Total: \$3,806,655</b>	<b><u>Financial Breakdown</u></b> Program Funds: \$1,073,125 State Admin (5%): \$58,322 State TA (3%): \$34,993  <b>4<sup>th</sup> Allocation (FY24) Total: \$1,166,440</b>  <b>Remaining Program Funds (1<sup>st</sup> – 3<sup>rd</sup>) Total: \$1,428,998</b> <b>Adding Program Funds (4<sup>th</sup>) Total: \$1,073,125</b> <b>Program Funds (1<sup>st</sup> – 4<sup>th</sup>) Total: \$2,502,123</b> <b>Minus Buncombe County's 2<sup>nd</sup> RHP Award: \$2,502,123</b> <b>Remaining Program Funds (1<sup>st</sup> – 4<sup>th</sup>) Total: \$0</b>

<u>5<sup>th</sup> Allocation (FY2025) — New Allocation</u>	<u>Financial Breakdown</u>
Annual Allocation: \$1,166,440	Program Funds: \$1,073,125
Program Income: \$0.00	State Admin (5%): \$58,322
	TA (3%): \$34,993
<b>5<sup>th</sup> Allocation (FY25) Total: \$1,166,440</b>	<b>5<sup>th</sup> Allocation (FY25) Total: \$1,166,440</b>
<b>Allocations (1<sup>st</sup> – 5<sup>th</sup>) Grand Total: \$4,973,095</b>	<b>Remaining Program Funds (1<sup>st</sup> – 4<sup>th</sup>) Total: \$0</b>
	<b>Adding Program Funds (5<sup>th</sup>) Total: \$1,073,125</b>
	<b>Available Program Funds (1<sup>st</sup> – 5<sup>th</sup>) Total: \$1,073,125</b>

### Administration Summary:

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

### Use of Funds – Method of Distribution:

This statutory section, which must be fulfilled as outlined in the Notice, has undergone only one modification since the FY24 RHP Substantial Amendment, thereby qualifying as a substantial. A substantial amendment is required to increase the maximum award amount available to potential grantees. REDD is proposing an increase of the maximum award amount available to an eligible grantee up to \$5,000,000, based on the key aspects of project feasibility and availability of RHP funds.

The method of distribution for the State's RHP program will maintain a continuous application opening process. Provided that RHP funds are available, a Notice of Funds Availability (NOFA) will be issued to solicit applications from prospective applicants seeking funding. The program will continue to mandate that the primary applicant be any County-Level or County's municipality designee, and priority will still be given to Tier 1 & 2 counties (*especially those with overdose rates over the national average*).

### Use of Funds – Activities Carried Out Directly:

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

### Use of Funds – Eligible Subrecipients:

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

### Use of Funds – Criteria for Evaluation:

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

### Definitions – Individual in Recovery:

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

### Definitions – Substance Use Disorder:

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

### Anticipated Outcomes:

This statutory section, which must be fulfilled as outlined in the Notice, has undergone only one modification since the FY24 RHP Substantial Amendment; however, it does not qualify as substantial. Nonetheless, it is essential to provide updates on anticipated outcomes in light of the new allocation to promote good governance and foster strong, trusting relationships between stakeholders and the communities served by the program.

HUD-approved Action Plans (1 <sup>st</sup> – 4 <sup>th</sup> )	FY25 Substantial Amendment 5 <sup>th</sup> Allocation — New Allocation
Anticipated Individuals to be Assisted: <b>128</b>	Anticipated Individuals to be Assisted: <b>141</b>
Anticipated Individuals to Transition into Permanent Housing: <b>96 (75%)</b>	Anticipated Individuals to Transition into Permanent Housing: <b>106 (75%)</b>

### Expenditure Plan:

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment. The State's RHP program will adhere to the expenditure model and performance period outlined in the forthcoming HUD contract, which will be issued for fiscal year 2025 following the approval of this Substantial Amendment.

### Citizen Participation Summary:

This statutory section, which must be fulfilled as outlined in the Notice, has undergone only minor modification since the FY24 RHP Substantial Amendment; however, it does not qualify as substantial. However, a statutory obligation exists to provide a summary of the State's citizen participation process for the RHP program. Additionally, the overarching RHP program granted a waiver/modification of CDBG Citizen Participation Requirements as outlined in 24 CFR 570.486 and 24 CFR 91.505, allowing for a minimum of 15 calendar days for the public comments period.

The State has elected to conduct a 15-calendar day public comment period, commencing on Wednesday, July 23, 2025 and ending on Wednesday, August 6, 2025. A public notice regarding this comment period will be published on the North Carolina Department of Commerce's website at [www.commerce.nc.gov](http://www.commerce.nc.gov) and will be distributed via a statewide blind carbon copy email list, along with the draft of the FY25 Substantial Amendment, on Friday, July 11, 2025.

In addition, a public notice will be disseminated through two prominent newspapers targeting the eastern, western, northern, and southern regions of the State regarding the substantial amendment schedule for Friday,

July 11, 2025. In advance of and throughout the public comment period, REDD will publish the draft FY25 Substantial Amendment in a manner that affords citizens, units of general local governments, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments.

An official hybrid public hearing will be held on Wednesday, July 30, 2025 at 10:00 am EST. Feel free to attend the meeting in person within Room 150 of the New Education Building in Downtown Raleigh, located at 301 North Wilmington Street, Raleigh, NC 27601. Also, participants will be able to join the meeting from their computer, tablet, or smartphone at <https://ncgov.webex.com/meet/s.simpson-carter> or by dialing in using your phone at 1-415-655-0003. The State does not differentiate between any individual, group, and/or organization that wishes to provide input during the planning, implementation, and assessment of community needs toward the draft(s) and/or final version of the substantial amendment. The State will submit the final FY2025 Substantial Amendment within the Disaster Recovery Grants Reporting System (DRGR) on or before August 16, 2025.

#### **Partner Coordination:**

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

#### **Subrecipient Management and Monitoring:**

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

#### **Pre-Award/Pre-Agreement Costs:**

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.

#### **Certifications:**

This statutory section, which must be fulfilled as outlined in the Notice, has not changed since the FY24 RHP Substantial Amendment.