



MEMORANDUM

TO: Local Government Officials and Other Interested Parties

FROM: John F. Brooks CDBG Section Chief, Community Development Block Grant Program *John Brooks*

DATE: June 18, 2025

SUBJECT: 2025 CDBG Neighborhood Revitalization Program (CDBG-NR)

Notice of Funding Availability

Administering Agency: Rural Economic Development Division (REDD), N.C.
Department of Commerce, 301 North Wilmington Street, 4346
Mail Service Center, Raleigh, North Carolina, 27699-4346.

Program Description: The CDBG Neighborhood Revitalization (CDBG-NR) category is designed to provide grants to local units of government for housing, housing- related activities, and public facilities. Awards are made on a competitive basis based on the number of applications received compared to funding availability.

Eligibility Guidelines: All municipalities in North Carolina are eligible to receive Small Cities CDBG funds except for the 24 entitlement cities in the state that receive funds directly from the U.S. Department of Housing and Urban Development (HUD). The North Carolina entitlement cities are listed as follows: **Asheville, Burlington,**

Cary, Chapel Hill, Charlotte, Concord, Durham, Fayetteville, Gastonia, Goldsboro, Greensboro, Greenville, Hickory, High Point, Jacksonville, Kannapolis, Lenoir, Morganton, New Bern, Raleigh, Rocky Mount, Salisbury, Wilmington, and Winston-Salem.

All counties, except for the four HUD-designated urban counties of **Wake, Cumberland, Mecklenburg, and Union** are eligible to apply for Small Cities CDBG funds. All municipalities in the two counties are ineligible to apply for Small Cities CDBG funds except the **Town of Holly Springs** in Wake County and the **Town of Linden** in Cumberland County.

FEMA Declared Disaster County's Eligible for Waivers Due to Hurricane Helene:

The non-entitlement counties including eligible municipalities located in the following:

Alexander County, Alleghany County, Ashe County, Buncombe County, Burke County, Caldwell County, Catawba County, Clay County, Cleveland County, Eastern Band of Cherokee Indians of North Carolina (intentionally excluded), Gaston County, Haywood County, Henderson County, Jackson County, Lincoln County, Macon County, Madison County, McDowell County, Mecklenburg County, Mitchell County, Polk County, Rutherford County, Swain County, Transylvania County, Watauga County, Wilkes County, Yancey County

Source of Funds: Small Cities Community Development Block Grant (CDBG) Program, U.S. Department of Housing and Urban Development (Assistance Listing Number 14.228)

Funding Level: Award Ceiling (Maximum) \$950,000 per project; however, projects located in FEMA declared disaster area from Hurricane

Helene or using Low-Income Housing Tax Credits (LIHTC) can be considered for up to \$5 million.

Total Funding Available: Approximately **\$12,280,856**

Of this amount, approximately **\$4.75 million is set aside for the Rural Community Development Fund** for Tier 1 counties to submit non-housing projects such as public facilities as a stand-alone activity.

2025 Updates

The **FY2025** program:

- It is funded with the FY2024 HUD CDBG allocation.
- Continues to require all DUNS numbers to be replaced with the Unique Entity Identifier (UEI).
- Continues to waive requirement that applicants must not have an open CDBG-NR grant.
- Continue to allow transitional housing and emergency shelters to be submitted as a stand-alone project.
- Requires that Housing Selection Committee requirements for private housing rehabilitation activity must be met to be considered for funding.
- Requires that Housing Selection Committee Bylaws be adopted, signed, and dated.
- FEMA declared disaster areas from Hurricane Helene can apply for funds for new housing construction using CDBG funds; and Public Service funds can be awarded with no minimum or maximum amount granted.
- Applies **Build America, Buy America (BABA)** requirements.
- Applies **Violence Against Women Act (VAWA)** requirements:

- Adheres to new environmental review requirements including the radon policy issued in policy bulletins 24-1, 24-2, and 24-4 found at www.commerce.nc.gov.
- Allows projects in storm-impacted areas and LIHTC projects to request up to \$5 million; and
- Continues to require that all applications be submitted by US Postal Service or an overnight delivery service. Applications cannot be hand-delivered to NC Commerce.

Funding Cycle:

Applications are due by **4:00 PM on Wednesday, October 29, 2025**. To acquire an application, see www.commerce.nc.gov or contact or **John F. Brooks**, CDBG Section Chief, at john.brooks@commerce.nc.gov **REDD anticipates announcing awards on Wednesday, December 10, 2025.**

**For Additional
Information:**

Contact **John F. Brooks**, CDBG Section Chief, at (919) 814-4663, john.brooks@commerce.nc.gov or (TDD 1-800-735-2962).