



**NC DEPARTMENT
of COMMERCE**
RURAL ECONOMIC
DEVELOPMENT



NCDHHS



**NORTH
CAROLINA
HOUSING**
FINANCE AGENCY

2025 Annual Action Plan

State of North Carolina

Community Development Block Grant (CDBG) Program

Substantial Amendment

October 19, 2026

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The North Carolina 2025 Annual Action Plan (AAP) is the fifth Annual Action Plan under the 2021–2025 North Carolina Consolidated Plan. Consistent with the strategies and goals established in the 2025 AAP, North Carolina continues to prioritize housing, community development, neighborhood revitalization, and related services. To advance these goals, the State continues to emphasize coordination among State agencies, improvements to State housing policies and programs, and the strategic alignment of federal and State funding resources.

This Substantial Amendment proposes a **one-time reallocation of \$13,403,255.00 in Program Year 2025 CDBG funds from the Economic Development (ED) Program to the CDBG Neighborhood Revitalization (CDBG-NR) Program**. The reallocation applies only to Program Year 2025 and does not modify the State of North Carolina’s overall CDBG allocation methodology.

This is the second year in which the State has proposed reallocating CDBG funds originally allocated for Economic Development to the CDBG-NR Program. In 2024, HUD approved a Substantial Amendment that allowed the State to reallocate available Economic Development funds to the CDBG-NR Program. The proposed 2025 reallocation builds upon that approach while remaining limited to the 2025 program year.

In addition to the one-time reallocation, this Substantial Amendment establishes changes to the administration of the CDBG-NR Program. The State will eliminate the predetermined maximum award amount for CDBG-NR funding. The absence of a predetermined maximum award does not constitute an entitlement to funding or permit an applicant to receive any requested amount. All funding requests must remain reasonable and necessary based on the scope and cost of the proposed project and must comply with applicable CDBG requirements, the State’s rating and selection process, and the availability of funds.

The State will also establish a **year-round open CDBG-NR application cycle**. Under the year-round approach, eligible units of general local government may submit applications throughout the year, subject to the availability of funds and applicable State and HUD requirements. This approach will allow

the State to respond more efficiently to eligible neighborhood revitalization, housing, infrastructure, and community development needs as they arise.

The year-round open application cycle will also allow the State to utilize **deobligated CDBG funds** that become available during the program year. Rather than holding such funds until the next regularly scheduled annual application cycle, available deobligated funds may be returned to the CDBG-NR funding pool and used to make awards to eligible projects through a year-round open application cycle, consistent with the State's Method of Distribution and applicable HUD requirements.

The proposed changes will provide the State with greater flexibility to address immediate community needs while maximizing the timely obligation and expenditure of available CDBG resources. The State will continue to ensure that funded activities meet all applicable CDBG national objective and eligible activity requirements, as well as environmental review and other applicable Federal and State requirements.

The one-time reallocation of **\$13,403,255.00** remains limited to Program Year 2025 and does not change the State's overall CDBG allocation methodology. The changes to the CDBG-NR award limit and funding cycle will apply to the administration of the CDBG-NR Program beginning with this amendment and will be incorporated into subsequent Annual Action Plans, as applicable.

The proposed reallocation and program changes remain consistent with the goals, objectives, and priorities identified in the **2021–2025 North Carolina Consolidated Plan** and the **2025 Annual Action Plan**.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The state has three basic goals:

- To provide decent and affordable housing;
- To provide a suitable living environment; and
- To expand economic opportunity.

Additionally, the eight priorities NC identified in the five-year NC Consolidated Plan are: (1) provide housing for non-homeless persons with special needs, (2) housing for households under 30% area median income (AMI), (3) housing for households 31-60% AMI, (4) housing for households 61-80% AMI, (5) housing for persons experiencing homelessness, (6) assist with neighborhood stabilization, (7)

respond to COVID-19, and (8) address non-housing community development needs. The priorities will be addressed through the identified activities for programs designed to address needs and meet priorities.

For information regarding specific programs, please visit the organization websites:

- NC Department of Commerce, Rural Economic Development Division – www.commerce.nc.gov
- North Carolina Housing Finance Agency – www.nchfa.com
- HIV Care Program – <http://epi.publichealth.nc.gov/cd/hiv/program.html>
- Division of Aging and Adult Services - <https://www.ncdhhs.gov/divisions/aging-and-adult-services/nc-emergency-solutions-grant>

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The State of North Carolina evaluates its performance annually on meeting the goals of the strategic plan and the Action Plan. The North Carolina Consolidated Annual Performance & Evaluation Report (CAPER) is submitted to HUD each year, 90 days after the close of the Consolidated Plan program year. The FY 2024 CAPER was submitted on March 29, 2025. The most recent past performance and evaluation reports can be downloaded from the Rural Economic Development Division (REDD) website at www.commerce.nc.gov.

The goals chosen by the grantees of the HUD CPD formula program are formed by the housing needs study and market analysis presented in the 2021-2025 NC Consolidated Plan. Additionally, COVID-19 has highlighted housing stability needs. Each program, using its HUD-mandated program parameters, historical grantee data, and grantee funding requests, also guides the needs. Unlike the other programs, however, CDBG brings additional challenges that impact the program's performance.

In NC, the General Assembly determines the priorities and allocation percentages of the State CDBG Program. For the 2022-2024 biennium, the General Assembly set aside funds for economic development, neighborhood revitalization, rural community development, and infrastructure. In addition to this action, the CDBG program regulations require that no less than seventy percent of the aggregate of the fund expenditures shall be for activities that meet the national objective of benefiting low- and moderate-income persons. NC consistently exceeds this goal in the CDBG program. Presently, the CDBG-CV program funds have benefited 92% LMI households/persons. The 2024 allocation will be awarded by December 2025. The 2025 allocation is anticipated to be 100% committed prior to the obligation deadline as well. The State CDBG has been expanding its capacity to provide more monitoring

and technical assistance to grantees. Start-up monitoring visits as well as risk management assessment tools have been helpful tools in assisting and managing our grantees.

Of the total funding for housing activities to be undertaken in 2025, funds from ESG and HOPWA will address high (immediate) priority needs; funds from HOME, HTF and CDBG will address medium (transitional to long-term) priority needs. The anticipated distribution of funding by agency and by priority need category is determined annually based on the five-year goals stated in the NC Consolidated Plan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The State of North Carolina has developed a North Carolina Consolidated Plan Citizen Participation Plan. This plan is a guidance document to ensure and encourage public participation throughout the Consolidated Planning process. It sets forth the State's policies and procedures for citizen participation. The plan can be downloaded from the Commerce website at www.commerce.nc.gov.

The State of North Carolina encourages citizens to participate in the planning, implementation, and assessment of the Consolidated Plan, Annual Action Plans, and CAPER for HUD Community Planning and Development programs. This plan describes how this participation is encouraged.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The public comment period began on August 16, 2026, and ended September 17, 2026. There were no public comments from citizens or stakeholders.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments were received.

7. Summary

NC has developed the 2025 Annual Action Plan to share the use of its nearly \$85 million in the US Department of Housing and Urban Development (HUD) Community Planning and Development (CPD) funds. The plan will be submitted to HUD with certifications. The State of North Carolina shared the draft of the Annual Action Plan and opened the process to receive comments from citizens and units of general local government on the proposed AAP for a period of not less than 30 days from the date when the draft was available to the public. The comment period was published in three major newspapers,

Raleigh News and Observer, Asheville Citizen Times and the Greenville NC Daily Reflector and emailed to stakeholders and other interested parties. The final action plan will include a summary of the citizens' participation process as well.

The substantial amendment proposes to reallocate **\$13,403,255.00** in CDBG Economic Development

(ED) funds to the CDBG Neighborhood Revitalization (NR) program to assist individuals with housing, neighborhood improvements, and other eligible activities. The reallocated \$12.9 million is intended to

primarily benefit low- and moderate-income households through eligible activities such as housing rehabilitation, infrastructure improvements, and neighborhood enhancements under the Neighborhood Revitalization program. No displacement of persons or businesses is anticipated.

- The State will eliminate the **predetermined maximum award amount for CDBG-NR funding**. The absence of a predetermined maximum award does not constitute an entitlement to funding or permit an applicant to receive any requested amount.

- The State will also establish a **year-round open CDBG-NR application cycle**. Under the year-round application process.

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role		Name	Department/Agency
CDBG Administrator		North Carolina	NC Department of Commerce
HOPWA Administrator			NC Department of Health and Human Services
HOME Administrator		North Carolina	NC Housing Finance Agency
ESG Administrator			NC Department of Health and Human Services
		North Carolina	NC Housing Finance Agency

Table 1 – Responsible Agencies

Narrative

The North Carolina consolidated planning process is led by the NC Plan Partners, which include the following agencies: Rural Economic Development Division (REDD) of the North Carolina Department of Commerce, the Aging and Adult Services Division of the North Carolina Department of Health and Human Services (NC DHHS), the HIV Care Program of NCDHHS, and the North Carolina Housing Finance Agency (NCHFA). In addition to these agencies, North Carolina's disaster relief and mitigation efforts are administered by the new North Carolina Office of Disaster Recovery (DR). The NC Department of Environmental Quality (NC DEQ) also contributes as a subrecipient of the Community Development Block Grant (CDBG) program. The Lead Agency is the Rural Economic Development Division (REDD) of NC Commerce.

Consolidated Plan Public Contact Information

The North Carolina Consolidated Plan public contact is John F. Brooks, CDBG Section Chief, NC Commerce. Mr. Brooks can be reached at john.brooks@commerce.nc.gov or (919) 814-4663. The mailing address is 4346 Mail Service Center, Raleigh, NC 27699-4346.

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

The State of North Carolina has developed a North Carolina Consolidated Plan. This plan is a guide that describes the State of North Carolina's process for participation, inclusion, and consulting with other public and private agencies that provide housing assistance, health services, social and fair housing services such as the NC Department of Health and Human Services Division of Aging and Division of Public Health, the NC Housing Finance Agency, the Department of Commerce's CDBG program and other entities. Input from these providers via consultation is incorporated into our consolidated planning process. Each agency will continue to reach out to its constituency to solicit feedback on their individual programs.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

CDBG: The Rural Economic Development Division of the North Carolina Department of Commerce coordinates HUD-funded activities with public and assisted housing providers and private and governmental entities, mental health, and service agencies by meeting with the NC Plan Partners in the Division of Public Health (HOPWA) and NC Housing Finance Agency (HOME and HTF) in collecting data and information of the HUD activities we will provide to meet the needs. Also, through the public hearing process as part of our adopted Citizen Participation Plan, we present proposed efforts to address the needs of the state and to receive comment from the community.

HOPWA: The HOPWA program ensures the maintenance of and collaborative planning for housing in NC through the Regional Networks of Care and Prevention which include funded and non-funded providers of core medical support, prevention and housing services. HOPWA grantee staff partner with the other state agencies involved in the Consolidated Planning Process (Consolidated Plan Partners) to discuss housing needs both met and unmet and how to ensure full access to affordable, decent and safe housing in areas of increased opportunity. This includes ensuring increased citizen participation, fair housing, language access plans for those we serve with limited English proficiency, and Affirmatively Furthering Fair Housing. The HOPWA program funds 9 HOPWA Project Sponsors that include local health departments, non-profit organizations, and HIV Core Medical and Support service providers.

ESG: NC ESG is a member of the Governor's Inter-Agency Council on Homelessness. The agency also works in collaboration with other state and private non-profit organizations including the North Carolina Coalition to End Homelessness, the North Carolina Housing Coalition, Continuum of Care Organizations, the HMIS Governance Committee, providers and municipalities throughout the state. ESG is in continuous contact with the CoCs and works with these organizations throughout the year as a partner providing technical assistance and monitoring. CoCs play an important role in assuring that allocations

are fairly distributed according to need and organizational capacity. CoCs assist NC ESG in helping to develop policy and procedure for the operation and administration of HMIS.

HOME and HTF: NCHFA works closely with the NC Department of Health and Human Services (DHHS) and the state's network of behavioral health providers (LME/MCOs) to align affordable housing with health services. Through the Targeting Program, NCHFA requires that at least 10% of the units financed each year with the federal Low Income Housing Tax Credit are set aside as integrated, permanent supportive housing units for people with disabilities. DHHS manages the referral process to these units in partnership with local service providers across the state (including LME/MCOs). Through the Transitions to Community Living Initiative, NCHFA has identified as a priority for occupancy in Agency-financed rental properties people with disabilities who are part of the 2012 *Olmstead* Settlement Agreement class. NCHFA also administers a rental assistance program (the Transitions to Community Living Voucher) on behalf of DHHS for members of the Settlement population. Other priority populations include people experiencing homelessness and participants in the state's Money Follows the Person program.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

CDBG. Partners with the CoCs as part of the coordinated efforts with ESG on ensuring that the needs of homeless individuals are met through ensuring affordable housing, infrastructure for public facilities that provide shelter and CDBG Economic Development services through job creation.

HOPWA. HOPWA alone does not meet all of the housing needs for persons living with HIV (PLWH). PLWH that are temporarily housed or that have unstable living arrangements have the worst health outcomes. The HOPWA program participates in the Continuum of Care (CoC) calls, providing input on housing needs across the state and discussing collaborative housing opportunities. As part of the Consolidated Plan Partners, the HOPWA program works closely with ESG on addressing the needs of homeless/chronically homeless individuals living with HIV.

ESG. NC ESG is a member of the Governor's Inter-Agency Council on Coordinating Homelessness (ICCHP). The agency also works in collaboration with other state and private non-profit organizations including the North Carolina Coalition to End Homelessness, the North Carolina Housing Coalition,

Continuum of Care Organizations, the HMIS Governance Committee, and other providers and municipalities throughout the state.

HOME-ARP. The NC Housing Finance Agency performed substantial outreach and communication with Continuums of Care (CoC) while creating the allocation plan for HOME-ARP, including a stakeholder meeting for CoCs and service providers. Consultation and outreach occurred through online forums and surveys. Additionally, the NC Housing Finance Agency also encourages recipients of HOME-ARP funds to collaborate with their local Continuum of Care. Ongoing collaboration occurs with NCHFA staff sitting on various committees through the NC Coalition to End Homelessness which administers the Balance of State CoC.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The NC ESG office publishes a request for funding (RFA) annually in June of each year. Approximately 4-6 weeks prior to the publication of the RFA, the NC ESG Office meets virtually with the 12 CoC leads in the state to preview the RFA documents and process. After this meeting, the CoCs establish their review process, requirements, and timeline for application review and submit this timeline to the NC ESG Office. The CoCs are responsible for reviewing all ESG applications prior to their submission to the NC ESG Office. This allows the CoC to have a voice in how ESG funds are utilized and allocated among each eligible activity in their community. Only the applications recommended by the CoCs are reviewed by the NC ESG Office or considered for funding. The CoCs are copied on the conditional award notices and denial notices that are sent to each applicant. This allows them to follow up with each applicant and/or the NC ESG Office on the awards or denials, as needed. At the conclusion of the RFA process, the NC ESG Office holds a debriefing meeting with the CoC leads. The CoC leads can provide feedback on the application process and the application documents. Once the recommended applications are received by the NC ESG Office, they are reviewed for financial capacity, organizational capacity, program design including adherence to HUD regulations and CoC written standards. Applicants must meet the minimum threshold of being an eligible organization, utilizing the funds for eligible activities and expenses, ability to meet data and reporting requirements, and meeting HUD, CoC, and State regulations for their proposed program(s). If this threshold is met, the NC ESG Office then considers the applicant's financial and overall organizational capacity to administer a reimbursement-based grant. Additional items considered are coverage area, hours of operations, staffing, collaboration with and connection to the broader homeless services community, number of households served, cost per household, and percentage existing to a positive housing destination. After reviewing the information contained in their application, we also review their history (if applicable with ESG and other HUD funding) including spend down rates, monitoring findings, and overall grant compliance.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	NORTH CAROLINA HOUSING FINANCE AGENCY
	Agency/Group/Organization Type	Housing Other government - State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The NC Housing Finance Agency administers the HOME Investment Partnership Program as well as the Housing Trust Fund. Additionally, NC Housing Finance Agency serves as a partner for the consolidated planning process.
2	Agency/Group/Organization	NC Department of Health and Human Services
	Agency/Group/Organization Type	Services - Housing Services-Persons with Disabilities Services-Persons with HIV/AIDS Other government - State
	What section of the Plan was addressed by Consultation?	Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The State of North Carolina Department of Health and Human Services administers the ESG and HOPWA programs. NC DHHS led the State's initiative to develop a five-year strategic housing plan. The draft is being completed, the public comment and hearing are scheduled, and the final document is under development. As a part of this initiative, all the NC Plan Partners served as members of the planning committee. Additionally, the Governor of North Carolina has relaunched the Inter-Agency Council Coordinating Homeless Programs. DHHS serves as the lead and all NC Plan Partners are members of ICCHP. The North Carolina Coalition to End Homelessness (NCCEH) and the Balance of the State and the North Carolina Housing Coalition (NCHC) were key participants.

3	Agency/Group/Organization	NC Commerce
	Agency/Group/Organization Type	Publicly Funded Institution/System of Care Other government - County Other government - Local Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Anti-poverty Strategy

<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The State of NC consulted with local governments in non-entitlement areas through public notices and emails that were sent to all non-entitlement areas of the State from our master list as well as to consultants and other interested parties. Information on the NC Commerce website provided direct contact information with staff members' emails and phone numbers listed. The public hearings followed the Citizen Participation Plan, and we also advertised in three newspapers throughout the State about the CDBG program and available funding. A hybrid public hearing was used this year to allow for in-person, on-site participation as well. This process has been used for CDBG, RHP and RUSH programs. NC DHHS led the State's initiative to develop a five-year strategic housing plan. Additionally, the Governor of North Carolina has relaunched the Inter-Agency Council Coordinating Homeless Programs. DHHS serves as the lead and all NC Plan Partners are members of ICCHP. The North Carolina Coalition to End Homelessness (NCCEH) and the Balance of the State and the North Carolina Housing Coalition (NCHC) were key participants in the consultation process. We reach a wide variety of interested parties, business and civic leaders and public institutions through our NC Plan Partner alliance where notice of hearings, REDD contact information and notice of funding availability were emailed along with consultants and all non-entitlement cities in the State of NC. Once disseminated, this information is also available on the NC Commerce website under the Community Development Section. The outcome that we all are working towards is providing needed resources to homeless individuals that provide support, advocacy for the homeless and the end to homelessness throughout the State of NC.</p>
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Identify any Agency Types not consulted and provide rationale for not consulting

N/A

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care		

Table 3 - Other local / regional / federal planning efforts

Narrative

None

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The State of North Carolina encourages citizens to participate in the planning, implementation, and assessment of the Consolidated Plan for HUD Community Planning and Development programs. This plan describes how this participation will be encouraged.

During the development of the plan, the development of any substantial amendments, and prior to submission of the annual performance report to HUD, the state solicits the views and proposals of citizens and interested groups and agencies at meetings and public hearings.

Notices for meetings and public hearings included:

- (1) The subject of the meeting;
- (2) Amount of funds anticipated to be available and range of eligible activities;
- (3) Estimated benefit to low- and moderate-income persons;
- (4) Information needed by citizens to make informed comments, or in cases where extensive information will be the subject of comment, where the information is available for inspection;
- (5) Time and location of the meeting and/or virtual or hybrid access during the public health emergency;
- (6) The address and telephone number where special populations (persons with disabilities or non-English speaking persons) may request auxiliary aids or assistance;
- (7) The address where written comments may be submitted, and the time frame of the comment period for the subject of the meeting;
- (8) The telephone number where persons may request additional information; and

(9) A telephone number or web link for constituents to participate in a public meeting if the meeting is in-person and they are unable to travel.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
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1	Public Hearing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>The public hearing was advertised for a 30-day public period that began on May 17, 2025, and the draft document was posted for public comment on the NC Commerce and North Carolina Housing Finance agency websites www.commerce.nc.gov and www.nchfa.com respectively. The participants were all virtual and a copy of the attendance record will be included in the AAP. The hearing was recorded and documentation including the PowerPoint presentation will be attached to the final plan.</p>	<p>No comments were received and the public comment period ended on June 18, 2025.</p>	Not Applicable	<p>www.commerce.nc.gov</p>
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Newspaper Ad	Non-targeted/broad community	The public hearing announcement and links were published in three newspapers to include the Raleigh News and Observer, Greenville NC Daily Reflector and the Asheville Citizen Times.		Not Applicable	
3	Email to Stakeholders and Consultants	Persons with disabilities Grantees, Consultants, State Agencies	The public hearing announcement and links to the draft NC 2025 Annual Action Plan were emailed to grantees, consultants, CoCs, state agencies, and other interested parties.		Not Applicable	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Meeting	Non-targeted/broad community	One hybrid public hearing was held in the conference room of the NC Housing Finance Agency located at 3508 Bust Street Raleigh NC and held on May 28, 2025, from 10:00 am to 11:00 am. Of the 14 participants, all joined online through the WEB-X format. No participants attended on site at the NCHFA conference room.	No comments were received.	Not Applicable	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

REDD, NC Commerce received a similar allocation in 2025 as in 2024. The funds, however, were reduced by nearly \$2 million. Approximately \$11.6 million is available in 2018 de-obligated funds; \$4.73 million in program income is anticipated from the RLF. The average allocation anticipated for the next 2 years is \$94.8 million (approx.\$46.00 million annually). However, since this is the last year of the 2025 Consolidated Plan that anticipated amount is approximately 53,000,000. The funds will be divided into Neighborhood Revitalization, Economic Development, Infrastructure, and Rural Community Development. De-obligated funds and possible program income will be used for Contingency grants and existing grants requiring additional funds.

All of the HUD funded partners in North Carolina work together to address the economic development, job creation, water/infrastructure and affordable housing needs in the state. Our partnerships are expanded to ensure the participation of community stakeholders, community members, low- to moderate-income individuals, People Living with HIV and AIDS (PLWHA) and their families, faith-based organizations,

universities and the health care system, all of whom dedicate resources to the greatest extent possible to maximize resources.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		

CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services						REDD, NC Commerce has been notified that it will receive a slight decrease from the 2024 allocation. The funds, however, were reduced by nearly \$2 million. Approximately \$11.2 million is available in 2018 de-obligated funds. \$4.7 million in program income is anticipated from the RLF. The average allocation anticipated for the next 2 years is \$92 million (approx.\$46.00 million annually). The funds will be divided into Neighborhood Revitalization, Economic Development, Infrastructure, and Rural Community Development. De-obligated funds and
			46,162,390.00	4,700,000.00	3,600,000.00	54,462,390.00	53,000,000.00	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
								possible program income will be used for Contingency grants and existing grants requiring additional funds.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	13,404,799.86	13,200,000.00	0.00	26,604,799.86	0.00	This is the final year of the NC 2020-2025 Consolidated Plan.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	4,148,325.00	0.00	0.00	4,148,325.00	8,253,880.00	HOPWA received a slight increase in allocation in 2024 as a result of final implementation of HOPWA Modernization. The anticipated amount for the next 2 years is \$4,126,940 per year for a total of \$8253,880.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	5,169,928.00	0.00	0.00	5,169,928.00	10,678,446.00	ESG anticipates a similar allocation in 2025 as in 2024. The anticipated amount for ESG for the next 2 years is 10,678,446 (approx. \$5.34 million annually).

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	4,712,236.50	200,000.00	0.00	4,912,236.50	0.00	This is the final year of the NC Consolidated Plan.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
RUSH - ESG Disaster Relief Grant	public - federal	Admin and Planning Financial Assistance Housing Overnight shelter Rapid re-housing (rental assistance) Services Supportive services	3,000,000.00	0.00	0.00	3,000,000.00	3,000,000.00	As part of Hurricane Helene recovery, the RUSH ESG Disaster Relief Grant provides \$3 million to address housing and services needs of survivors.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

CDBG. CDBG funding may be used to assist in the rehabilitation efforts needed to public facilities owned by local units of government and non-profit agencies with facilities open to the general public such as Senior Centers, Housing for the homeless, housing and shelter for victims of domestic violence, transitional housing facilities, community/neighborhood/recreation facilities and parks.

HOPWA. The NC HOPWA Project Sponsors may use Resource Identification and/or other sources to identify landlords, facility-based housing and public housing organizations to establish relationships and increase landlord participation in the HOPWA Tenant-Based Rental Assistance Program to expand affordable housing options for persons living with HIV/AIDS.

Discussion

NC Commerce has approximately \$15.2 million in the State Economic Development Revolving Loan Fund. A request has been submitted to HUD and it has been approved to dissolve the RLF and repurpose the funds for CDBG-eligible housing and community development activities. NC Commerce plans to divide the funds over three years. This will create approximately \$4.7 million for 2024, 2025, and 2026 in program income. Also, NC Commerce will continue to use available de-obligated funds from allocation years 2018 through 2024 to fund other housing, community development including water and wastewater improvements, and economic development projects, especially ones with urgent needs and extenuating circumstances. The maximum grant is anticipated to be \$1 million, but the amount can be higher based on the urgency of the need. Urgent needs and contingency grants awarded due to extenuating circumstances will be provided on an as-needed, non-competitive basis.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homeowner Housing Rehabilitation	2021	2025	Non-Homeless Special Needs	Statewide	Housing for non-homeless persons w/ special needs Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI	HOME: \$4,256,768.00	Homeowner Housing Rehabilitated: 200 Household Housing Unit
2	Affordable Homeownership	2021	2025	Affordable Housing	Statewide	Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI	HOME: \$7,715,392.00	Homeowner Housing Added: 440 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Affordable Rental Housing	2021	2025	Affordable Housing	Statewide	Housing for non-homeless persons w/ special needs Housing for households under 30% AMI Housing for households 31-60% AMI	HOME: \$11,972,160.00 HTF: \$4,421,013.00	Rental units constructed: 800 Household Housing Unit Rental units rehabilitated: 90 Household Housing Unit
4	CDBG Neighborhood Revitalization	2021	2025	Affordable Housing Non-Housing Community Development	Statewide	Housing for non-homeless persons w/ special needs Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI Neighborhood Stabilization Non-housing community development needs	CDBG: \$12,000,000.00	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 200 Households Assisted Rental units constructed: 80 Household Housing Unit Rental units rehabilitated: 90 Household Housing Unit Homeowner Housing Rehabilitated: 160 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	CDBG Economic Development	2021	2025	Non-Housing Community Development	Statewide	Non-housing community development needs	CDBG: \$18,000,000.00	Jobs created/retained: 1000 Jobs
6	CDBG Infrastructure	2021	2025	Non-Housing Community Development	Statewide	Non-housing community development needs	CDBG: \$16,000,000.00	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 2000 Households Assisted
8	HOPWA-Short-Term Rent and Utilities	2021	2025	Affordable Housing	Statewide	Housing for non-homeless persons w/ special needs Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI	HOPWA: \$633,425.00	Homelessness Prevention: 531 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
9	HOPWA Supportive Services	2021	2025	Affordable Housing	Statewide	Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI Housing for persons experiencing homelessness	HOPWA: \$510,048.00	HIV/AIDS Housing Operations: 454 Household Housing Unit
10	HOPWA Resource ID	2021	2025	Persons with HIV/AIDS	Statewide	Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI	HOPWA: \$87,557.00	HIV/AIDS Housing Operations: 174 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
11	HOPWA Permanent Housing Placement	2021	2025	Affordable Housing	Statewide	Housing for non-homeless persons w/ special needs Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI Housing for persons experiencing homelessness	HOPWA: \$104,228.00	Housing for People with HIV/AIDS added: 77 Household Housing Unit HIV/AIDS Housing Operations: 31 Household Housing Unit
12	HOPWA Tenant-Based Rental Assistance	2021	2025	Affordable Housing	Statewide	Housing for households under 30% AMI Housing for households 31-60% AMI Housing for households 61-80% AMI	HOPWA: \$2,121,174.00	Housing for People with HIV/AIDS added: 248 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	ESG Housing Stability	2021	2025	Homeless	Statewide	Housing for households under 30% AMI Housing for persons experiencing homelessness	ESG: \$168,441.00	Homelessness Prevention: 204 Persons Assisted Housing for Homeless added: 5924 Household Housing Unit
14	ESG Crisis Response	2021	2025	Homeless	Statewide	Housing for persons experiencing homelessness	HOPWA: \$7,168,610.00 ESG: \$2,260,448.00	Tenant-based rental assistance / Rapid Rehousing: 200 Households Assisted Homeless Person Overnight Shelter: 14000 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 11840 Beds

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Homeowner Housing Rehabilitation
	Goal Description	Provide financing for the rehabilitation, repair and accessibility modifications of substandard owner-occupied housing. Repair and rehabilitation programs serve owner households with low-income, elderly, disabled and/or Veteran, full-time household members or with a child under 6 years old frequently present in a home with lead hazards.

2	Goal Name	Affordable Homeownership
	Goal Description	Provides financing to help low- to moderate-income buyers through local governments and nonprofit organizations that participate in our Community Partners Loan Pool (CPLP) and Self-Help Loan Pool (SHLP) programs. Partners use funding to make home ownership more affordable and sustainable with down payment assistance, shared mortgage financing and energy efficiency subsidies.
3	Goal Name	Affordable Rental Housing
	Goal Description	Finance the development and rehabilitation of affordable rental units through the North Carolina Housing Finance Agency's rental programs including the Rental Production Program (RPP), the Supportive Housing Development Program (SHDP) and the Rental Preservation Loan Program (RPLP). If operating costs and/or reserves are indicated in underwriting or for continued financial viability of a development funded wholly or in part with HTF, then these funds may be provided for this use.
4	Goal Name	CDBG Neighborhood Revitalization
	Goal Description	The Neighborhood Revitalization Program is designed to provide affordable housing through the rehabilitation of existing homeowner occupied homes, adaptive reuse of buildings, and rehabilitation of multifamily units. CDBG-NR also supports the development of affordable multifamily units and addresses non-housing community development needs. With the waivers recently approved by HUD due to Hurricane Helene, new construction of housing will be allowed with CDBG funds for FEMA declared disaster areas in NC. The new set aside for rural community development created by recent General Assembly action will be included in this category. Currently, \$12 million is set-aside for CDBG-NR including the Rural Community Development Fund. Please note that the NC FY2025 approved budget may alter the amount for this category.
5	Goal Name	CDBG Economic Development
	Goal Description	The CDBG Economic Development (CDBG-ED) will spur economic development activity through the retention and creation of jobs. As with all CDBG categories, deobligated and program funds can be used for urgent needs and contingency activities. Please note the NC FY 2025 final budget may alter the amount for this category.

6	Goal Name	CDBG Infrastructure
	Goal Description	The CDBG Infrastructure Program will be administered by the North Carolina Department of Environmental Quality to address water and sewer needs. As with all CDBG funds, deobligated and program funds can be used for urgent needs and contingency activities. Currently, \$16 million is anticipated for 2025. Please note the final NC FY2025 budget may alter the amount for this category.
8	Goal Name	HOPWA-Short-Term Rent and Utilities
	Goal Description	HOPWA will provide short-term rent and utilities for persons with HIV/AIDS. Short-Term Rent, Mortgage, and Utility Assistance (STRMU) provides a short-term, stabilizing intervention to currently housed HOPWA-eligible households that are not receiving ongoing rental assistance and are experiencing a health crisis or a change in their economic circumstances.
9	Goal Name	HOPWA Supportive Services
	Goal Description	Supportive Services (SS) are auxiliary services that help clients maintain stable housing. These services include mental health and substance use treatment, case management, food assistance and transportation.
10	Goal Name	HOPWA Resource ID
	Goal Description	Resource Identification (RI) assists agencies with establishing, coordinating, and developing housing assistance resources for eligible individuals and their families.
11	Goal Name	HOPWA Permanent Housing Placement
	Goal Description	Short term housing that covers costs associated with short-term facility based housing /motel.

12	Goal Name	HOPWA Tenant-Based Rental Assistance
	Goal Description	TBRA provides an ongoing subsidy to HOPWA eligible households in a unit of their choice at or below Fair Market Rent (FMR).
13	Goal Name	ESG Housing Stability
	Goal Description	Prevent households from becoming homeless through rental assistance, and housing relocation and stabilization services. Move homeless individuals and families quickly into permanent housing through rental assistance and housing relocation and stabilization services.
14	Goal Name	ESG Crisis Response
	Goal Description	Engage those experiencing unsheltered homelessness and connect them to services and housing. Provide shelter and move households in shelters quickly into permanent housing through case management services.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The Annual Action Plan funding allocation priorities are based on the needs and priorities identified in the NC 2021-2025 Consolidated Plan. The 2025 AAP allocation priorities are listed below.

Funding Allocation Priorities

	Homeowner Housing Rehabilitation (%)	Affordable Homeownership (%)	Affordable Rental Housing (%)	CDBG Neighborhood Revitalization (%)	CDBG Economic Development (%)	CDBG Infrastructure (%)	HOPWA- Short- Term Rent and Utilities (%)	HOPWA Supportive Services (%)	HOPWA Resource ID (%)	HOPWA Permanent Housing Placement (%)	HOPWA Tenant- Based Rental Assistance (%)
CDBG	0	0	0	45	20	35	0	0	0	0	0
HOME	16	29	45	0	0	0	0	0	0	0	0
HOPWA	0	0	0	0	0	0	18	15	3	3	61
ESG	0	0	0	0	0	0	0	0	0	0	0
HTF	0	0	90	0	0	0	0	0	0	0	0
RUSH - ESG Disaster Relief Grant	0	0	0	0	0	0	0	0	0	0	0

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

The allocation priorities are established based on data and information collected from the community, stakeholders and organizations that are outlined in the five-year plan. The percentages above also reflect the available amounts after the set aside of program administration funds.

RUSH-ESG Disaster Relief: The allocation will be used in the Hurricane Helene highest impacted areas.

CDBG and CDBG-CV: Allocation priorities are addressed by the needs established in the Consolidated Plan, program requirements, and program past performance. Additionally, the NC General Assembly establishes the program categories and funding levels through the state budgeting process. These funding opportunities are competitive and are designed to revitalize communities area-wide that are at least 51% low and moderate-income (LMI) persons and direct activities that benefit 100% low and moderate-income (LMI) persons. NC uses three percent of the annual allocation for program administration for CDBG and five percent for CDBG-CV; however, this program will be ending in 2026.

ESG and ESG-CV: Allocation priorities are addressed by the needs established in the Consolidated Plan, program requirements, and program past performance. For 2022, NC DHHS allocated 46.5% for Housing Stability, 30% for Crisis Response, 16% for HMIS, and 7.5% for program administration.

HOME and HTF: Allocation priorities are determined by considering housing needs and past program performance while accounting for up to 10% of funds to be allocated for program administration.

HOPWA: Allocation priorities are addressed by the needs established in the Consolidated Plan, program requirements, and program past performance. HOPWA is eligible to use 3% for state administration. The State of North Carolina, however, does not always use the full amount. In these instances, the amount is added to the 97% available for program activities.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

CDBG Economic Development (CDBG-ED): The Community Development Block Grant for Economic Development (CDBG-ED) will continue to provide grants to local governments that partner with a for-profit business to bring public infrastructure improvements and building renovation services. The CDBG- ED program funds will continue to aid in the opportunities for job creation. All grants are awarded by a 15-member appointed Rural Infrastructure Authority.

CDBG Coronavirus (CDBG-CV): The CDBG-CD Coronavirus funds have been fully obligated. NC Commerce, however, will continue to award de-

obligated funds to address the COVID19 pandemic.

CDBG- Neighborhood Revitalization (CDBG-NR):

The CDBG Neighborhood Revitalization (CDBG-NR) Program, which includes the Rural Community Development set-aside, is an annual competitive program. The program is announced via a Notice of Funding Opportunity. The NOFA spells out the amount of funding available, when applications are due and the likely date of announcement of awards. This year's NOFA included the FEMA declared disaster areas with instructions on eligibility and new activities allowed. For each year of the biennium, a minimum of \$12 million is available for CDBG-NR activities and \$5 million for Rural Community Development activities. Specifically, for 2025, an anticipated total of \$12 million is available for the CDBG-NR Program including the Rural Community Development estimated \$5 million set-aside. While all non-entitlements are eligible to apply, preference is given to Tiers 1 and 2 most distressed counties in the state.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

Each HUD-funded agency establishes its own Method of Distribution based on priority needs from the Housing Needs Survey and Market Analysis data.

Distribution Methods

Table 8 - Distribution Methods by State Program

1	State Program Name:	CDBG Economic Development (CDBG-ED)
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The CDBG Economic Development (CDBG-ED) Program has the goal to spur economic development through job creation in the rural jurisdictions of our state; however, this reallocation will assist with the many housing needs the state continues to work through after several storms and hurricanes. The CDBG-ED program focuses on three core categories:</p> <p>(1) CDBG-ED provides funding for the construction of public infrastructure to a site, in order to enable a company to locate or expand. Eligible uses include:</p> <ul style="list-style-type: none"> • Upgrade or repair of public drinking water or wastewater treatment plants • Upgrade, extension or repair of public water or sewer lines • Extension of publicly owned natural gas lines (with an executed pipeline construction, operating and resale agreement) • Installation or extension of public broadband infrastructure • Construction of publicly owned access roads not owned or funded by the North Carolina Department of Transportation • Construction of public rail spur improvements <p>(2) The Community Development Block Grant Building Reuse (CDBG-EDBR) program provides funds to renovate and upfit vacant industrial and commercial buildings for economic development purposes. CDBG Building Reuse grants are available to local government applicants that work in conjunction with a company intending to operate in a vacant building. The company's new or expanding operations must result in the creation of permanent, full-time jobs. A CDBG Building Reuse award is limited to \$750,000 per local government. The grant amount cannot exceed \$20,000 per job for priority projects (primarily manufacturing) and \$12,000 per job for all other projects.</p> <p>(3) The Community Development Block Grant Demolition Program (CDBG Demolition) is designed to fund the demolition of vacant and dilapidated industrial buildings and properties.</p>
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	<p>CDBG Demolition Program is designed to assist local governments in demolition projects that result in viable industrial or commercial sites. The demolition activity is expected to create a site at which it can reasonably be expected that new jobs will be created and private sector capital will be invested.</p> <p>Although specific job creation is not required, the following conditions apply:</p> <ul style="list-style-type: none"> • When the demolition project involves a company’s plan to construct a new building on a to-be-razed site, the CDBG Demolition Program will require an estimate of the number of employees it anticipates hiring. • When the project involves demolition of a building only for future economic development—and when a business has not yet been identified to construct a new building and hire employees—the CDBG Demolition Program requires that the building targeted for demolition be located in a low and moderate income (LMI) census tract.
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The CDBG-ED program has a two-part process. Interested applicants initiate the search through the Economic Development Partnership North Carolina (EDPNC) or by contacting the CDBG-ED Grants Manager at NC Commerce. The N.C. Department of Commerce annually ranks the state’s 100 counties based on economic well-being and assigns each a tier designation. The 40 most distressed counties are designated as Tier 1, the next 40 as Tier 2 and the 20 least distressed as Tier 3. This tier system is incorporated into CDBG ED to encourage economic activity in the less prosperous areas of the state. For all CDBG programs, preference is given to applicants creating and retaining jobs in Tier 1 and Tier 2 distressed counties.</p> <p>Unless located in a Tier 1 county, the local government must provide at least one dollar for every dollar provided by CDBG Building Reuse. Matching funds may come from the building owner or from the project company.</p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Interested applicants may contact the CDBG-ED Grants Management Representative, John Brooks at john.brooks@commerce.nc.gov for access to application manuals and other materials. Applicants can also find information with the Economic Development Partnership NC at www.edpnc.com.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>

Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
Describe how resources will be allocated among funding categories.	The CDBG-ED funds are available for public infrastructure improvements, building reuse, and demolition as described above.

	Describe threshold factors and grant size limits.	All applications must be complete before funding. Projects are sent to the Rural Infrastructure Authority to be reviewed and approved for award. After the RIA approval, grantees must submit a complete application. The grant size limit is \$750,000.
	What are the outcome measures expected as a result of the method of distribution?	The CDBG ED programs focus on job creation and retention, especially for low-to-moderate income persons and areas; however, 2025 funds will be reallocated to CDBG NR instead of economic development projects to assist with housing-related issues in the State.
2	State Program Name:	CDBG Infrastructure (CDBG-I)
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The CDBG Infrastructure (CDBG-I) Program addresses the water and sewer needs in the rural jurisdictions of our state. The purpose of the funds is to construct public water and sewer infrastructure to mitigate public and environmental health problems in areas where the percentage of low to moderate income persons is at least 51 percent.</p> <p>Maximum award is \$3 million over a 3-year period—the three-year period begins on the award date.</p> <p>Local governments may submit multiple applications but will only be awarded funding for one project in each funding round.</p> <p>Applications</p> <p>The CDBG-Infrastructure Program typically has one funding cycle per year, typically in September; however, if additional application intake is needed to obligate funding, an announcement will be made via our website in the News section of the DEQ website.</p> <p>Applicants can refer to Funding Program Application Information Page for detailed information on application deadlines and requirements</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p><i>Based on availability of funds, applications are generally accepted on an annual basis with the established deadline of September 30th of the calendar year. Each application includes a priority rating form, narrative, and supporting documents that assist the Division CDBG-I Unit in evaluating the proposed project in terms of prioritization established by the State Water Infrastructure Authority (SWIA).</i></p> <p><i>After the deadline for submitting applications, the Division CDBG-I Unit will review all applications and assign priority rating points as described in the CDBG-I Priority Rating System guidance based on information provided in the application. The Division CDBG-I Unit ranks the projects in priority point order and presents this information to the SWIA. The SWIA is responsible for selecting the applications to receive project funding. Program purpose, benefit and system management are all a part of the rating system used to award an application. The complete guide to criteria is located at</i></p> <p>Community Development Block Grant-Infrastructure NC DEQ</p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Information for the program can be found on the NC DEQ website at https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/community-development-block-grant-infrastructure.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>
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<p>Describe how resources will be allocated among funding categories.</p>	<p><i>A CDBG-I grant application follows the same four categories as all the Division’s funding programs Priority Rating System (PRS) that nearly aligns with all other Division funding programs. The four categories are as follows:</i></p> <p><i>Category 1 – Project Purpose</i></p> <p><i>This category provides a description of the project and there are four areas an applicant can claim points for their project.</i></p> <p><i>Category 2 – Project Benefits</i></p> <p><i>This category allows for an applicant to request scoring based on the benefit the project will have for LMI communities.</i></p> <p><i>Category 3 – System Management</i></p> <p><i>This category allows applicants to claim and earn points based on system management (i.e., financial and managerial capacities).</i></p> <p><i>Category 4 – Affordability/Financial Situation</i></p> <p><i>This category allows an applicant to claim points related to affordability and LMI percentage.</i></p> <p><i>The current PRS provides a consistent and transparent methodology for prioritization that aligns with the State Water Infrastructure Authority’s (SWIA) Master Plan and with statutory requirements. If any changes to the PRS are proposed, the Division will review and submit a proposal to change the PRS to SWIA; if they approve the initial change, it then goes out for public comment. After public comments, revisions are made and the final change to the PRS is presented to SWIA for approval. After SWIA approves, the PRS is modified for the next funding round.</i></p> <p><i>A CDBG-I grant application follows the same four categories as all the Division’s funding programs Priority Rating System (PRS) that nearly aligns with all other Division funding programs. The four categories are as follows:</i></p>
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		<p><i>Category 1 – Project Purpose</i></p> <p><i>This category provides a description of the project and there are four areas an applicant can claim points for their project.</i></p> <p><i>Category 2 – Project Benefits</i></p> <p><i>This category allows for an applicant to request scoring based on the benefit the project will have for LMI communities.</i></p> <p><i>Category 3 – System Management</i></p> <p><i>This category allows applicants to claim and earn points based on system management (i.e., financial and managerial capacities).</i></p> <p><i>Category 4 – Affordability/Financial Situation</i></p> <p><i>This category allows an applicant to claim points related to affordability and LMI percentage.</i></p> <p><i>The current PRS provides a consistent and transparent methodology for prioritization that aligns with the State Water Infrastructure Authority’s (SWIA) Master Plan and with statutory requirements. If any changes to the PRS are proposed, the Division will review and submit a proposal to change the PRS to SWIA; if they approve the initial change, it then goes out for public comment. After public comment, revisions are made and the final change to the PRS is presented to SWIA for approval. After SWIA approves, the PRS is modified for the next funding round.</i></p>
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	Describe threshold factors and grant size limits.	<p>The program guidelines are available at the NC DEQ website.</p> <p>Maximum award is \$3 million over a 3-year period—the three-year period begins on the award date.</p> <p>Local governments may submit multiple applications but will only be awarded funding for one project in each funding round.</p> <p>Applications</p> <p>The CDBG-Infrastructure Program typically has one funding cycle per year, typically in September; however, if additional application intake is needed to obligate funding, an announcement will be made via our website in the News section of the DEQ website.</p> <p>Refer to Funding Program Application Information Page for detailed information on application deadlines and requirements</p>
	What are the outcome measures expected as a result of the method of distribution?	<p>The outcome measures show the benefit to low- and moderate-income persons, households, and areas in the state.</p>
3	State Program Name:	CDBG Neighborhood Revitalization (CDBG-NR)
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The CDBG Neighborhood Revitalization (CDBG-NR) Program, which includes the Rural Community Development set-aside, is an annual competitive program. The program is announced via a Notice of Funding Opportunity. The NOFA spells out the amount of funding available, when applications are due and the likely date of announcement of awards. This year’s NOFA included the FEMA declared disaster areas with instructions on eligibility and new activities allowed. For each year of the biennium, a minimum of \$13 million is available for CDBG-NR activities and \$5 million for Rural Community Development activities. Specifically, for 2025, an anticipated total of \$13 million is available for the CDBG-NR Program including the Rural Community Development estimated \$5 million set-aside. While all non-entitlements are eligible to apply, preference is given to Tiers 1 and 2 most distressed counties in the state.</p> <p>The second North Carolina 2025 Annual Action Plan Substantial Amendment includes a one-time reallocation of \$13,403,255.00 in Program Year 2025 CDBG funds from the Economic Development (ED) Program to the CDBG Neighborhood Revitalization (CDBG-NR) Program.</p> <p>The reallocation applies only to Program Year 2025 and does not change the State of North Carolina’s overall CDBG allocation methodology. The reallocated funds will supplement the funds otherwise available for the CDBG-NR Program for Program Year 2025.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p><i>The CDBG-NR Program</i> is competitive but can convert to non-competitive if funding exceeds the number of applications received. The primary focus is permanent and transitional housing. A subset called the Rural Community Development fund is available for non-housing only projects in Tier 1 counties. The project must pass the threshold review to be considered for the competitive review. See threshold criteria section of the guidelines for details. Applicants will be rated according to the following criteria:</p> <ol style="list-style-type: none"> 1. Activity is taking place in an eligible area 2. Program Purpose, Project Design, and Performance Measure & Evaluation 3. Project Feasibility, Sustainability, and Readiness 4. Project Need, Market Demand, and Benefit 5. Financial Design, Budget, Leverage, and Cost Effectiveness 6. Capacity, Experience, and Organizational Structure.
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Program guidelines and applications are generally available on the NC Commerce website www.commerce.nc.gov or by contacting the CDBG Section Chief at john.brooks@commerce.nc.gov or by phone at (919) 814-4663.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	None
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	Not applicable

	<p>Describe how resources will be allocated among funding categories.</p>	<p>This category is allocated approximately \$12 million for eligible projects.</p>
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<p>Describe threshold factors and grant size limits.</p>	<p>CDBG-NR Award Amount</p> <p>As part of this Substantial Amendment, the State will eliminate the predetermined maximum award amount for the CDBG-NR Program.</p> <p>The elimination of a predetermined maximum award amount does not create an entitlement to funding or authorize applicants to receive unlimited funding. Each funding request must be supported by the scope and cost of the proposed project and must be reasonable and necessary to accomplish the eligible activity.</p> <p>All awards will remain subject to:</p> <ul style="list-style-type: none"> • Applicable CDBG statutory and regulatory requirements; • National objective requirements; • Eligible activity requirements; • The State’s CDBG-NR application, rating, and selection procedures; • Availability of CDBG funds; and • The State’s ability to make timely and compliant obligations and expenditures. <p>Removing the predetermined maximum award amount will provide the State with greater flexibility to fund larger eligible neighborhood revitalization projects when warranted by the demonstrated need, scope, cost, and impact of the proposed project.</p> <p>Year-Round CDBG-NR Open Application Cycle</p> <p>The State will continue to award funds through its annual application cycle with the announcement of a NOFA (Notice of Funding Availability). Funds that have been deobligated will be awarded throughout the year-round open application cycle as they become available.</p> <p>Under the year-round open application cycle, eligible units of general local government may submit CDBG-NR applications throughout the year, subject to the availability of funds and applicable State and HUD requirements.</p>
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	<p>Applications received through the year-round open application cycle will be reviewed and evaluated using the State’s established eligibility, rating, and selection procedures. The year-round open application cycle does not eliminate the State’s competitive review process or the requirement that proposed projects satisfy all applicable CDBG requirements.</p> <p>The year-round open application cycle will provide the State with greater flexibility to address eligible neighborhood revitalization, housing, infrastructure, economic development and community development needs as they arise.</p> <p>Use of Deobligated Funds</p> <p>The year-round open application cycle will allow the State to more efficiently utilize CDBG funds that become available through deobligation.</p> <p>When CDBG funds are deobligated and become available for reprogramming, such funds may be returned to the CDBG-NR funding pool and used to make awards to eligible CDBG-NR projects through the year-round open application process, subject to applicable State and HUD requirements.</p> <p>This approach will allow the State to utilize available resources throughout the program year rather than holding deobligated funds until the next regularly scheduled annual application cycle.</p> <p>The use of deobligated funds will remain subject to the State’s established application, rating, selection, and approval procedures and all applicable CDBG requirements.</p> <p>Program Compliance</p> <p>The State will continue to ensure that all CDBG-NR activities receiving funding comply with applicable Federal and State requirements. Funded activities must meet the applicable CDBG national objective and eligible activity requirements and must satisfy all applicable environmental review, financial management, procurement, labor standards, civil rights, and other Federal and State requirements.</p> <p>The elimination of the predetermined maximum award amount and implementation of a year-round application cycle do not alter the underlying eligibility requirements for CDBG-NR activities.</p>
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	What are the outcome measures expected as a result of the method of distribution?	The anticipated outcomes for the CDBG-NR program this year in particular are to construct, rehabilitate and preserve the housing stock; help with affordable housing initiatives; provide transitional housing and emergency shelters; and meet non-housing community development needs such as community centers, parks, greenways, and sidewalks. The State anticipates with this reallocation that funds will be expended in a more timely manner and this will allow the state to fund larger projects and spend down available funds to benefit LMI persons with no minimum or maximum award ceiling.
4	State Program Name:	Emergency Solutions Program (ESG)
	Funding Sources:	ESG

Describe the state program addressed by the Method of Distribution.	<p>The U.S. Department of Housing and Urban Development allocated \$5,169.928 to the NC State ESG Program. A portion, 7.5% or \$400,442, is for admin costs incurred by the State or subrecipients that are units of local government. The remaining funds, \$4,938,781, will be distributed to subrecipients for program costs. The amount that each Local Planning Area is eligible to apply for is the “NC ESG Fair Share”.</p> <p>No more than 60% of funds can be used for Emergency Response Services (Street Outreach and Emergency Shelter). While there is a maximum percent for Emergency Services, there is no maximum for Housing Stability (Rapid Re-Housing, HMIS, and Targeted Prevention). This means a Local Planning Area may choose to apply for the full 60% of Emergency Response funding or use some of that funding for Housing Stability Activities.</p> <p>To establish a fair distribution of program funds, the NC ESG Program uses the Department of Housing and Urban Development’s (HUD) Continuum of Care (CoC) Pro Rata Formula as the basis for determining the amount of eligible funding for each Local Planning Area. Six entitlement communities receive ESG funding directly from HUD. The allocation that these entitlements receive from HUD is considered when determining each Local Planning Area’s eligible amount. The CoC Pro Rata percentage is multiplied by the total amount of ESG funds allocated to North Carolina (NC State ESG + entitlements). This is the total amount that each Local Planning Area should have as its fair share of ESG funding.</p> <p>For communities that do not receive entitlement funding from HUD, the full amount will come from the NC ESG Program. For entitlement communities, the amount received directly from HUD will be subtracted from their fair share, so only a portion of the fair share is awarded through the NC ESG Program. The chart below shows the total fair share for each entitlement community with the amount of program funding administered by the local government and the NC ESG Program.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The NC ESG office publishes a request for funding (RFA) annually in June of each year. Approximately 4-6 weeks prior to the publication of the RFA, the NC ESG Office meets virtually with the 12 CoC leads in the state to preview the RFA documents and process. After this meeting, the CoCs establish their review process, requirements, and timeline for application review and submit this timeline to the NC ESG Office. The CoCs are responsible for reviewing all ESG applications prior to their submission to the NC ESG Office. This allows the CoC to have a voice in how ESG funds are utilized and allocated among each eligible activity in their community. Only the applications recommended by the CoCs are reviewed by the NC ESG Office or considered for funding. The CoCs are copied on the conditional award notices and denial notices that are sent to each applicant. This allows them to follow up with each applicant and/or the NC ESG Office on the awards or denials, as needed. At the conclusion of the RFA process, the NC ESG Office holds a debriefing meeting with the CoC leads. The CoC leads can provide feedback on the application process and the application documents. Once the recommended applications are received by the NC ESG Office, they are reviewed for financial capacity, organizational capacity, program design including adherence to HUD regulations and CoC written standards. Applicants must meet the minimum threshold of being an eligible organization, utilizing the funds for eligible activities and expenses, ability to meet data and reporting requirements, and meeting HUD, CoC, and State regulations for their proposed program(s). If this threshold is met, the NC ESG Office then considers the applicant's financial and overall organizational capacity to administer a reimbursement-based grant. Additional items considered are coverage area, hours of operations, staffing, collaboration with and connection to the broader homeless services community, number of households served, cost per household, and percentage existing to a positive housing destination. After reviewing the information contained in their application, we also review their history (if applicable with ESG and other HUD funding) including spend down rates, monitoring findings, and overall grant compliance.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>The NC Emergency Solutions Grants Program uses the formula of the HUD Pro Rata Share to determine available funding to Continuums of Care / Local Planning Areas (CoCs / LPAs). Local units of government, and non-profit organizations including community and faith-based organizations can submit a Project Application to CoCs/LPAs. Upon doing so, CoCs/LPAs recommend projects for funding in the NC Emergency Solutions Grants Request for Application. NC ESG staff then review and score Regional and Project Applications for minimum threshold criteria.</p>

Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
Describe how resources will be allocated among funding categories.	Resources are allocated based upon needs assessed in the community and by analyzing the utilization of services, and gaps in services to ensure to the greatest extent possible the needs of the community are met.

	Describe threshold factors and grant size limits.	Grant size limits are based on the formula calculation using the fair share calculator and decisions and recommendations made and approved at the CoC level and passed to the NC ESG office through an RFA process.
	What are the outcome measures expected as a result of the method of distribution?	The outcome measures are increased economic opportunity, improved quality of life, and a pathway to housing opportunities provided.
5	State Program Name:	HOME & HTF: Rental Development & Preservation
	Funding Sources:	HOME HTF

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>HOME and HTF funds are used to finance construction and preservation of rental units for low-income households and homeless or non-homeless households with special needs.</p> <p>The Rental Production Program (RPP) provides long-term financing, in the form of an amortizing or deferred loan, to projects awarded Low Income Housing Tax Credits. The goal is to provide additional housing for households earning up to 60% of area median income. Projects with HTF have deeper income targeting for rental housing for households earning below 30% of area median income or the federal poverty level (whichever is higher). NCHFA may also use up to one-third of HTF funds for operating reserves and/or assistance for LIHTC projects.</p> <p>The Rental Preservation Loan Program (RPLP) provides financing in the form of an amortizing or deferred loan, to eligible projects for the rehabilitation of rental units for low-income households. Awards through RPLP may include funds for rehabilitation, acquisition, refinancing, and operating reserves and/or assistance. For HTF eligible units, NCHFA may also use up to one-third of HTF funds for operating reserves and/or assistance.</p> <p>The Supportive Housing Development Program (SHDP) finances the acquisition, rehabilitation, and/or new construction of developments serving populations of homeless or non-homeless households with special needs earning up to 50% of area median income, with a priority for households earning up to 30% AMI.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>RPP loans are awarded through an annual competitive cycle that ensures distribution among the three geographic regions of the state and between metropolitan and urban areas. Awards are determined during the tax credit allocation process using criteria set forth in the state's Qualified Allocation Plan. Selection criteria include:</p> <ul style="list-style-type: none"> • Project location and site suitability. • Market demand and local housing needs. • Ability to serve the lowest-income tenants. • Ability to serve qualified tenants for the longest periods. • Design and quality of construction. • Financial structure and long-term viability. • Experience of development team and management agent(s). • Ability to serve persons with disabilities and the homeless. • Projects that are part of a Community Revitalization Plan <p>For more information, visit: https://www.nchfa.com/rental-housing-partners/rental-developers/qualified-allocation-plan</p> <p>RPLP loans are to be awarded using selection criteria including, but not limited to, the following:</p> <ul style="list-style-type: none"> • Need for rehabilitation for critical building components and health and safety needs • Projects must have an owner in good standing with NCHFA • Project Contractors, borrowers, developers and their subcontractors, or subsequent recipients must be in good standing with the federal and state government • Applicant must have successfully owned and operated multifamily rental housing for a minimum of three years with no material or uncorrected noncompliance issues unless there is a plan of action to address the issue(s) that has been accepted by the Agency.
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	<ul style="list-style-type: none"> • Applicant must have sound business practices as well as financial structure and viability • Experience, including performance history, of development team and management agent(s) • Ability to serve the lowest-income households, specifically those at or below 30% of AMI • County income designation – priority will be given to projects in lower income counties • Priority for applicants using below market loans or construction loans. <p>For more information, visit https://www.nchfa.com/rental-housing-partners/rental-preservation-partners</p> <p>SHDP loans are to be awarded using selection criteria that will include but not be limited to:</p> <ul style="list-style-type: none"> • Project location and site suitability • Housing development and organizational capacity • Financial structure and project readiness • Ability to serve the lowest-income tenants and/or special needs populations <p>For more information, visit https://www.nchfa.com/rental-housing-partners/supportive-housing-developers/supportive-housing-program</p>
If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>An estimated 16% of HOME funds will go toward home rehabilitation, 29% for homeownership activities, and 45% toward rental development which will be split approximately 20% towards rehabilitation and 25% towards new construction. An estimated 90% of HTF will go towards rental development, including new construction, rehabilitation and no more than one-third of HTF funds will be used for operating reserves and/or assistance. The remaining 10% of funds for both HOME and HTF may be used towards administrative expenses.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>For RPP, developers can receive up to \$1,600,000 per development, but this may be exceeded in some cases. Awards are made as loans with a fixed rate for approximately 15 to 30 years.</p> <p>For RPLP, developers can receive no more than \$4,000,000 per development for rehabilitation. Awards are made as loans and shall require the project to maintain the period of affordability for the full term of the loan, and in no event shall be less than the required minimum period of affordability under the applicable funding source (HOME or HTF) regulations.</p> <p>For SHDP, developers can receive no more than \$1,500,000 per development towards development costs. Awards are made as loans and shall require the project to maintain the period of affordability for the full term of the loan, and in no event shall be less than the required minimum period of affordability under the applicable funding source (HOME or HTF) regulations.</p>

	What are the outcome measures expected as a result of the method of distribution?	<p>The objectives of RPP are to create more affordable rental units available to low-income households earning up to 60% area median income, and for those receiving HTF funds, up to 30% of area median income or the federal poverty level, whichever is higher.</p> <p>The objective of RPLP is to preserve existing affordable housing for households earning up to 80% AMI, with a priority on the preservation and creation of units for households earning less than 30% AMI.</p> <p>The SHDP program objectives for HTF- and HOME-funded projects are to provide affordable, quality, safe and accessible housing for persons with low incomes (below 50% AMI with a preference for those at or below 30% AMI) and special needs with links to appropriate services; to add to the supply of permanent supportive housing in the most integrated setting appropriate to meet the needs of the proposed population; and to provide funds to leverage other public and private resources.</p>
6	State Program Name:	HOME: Affordable Homeownership
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	HOME funds are used to enhance access to homeownership opportunities by providing down payment assistance and affordable mortgages to eligible households earning up to 80% of area median income. The Community Partners Loan Pool (CPLP) and the Self-Help Loan Pool (SHLP) work with participating nonprofits and local governments to identify potential homebuyers and provide either down payment assistance or an interest-free amortizing loan.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>For SHLP, eligible homebuyers are those participating in a self-help housing program (i.e. borrower contributes effort to help build/rehab the house they are purchasing) whose gross annual incomes are less than 80% of area median income. Eligible properties are newly constructed homes and existing homes that meet program quality standards (i.e. Certificate of Occupancy or Home Inspections). To become a loan pool member, the organization must develop such affordable housing, provide first or second mortgage financing to eligible home buyers at 0% or below market interest rates, and provide loan servicing (internally or through a third party). They also ensure eligible borrowers complete HUD-approved home buyer education and pre-purchase counseling. For more details, visit: https://www.nchfa.com/sites/default/files/page_attachments/SHLP-ParticipationGuidelines.pdf</p> <p>For CPLP, eligible home buyers have annual household incomes less than 80% of area median income. Eligible properties are newly constructed homes or existing homes that meet program quality standards (i.e. Certificate of Occupancy or Home Inspections). Eligible applicants for CPLP membership include non-profit developers of affordable for-sale homes, non-profit agencies that are HUD approved housing counseling agencies, or public agencies that administer a homeownership program. Members must have the capacity to prepare low-wealth families for successful homeownership as well as identify or develop program eligible properties. They also ensure eligible borrowers complete HUD-approved home buyer education and pre-purchase counseling. For more information, visit: https://www.nchfa.com/sites/default/files/page_attachments/CPLP-ParticipationGuidelines.pdf</p>
If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	<p>N/A</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	N/A
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	N/A

<p>Describe how resources will be allocated among funding categories.</p>	<p>An estimated 16% of HOME funds will go toward home rehabilitation, 29% for homeownership activities, and 45% toward rental development.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>For Self-Help Loan Pool, eligible home buyers can receive up to \$35,000 in SHLP funds. However, borrowers purchasing a home in a county with no or few existing SHLP home buyers can receive up to \$50,000 in SHLP funds.</p> <p>For the Community Partners Loan Pool, the maximum loan amount is 25% of the sales price or \$50,000, whichever is less, when combined with an NC Home Advantage™ Mortgage. If CPLP is combined with a USDA 502 Direct Loan, the maximum loan is 10% of the sales price or \$50,000, whichever is less.</p>

	What are the outcome measures expected as a result of the method of distribution?	For both homeownership programs, the objectives are to assist qualified households to become home owners, enhance homeownership opportunities in counties with low program participation in recent years, to enhance the capacity of housing for nonprofits and local governments to produce more affordable homes, and to encourage the production of healthy, energy efficient homes.
7	State Program Name:	HOME: Owner-Occupied Housing Rehabilitation
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	HOME funds are used for the rehabilitation or reconstruction of existing housing units. Rehabilitation investments help low-income veterans, seniors, children threatened by lead hazards and people living with disabilities remain in their homes. The Essential Single-Family Rehabilitation Loan Pool (ESFRLP) provides forgivable loans (grants for soft costs and administration) to home owners through regional agencies, units of local government, and nonprofit organizations. Funds are disbursed on a unit-by-unit basis with a first-come, first-approved “limited pool” to reimburse soft cost expenses for assisted units that do not meet the SFRLP (Essential) rehabilitation standard due to no fault of the Member (i.e., homeowner dies before rehabilitation has started). SFRLP (Essential) funds target owner householders below 80% of area median income with elderly, disabled and/or Veteran, full-time household members or with a child under 6 years old frequently present in a home with lead hazards. Households across the state are eligible to apply with the exception of the five CDBG large entitlements (Durham, Charlotte, Greensboro, Raleigh, and Winston-Salem).

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>For more information on program guidelines, visit: https://www.nchfa.com/homeownership-partners/community-partners/community-programs/single-family-rehabilitation-loan-pool/forms-and-resources.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>An estimated 16% of HOME funds will go toward home rehabilitation, 29% for homeownership activities, and 45% toward rental development.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Partners receive at least \$162,000 and may use up to \$50,000 per unit; if hazards such as lead, asbestos, radon or other environmental hazards are found on the property, the homeowner is eligible to receive additional funds to correct these issues. The Partner can receive up to 10% of total costs for administration.</p>

	What are the outcome measures expected as a result of the method of distribution?	The objectives of the ESFRLP are: to assist low-income elderly, disabled and veteran households and households with a child under the age of six whose health is threatened by lead hazards, across the state; to facilitate aging in place amongst elderly and disabled household members; to remove environmental toxins from low-income housing stock; and to serve and to better the long-term health, safety, affordability and energy efficiency of assisted units.
8	State Program Name:	Housing Opportunities for Persons with AIDS
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	The Housing Opportunities for Persons with AIDS (HOPWA) Program is administered by the North Carolina Department of Health and Human Services (NC DHHS), HIV Care Program in the Division of Public Health. The overall goal of the HOPWA program is to provide housing and housing-related services to persons/families living with HIV Infection in the State of North Carolina. This has historically been done through 10 Regional Networks of Care covering 71 of the 100 North Carolina counties.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The North Carolina Department of Health and Human Services, Division of Public Health, Communicable Disease Branch invites submission of applications, through an RFA process to fund and support HOPWA services within 10 geographically defined Regional Networks of Care.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>The North Carolina Department of Health and Human Services, Division of Public Health, Communicable Disease Branch invites submission of applications, through an RFA process to fund and support HOPWA services within 10 geographically defined Regional Networks of Care. Through this RFA response Networks determine their regional partners and include those collaborators in the RFA response. DHHS' RFA process procures Regional Networks of Care in accordance with the regulations at 2 CFR 200.318 through 2 CFR 200.320. Once the Network provider is determined, those partner agencies receive pass-through funding via a financial assistance (grant) arrangement, executed in contract form.</p> <p>Applications are open to other state agencies, local government agencies, colleges, and universities (private and public), community-based organizations (501(c)(3) designated), and for-profit entities when there is not a not-for-profit organization available to do the proposed work.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>Grantee Administration: 3%</p> <p>Project Sponsor Administration: 5%</p> <p>STRMU: 17%</p> <p>TBRA: 56%</p> <p>Permanent Housing Placement: 3%</p> <p>Leasing (Hotel/Motel): 2%</p> <p>Supportive Services: 14%</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Each regional Network of Care receives a funding allocation based on the number of individuals living with HIV in the region and the Network's historical expenditures of TBRA and STRMU funds. In addition to regional Network allocations, additional one-time funding is made available to the Network regions when available.</p>

	What are the outcome measures expected as a result of the method of distribution?	The primary goal of the HOPWA Program is to increase access to and ensure the provision of safe, decent, and affordable housing and housing-related services to persons living with HIV infection and their families in North Carolina and to ensure that all HOPWA recipients living with HIV Infection are receiving medical care.
9	State Program Name:	RUSH-ESG Disaster Relief Grant
	Funding Sources:	RUSH - ESG Disaster Relief Grant

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The U.S. Department of Housing and Urban Development allocated \$3 million to the NC RUSH-ESG Disaster Relief Program. A portion, 7.5% or \$225,000 is for administration costs incurred by the State or subrecipients that are units of local government. The remaining funds, \$4,938,781, will be distributed to subrecipients for program costs. The program is administered by the NC Department of Health and Human Services (DHHS). DHHS will enter into a Memorandum of Understanding with the NC Office of Recovery and Resiliency (NCORR) to administer the funds in the Hurricane Helene impacted areas.</p> <p>No more than 60% of funds can be used for Emergency Response Services (Street Outreach and Emergency Shelter). While there is a maximum percent for Emergency Services, there is no maximum for Housing Stability (Rapid Re-Housing, HMIS, and Targeted Prevention). This means a Local Planning Area may choose to apply for the full 60% of Emergency Response funding or use some of that funding for Housing Stability Activities.</p> <p>To establish a fair distribution of program funds, the NC ESG Program uses the Department of Housing and Urban Development's (HUD) Continuum of Care (CoC) Pro Rata Formula as the basis for determining the amount of eligible funding for each Local Planning Area. Six entitlement communities receive ESG funding directly from HUD. The allocation that these entitlements receive from HUD is considered when determining each Local Planning Area's eligible amount. The CoC Pro Rata percentage is multiplied by the total amount of ESG funds allocated to North Carolina (NC State ESG + entitlements). This is the total amount that each Local Planning Area should have as its fair share of ESG funding.</p> <p>For communities that do not receive entitlement funding from HUD, the full amount will come from the NC ESG Program. For entitlement communities, the amount received directly from HUD will be subtracted from their fair share, so only a portion of the fair share is awarded through the NC ESG Program. The chart below shows the total fair share for each entitlement community with the amount of program funding administered by the local government and the NC ESG Program.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Applicants were selected from current Back@Home subrecipients in order to facilitate an expeditious implementation of RUSH funding and programming. These applicants were initially selected through a previous Back@Home RFA and were selected based on prior experience with rapid rehousing programs and services. If additional funding is provided, an RFA will be published to add additional subrecipient providers from the local community who have rehousing experience.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not Applicable to the RUSH-ESG Grant</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not Applicable to RUSH-ESG Disaster Relief Grant</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not Applicable to RUSH-ESG Disaster Relief Grant</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>Resources will be allocated to FEMA declared disaster counties. Funding will be allocated to rapid rehousing, homelessness prevention, and HMIS.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>The highest impacted counties will be the focus of the initial RUSH allocation.</p>

	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The outcome measures are increased economic opportunity, improved quality of life, and a pathway to housing opportunities provided. The RUSH-ESG Program measures will be based on the number of homeless service providers and shelters that receive funding assistance, the number of individuals who benefit from emergency shelter assistance, the number of individuals who receive rapid re-housing assistance, the number of individuals that receive permanent housing, and the number of individuals who remain stably housed after receiving assistance.</p>
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Discussion:

none

AP-35 Projects – (Optional)

Introduction:

The State of North Carolina will not include the list of projects in this section. This information is available from the agencies administering the programs.

#	Project Name

Table 9 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

AP-38 Project Summary

Project Summary Information

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimated and tha from acti
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AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

N/A

Acceptance process of applications

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State's Process and Criteria for approving local government revitalization strategies

Not Applicable

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

Collectively, the North Carolina CPD Programs serve all 100 counties in the state. Individually, the programs target counties based on program regulations. As an example, CDBG and CDBG-CV: 98 of 100 counties (Although, there are four urban counties, state CDBG serves some small communities within two of the counties.) CDBG-CV primarily served non-entitlement areas, but expanded into urban areas also. Another example is HOPWA. The North Carolina HOPWA program serves 71 of the 100 counties in the State of North Carolina. The remaining 29 counties are served through other HOPWA Grantees.

ESG: The North Carolina Emergency Solutions Grant (ESG) serves all 100 counties in North Carolina. Within the ESG network there are 12 CoCs. One of those 12 is administered by the Balance of State (BoS). The BoS has 13 regions serving 79 counties within their CoC.

HOME: HOME funds are distributed statewide, with an emphasis on geographic coverage in each program. Rental development and preservation programs permit HOME funds in developments in all 100 counties. All geographies in North Carolina are eligible for the Single-Family Rehabilitation Loan Pool program with the exception of the five CDBG large entitlements (Durham, Charlotte, Greensboro, Raleigh, and Winston-Salem). Counties are funded in a three-year rotation, so each year provides new multi-year funding for a third of the state. For HOME funded affordable homeownership, all counties in the state are eligible geographies, provided that there is a partner able to serve the county. HOME Match funds also can be distributed statewide following NC Session Law 2005-276.

HTF: Under the Rental Production Program, rental developments may use HTF in all counties, consistent with the state's Qualified Allocation Plan. Under the Rental Preservation Loan Program, the intent is to serve the state as a whole and funds can assist eligible projects anywhere in North Carolina, with priority given to lower income counties.

Geographic Distribution

Target Area	Percentage of Funds
Statewide	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

CDBG: The primary statutory objective of the CDBG program is to develop viable communities by providing decent housing and a suitable living environment and by expanding economic opportunities. These grants primarily serve persons of low- and moderate-income, as the State must ensure that at

least 70 percent of its CDBG grant funds are used for activities that benefit these persons.

HOPWA: The North Carolina HOPWA program serves 71 of the 100 counties in the State of North Carolina. The remaining 29 counties are served through other HOPWA Grantees.

HOME: The preference is for HOME dollars to serve the entire state. Homeowner rehabilitation makes an exception for the larger entitlement jurisdictions in the state that receive a large HOME Allocation directly from HUD.

HTF: HTF can be used in all areas of the state. Programs may make priorities for certain county conditions.

Discussion

None

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

Affordable housing remains a priority in the State of North Carolina. Across all programs, North Carolina anticipates assisting 4000 households in 2025.

One Year Goals for the Number of Households to be Supported	
Homeless	1,000
Non-Homeless	2,500
Special-Needs	983
Total	4,483

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	228
The Production of New Units	825
Rehab of Existing Units	325
Acquisition of Existing Units	500
Total	1,878

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion:

CDBG allows non-entitlement units of local governments to tailor applications for funding based on local needs. This creates a challenge to anticipate the number of households to be assisted by type. The programs, however, preserve and create housing, allow for emergency and transitional housing, creation and preservation of public facilities and improvements, and the creation and retention of jobs.

For HOME and HTF, an estimated 825 new units will be produced, 325 units will be rehabilitated, and 500 units will be acquired through homeownership.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

The State of North Carolina welcomes public housing authorities in non-entitlement areas as partners and program participants. This is especially true for the NC Commerce, Rural Economic Development Division (REDD) and the North Carolina Housing Finance Agency. Although state agencies do not have direct responsibilities for management and oversight of PHAs, NC Commerce and NCHFA acknowledge the importance of and seek to engage with these affordable housing providers.

As the lead agency, NC Commerce reviews the annual action plans for PHAs for certification of consistency with the State's Consolidated Plan. REDD also reviews requests for assistance with environmental reviews, but most recently refers PHAs to HUD due to geographic location (i.e., entitlement areas), staffing limitations, and work volume.

PHAs in non-entitlement areas generally partner with local units of government to submit projects. Recent examples are Eatmon Townhouses in the City of Wilson and Linden Row Apartments in the City of Sanford.

Actions planned during the next year to address the needs of public housing

The State of North Carolina will continue to work with PHAs through partnerships when requested and as program participants. We will also check the current list of "troubled" PHAs and offer assistance based on need and agency resources.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The State of North Carolina supports PHAs' encouragement of housing resident participation in management and participation in homeownership programs available through the state's CPD funding sources.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

For all public housing authorities classified as troubled, NC Commerce will assess the need and explore options to provide assistance and resources. Through the appropriate CPD programs, the state will work with the NC Plan Partners to identify and assist public housing authorities. As an example, we will seek opportunities to rehabilitate properties or build new units through the Low-Income Housing Tax Credit Program or HOME allocation. CDBG funds will also be considered for public housing modernization and

provision of public infrastructure and improvement support. If a PHA meets the requirements for a Community Based Development Organization, CDBG funds can also be used for the creation of new units.

Currently, the State of North Carolina has one PHA, Sanford Housing Authority, that is designated as "troubled" by HUD. As the lead agency, NC Commerce reviewed the SHA annual action plan and contacted SHA to discuss needs and to explore assistance opportunities. After the initial meeting with SHA, multiple needs were identified including emergency repairs for public housing units, a potential rehabilitation of a former senior housing development, and potential conversion of utilities to individual meters. REDD CDBG will continue to work with SHA with the goal of assisting with one or more of these needs.

Discussion:

The State of North Carolina is preparing for the development of the 2026-2030 Consolidated Plan. As part of the planning process, many organizations and groups are included in the citizen input process. PHAs will be contacted to inquire about needs that can be reasonably supported and to identify other ways affordable housing options such as homeownership can be provided to its residents.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

One of the State of North Carolina's highest priorities is creating and preserving affordable housing, especially for persons experiencing homelessness and other special needs. This is most evident in the State's effort to coordinate state agencies to address the affordable housing and homeless needs. Additionally, Governor Roy Cooper has relaunched the North Carolina Interagency Council for Coordinating Homeless Programs. The State under the leadership of the North Carolina Department of Health and Human Services has also developed a strategic housing plan which includes a focus on interagency coordination.

NCDHHS has released a draft of its Strategic Housing Goals, Objectives and Strategies, which will culminate in the development of a Strategic Housing Plan designed to address the housing needs of individuals with disabilities, currently receiving or eligible for DHHS-funded services at the state and local levels, who are either homeless, currently residing in congregate settings or at-risk of entry into these settings. Developed with stakeholders from across the state, the plan will provide a strategic guide to focus policy efforts and resource decision making in creating and maximizing community-based housing opportunities for identified populations over a five-year horizon. The draft workgroup goals, objectives and strategies document was open for public comment through June 10, 2022. The final version is under development.

Lastly, the State has two focused resources to assist with funding. The Emergency Solutions Grant (ESG) Program is targeted at homeless activities, as described below. The HOME American Rescue Plan (ARP) Program will also be targeted at homeless and homeless prevention activities. NCHFA has implemented the Supportive Housing American Rescue Plan (SHARP) Program. Through the SHARP Program, 12 projects have been awarded for a total of \$43,718,306 and about \$14,930,000 remains for use as a Capitalized Operating Cost Assistance Reserve (COCAR) to projects indicating a need in underwriting to serve the qualified populations. The State was also selected for the Recovery Housing Program, a demonstration program through the SUPPORT Act to provide stable housing for persons recovering from substance abuse disorder. Other resources such as CDBG and HOME are used to provide long-term stable affordable housing.

Describe the jurisdiction's one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

In 2022, Governor Roy Cooper is reestablishing the North Carolina Interagency Council for Coordinating

Homeless Programs (ICCHP). This council will develop, implement, and oversee the strategic plan to direct funding sources to address the critical needs. Each NC Plan Partner agency is represented on the council. Specifically, the DHHS, NCHFA, and NC Commerce.

The Emergency Solutions Grant is administered by the North Carolina Department of Health and Human Services, Division of Aging and Adult Services. The program helps meet the needs of those experiencing homelessness or those at risk of homelessness by encouraging local grantees to develop innovative projects which better address the causes, conditions, and problems of homelessness / housing and to serve as an advocate for low-income persons and families that are homeless or at-risk of homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

Through the CDBG Neighborhood Revitalization program, non-entitlement communities are able to apply for funding to construct and rehabilitate facilities to provide emergency shelter and transitional housing for homeless persons.

The Emergency Solutions Grants Program is a state administered program. The ESG program's goals are to assist people in preventing or ending their homelessness by supporting two primary functions: Emergency Response Activities, including emergency shelter operations and services as well as street outreach, and Housing Stability Activities including homelessness prevention and rapid re-housing. Emergency Response Activities focus on the needs of the homeless:

Street Outreach: Providing essential services to unsheltered homeless people; connecting them with emergency shelter, housing, or critical services; and providing urgent non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

Shelter Operations: Providing costs to operate an emergency shelter.

Shelter Services: Providing essential services to homeless families and individuals in emergency shelters, including case management, childcare, education, employment, and life skills, legal services, mental health, substance abuse services, transportation, and services for special populations.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Homelessness Prevention and Rapid Re-Housing Program provides financial assistance and services

to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized. The funds under this program are intended to target individuals and families who would be homeless but for this assistance. The funds will provide for a variety of assistance, including short-term or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The Homelessness Prevention and Rapid Re-Housing Program provides financial assistance and services to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized. The funds under this program are intended to target individuals and families who would be homeless but for this assistance. The funds will provide for a variety of assistance, including short-term or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management. Individuals are served through a coordinated entry process at the local level.

Discussion

Through services provided by emergency shelter and services programs individuals and families work with staff to both prevent homelessness and to use strategies that will prevent a lapse back into homelessness. Due to the severe impact of Hurricane Helene in western North Carolina, the State received a \$3 million Rapid Unsheltered Survivor Housing (RUSH) ESG Disaster Relief Program to address housing and service needs in the region. The funds will be used as part of the State's Back@Home initiative.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	531
Tenant-based rental assistance	248
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	31
Total	810

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

Public policies related to the cost of housing and incentives to develop, preserve, or rehabilitate affordable housing vary throughout the state. In North Carolina, counties and cities develop their own land use, zoning, and development guidelines in accordance with state law. Various counties and municipalities across the state have implemented policies to promote more affordable housing from more permissive zoning to more streamlined permitting processes. In addition to policies impacting housing supply, ensuring and increasing access to existing opportunities such as Housing Choice Vouchers and rental assistance can also lower barriers to affordable housing.

In addition, the State of North Carolina recently updated its Analysis of Impediments to Fair Housing (AI). This process involves a thorough examination of the laws and regulations that impact the construction of affordable housing as well as a review of industry practices and conditions that limit fair housing choice. Previous analysis from 2015 highlighted patterns in mortgage lending, discrimination in the housing market, and policies and practices of individuals and businesses in the housing market. In the latest version, the AI evaluated residential segregation patterns, how private and public sectors' policies expand or restrict housing choice for the protected classes and identified barriers to fair housing choice.

Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The state is exploring ways to incentivize development and other strategies to expand housing affordability. Most recently, the state passed a new law that consolidated, reorganized and modernized the state's planning and development regulation statutes. Most notably, it reinstated a requirement for counties and municipalities to create a comprehensive plan as a condition for enforcement and application of zoning ordinances.

In 2025, North Carolina will continue to address its strategies identified in the Strategic Plan of the 2021-2025 Consolidated Plan and continue implementing the goals identified in the Analysis of Impediments. Funding, especially CDBG, will be provided as grants to local governments to help reduce the increasing labor and material costs for housing construction. In addition, NC Commerce and NCHFA will provide technical assistance or expertise to program participants on rehabilitation statutes and building regulations, continue to support collaboration among housing partners, and support public and private funding for housing developments.

Additionally, the Analysis of Impediments provides the list of actions below along with measurable

objectives for the state to pursue.

- The NC Department of Commerce will collaborate with its AI partner agencies to expand fair housing education and enforcement.
- NCHFA will continue expanding new rental housing production through the LIHTC and HTF programs and state programs and prioritizing the preservation of rental housing with expiring subsidies.
- NCHFA will continue to provide fair housing trainings as well as review and update, as appropriate, both its internal language access plans as well as its guidance for agency partners.
- NCHFA and NCDHHS will continue their planning initiative to meet the state's obligation under Olmstead to provide appropriate housing for persons with disabilities.
- NCHFA, in partnership with the North Carolina Housing Coalition and Centrant, host the NC Affordable Housing Conference annually, featuring sessions that explore homeownership, rental development, emerging housing trends, fair housing and other affordable housing topics.
- The Department of Commerce and its AI partner agencies will provide funding for homeownership counseling and economic development initiatives aimed at improving the financial stability of households and communities.
- Department of Commerce and its AI partner agencies will each maintain complete Language Access Plans and review them annually to identify changes in population trends, which might require updating the Plans.

A copy of the NC Analysis of Impediments is located at <https://www.nccommerce.com/grants-incentives/community-housing-grants/analysis-impediments-fair-housing-choice-ai#documents-|-ai-report-development>.

Discussion:

None

AP-85 Other Actions – 91.320(j)

Introduction:

HOME: HOME is a federal block grant specifically designed exclusively to create affordable housing for low-income households.

HTF: HTF is targeted to assist extremely low-income households. HTF will reduce the housing costs of extremely low-income families and improve the resources available to meet other consumer needs.

Actions planned to address obstacles to meeting underserved needs

North Carolina's 2021-2025 Consolidated Plan outlined the needs and identified the priorities. In 2025, NC will continue to target funds to increase affordable housing, address public infrastructure needs, hurricane relief and serve homeless and near homeless persons. Through the disaster recovery programs, NC continues to focus on recovery and mitigation from recent hurricanes, floods, and tornadoes.

Actions planned to foster and maintain affordable housing

The State of North Carolina will continue to invest HOME, Housing Trust Fund and CDBG funds to further the acquisition, production, preservation, and rehabilitation of affordable housing for individuals and families earning below 80% area median income. These funds are often leveraged in conjunction with other federal, state, and private resources including the Low-Income Housing Tax Credit, multifamily tax-exempt bond authority and the North Carolina Housing Trust Fund. Based on the multiple relief and recovery efforts in response to the Covid-19 pandemic, RUSH and DR funding, the state has received additional federal funding in relief packages like the CARES Act and the American Rescue Plan that has been put toward emergency rental and mortgage assistance, temporary and permanent housing for people experiencing homelessness, and other housing-related activities. The most recent funds received from RUSH and the DR funds have specifically been allocated for disaster recovery efforts due to Hurricane Helene.

Actions planned to reduce lead-based paint hazards

Lead-based paint policies are in effect for each of the five formula programs in the state. HOME and HTF funded programs ensure that the work addresses requirements found in the Lead Safe Housing Rule (LSHR) at 24 CFR Part 35.

The State of NC will ensure compliance with lead-based paint regulations by conducting the following activities: 1) Ensuring that the construction staff is knowledgeable about the requirements concerning

lead-based paint as it pertains to all federal housing programs. 2) Distributing information on lead-based paint hazards to all households that participate in the State's housing programs. 3) Conducting lead-based paint inspections and assessments, as necessary. 4) Implementing environmental control or abatement measures (lead-based paint and asbestos) as required in all federally funded projects.

Actions planned to reduce the number of poverty-level families

The NC Plan Partners work to address the housing and community development needs of individuals and households earning below 80% area median income. The programs and services detailed in this plan increase the financial stability and economic opportunity of these individuals and households through the provision of safe and affordable housing and support services. Low-income households who live in affordable housing are able to spend more each month on food, health care, and other non-housing essentials. Affordable housing situated in areas of opportunity can increase access to quality jobs and schooling, which can help households break out of the cycle of poverty.

Actions planned to develop institutional structure

All three of the Consolidated Planning partners develop partnerships locally, regionally and across the state to meet the housing and community needs of North Carolinians. Through partnerships with CHDOs, regional governments and social services, the State has invested in the existing structure to deliver programs and services while requiring partners to meet certain standards of quality and safety. NCHFA provides training opportunities and technical assistance for partners that participate in rental development, home-buying or rehabilitation programs. NCHFA works with thousands of partners across the state to invest financing for apartments and homes, affordable mortgage products, rental and owner-occupied housing rehabilitation, foreclosure prevention, supportive housing and rental assistance. Our extensive partner network ensures that every county in the state benefits from affordable housing investments.

Additionally, the Governor of North Carolina appointed and convened members of the North Carolina Interagency Council for Coordinating Homeless Programs. ICCHP continues in 2024 and brings together agency leaders, state representatives, and community members. The primary charge of ICCHP is to develop a plan with actionable strategies to prevent and end homelessness across North Carolina while increasing opportunities for housing stability and improving health and wellbeing. The plan also dovetails with existing plans, builds on effective programs and strategies underway, and drives statewide coordination and action to prevent and end homelessness.

In addition to ICCHP, the NC DHHS is finalizing its five-year plan to:

Develop a comprehensive 5-year strategic housing plan to create affordable, accessible, and inclusive housing that supports the whole individual by improving services, funding, communication, and

statewide coordination to eliminate barriers to quality, affordable, and accessible housing for the identified population.

Further, the plan includes five goals with one focusing on increasing coordination among state agencies. The plan is complete and scheduled to be released in the near future, in 2024.

Actions planned to enhance coordination between public and private housing and social service agencies

The NC Plan Partners foster relationships above and beyond the above-referenced programs. By partnering with developers, local and regional governments, social service agencies and non-profit organizations, the State has invested in the systems and structures required to implement programs while upholding standards of quality and affordability through monitoring and compliance. In addition, we will continue to reach out to local developers and non-profits that are interested in building affordable housing and advise them of available resources from other partners in the State and our NC Partners.

Discussion:

None

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

This section addresses program specific requirements for CDBG, HOME, HTF, and ESG.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	4,700,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	4,700,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

To conduct housing-related activities, NCHFA uses nonfederal funds, federal funds and the private

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market. The nonfederal sources offer the NCHFA even more opportunities and flexibility to serve all priority categories. The available funding sources include the North Carolina Housing Trust Fund; state-appropriated HOME Match, the NC Workforce Housing Loan Program, the Low-Income Housing Tax Credit Program, bond financing, and Mortgage Credit Certificates. NCHFA plans to wind down the use of Mortgage Credit Certificates in 2025.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Homebuyer loan subsidies (except for the Self-Help Loan Pool) will be provided as subordinate deferred-payment loans that are not forgiven. Homebuyer loans under the Self-Help Loan Pool will be provided as principal-only amortizing loans. Loans under all home buyer programs can be called (1) when the property is sold, (2) when the property is no longer the home buyer's principal residence, (3) at the end of the loan term, or (4) when the first mortgage is refinanced. If the net proceeds of the sale of the property are insufficient to repay the home buyer loans in full, the Agency will accept its pro rata share of the net proceeds in full satisfaction of the loan. However, exceptions may be granted and assumptions may be allowed for an income-qualified heir or lineal descendant that will reside in the home as a principal residence.

3. A description of the guidelines for resale or recapture that ensure the affordability of units acquired with HOME funds (see 24 CFR 92.254(a)(4)) is as follows:

Homebuyer programs funded with HOME follow recapture requirements and ensure that the State recoups all or a portion of the HOME assistance to the homebuyers. As stated in number 2 above, home buyer loan subsidies except for the Self-Help Loan pool will be provided as subordinate deferred-payment loans that are not forgiven. Homebuyer loans under the Self-Help Loan Pool will be provided as principal-only amortizing loans. Loans under all home buyer programs can be called (1) when the property is sold, (2) when the property is no longer the home buyer's principal residence, (3) at the end of the loan term, or (4) when the first mortgage is refinanced. If the net proceeds of the sale of the property are insufficient to repay the home buyer loans in full, the Agency will accept its pro rata share of the net proceeds in full satisfaction of the loan. However, exceptions may be granted and assumptions may be allowed for an income-qualified heir or lineal descendant that will reside in the home as a principal residence

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

With the exception of the RPLP program, HOME funds are not used for refinancing of existing debt, even in developments rehabilitated with HOME funds. For RPLP, NCHFA may determine that

refinancing of senior debt is necessary for the fiscal fitness of the property. In no event will the pro-rated portion of the refinance proceeds (refinance funds/total debt on the property at the time of application) exceed the pro-rated portion of the rehabilitation costs (rehabilitation costs/total value of the property at the time of application).

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

N/A

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

N/A

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

N/A

Emergency Solutions Grant (ESG) Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

The U.S. Department of Housing and Urban Development requires (24 CFR 576.400) subrecipients to adhere to the Written Standards, developed and approved by their CoC for programs provided through the Emergency Solutions Grant Program. These guidelines must be followed when developing these Standards. Each program activity will have different standards. For example, standards for emergency shelter programs will be different than Standards for rapid rehousing and homeless prevention. Subrecipients must ensure that the Standards are appropriate for the programs offered. CoCs assure upon approval of the sub-recipients' RFA for submission that they will adhere to the written standards. The ESG office further assures compliance through its monitoring process. Each subrecipient's written standards are reviewed annually by the state using a HUD checklist.

2. If the Continuum of Care has established centralized or coordinated assessment system that

meets HUD requirements, describe that centralized or coordinated assessment system.

HUD requires (24 CFR 576.400) that all CoCs establish and operate a fully functional Centralized Coordinated Entry system that all ESG funded activities and subrecipients must utilize. This system must serve all homeless and populations at risk of homelessness and subpopulations. All ESG funded organizations are required to follow the Coordinated Entry process adopted by their CoC. Upon request, ESG funded subrecipients must be able to provide the ESG Office with a report of the referrals received through the Coordinated Entry system adopted by their CoC.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The NC Emergency Solutions Grant Program uses the formula of the HUD Pro Rata Share to determine available funding to CoCs/Regions. Local units of government and non-profit organizations, including community and faith-based organizations, can submit Project Applications to CoCs/Regions. Upon doing so, CoCs/Regions recommend projects for funding in the NC Emergency Solutions Grants Request for Application. NC ESG staff then review and score Regional and Project Applications for minimum threshold criteria. The NC ESG Office will accept one regional application per CoC. Project applications that are not recommended for funding in the regional application will not be reviewed. CoCs will recommend nonprofit and/or local government organizations to be subrecipients of ESG funds. Once approved, these recommended organizations will contract directly with the State or subcontract with the region's Fiscal Sponsor.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The NC ESG Program requires each sub-recipient to identify a homeless or formerly homeless person that is a member of the agency Board of Directors. Subrecipients involve homeless or formerly homeless persons on the board of directors or other policy/decision making body regarding NC ESG assistance. Subrecipients unable to meet this requirement must develop and implement a plan to consult with homeless or formerly homeless persons in considering and making policies regarding NC ESG assistance and to be eligible to submit an RFA. The NC ESG office further assures this through monitoring sub-recipients.

5. Describe performance standards for evaluating ESG.

The NC ESG Program uses performance measures rubrics as a tool to determine the success of a project and how well services and products are being delivered. Together they enable the NC ESG Program to gauge efficiency, determine progress toward desired results and assess if sub recipients are meeting goals. Sub recipients must adhere to:

- Entering all appropriate client data completely and accurately into the statewide HMIS.
- Assure that 32% of statewide exits from shelters are to permanent housing
- Assure 81% of rapid re-housing persons are placed in permanent housing.

Evaluation Measure Data Entry – 100% of the ESG CAPER, by the designated deadline.

Explanatory note Subrecipients must collect and ensure data entry into a HMIS/compatible data system.

Compliance Measure It is a requirement of HUD that all NC ESG subrecipients provide accurate data to the NC ESG Office by the designated deadline.

Evaluation Measure Program Compliance - On-site or desk monitoring by the NC ESG Office yields 20% or less findings / concerns in cumulative records reviewed during the contract period.
(Examples: requisitions, client files, written standard adherence, coordinated entry participation etc.)

Explanatory note Program compliance must be followed as a condition of funding.

Compliance Measure Subrecipient must meet or exceed 80% of program compliance.

Evaluation Measure Spend Down Rate - Subrecipient submitted 1 requisition per month within the 45-day submission period, with at least 1 requisition leading to a disbursement of NC ESG funds per quarter.

Explanatory note Requests for allocated fund reimbursement must be made monthly and all funds used by the close of the contract period.

Compliance Measure Subrecipient will assure that all funds allocated are requisitioned monthly and spent within the terms of the contract.

Evaluation Measure Requisition Submission - 10 or more requisition submissions by the subrecipients were not discarded.

Explanatory note Reimbursement accuracy is key to assuring programs receive funding in a timely and accurate manner. Incorrect submissions delay reimbursement and affect overall spending.

Compliance Measure Subrecipient will assure the accuracy of reimbursement submissions 80% of the time

Evaluation Measure Training Attendance - Attendance at trainings held via webinar,

conference calls, face-to-face etc.

Explanatory note

The trainings provided by the NC ESG Office enhance compliance, coordinated and effectiveness of program execution.

Compliance Measure

Subrecipient will attend 80% of the NC ESG Office facilitated trainings between January 1 and December 31.

**Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)**

1. How will the grantee distribute its HTF funds? Select all that apply:

☒ Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The State will primarily distribute its HTF funds to eligible applicants through NCHFA's rental development and rehabilitation programs, including the Rental Production Program (RPP) and Rental Preservation Loan Program (RPLP), which provide long-term financing for the construction of new, affordable rental housing projects, for the rehabilitation of affordable rental housing, and for related permissible activity. The State will not distribute any HTF funds through subgrantees. The State will require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds and that each eligible recipient certify that housing assisted with HTF funds will comply with HTF requirements. The state may also distribute HTF funds through the Supportive Housing Development Program (SHDP) which seeks to increase and maintain permanent supportive housing in

the most integrated setting appropriate for adults and children with special needs below 50% AMI. SHDP HTF-funded housing would be limited to serving households at or below 30% AMI.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

For RPP, NCHFA will use the application process and eligibility requirements described in North Carolina's Qualified Allocation Plan (QAP) in awarding HTF funds (available online). The QAP details applicant eligibility, eligible activities, what applications must include, when and where applications are to be submitted, the criteria by which applications will be evaluated, who will review applications, and when awards are to be made. Awards through RPP may include funds for rehabilitation, acquisition, refinancing, or operating reserves/assistance.

For RPLP, NCHFA will use an application plan and selection criteria as detailed below. Awards through RPLP may include funds for rehabilitation, acquisition, refinancing, or operating reserves or assistance.

For SHDP, NCHFA will use an application plan and selection criteria as detailed below. Awards through SHDP may include funds for rehabilitation, acquisition, new construction, or operating reserves or assistance of eligible developments serving individuals with special needs.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

RPP selection criteria are designed to identify the best applications based on site, market, rent affordability, development costs, project team, design and construction, energy efficiency, efficient use of tax credits, units for mobility-impaired individuals and ability to achieve community integration under North Carolina's 2012 Olmstead settlement agreement with the U.S. Department of Justice. Appendix J of the QAP outlines the additional criteria for those tax credit applications requesting HTF funds. https://www.nchfa.com/sites/default/files/page_attachments/QAP24-FinalQAP.pdf

RPLP loans are to be awarded using selection criteria that may include the following criteria:

- Need for rehabilitation for critical building components and health and safety needs
- Projects must have an owner in good standing with NCHFA
- Project Contractors, borrowers, developers and their subcontractors, or subsequent recipients

must be in good standing with the federal and state government

- Applicant must have successfully owned and operated multifamily rental housing for a minimum of three years with no material or uncorrected noncompliance issues unless there is a plan of action to address the issue(s) that has been accepted by the Agency.
- Applicant must have sound business practices as well as financial structure and viability
- Experience, including performance history, of development team and management agent(s)
- Ability to serve the lowest-income households, specifically those at or below 30% of AMI
- County income designation – priority will be given to projects in lower income counties
- Priority for applicants using below market loans or construction loans.

For more information, visit <https://www.nchfa.com/rental-housing-partners/rental-preservation-partners>

SHDP loans are to be awarded according to the criteria and methods described in the SHDP Program Cycle Applications Guidelines and Instructions.

https://www.nchfa.com/sites/default/files/page_attachments/SHDPPProgramGuidelines.pdf. These include that a site meet minimum site standards, and scoring based on the following categories:

- Project location and site suitability
- Housing development and organizational capacity
- Financial structure and project readiness
- Ability to serve the lowest-income tenants and persons with disabilities

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

For RPP, NCHFA portions its LIHTC new construction awards across the state's regions promoting geographic distribution. Additionally, the Agency avoids concentrations of awards in singular areas of the state. Furthermore, following North Carolina's 2012 Olmstead settlement agreement with the U.S. DOJ, the 2025 QAP includes competitive points for the "Olmstead settlement Initiative" that, in part, are awarded based on geographic NCDHHS priority counties.

For RPLP, NCHFA prioritizes applications that serve low-income counties, followed by moderate-income counties and then high-income counties. County income categorization is based on HUD's median family income.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Grantees (i.e., the State) must "commit" their HTF within two years, and expend them within five years. All tax credit projects have a strict window for completion and must be placed in service by December 31 two years after the award of credits. For example, applications awarded tax credits in 2024 must be placed in service no later than December 31, 2026. There is also a requirement for projects to expend ten percent of the costs within 12 months of allocation. Using HTF with tax credits ensures that all projects will adhere to the requirement to obligate the funds and undertake eligible activities within 12 months. Appendix J of the QAP further states the ability to obligate funds and undertake activities in a timely manner will be a threshold requirement for HTF approval. NCHFA will request a timeline as part of the application for projects requesting HTF funds to verify the applicant's ability to meet all deadlines. RPLP projects must adhere to funding source requirements and regulations and are required to timely report and update NCHFA on project progress. The RPLP program may further prioritize projects that meet funding source requirements, including timeliness.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Housing affordable to extremely low-income families - those with incomes below 30% AMI or the federal poverty line, whichever is higher - is defined as housing in which those families pay no more than 30 percent of their household income for housing costs, including utilities. Project-based rental assistance includes, but is not limited to, unit-based rental assistance, operating subsidies and cross-subsidization of rents within the project. All tax credit applicants and RPLP must set aside a minimum of ten percent of the total units for persons with disabilities and all of these units (referred to as "Targeted Units") are eligible for state-funded project-based rental assistance known as Key Rental Assistance. Therefore, all rental projects eligible for HTF will be eligible for project-based rental assistance. Rental development applicants who have other types of project-based rental assistance must also provide the source and number of units receiving project-based rental assistance as part of their applications. Project-based rental assistance is stated as a priority in QAP Appendix J.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The minimum affordability period is 30 years.

For HTF-funded RPP awards, a statement is included in QAP appendices to indicate that it is a threshold requirement for projects requesting HTF to have a minimum 30-year affordability period.

For HTF-funded RPLP awards, awards are made as loans and shall require the project to maintain the period of affordability for the full term of the loan, and in no event shall be less than the required minimum period of affordability.

For HTF-funded SHDP awards, awards are made as loans and shall require the project to maintain the period of affordability for the full term of the loan, and in no event shall be less than the required minimum period of affordability under the applicable funding source regulations.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The QAP indicates what the State has determined to be the priority housing need(s) it intends to address based on the outcome of its HTF citizen participation process and priority needs indicated in its current Consolidated Plan. The State's Consolidated Plan, as well as NC Housing Finance Agency's Strategic Plan, defines households earning 30 percent or less of the AMI to be a high-priority population. The QAP requires that at least 25 percent of the qualified low-income units in a proposed tax credit project be affordable to and occupied by households with incomes at or below 30 percent of AMI to be eligible to receive HTF funds.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

All tax credit projects require leveraging of sources, public and private, to fully fund the cost of each housing development. Although the QAP does not provide points for leveraging, NCHFA provides additional opportunities to receive state funding through the state Housing Trust Fund and the Workforce Housing Loan Program to encourage leveraging. The QAP appendix further states priority will be given to projects based on leveraging of non-federal funds. In the event there is a tie in QAP scoring

among projects seeking HTF funding, the project with the lowest percentage of federal funding to total sources will be used as the second tie breaker.

The SHDP program requires a minimum ratio of firmly committed matching funds. This ratio is 30% for CDBG entitlement areas and 40% for non-entitlement areas. Additionally, as an incentive for increased firmly committed matching funds, SHDP offers points in its application competition.

The RPLP program provides a priority in the award competition for projects that secure at least one new below market loan or other financial support to the project.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.

Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

The State will use HOME maximum per unit development subsidy limits.

The HOME maximum per-unit subsidy limits were chosen for consistency as we also use HOME funds with tax credits. Given that HTF rules closely follow other established rules in the HOME program, it is appropriate to rely upon this limit. Currently, there is only one published limit for the entire state. Based on our experience with rental housing development, there are no significant differences in costs that would require any geographic adjustment from the statewide limit. As of May 2025, current subsidy limits are available on the following site: <https://www.hudexchange.info/resource/2315/home-per-unit-subsidy/>

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

All NCHFA HTF-assisted rehabilitation program activities are held to the attached rehabilitation standards which incorporate and further require compliance with NCHFA and program-specific requirements including those found in the Appendix of the Qualified Allocation Plan (<https://www.nchfa.com/sites/default/files/2024-12/2025QAP-AppendixB.pdf>) and the Appendix of the RPLP guidelines (https://www.nchfa.com/sites/default/files/page_attachments/RPLPAppendixD.pdf).

RENTAL REHABILITATION STANDARDS

Housing Trust Fund

February 26, 2024

The following Multi-family Rehabilitation Standards are designed to outline the minimum requirements for building rehabilitation for all NCHFA multi-family housing projects receiving HTF awards.

All construction **must meet** applicable federal, state and local building codes. Manufacturer's instructions must be fully followed for all installations.

GENERAL REQUIREMENTS

A. Health and Safety

- a. If housing is occupied at the time of rehabilitation, any life-threatening deficiencies must be identified and addressed immediately. Life-threatening conditions could include but are not limited to:
 - i. Air quality
 - ii. Blocked Egress/Ladders
 - iii. Electrical Hazards
 - iv. Blocked/unusable emergency fire exits
 - v. Missing/damaged/expired extinguishers
 - vi. Ventilation systems including chimneys
 - vii. Missing/broken outlets, switches or cover plates
- b. Each owner must provide a narrative describing the existing condition of the property and must identify any life-threatening deficiencies and provide a plan for addressing such deficiencies prior to the commencement of renovation activities. The owner must describe how residents who will remain in structures under renovation will be assured of safe egress, protection from fire hazards, noxious fumes, exposure to hazardous materials and loss of security for themselves and their possessions.
- c. All federal, state and local rules, regulations, and guidelines are applicable to all grantees, developers and contractors. This includes health and safety rules and regulations as mandated by the federal Occupational Safety and Health Administration (OSHA) as well as by the North Carolina Department of Labor (NCDOL).

B. Major systems

- a. Major systems, as identified in these standards, are: structural support; roofing; cladding and weatherproofing (e.g. windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation and air conditioning.
- b. Each project owner's architect must complete a systems checklist identifying each major system, its current condition, the proposed scope of rehabilitation and the expected useful life of the system following rehabilitation.

C. Lead-Based Paint

- a. All work undertaken in accordance with these standards shall comply with the Lead Safe Housing Rule (LSHR) at [24 CFR Part 35](#), implementing Title X of the 1992 Housing and Community Development Act for HOME funded housing programs. This regulation has been in effect since September 15, 2000. The lead-based paint regulation at 24 CFR Part 35 consolidates all lead-based paint requirements for HUD-assisted housing.
- b. All work undertaken in accordance with these standards shall comply with all applicable laws and codes of the State of North Carolina, and local codes, ordinances and zoning requirements that require compliance with the lead-based paint requirements found at [24 CFR part 35](#).

D. Accessibility

- a. All work undertaken in accordance with these standards must comply with the requirements in 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973; 28 CFR 35 & 36, which implements the American with Disabilities Act; and 24 CFR 100.205 which implements the Fair Housing Act.
- b. Multifamily rental projects of fifteen units or more that undergo "substantial alterations" must also comply with Section 504's accessibility requirements. Rehabilitation activities are considered "substantial alterations" when the costs of rehabilitation will be 75 percent or more of the replacement cost of the completed facility.
- c. For projects considered substantial alterations, the common spaces must be made accessible as well as the same number of units required for new construction:
 - i. A minimum of 5 percent of the dwelling units in the project (but not less than one unit) must be accessible to individuals with mobility impairments.
 - ii. An additional 2 percent, at a minimum (but not less than one unit), must be accessible to individuals with sensory impairments.
 - iii. For more information about these requirements, see [Section 504](#).
- d. For rehabilitation of multifamily rental projects that do not meet the definition of substantial alterations, the alterations that are made must, to the maximum extent feasible, make the dwelling units accessible to and usable by individuals with mobility impairments.
- e. Alterations to common spaces must make those areas accessible, to the maximum extent feasible.

E. Disaster Mitigation

- a. To the extent applicable the housing must be improved to mitigate the potential impact of potential disasters (e.g. earthquakes, hurricanes, floods, wildfires) in accordance with state or local codes, ordinances and requirements, or such other requirements that HUD may establish.

F. State and local codes, ordinances, and zoning requirements

- a. Projects must adhere to all applicable State of North Carolina and local codes, ordinances and zoning requirements.

G. Minimum Property Occupancy Condition and Housing Standards

- a. After completion of rehabilitation, the project and units:
 - must be in good repair, decent, safe and sanitary as required in [24 CFR 93.301\(b\)\(1\)\(viii\)](#);
 - must meet the standards in [24 CFR 5.703](#), except for the carbon monoxide detection requirement at 24 CFR 5.703(b)(2) and (d)(6);
 - must correct any specific deficiencies published in the Federal Register for HTF-assisted projects including, but not limited to, those found at [88 FR 30442](#) establishing the National Standards for the Physical Inspection of Real Estate (NSPIRE); and
 - for SRO housing, the requirements at 24 CFR 5.703(d) shall only apply to the extent that the SRO unit contains the room or facility referenced in 24 CFR 5.703(d).
- b. In the event that the above-referenced regulations and standards are no longer applicable, the project and units must meet the prevailing federal physical condition standards.

H. Capital Needs Assessments

- a. Capital Needs Assessments (CNAs), are property inspection reports that document the current condition of all major building components, recommend specific improvements, and estimate the future costs of property maintenance, as well as determining the cost to repair any parts of a property that must be fixed urgently.
- b. A CNA must address all major systems and provide a unit-by-unit recommended plan of action—listing the system and providing a recommendation for either replacement, repair/upgrade, or no action needed. Additionally, the CNA must identify deferred maintenance items that need addressing. These items include floor coverings, paint, light fixtures, smoke detectors, appliances, etc.
- c. For multifamily projects of 26 or more units*, the developer or grantee must determine all work that will be performed in the rehabilitation of the housing and long-term physical needs of the project through a Capital Needs Assessment (CNA) completed by a qualified third party to support the scope of the planned rehab.
- d. If the reviewing architects conducting the CNA/PNA conclude that the useful life of one or more major systems in the proposed project does not meet the minimum period of affordability, NCHFA will require the owner to establish an appropriately-funded replacement reserve.

**For projects with less than 26 units, the CNA must be completed, but may be completed by the applicant or a qualified member of the applicant's team.*

I. Broadband Infrastructure

- a. Any substantial rehabilitation projects, as defined in [24 CFR 5.100](#), with more than 4 units with new commitments made after January 19, 2017, must provide for the installation of broadband infrastructure.
- b. Exceptions may be made under the following circumstances:
 - i. The location of the substantial rehabilitation makes the installation of broadband infrastructure infeasible.
 - ii. The cost of installing broadband infrastructure would result in a fundamental alteration in the nature of the program or activity or in an undue financial burden.
 - iii. The structure of the project being substantially rehabilitated makes installation of broadband infrastructure infeasible.

J. Construction Documents and Cost Estimates

- a. The construction documents must provide sufficient detail to allow NCHFA to review the project's compliance with these Multi-Family Rehabilitation Standards.
- b. NCHFA will review cost estimates for rehabilitation for cost reasonableness.

K. Frequency of Inspections

- a. NCHFA will conduct an initial property inspection for assisted rehabilitation projects.
- b. NCHFA will conduct progress and final inspections to ensure all rehabilitation work is done in compliance with these Multi-Family Rehabilitation Standards, and other NCHFA, State and Federal requirements.
- c. As needed, NCHFA may conduct more than one progress inspection.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

N/A

12. Refinancing of Existing Debt. Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”

NCHFA will use HTF funds for the primary purpose of assisting existing low-income housing tax credit projects to meet the property standards for rehabilitation projects found in 24 CFR § 93.301(b). Including HTF as part of NCHFA’s goals to rehabilitate properties in danger of existing the tax credit program will greatly preserve the existing affordable housing stock which continues to disappear. As a part of using HTF for the rehabilitation of projects, NCHFA will require projects to meet deeper income targeting to assist extremely low-income households or households with incomes at or below the poverty line (whichever is greater). The consequence of doing so will drive the available rents in the project down and therefore, in some instances, may make it difficult for projects to pay their debt obligations. NCHFA will evaluate each project for the possibility of refinancing existing debt to help keep the housing

affordable and sustainable. In any event, refinancing is ancillary to the rehabilitation of the project and will only be provided if NCHFA determines it is necessary to reduce the overall housing costs and to make the housing more affordable and proportional to the number of HTF-assisted units in the rental project. The proportional rehabilitation cost must be greater than the proportional amount of debt that is refinanced.

Discussion:

N/A

Attachments

Citizen Participation Comments

Citizen Participation Outreach Summary for the 2025 NC Annual Action Plan (AAP)

The State of North Carolina NC Plan Partners held one hybrid public hearing to receive public input on the 2025 Annual Action Plan (AAP).

NC Plan Partners: The NC Plan Partners consists of the following four agencies that are the designated administrators for the U.S. Department of Housing and Urban Development Community Planning and Development (CPD) formula programs:

- **CDBG:** North Carolina Commerce, Rural Economic Development Division
- **ESG/RUSH:** North Carolina Department of Health and Human Services NCDHHS
- **HOPWA:** NCDHHS HIV Care Program and
- **HOME and HTF:** North Carolina Housing Finance Agency, Policy, and Research

May 28, 2025, Public Hearing: The hybrid public hearing for the 2025 AAP was held as a hybrid meeting using the WEB-X Meeting web platform. Participants had the option to use the internet or a call-in number or attend in person at 3508 Bush Street Raleigh NC. This format was consistent with the State of North Carolina's Citizen Participation Plan. The NC Plan Partners posted the notice of the hearing, the draft AAP, and the Citizen Participation Plan on the NC Commerce website and NCHFA website and emailed the notices to stakeholders and other interested parties. Fifteen people participated, including NC Plan Partners staff. Documentation is attached including the 2025 AAP, and PowerPoint presentations.

Public Comments: The public comment period began on Saturday May 17, 2025, and ended on Wednesday June 18, 2025. John F. Brooks of the NC Department of Commerce served as the public comment coordinator and received no comments on the 2025 AAP.

Attachments: NC Citizen Participation Plan www.commerce.nc.gov

- Notices of Public Hearing
- 2025 AAP, and PowerPoint presentations.

NOTICE OF HYBRID PUBLIC HEARING

AGENCIES: North Carolina Department of Commerce, Rural Economic Development Division
North Carolina Housing Finance Agency
North Carolina Department of Health and Human Services, Division of Aging and Adult Services
North Carolina Department of Health and Human Services, HIV Care Program

ACTION: Notice is hereby given that the 2025 Annual Action Plan (AAP) has been drafted by the North Carolina Department of Commerce, Rural Economic Development Division. The draft may receive several updates prior to submission to the U. S. Department of Housing and Urban Development.

SUMMARY: The 2025 Annual Action Plan proposed actions respectively of the four Consolidated Plan partner agencies. Each of the documents include the following programs funded by the U.S. Department of Housing and Urban Development (HUD): Small Cities Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Housing Trust Fund, Emergency Solutions Grants (ESG), Housing Opportunities for Persons with AIDS (HOPWA) programs, Rapid Unsheltered Survivor Housing (RUSH) and Recovery Housing Program (RHP).

AVAILABILITY OF REVIEW MATERIALS: A copy of the 2025 Annual Action Plan (AAP) will be available for public review on **May 17, 2025 -June 18, 2025**. The Annual Action Plan (AAP) will be available on the web sites of the North Carolina Department of Commerce (www.commerce.nc.gov) and the North Carolina Housing Finance Agency (<http://www.nchfa.com>). Copies are also available by request from the North Carolina Department of Commerce, Rural Economic Development Division. Contact John F. Brooks at (919) 814-4663 to receive a copy.

PUBLIC HEARING: The official public hearing will be held on Wednesday, **May 28, 2025**. The hearing will be held from 10:00 a.m. to 11:00 a.m. for the 2025 Annual Action Plan at the North Carolina Housing Finance Agency, located at 3508 Bush Street, Raleigh, NC 27609. Also, participants can join the meeting from their computer, tablet, or smartphone at:

<https://ncgov.webex.com/ncgov/j.php?MTID=mff0d3ac1b3c6249d8b12a6a84479a91d>

Join by meeting number

Meeting number (access code): 2439 154 0801

Meeting password: m7MTvNWsr87

Tap to join from a mobile device (attendees only)

+1-415-655-0003,,24391540801## US Toll

+1-904-900-2303,,24391540801## United States Toll (Jacksonville)

Join by phone

+1-415-655-0003 US Toll

+1-904-900-2303 United States Toll (Jacksonville)

[Global call-in numbers](#)

Join from a video system or application

Dial [24391540801@webex.com](tel:24391540801)

You can also dial 173.243.2.68 and enter your meeting number.

Persons wanting additional information on the public hearing may contact John F. Brooks at (919) 814-4663 or at john.brooks@commerce.nc.gov. People with disabilities or who otherwise need assistance should contact John Brooks at (919) 814-4663 in advance of the hearing. Accommodation will be made for all who request assistance with participating in the public hearing by Monday **May 26, 2025**.

COMMENT PERIOD: Comments concerning the 2025 AAP should be made during the required comment period. The comment period for the **2025 Annual Action Plan** is from **May 17, 2025-June 18, 2025**.

Comments may be made during the public hearing either in person or virtually. Written comments can also be made during the comment period. Written comments will be accepted until 5:00 p.m. on the respective closing comment date and may be made via email to john.brooks@commerce.nc.gov, fax (919) 715-0567, or mailed to John F. Brooks, Attn: Public Comment AAP, Rural Economic Development Division, 4346 Mail Service Center, Raleigh, NC 27699-4346. Comments must be postmarked no later than June 18, 2025.

Si necesitare esta información en Español, por favor póngase en contacto con John F. Brooks 919-814-4663.

<https://ncgov.webex.com/ncgov/j.php?MTID=mff0d3ac1b3e5249d8b12a6a84479a91d>



NOTICE OF HYBRID PUBLIC HEARING

AGENCIES: North Carolina Department of Commerce,
Rural Economic Development Division
North Carolina Housing Finance Agency
North Carolina Department of Health and Human Services,
Division of Aging and Adult
Services
North Carolina Department of Health and Human Services,
HIV Care Program

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<https://us02nc.zoom.us/j/9632456123694789234>
MTID=9632456123694789234

Join by meeting number

Meeting number (access code): 2439 154 0861

Meeting password: m3ATyKw3rE7

Tap to join from a mobile device (attendees only)

+1-814-655-8661, 2,091 (down) US Toll
+1-904-900-2223, 2,091 (down) United States Toll (Jacksonville)

Join by phone

+1-814-655-8661 US Toll
+1-904-900-2223 United States Toll (Jacksonville)
Global call-in numbers

Join from a video system or application

Dial 76091540861 on any phone

You can also dial 073.243.2.66 and enter your meeting number

Persons wanting additional information on the public hearing may contact John F. Brooks at (919) 814-4663 or at jfbrooks@commerce.nc.gov. People with disabilities or who otherwise need assistance should contact John Brooks at (919) 814-4663 in advance of the hearing. Accommodation will be made for all who request assistance with participating in the public hearing by Monday May 26, 2025.

COMMENT PERIOD: Comments concerning the 2025 AAP should be made during the required comment period. The comment period for the 2025 Annual Action Plan is from May 17, 2025-June 18, 2025.

Comments may be made during the public hearing either in person or virtually. Written comments can also be made during the comment period. Written comments will be accepted until 5:00 p.m. on the respective closing comment date and may be made via email to jfbrooks@commerce.nc.gov, fax (919) 715-6567, or mailed to John F. Brooks, Attn: Public Comment AAP, Rural Economic Development Division, 4346 Mail Service Center, Raleigh, NC 27635-4346. Comments must be postmarked no later than June 18, 2025.

Si necesitare esta información en Español, por favor póngase en contacto con John F. Brooks 919-814-4663.

<https://us02nc.zoom.us/j/9632456123694789234>
MTID=9632456123694789234



May 16, 2025
#1303815

AFFIDAVIT OF PUBLICATION

John Brooks
North Carolina Department of Commerce
301 N Wilmington ST
Raleigh NC 27601-1058

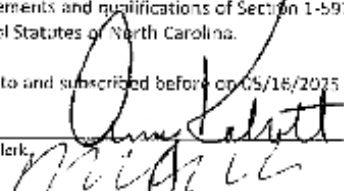
STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned, a Notary Public, duly commissioned, qualified and authorized by law to administer oaths, personally appeared said legal clerk, who, being first duly sworn, deposes and says: that he/she is the legal clerk of The Asheville Citizen-Times, engaged in publication of a newspaper known as The Asheville Citizen-Times, published, issued and entered as first class mail in the city of Asheville, in Buncombe County, State of North Carolina; that he/she is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached here to, was published in said newspaper in the issues dated:

05/16/2025

That said newspaper in which said notice, paper, document or legal advertisement was published was, at the time of each and every publication, a newspaper meeting all the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina.

Sworn to and subscribed before on 05/16/2025

Legal Clerk: 

Notary, State of WI, County of Brown

My commission expires

Publication Cost	\$455.10	
Tax Amount:	\$0.00	
Payment Cost:	\$455.10	
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Customer No:	832822	
PO #:		

THIS IS NOT AN INVOICE!

Please do not use this form for payment or return.

MARIAH VERHAGEN
Notary Public
State of Wisconsin

Page 1 of 2

Attention: NC Dept
NC DEPT OF COMMERCE
4346 MAIL SERVICE CENTER
RALEIGH, NC 27669-4313

uncos@commerce.nc.gov



NOTICE OF INTENDED PUBLIC HEARING
The North Carolina Department of Commerce, Equal Housing Opportunity Division, is hereby giving notice of its intention to hold a public hearing on the proposed rulemaking for the 2025 Annual Action Plan (AAP) for the Equal Housing Opportunity Division.

ADDITION: Notice is hereby given that the 2025 Annual Action Plan (AAP) has been created by the North Carolina Department of Commerce, Equal Housing Opportunity Division. The draft rulemaking is available for public review on the North Carolina Department of Commerce website.

SUMMARY: The 2025 Annual Action Plan (AAP) is a document that outlines the goals and objectives of the Equal Housing Opportunity Division for the year 2025. The AAP is a public document that is available for review on the North Carolina Department of Commerce website. The AAP is a document that outlines the goals and objectives of the Equal Housing Opportunity Division for the year 2025. The AAP is a public document that is available for review on the North Carolina Department of Commerce website.

DATE AND TIME OF PUBLIC HEARING: The public hearing will be held on Wednesday, May 26, 2025, at 10:00 a.m. The hearing will be held in the 11th floor of the North Carolina Department of Commerce building, located at 4346 Mail Service Center, Raleigh, NC 27669. The hearing will be held in the 11th floor of the North Carolina Department of Commerce building, located at 4346 Mail Service Center, Raleigh, NC 27669.

PUBLIC HEARING: The public hearing will be held on Wednesday, May 26, 2025. The hearing will be held from 10:00 a.m. to 11:00 a.m. The hearing will be held in the 11th floor of the North Carolina Department of Commerce building, located at 4346 Mail Service Center, Raleigh, NC 27669. The hearing will be held in the 11th floor of the North Carolina Department of Commerce building, located at 4346 Mail Service Center, Raleigh, NC 27669.

Map of the location of the hearing is available at: <https://www.nc.gov/locations/4346-mail-service-center>.

Join by meeting number:

Meeting ID: 987 654 3210

Meeting password: 1234567890

For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>. For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>. For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>.

For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>. For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>. For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>.

COMMISSIONER'S NOTICE: The Commissioner of the Equal Housing Opportunity Division is hereby giving notice of the public hearing on the proposed rulemaking for the 2025 Annual Action Plan (AAP) for the Equal Housing Opportunity Division. The Commissioner is hereby giving notice of the public hearing on the proposed rulemaking for the 2025 Annual Action Plan (AAP) for the Equal Housing Opportunity Division.

For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>. For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>. For more information, please visit the Equal Housing Opportunity Division website at <https://www.nc.gov/equal-housing-opportunity>.

STATE OF NORTH CAROLINA COUNTY OF WAKE, COUNTY OF DURHAM

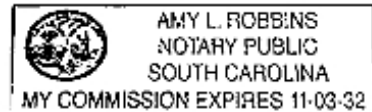
Before the undersigned, a Notary Public of Beaufort County, South Carolina duly commissioned and authorized to administer oaths, affirmations, etc., personally appeared Mary Castro, who being duly sworn or affirmed, according to law, doth depose and say that he or she is Accounts Receivable Specialist of the News & Observer Publishing Company, a corporation organized and doing business under the Laws of the State of North Carolina, and publishing a newspaper known as The News & Observer, Wake and Santa Cloroford, the said newspaper in which such notice, paper, comment, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section 1597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina, and that as such he or she makes this affidavit, and is familiar with the books, files and business of said corporation and by reference to the files of said publication the attached advertisement for NC DEPT OF COMMERCE was inserted in the aforesaid newspaper on dates as follows:

Mary Castro

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Amy Robbins

Notary Public in and for the state of South Carolina,
residing in Beaufort County



Print the date the last notary license was issued.
Legal document prepared and signed:
1 insertion(s) published on:

05/16/25

NOTICE OF HYBRID PUBLIC HEARING

AGENCIES: North Carolina Department of Commerce, Rural Economic Development Division
North Carolina Housing Finance Agency
North Carolina Department of Health and Human Services, Division of Aging and Adult Services
North Carolina Department of Health and Human Services, HIV Care Program

ACTION: House is hereby given that the 2025 Annual Action Plan (AAP) has been drafted by the North Carolina Department of Commerce, Rural Economic Development Division. The draft will be reviewed and adopted prior to submission to the U.S. Department of Housing and Urban Development.

SUMMARY: The 2025 Annual Action Plan proposed actions responsive to the four coordinated funding agencies. Each of the documents include the following programs funded by the U.S. Department of Housing and Urban Development: (a) Community Development Block Grant (CDBG), (b) HOME Investment Partnerships (HOME), (c) Housing Trust Fund, (d) Emergency Solutions Grants (ESG), (e) Housing Opportunities for People with AIDS (HOPWA) programs, (f) Rapid Re-housing, (g) Sheltering, (h) Recovery Housing Program (RHP).

AVAILABILITY OF REVIEW MATERIAL: A copy of the 2025 Annual Action Plan (AAP) will be available for public review on May 12, 2025 - June 16, 2025. The Annual Action Plan (AAP) will be available on the websites of the North Carolina Department of Commerce (www.commerce.nc.gov) and the North Carolina Housing Finance Agency (<http://www.ncfa.org>). Comments are also available on request from the North Carolina Department of Commerce, Rural Economic Development Division, 600 North Salisbury Street, Raleigh, NC 27603 to receive copies.

PUBLIC HEARING: The public hearing will be held on Wednesday, May 25, 2025. The hearing will be held from 10:00 a.m. to 11:00 a.m. for the 2025 Annual Action Plan of the North Carolina Housing Finance Agency, located at 600 North Salisbury Street, Raleigh, NC 27603. Attendance is on the condition that the person has a valid photo ID and is 18 years of age or older.

Visit <https://www.commerce.nc.gov> and <http://www.ncfa.org> for more information.

Join by meeting number

Meeting number: 2025-05-25-01

Meeting password: 123456789

Tap to join from a mobile device (attendees only)

+1 415 655 9993 2025-05-25-01

+1 204 300 2025 2025-05-25-01 (United States) (password)

Join by phone

+1 415 655 9993 US toll

+1 204 300 2025 (United States) (password)

Circle call-in number

Join from video system: application

Go to <https://www.commerce.nc.gov>

You can also call 1-800-368-2025 and enter your meeting number.

Persons wanting additional information on the public hearing may contact John H. Boone at (919) 444-4866 or jboone@commerce.nc.gov. Please visit <https://www.commerce.nc.gov> for more information. Comments should be submitted by 5:00 p.m. on the respective closing date for each funding source. Comments should be made by 5:00 p.m. on the respective closing date for each funding source. Comments should be made by 5:00 p.m. on the respective closing date for each funding source. Comments should be made by 5:00 p.m. on the respective closing date for each funding source.

COMMENT PERIOD: Comments concerning the 2025 AAP should be made during the required comment period. The comment period for the 2025 Annual Action Plan is from May 12, 2025 to June 16, 2025.

Comments may be made during the public hearing either in person or via video. Written comments may also be made during the comment period. Written comments will be accepted until 5:00 p.m. on the respective closing date for each funding source and may be made via email to comment@commerce.nc.gov or by mail to 600 North Salisbury Street, Raleigh, NC 27603. Comments should be made by 5:00 p.m. on the respective closing date for each funding source. Comments should be made by 5:00 p.m. on the respective closing date for each funding source.

For more information, please contact John H. Boone at (919) 444-4866 or jboone@commerce.nc.gov. Please visit <https://www.commerce.nc.gov> for more information.





The Daily Reflector - The Daily Advance - The Rocky Mount Telegram
 Berke Ledger - Chowan Herald - Duplin Times - Farmville Enterprise - Perquimans Weekly
 Standard Lenoir - Tarboro Weekly - Times Leader - Williamston Enterprise
 PO Box 1587, Greenville NC 27835
 (252) 829-3600

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NC DEPT OF COMMERCE
 301 N WILMINGTON ST
 4346 MAIL SERVICE CENTER
 RALEIGH NC 27699

Copy Line: NOTIC OF HYBRID PH 03/12/25
 Size: 18.0
 Total Price: \$478.00

Account: 161734

Ticket: 483952

PUBLISHER'S AFFIDAVIT

NORTH CAROLINA
Pitt County

Bryan Wilson affirms that he/she is clerk of Daily Reflector, a newspaper published daily at Greenville, North Carolina, and that the advertisement, a true copy of which is hereto attached, entitled NOTIC OF HYBRID PH 03/12/25 was published in said Daily Reflector on the following dates:

Please see attached proof.

Saturday, May 17, 2025

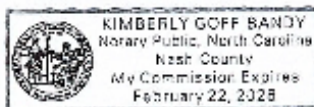
and that the said newspaper in which such notice, paper, document or legal advertisement was published, was at the time of each and every publication, a newspaper meeting all of the requirements and qualifications of Chapter 1, Section 587 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Chapter 1, Section 587 of the General Statutes of North Carolina.

Bryan Wilson
 Affirmed and subscribed before me this 1st day of July 2025

Kimberly Goff Bandy
 (Notary Public Signature)

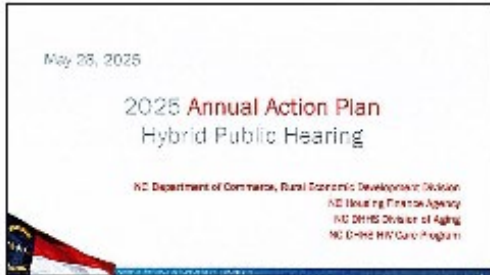
Kimberly Goff Bandy
 (Notary Public Printed Name)

My commission expires 02/22/2026





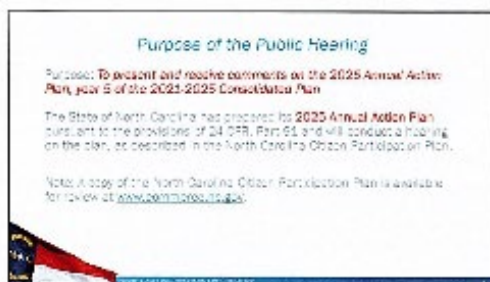
Account #	Order Number	Identification	Order PO	Cols	Depth
27241	650423	Print Legal Ad-IPL02318810 - IPL0231881	2025 ANNUAL ACTION PL	2	971



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Introduction of Presenters

- **John Brooks** | NC Department of Commerce, Rural Economic Development Division
- **Brian O'Donnell** | NC Housing Finance Agency, Policy and Research
- **Allise Fritchett** | NC Department of Health and Human Services, Division of Aging
- **Robert Winstead** | NC Department of Health and Human Services, HIV Care Program

4



Consolidated Planning Process

John Brooks, CD006, Section Chief
NC Commerce-Rural Economic Development Division

5

Consolidated Planning Process

- The Consolidated Planning Process is a collaborative effort between the NC Department of Commerce, NC Housing Finance Agency, NC Department of Health and Human Services, and the NC Department of Transportation to develop a comprehensive plan for the state's rural economic development.
- **Consolidation and Division of Labor:** The Consolidated Planning Process is a collaborative effort between the NC Department of Commerce, NC Housing Finance Agency, NC Department of Health and Human Services, and the NC Department of Transportation to develop a comprehensive plan for the state's rural economic development.
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- The Consolidated Planning Process is a collaborative effort between the NC Department of Commerce, NC Housing Finance Agency, NC Department of Health and Human Services, and the NC Department of Transportation to develop a comprehensive plan for the state's rural economic development.

6

Consolidated Planning Process (continued)

The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the **five** QFD formula block grant programs:

- **CDBG:** Community Development Block Grant
- **HOME:** HOME Investment Partnerships
- **NHTF:** National Housing Trust Fund
- **ESG:** Emergency Solutions Grants
- **HOPWA:** Housing Opportunities for Persons with A/F/I/S

7

Consolidated Planning Process (continued)

The four agencies called the **NC Plan Partners** that administer these funds are:

- NC Department of Commerce (Rural Economic Development Division)
- NC Housing Finance Agency
- NC Department of Health and Human Services (HIV Care Program)
- NC Department of Health and Human Services (Division of Aging)

These four agencies and their HUD-funded programs are working together to meet three goals for the state of North Carolina:

- ✓ Provision of decent and affordable housing
- ✓ Provision of a suitable living environment
- ✓ Expansion of economic opportunity

8

Consolidated Planning Process (continued)

North Carolina established 11 priorities in the 2021-2026 NC Consolidated Plan. They are:

- (1) provide housing for low-income persons who are at risk of homelessness
- (2) housing for households under 50% area median income (AMI)
- (3) housing for households 50%-60% AMI
- (4) housing for households 60%-80% AMI
- (5) housing for persons experiencing homelessness
- (6) assist in neighborhood revitalization
- (7) respond to COVID-19 and
- (8) address non-housing community development needs

The priorities will be addressed through the identified activities for programs designed to address needs and meet priorities.

9



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12

CDBG Goals and Objectives

Usability Principles

CDBG, awarded in the Neighborhood Revitalization Program, supports three (3) **usability principles** that help guide sustainability and feasibility throughout the grant reserve funding.

- Promote equitable, affordable housing.
- Support existing communities.
- Value communities and neighborhoods.

13

Neighborhood Revitalization Method of Distribution

In 2025, CDBG NRD Method of Distribution will:

- Include the Rural Community Development \$5 million allocation that will provide funding for non-housing activities in Tier 1 and Tier 2 counties.
- Allow, where possible, the tiered and transitional housing as a stand-alone housing activity.
- Giving preference to projects that provide housing for persons recovering from substance abuse treatment, located in Tier 1 and Tier 2 counties.

14

Additional Expected Resources – State Economic Development Revolving Loan Fund (RLF)

NC Community Development Fund (CDF) is the State Economic Development Revolving Loan Fund. It receives federal assistance from HUD to develop the RLF and has approved the funding for CDBG eligible housing and community development projects.

There will remain approximately \$200 million for 2025, 2026, and 2027 in program income. Also, NC Community Development Fund will be able to use available designated funds to fund other housing, community development, and economic development projects, especially those with urgent needs and underserved communities. The minimum grant is \$10,000 to \$50,000 per project, but the amount can be higher based on the urgency of the need.

15

FEMA Declared Disaster County's from Hurricane Helene

Persons in Mountain counties including eligible municipalities located in the following 14 counties: Alexander County, Alleghany County, Ashe County, Buncombe County, Burke County, Caldwell County, Catawba County, Clay County, Davidson County, Eastern Band of Cherokee Indians of North Carolina (encompassing Swain County, Graham County, Henderson County, Jackson County, Lincoln County, Macon County, Madison County, McDowell County, Mitchell County, Polk County, Rutherford County, Swain County, Transylvania County, Warren County, Wayne County, and Yancey County).

16

FEMA Declared Disaster Area Map

17

Waivers approved by HUD for the State of NC CDBG Program

CDBG New Housing Construction

The State has determined that the declared designated areas impacted by Tropical Storm Helene lost a substantial number of permanent housing units displacing a number of individuals and families. All eligible entities can assist with the construction of homes including CDBGs, non-profits, and private developers.

18

Waivers approved by HUD for the State of NC CDBG Program Continued

CDBG-Suspension of Public Services Cap
 The State has identified a number of additional support services needed in the areas impacted by Tropical Storm Helene including emergency housing assistance, provision of food and bottled water, clothing, utilities, and childcare.

19

CDBG & Related Programs Contacts

<p>James B. Moore, Jr. CDBG Director 252.433.4444 jbmoores@ncdhhs.gov</p> <p>Dr. Valerie Executive Director, Community Management 252.433.4444 valerie@ncdhhs.gov</p> <p>John T. Moore CDBG Director 252.433.4444 jtmoores@ncdhhs.gov</p>	<p>Sharon E. Moore CDBG Director 252.433.4444 sharon@ncdhhs.gov</p> <p>Sharon E. Moore CDBG Director 252.433.4444 sharon@ncdhhs.gov</p> <p>Sharon E. Moore CDBG Director 252.433.4444 sharon@ncdhhs.gov</p>
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CDBG & Related Programs Contacts

<p>James B. Moore, Jr. CDBG Director 252.433.4444 jbmoores@ncdhhs.gov</p> <p>Dr. Valerie Executive Director, Community Management 252.433.4444 valerie@ncdhhs.gov</p> <p>John T. Moore CDBG Director 252.433.4444 jtmoores@ncdhhs.gov</p>	<p>Sharon E. Moore CDBG Director 252.433.4444 sharon@ncdhhs.gov</p> <p>Sharon E. Moore CDBG Director 252.433.4444 sharon@ncdhhs.gov</p> <p>Sharon E. Moore CDBG Director 252.433.4444 sharon@ncdhhs.gov</p>
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NCHFA: NHTF

The state expects to receive **\$4,719,336.03** in NHTF funds in 2025

Use of funds	Program
Affordable Rental Housing	Rental Production Program
	Supportive Housing Development Program
Affordable Rental Housing Rehabilitation	Rental Preservation Loan Pool
High Need sites include:	Apprentice, new construction, reconstruction, rehabilitation, refinancing and counseling case coordination

25

HOME and NHTF Annual Goals

Activity	Funding Source	Amount	Percent of House	Goal
Affordable Rental Housing	HOME and NHTF	\$4,719,336.03	100% NHTF	800
Affordable Homeownership	HOME	\$2,714,000	25% HOME	400
Homeowner Rehabilitation	HOME	\$4,314,000	50% HOME	200
Admin	HOME and NHTF	\$2,114,000	10% NHTF	120
Total				1,520

25

Emergency Southern Ours (ESOG)

Aileen Fitchett: Homeless Program Coordinator
NC DHHS Division of Aging

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Emergency Solutions Grant

The ESG program is administered by the Department of Health and Human Services (DHHS) Division of Housing in partnership with the NC Department of Commerce.

The ESG program is part of the larger NC Home and Community Block Grant administered by Commerce and funded by the Housing and Urban Development (HUD). Mailing address: DHS/ESG, 2001 Mail Service Center, Raleigh, NC 27699-2001 and phone number for the Division is (919) 870-3500.

Grantee information can be found on the program DHS website at <https://www.ncdhhs.gov/housing/esg/and/about/esg/esg-program-emergency-solutions-grant>

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ESG Eligible Activities

- Emergency Response activities include:
 - Street Outreach
 - Emergency Shelter (Operations and Services)
- Housing Stabilization
 - Rapid Rehousing (Financial Assistance and Services)
 - Targeted Homeless Prevention (Financial Assistance and Services)
- System Coordination activities include:
 - HHS/ DV Comparable Database

Ineligible Activities

The NC ESG Program does not allow funding for other activities.

29

ESG Goals

- Engage communities, service providers, and organizations
- Improve the number and quality of emergency shelter for homeless individuals and families
- Take a holistic approach to homelessness
- Reduce the number of homeless individuals
- Reduce the number of homeless individuals
- Provide support services to homeless individuals
- Provide support services to homeless individuals

30



ESG Funding Priorities

- Funding priorities for the NC ESG Program are the same as the HUD definition of homelessness.
- NC ESG Program will intervene with programs that use a minimum of 40% of ESG allocation for "Rapid Re-housing" and a maximum of 60% for Emergency Shelter.
- The NC ESG Program will make available no less than \$4,775,147 million in sub-grants in FY25.

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ESG Eligible Grantees (Sub-recipients)

- Apply as part of a regional application that is submitted to the State ESG Office by one of the Local Planning Areas within the state of NC.
- Be able to document their process verifying the HUD definition of "homeless" or "at risk of homelessness".
- Operate a program that includes eligible emergency shelter, housing stability, and/or HHS services.
- Have the goal to move homeless persons to permanent housing as quickly as possible.

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NC-DHHS- Division of Aging/Emergency Solutions Grant (ESG)

Dana Purcell, Housing Manager
NC DHHS Division of Aging

Lee Worth, ESG Homeless Program Coordinator
Chris Bettle, ESG Homeless Program Coordinator
NC DHHS-Emergency Solutions Grant (ESG)

Allison Pritchett, ESG Homeless Program Coordinator

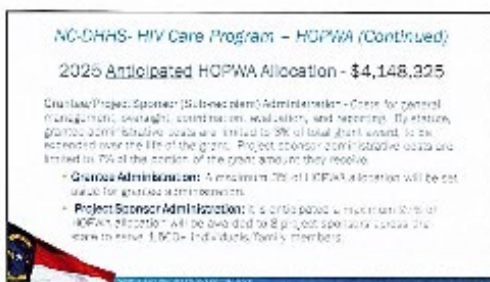
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MO-DHHS- HIV Care Program – HOPWA (Continued)

The 2025 HOPWA Annual Action Plan is designed to ensure that the program continues to provide high-quality care and support to eligible individuals. The plan includes the following key components:

- Program Expansion:** The program will expand its reach to include more eligible individuals, particularly those who are newly diagnosed with HIV and those who are at high risk of infection.
- Enhanced Support Services:** The program will provide enhanced support services, including case management, mental health services, and substance use treatment.
- Improved Access to Care:** The program will improve access to care by expanding the number of service sites and by providing more flexible hours of operation.
- Increased Outreach Efforts:** The program will increase its outreach efforts to identify and engage eligible individuals who may not be currently receiving care.
- Strengthened Partnerships:** The program will strengthen its partnerships with community-based organizations and other stakeholders to ensure a coordinated response.
- Enhanced Monitoring and Evaluation:** The program will enhance its monitoring and evaluation efforts to ensure that the program is meeting its goals and objectives.

The 2025 HOPWA Annual Action Plan is a comprehensive document that outlines the program's strategy for the coming year. It is designed to ensure that the program continues to provide high-quality care and support to eligible individuals.

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HOPWA: 2025 Annual Action Plan

In FY 2025 HOPWA, the response to needs is a total of \$1,148,325. Funds are anticipated to be used for:

- \$1,111,834 State Grants Administration (97%)
- \$3,987,366 Project Sponsorship for direct service delivery
- \$137,600 Project Sponsor Administration

38

MO-DHHS- HIV Care Program – HOPWA

Brittney Holmes, HOPWA Program Supervisor
Telephone Number: (884) 296 1414
Email Address: Brittney.holmes@dhs.mo.gov

Bob Winstead, HIV Care Program Manager
Telephone Number: (884) 296 1412
Email Address: bob.winstead@dhs.mo.gov

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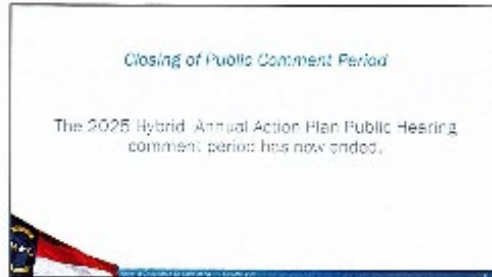
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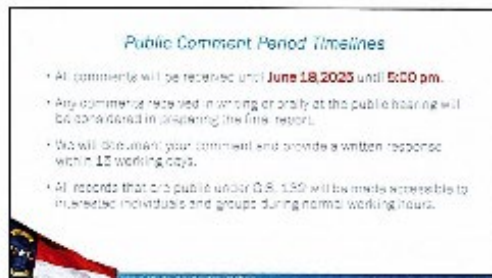
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Grantee SF-424's and Certification(s)



NORTH CAROLINA
**DEPARTMENT of
COMMERCE**

Josh Stein
GOVERNOR

Lee Lilley
SECRETARY

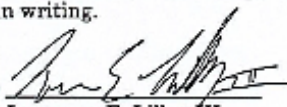
To: Reginald Speight,
Assistant Secretary, Rural Economic Development Division

From: Laurence E. Lilley III,
Secretary, N.C. Department of Commerce

RE: Delegation of Signatory Authority (HUD)

Assistant Secretary Speight,

I hereby delegate to you signatory authority over all contracts and agreements between the N. C. Department of Commerce and the U.S. Department of Housing and Urban Development that I have the authority to sign by virtue of my position as Secretary of Commerce. This delegation is effective immediately and shall remain in effect until my departure, your departure, or such time as I revoke the authority in writing.

Signature: 
Laurence E. Lilley III,
Secretary, N.C. Department of Commerce

Date: May 13, 2025

State of North Carolina | Department of Commerce
201 North Wilmington Street | 4301 Mail Service Center | Raleigh, NC 27609-4301
919.514.4000 | T

Application for Federal Assistance SF-424			
* 1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application		* 2. Type of Application: ☒ New ☐ Continuation ☐ Revision	
		* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>	
* 3. Date Received: Completed by Grants.gov upon submission		4. Applicant Identifier: <input type="text"/>	
5a. Federal Entity Identifier: 56-1611847		5b. Federal Award Identifier: B23DC37001	
State Use Only:			
6. Date Received by State: <input type="text"/>		7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:			
* a. Legal Name: <input type="text"/>			
* b. Employer Taxpayer Identification Number (EIN/TIN): <input type="text"/>		* c. UEL: <input type="text"/> KF32K54P7R73	
d. Address:			
* Street1: <input type="text"/> 301 North Wilmington Street			
Street2: <input type="text"/> 4346 Mail Service Center			
* City: <input type="text"/> Raleigh			
County/Parish: <input type="text"/> Wake			
* State: <input type="text"/> North Carolina			
Province: <input type="text"/>			
* Country: <input type="text"/> USA: UNITED STATES			
* Zip / Postal Code: <input type="text"/> 27699-4346			
e. Organizational Unit:			
Department Name: <input type="text"/> NC Department of Commerce		Division Name: <input type="text"/> Rural Economic Development	
f. Name and contact information of person to be contacted on matters involving this application:			
Prefix: <input type="text"/> Mrs.		* First Name: <input type="text"/> Valeria	
Middle Name: <input type="text"/>			
* Last Name: <input type="text"/> Fegans			
Suffix: <input type="text"/>			
Title: <input type="text"/> CDBG Director			
Organizational Affiliation: <input type="text"/>			
* Telephone Number: <input type="text"/> (919) 814-4673		Fax Number: <input type="text"/> (919) 715-0567	
* Email: <input type="text"/> valeria.fegans@commerce.nc.gov			

Application for Federal Assistance SF-424		
* 9. Type of Applicant 1: Select Applicant Type:		
State Government		
Type of Applicant 2: Select Applicant Type:		
Type of Applicant 3: Select Applicant Type:		
* Other (specify):		
* 10. Name of Federal Agency:		
U.S. Department of HUD		
11. Catalog of Federal Domestic Assistance Number:		
14-228		
CFDA Title:		
CDBG Small Cities Program		
* 12. Funding Opportunity Number:		
* Title:		
13. Competition Identification Number:		
Title:		
14. Areas Affected by Project (Cities, Counties, States, etc.):		
	Add Attachment	Delete Attachment
		View Attachment
* 15. Descriptive Title of Applicant's Project:		
The State of North Carolina will use Community Development Block Grant(CDBG) funds for eligible activities including housing, public infrastructure, and economic development.		
Attach supporting documents as specified in agency instructions.		
Add Attachments	Delete Attachments	View Attachments

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: NC-04	* b. Program/Project: All
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
17. Proposed Project:	
* a. Start Date: 10/01/25	* b. End Date: 09-30-26
18. Estimated Funding (\$):	
* a. Federal:	\$48,162,390
* b. Applicant:	
* c. State:	
* d. Local:	
* e. Other:	
* f. Program Income:	4,700,000
* g. TOTAL:	\$50,862,390
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
☐ a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>	
☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
☒ c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
☐ Yes ☒ No	
If "Yes", provide explanation and attach	
<input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. "By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)"	
☒ ** I AGREE	
** The list of certifications and assurances, or an Internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: Mr.	* First Name: Reginald
Middle Name:	
* Last Name: Speight	
Suffix:	
* Title: Assistant Secretary of Commerce	
* Telephone Number: (813) 614-4715	Fax Number: (915) 715-0587
* Email: reginald.speight@commerce.nc.gov	
* Signature of Authorized Representative: Reginald Speight	* Date Signed: 07/14/2025

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying -- To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-L.L.L., "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the State's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701 u) and implementing regulations at 24 CFR Part 75.

Signed by: Reginald Spright 24-Jun-2025
Signature of Authorized Official Date

Asst. Sec. Rural Economic Development Div.
Title

Specific Community Development Block Grant Certifications

The State certifies that:

Citizen Participation -- It is following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments --

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;
2. It engages in or will engage in planning for community development activities;
3. It provides or will provide technical assistance to units of local government in connection with community development programs; and
4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available.
2. **Overall Benefit.** In the aggregate, not less than 70 percent of the CDBG funds, including Section 108 guaranteed loans, received by the State during the following fiscal year(s) 2025 [a period designated by the State of one, two, or three specific consecutive fiscal year(s)] will be used for activities that benefit persons of low and moderate income.

3. Special Assessments -- It will not attempt to recover any capital costs of public improvements assisted with CDBG Funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.

Signed by: Reginald Spright 24-Jun-2025
Signature of Authorized Official Date

Asst. Sec. Rural Economic Development Div.
Title

**Applicant and Recipient
Assurances and Certifications**

U.S. Department of Housing
and Urban Development

OMB Number: 2501-0244
Expiration Date: 03/31/2027

Instructions for the HUD 424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual, must provide the following assurances and certifications. The Responsible Civil Rights Official has specified this form for use for purposes of general compliance with 24 CFR §§ 1.6, 3.115, 8.50, and 146.25, as applicable. The Responsible Civil Rights Official may require specific civil rights assurances to be furnished consistent with those authorities and will specify the form on which such assurances must be made. A failure to furnish or comply with the civil rights assurances contained in this form may result in the procedures to affect compliance at 24 CFR §§ 1.6, 3.115, 8.57, or 146.39.

By submitting this form, you are stating that all assertions made in this form are true, accurate, and correct.

As the duly representative of the applicant, I certify that the applicant (insert below the Name and Title of the Authorized Representative, name of Organization and the date of signature):

*Authorized Representative Name:
*Title:
*Applicant/Recipient Organization:

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.

2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2001(d)) and implementing regulations (24 CFR part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribal designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).

3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR part 8, the American Disabilities Act (42 U.S.C. §§ 12101 et seq.), and implementing regulations at 28 CFR part 35 or 36, as applicable, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-67) as amended, and implementing regulations at 24 CFR part 145 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR part 100 which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin and will affirmatively further fair housing, except an applicant which is an Indian tribe or its tribal entity which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or

limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

5. Will comply with all applicable Federal nondiscrimination requirements, including those listed at 24 CFR §§ 5.105(c) and 5.106 as applicable.

6. Will not use Federal funding to promote diversity, equity, and inclusion (DEI) mandates, policies, programs, or activities that violate any applicable Federal anti-discrimination laws.

7. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR part 24 and, as applicable, Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(c)) and implementing regulations at 24 CFR part 42, subpart A.

8. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property.

9. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form LLL, Disclosure Form to Report Lobbying. I certify that I shall require all subawards at all tiers (including sub grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, accurate, and correct. **WARNING:** Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C.

§§287, 1001, 1610, 1612, 1614; 31 U.S.C. §3729, 3802; 24 CFR §20.10(b)(1)(iii).

* Date: (mm/dd/yyyy):

* Signature:
Signed by:

24-Jun-2025

Reginald Spright
12540010432825...

Form HUD 424-B (1/2/2023)

Public Reporting Burden Statement: The public reporting burden for this collection of information is estimated to average 0.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Comments regarding the accuracy of this burden estimate and any suggestions for reducing this burden can be sent to U.S. Department of Housing and Urban Development, Office of the Chief Data Officer, R, 461 7th St SW, Room 4176, Washington, DC 20410-5000. Do not send completed HUD 424-B forms to this address. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. The Department of Housing and Urban Development is authorized to collect this information under the authority cited in the Notice of Funding Opportunity for this grant program. The information collected provides assurance and certifications for legal requirements related to the administration of this grant program. HUD will use this information to ensure compliance of its grantees. This information is required to obtain the benefit sought in the grant program. This information will not be held confidential and may be made available to the public in accordance with the Freedom of Information Act (5 U.S.C. §552).

Application for Federal Assistance SF-424		
* 1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application		* 2. Type of Application: ☒ New ☐ Continuation ☐ Revision
		* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: <input type="text"/>		4. Applicant Identifier: <input type="text"/>
5a. Federal Entity Identifier: <input type="text"/>		5b. Federal Award Identifier: <input type="text"/>
State Use Only:		
6. Date Received by State: <input type="text"/>		7. State Application Identifier: <input type="text"/>
8. APPLICANT INFORMATION:		
* a. Legal Name: North Carolina Housing Finance Agency (State of NC)		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 65-1730755		* c. UFI: MF0000187004
4. Address:		
* Street1: 1508 Bush Street Street2: * City: Raleigh County/Parish: * State: NC North Carolina Province: * Country: USA: UNITED STATES * Zip / Postal Code: 27609-7009		
a. Organizational Unit:		
Department Name: NC Housing Finance Agency		Division Name: <input type="text"/>
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: First Name: Bechtle Middle Name: * Last Name: Teasley Suffix:		
Title: Manager of Policy and Research		
Organizational Affiliation: State of NC (NCHFA)		
* Telephone Number: 919 987 7477		Fax Number: 919 977 5701
* Email: bteasley@nchfa.com		

Application for Federal Assistance SF-424	
* 9. Type of Applicant 1: Select Applicant Type: <input type="text" value="A: State Government"/>	
Type of Applicant 2: Select Applicant Type: <input type="text"/>	
Type of Applicant 3: Select Applicant Type: <input type="text"/>	
* Other (specify): <input type="text"/>	
* 10. Name of Federal Agency: <input type="text" value="US Department of Housing and Urban Development"/>	
11. Assistance Listing Number: <input type="text" value="10.239"/>	
Assistance Listing Title: <input type="text"/>	
* 12. Funding Opportunity Number: <input type="text"/>	
* Title: <input type="text"/>	
13. Competition Identification Number: <input type="text"/>	
Title: <input type="text"/>	
14. Areas Affected by Project (Cities, Counties, States, etc.): <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
* 15. Descriptive Title of Applicant's Project: <input type="text" value="State-administered HUD Program"/>	
Attach supporting documents as specified in agency instructions. <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="NC-000"/>	* b. Program/Project: <input type="text" value="511"/>
Attach an additional list of Program/Project Congressional Districts if needed:	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="01/01/2025"/>	* b. End Date: <input type="text" value="12/31/2025"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="11,400,795.86"/>
* b. Applicant	<input type="text" value=""/>
* c. State	<input type="text" value=""/>
* d. Local	<input type="text" value=""/>
* e. Other	<input type="text" value=""/>
* f. Program Income	<input type="text" value="13,200,000.00"/>
* g. TOTAL	<input type="text" value="24,600,795.86"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process? ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> . ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review. ☒ c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.) ☐ Yes ☒ No If "Yes", provide explanation and attach <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001) ☒ ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: <input type="text" value="Scott"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Farmer"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="Executive Director"/>	
* Telephone Number: <input type="text" value="919 906 0072"/>	Fax Number: <input type="text"/>
* Email: <input type="text" value="ScottFarmer@ncdhs.com"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="6/4/25"/>

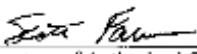
Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance -- If it plans to use HOME funds for tenant-based rental assistance, tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy Layering -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.



Signature of Authorized Official

6/4/25

Date

Executive Director

Title

Application for Federal Assistance SF-424		
<p>* 1. Type of Submission:</p> <p>☐ Preapplication</p> <p>☒ Application</p> <p>☐ Changed/Corrected Application</p>		
<p>* 2. Type of Application: * If Revision, select appropriate letter(s)</p> <p>☒ New</p> <p>☐ Continuation</p> <p>☐ Revision</p> <p>* Other (Specify):</p>		
<p>* 3. Date Received:</p> <p></p>		
<p>4. Applicant Identifier:</p> <p></p>		
<p>5a. Federal Entity Identifier:</p> <p></p>		<p>5b. Federal Award Identifier:</p> <p></p>
<p>State Use Only:</p>		
<p>6. Date Received by State:</p> <p></p>		<p>7. State Application Identifier:</p> <p></p>
<p>8. APPLICANT INFORMATION:</p>		
<p>* a. Legal Name: North Carolina Housing Finance Agency (State of NC)</p>		
<p>* b. Employer/Taxpayer Identification Number (EIN/TIN):</p> <p>16-1700356</p>		<p>* c. UCI:</p> <p>273384487514</p>
<p>d. Address:</p>		
<p>* Street1: 1308 Bush Street</p>		
<p>Street2:</p>		
<p>* City: Raleigh</p>		
<p>County/Parish:</p>		
<p>* State: NC: North Carolina</p>		
<p>Province:</p>		
<p>* Country: USA: UNITED STATES</p>		
<p>* Zip/Postal Code: 27609-7509</p>		
<p>e. Organizational Unit:</p>		
<p>Department Name:</p> <p>NC Housing Finance Agency</p>		<p>Division Name:</p> <p></p>
<p>f. Name and contact information of person to be contacted on matters involving this application:</p>		
<p>Prefix:</p>		<p>* First Name: Bettie</p>
<p>Middle Name:</p>		
<p>* Last Name: Tonnley</p>		
<p>Suffix:</p>		
<p>Title: Manager of Policy and Research</p>		
<p>Organizational Affiliation:</p> <p>State of NC (NCHFA)</p>		
<p>* Telephone Number: 919 861 2579</p>		<p>Fax Number: 919 871 5701</p>
<p>* Email: bettonley@nchfa.com</p>		

Application for Federal Assistance SF-424	
* 9. Type of Applicant 1: Select Applicant Type: <input type="text" value="A: State Government"/>	
Type of Applicant 2: Select Applicant Type: <input type="text"/>	
Type of Applicant 3: Select Applicant Type: <input type="text"/>	
* Other (specify): <input type="text"/>	
* 10. Name of Federal Agency: <input type="text" value="US Department of Housing and Urban Development"/>	
11. Assistance Listing Number: <input type="text" value="14.275"/>	
Assistance Listing Title: <input type="text"/>	
* 12. Funding Opportunity Number: <input type="text"/>	
* Title: <input type="text"/>	
13. Competition Identification Number: <input type="text"/>	
Title: <input type="text"/>	
14. Areas Affected by Project (Cities, Counties, States, etc.): <input type="text"/> <div> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div>	
* 15. Descriptive Title of Applicant's Project: <input type="text" value="The HUD funding will be used to increase the number of rental units developed or rehabilitated that are affordable to households earning 30% or less of the AMI or that are below poverty level."/>	
Attach supporting documents as specified in agency instructions. <div> <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/> </div>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="SC-002"/>	* b. Program/Project: <input type="text" value="A-1"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="9/1/2020"/>	* b. End Date: <input type="text" value="12/31/2025"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="4,712,256.00"/>
* b. Applicant	<input type="text" value=""/>
* c. State	<input type="text" value=""/>
* d. Local	<input type="text" value=""/>
* e. Other	<input type="text" value=""/>
* f. Program Income	<input type="text" value="200,000.00"/>
* g. TOTAL	<input type="text" value="4,912,256.00"/>
19. Is Application Subject to Review By State Under Executive Order 12372 Process? ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review. ☒ c. Program is not covered by E.O. 12372.	
20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.) ☐ Yes ☒ No If "Yes", provide explanation and attach <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. "By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001) ☒ ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: <input type="text" value="Scott L"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Forsman"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="Executive Director"/>	
* Telephone Number: <input type="text" value="615-566-0070"/>	Fax Number: <input type="text"/>
* Email: <input type="text" value="scf@scs3inc.com"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="6/4/25"/>

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing – The State will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan – It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying – To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-L.L.I., "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State – The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan – The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the State's consolidated plan.

Section 3 – It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 75.



Signature of Authorized Official

6/4/25

Date

Executive Director

Title

**Applicant and Recipient
Assurances and Certifications**

U.S. Department of Housing
and Urban Development

OMB Number: 2501-0044
Expiration Date: 02/28/2027

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual, must provide the following assurances and certifications, which replace any requirement to submit an SF-424-B or SF-424-D. The Responsible Civil Rights Official has specified this form for use for purposes of general compliance with 24 CFR §§ 1.5, 3.115, 8.53, and 146.25, as applicable. The Responsible Civil Rights Official may require specific civil rights assurances to be furnished consistent with these authorities and will specify the form on which such assurances must be made. A failure to furnish or comply with the civil rights assurances contained in this form may result in the procedures to effect compliance at 24 CFR §§ 1.6, 3.115, 8.57, or 146.39.

By submitting this form, you are attesting that all assertions made in this form are true, accurate, and correct.

As the duly representative of the applicant, I certify that the applicant:

*Authorized Representative Name:

Prefix: [] *First Name: Scott
Middle Name: []
Last Name: []
Suffix: []

*Title: Executive Director

*Applicant Organization: North Carolina Housing Finance Agency

1. I have the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the applicant to act in connection with the application and to provide any additional information as may be required.

2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2055(d)) and implementing regulations (24 CFR part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).

3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR part 9, the American Disabilities Act (42 U.S.C. §§ 12101 et seq.), and implementing regulations at 28 CFR part 35 or 36, as applicable, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) as amended, and implementing regulations at 24 CFR part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

4. Will comply with the Fair Housing Act (42 U.S.C. 3601-18), as amended, and the implementing regulations at 24 CFR part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin and will affirmatively further fair housing; except an applicant which is an Indian tribe or its instrumentality which

is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

5. Will comply with all applicable Federal nondiscrimination requirements, including those listed at 24 CFR §§ 5.105(a) and 5.106 as applicable.

6. Will not use Federal funding to promote diversity, equity, and inclusion (DEI) mandates, policies, programs, or activities that violate any applicable Federal anti-discrimination laws.

7. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR part 24 and, as applicable, Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(d)) and implementing regulations at 24 CFR part 42, subpart A.

8. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property.

9. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all subawards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Bayh Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, accurate, and correct.

WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802; 24 CFR §28.10(b)(1)(iii)).

*Signature:



*Date:

6/4/25

Form HUD-424-B (02/23)

Application for Federal Assistance SF-424			
*1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application		*2. Type of Application * If Revision, select appropriate letter(s): ☐ New ☒ Continuation * Other (Specify) ☐ Revision	
*3. Date Received: 05/14/2025		4. Applicant Identifier:	
5a. Federal Entity Identifier:		*5b. Federal Award Identifier: 14.231	
State Use Only:			
6. Date Received by State:		7. State Application Identifier:	
8. APPLICANT INFORMATION:			
*a. Legal Name: North Carolina Department of Health and Human Services			
*b. Employer/Taxpayer Identification Number (EIN/TIN): 56-1636462		*c. UEI: DKT3LLBWF-VL3	
d. Address:			
*Street 1: 2001 Mail Service Center			
Street 2: 101 Blair Drive			
*City: Raleigh			
County/Parish: Wake			
*State: NC			
*Province:			
*Country: USA: United States			
*Zip / Postal Code 27699-2000			
e. Organizational Unit:			
Department Name: Department of Health and Human Services		Division Name: Division of Aging	
f. Name and contact information of person to be contacted on matters involving this application:			
Prefix:		Mrs. *First	
Name: Lisa			
Middle Name:			
*Last Name: Worth			
Suffix:			
Title: Homeless Program Coordinator			

Organizational Affiliation:	
*Telephone Number: 919-605-0085	Fax Number:
*Email: liaa.worth@dhhs.nc.gov	

Application for Federal Assistance SF-424
<p>*9. Type of Applicant 1: Select Applicant Type: A. State Government</p> <p>Type of Applicant 2: Select Applicant Type: Pick an applicant type</p> <p>Type of Applicant 3: Select Applicant Type: Pick an applicant type</p> <p>*Other (Specify)</p>
<p>*10. Name of Federal Agency: US Department of Housing and Urban Development</p>
<p>11. Catalog of Federal Domestic Assistance Number: 20.106</p> <p>CFDA Title:</p>
<p>*12. Funding Opportunity Number:</p> <p>*Title: Emergency Solutions Grant Program</p>
<p>13. Competition Identification Number:</p> <p>Title:</p>

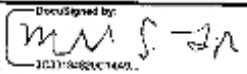
14. Areas Affected by Project (Cities, Counties, States, etc.):

State of North Carolina

***15. Descriptive Title of Applicant's Project:**

The State administered HUD Emergency Solutions Grant (ESG) assists programs throughout North Carolina providing funds for emergency shelter, rehousing, homelessness prevention, outreach, HMIS and Administration.

Attach supporting documents as specified in agency instructions.

16. Congressional Districts Of: *a. Applicant: NC-004 *b. Program/Project: All		/30/2 6:3 PM ED
Attach an additional list of Program/Project Congressional Districts if needed.		
17. Proposed Project: *a. Start Date: 01/01/2026 *b. End Date: 12/31/2026		
18. Estimated Funding (\$):		
*a. Federal	\$	5,169,928
*b. Applicant		\$ 0
*c. State		\$ 0
*d. Local		\$ 0
*e. Other		\$ 0
*f. Program Income		\$ 0
*g. TOTAL		\$ 5,169,928
*19. Is Application Subject to Review By State Under Executive Order 12372 Process? ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on _____ ☒ b. Program is subject to E.O. 12372 but has not been selected by the State for review. c. Program is not covered by E.O. 12372.		
*20. Is the Applicant Delinquent On Any Federal Debt? ☐ Yes ☒ No If "Yes", explain:		
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001) ☒ ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.		
Authorized Representative:		
Prefix: _____	Mr. _____	
Name: Dev _____	*First	
Middle Name: Sangvai _____		
*Last Name: _____		
Suffix: _____		
*Title: Secretary		
*Telephone Number: 919-855-4800	Fax Number: _____	
* Email: secretary@dhhs.nc.gov		
*Signature of Authorized Representative: 		*Date Signed: 05



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

JOSH STEIN • Governor

DEV DUTTA SANGVAI • Secretary

JOYCE MASSEY-SMITH • Director
Division of Aging and Adult Services

June 19, 2025

TO: Secretary Devdutta Sangvai

FROM: Lisa Worth, Homeless Program Coordinator, Division of Aging

THROUGH: Mike Leighs, Deputy Secretary Opportunity and Well-Being

SUBJECT: Signature Request Memo for 2025 ESG Funding from HUD

The North Carolina Department of Health and Human Services (NC DHHS), Division of Aging's Emergency Solutions Grants (ESG) program is awarded \$5,169,928 million from the U.S. Department of Housing and Urban Development (HUD). The ESG program is a reimbursable grant program established by the McKinney-Vento Homeless Assistance Act (Public Law 100-77, Public Law 100-628) as amended by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act). The HEARTH Act authorized the ESG Program for providing assistance to persons and families who are homeless or at risk of homelessness. The ESG program is designed as a first step in the continuum of assistance to prevent homelessness and to enable the homeless population to move steadily toward independent living. The NC DHHS, Division of Aging is responsible for administering North Carolina's Statewide annual allocation of funds from HUD. ESG funds are intended to be used as part of a crisis response system using a low barrier, housing-focused approach to ensure that homelessness is rare, brief, and one time. The ESG program is intended to assist people in preventing or ending their homelessness by supporting two primary functions: Emergency Response Activities, including emergency shelter operations and services as well as street outreach, and Housing Stability Activities including homelessness prevention and rapid re-housing. Specifically, ESG funding can be used for the provision of the eligible activities:

- Emergency Shelter (Congregate and Non-Congregate)
- Housing Stabilization Services (e.g., Rapid Rehousing, Homelessness Prevention)
- Street Outreach Services
- Homeless Management Information System (HMIS), and
- Administration.

NC DHHS, Division of Aging will subaward these funds to non-profit agencies and local government entities through a competitive request for application (RFA) process administered by the Division of Aging's NC ESG Office to provide RUSH funded services to the individuals and

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF AGING AND ADULT SERVICES

LOCATION: 663 Palmer Drive, Taylor Hall, Raleigh, NC 27603

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DocuSign Envelope ID: A52362AC-168A-41C8-B7E0-8FA0A9C3C8E2

families in Hurricane Helene impacted counties. The NC ESG Office plans to provide monitoring oversight of RUSH funded sub-recipients.

As required per HUD guidelines for the 2025 Grant, attached for your review and signature is the SF424-B. While this form was previously signed for the purposes of the 2025 Grant, HUD has now provided an updated version that has removed language related to gender identity and sexual orientation. **Signatory authorization to implement and deploy ESG funding is requested.** Secretarial Directives 001, 003, and 004 allow Deputy Secretary Leighs to sign the documentation.

Signature Authority:

DocuSigned by:
Herlene Thomas
C0187A78710C473
DocuSigned by:
Carla West
5042F0021732438
Signed by:
Kelly Kimple
389e382245a12d1c16
DocuSigned by:
Karen Wade
24077D144025406
DocuSigned by:
Melissa D. Dunston
244E02217E039122
DocuSigned by:
Mike Leighs, Deputy Secretary for Opportunity and Well-Being
20018K021 by:
202312452021434
202312460021436

- Herlene Thomas, Division of Aging, Budget Director
- Carla West, Director for Human Services
- Kelly Kimple, State Health Director
- Karen Wade, Director of Policy
- Melissa D. Dunston, MBA Grants Coordinator
-
- Devdutta Sangvai, Secretary DHHS

CC:

- Delra Purcell, Section Chief

- Lisa Worth, Division of Aging, ESG Homeless Programs Coordinator
- Erin Matteson, Chief Financial Officer
- Joyce Massey-Smith, Division of Aging, Director

**Applicant and Recipient
Assurances and Certifications**

U.S. Department of Housing
and Urban Development

CME Number: 2501-0046
Expiration Date: 4/28/2027

Instructions for the HUD 424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual, must provide the following assurances and certifications. The Responsible Civil Rights Official has specified this form for use for purposes of general compliance with 24 CFR §§ 1.5, 3.115, 8.60, and 146.2b, as applicable. The Responsible Civil Rights Official may require specific civil rights assurances to be furnished consistent with those authorities and will specify the form on which such assurances must be made. A failure to furnish or comply with the civil rights assurances contained in this form may result in the procedures to effect compliance at 24 CFR §§ 1.5, 3.115, 8.67, or 146.39.

By submitting this form, you are stating that all assertions made in this form are true, accurate, and correct.

As the duly representative of the applicant, I certify that the applicant: (Insert below the Name and title of the Authorized Representative, name of Organization and the date of signature):

*Authorized Representative Name:

Michael Leghe for Secretary Devdara Sangal

*Title: Deputy Secretary, Department of Housing

*Applicant/Recipient Organization:

State of North Carolina

1. Has the legal authority to apply for Federal assistance, has the institutions, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the application to act in connection with the application and to provide any additional information as may be required.

2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000c) and implementing regulations (24 CFR part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1361-1362).

3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR part 8, the American Disabilities Act (42 U.S.C. §§ 12101 et seq.), and implementing regulations at 28 CFR part 35 or 36, as applicable, and the Age Discrimination Act of 1975 (42 U.S.C. §10107) as amended, and implementing regulations at 24 CFR part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin and will affirmatively further fair housing; except an applicant which is an Indian tribe or its instrumentality which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant

will comply with the nondiscrimination requirements within the designated population.

5. Will comply with all applicable Federal nondiscrimination requirements, including those listed at 24 CFR §§ 5.105(a) and 5.126 as applicable.

6. Will not use Federal funding to promote diversity, equity, and inclusion (DEI) mandates, policies, programs, or activities that violate any applicable Federal anti-discrimination laws.

7. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4501) and implementing regulations at 49 CFR part 24 and, as applicable, Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(d)) and implementing regulations at 24 CFR part 42, subpart A.

8. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property.

9. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-L.L. Disclosure Form to Report Lobbying. I certify that I shall require all subawards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

Now, the undersigned, certify under penalty of perjury that the information provided above is true, accurate, and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802; 24 CFR §28.100(b)(1)(ii)).

* Signature:

0287345201420...

* Date (mm/dd/yyyy): 07/07/25 | 3:21 PM EDT

Form HUD 424-B (1/27/2023)

STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN
GOVERNOR

DEV DUTTA SANGVAL
SECRETARY

SECRETARIAL DIRECTIVE 003

SUBJECT: Delegation of Authority Concerning Grants, Budget and Financial Matters

1. **SCOPE.** This Directive applies to all divisions, offices, facilities, and units within the North Carolina Department of the Health and Human Services. The provisions of this Directive shall not be construed to interfere with or impede the authorities or duties prescribed by law to specific divisions, offices, facilities or units, or individuals within those units.
2. **SIGNATURE AUTHORITY.** The provisions of Secretarial Directive 001 are incorporated herein. In addition, the following directives shall govern the authority of officers and employees of the Department in seeking grant funding from public and private entities that binds the Department or any division, office, facility or unit, or individual within those units.
 - a. **Department Grant Funding.** For any grant application or proposal for funding, including competitive and non-competitive grant applications, formula and other types of mandatory grants and block grants in which the Department is the named party (as opposed to a specific Division, Office, or Facility), the appropriate Deputy Secretary, including the Chief Deputy Secretary, or their designee shall have the authority to review, approve, and sign all grant applications or proposals for funding. Regardless of the final signatory, in order to ensure strategic use of grant funds, the approval process for grant applications and other associated documents should include leaders from divisions and offices across the Department with a stake in that work. As a part of this directive, the Deputy Secretary shall further ensure that a documented delegation of authority is in place to an authorized organizational representative(s) for the purpose of submitting grant applications and proposals once the grant application or proposals has been approved.
 - i. **State plans and state plan amendments and reporting for grant funding.** The appropriate Deputy Secretary or their designee shall have the authority to review, approve, and sign all state plans, state plan amendments and required reporting.
 - ii. **Grant continuation, application renewals and federal cooperative agreements.** The appropriate Deputy Secretary or their designee shall have the authority to review, approve, and sign all grant continuation, renewals, and federal cooperative agreements.
 - iii. **Block Grants.** The appropriate Deputy Secretary, or their designee, shall have the authority to review, approve block grant plans for each block grant under their purview, including any reporting.

WWW.NCDHHS.GOV
TEL 919-855-4800 • FAX 919-715-4645
LOCATION: 161 BLAIR DRIVE • ADAMS BUILDING • RALEIGH, NC 27603
MAILING ADDRESS: 2001 MAIL SERVICE CENTER • RALEIGH, NC 27699-2000
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

- iv. A Deputy Secretary shall not delegate any actions under (a)(i)-(iii) involving (1) commitment for a new program or service not authorized under the Department's purview or an explicit act of the General Assembly, and/or (2) continuing financial commitment obligating the Department as a consequence of accepting the grant funds beyond the period of the grant or action.
 - v. The Chief Deputy Secretary may sign or, notwithstanding paragraphs (a)(i)-(iii), may specifically designate a Deputy Secretary to sign the subject grant, proposal, agreement or other document. Any grant, proposal, agreement or other document defined above, may also be signed by the Chief Deputy Secretary.
 - vi. Any delegation by a Deputy Secretary for carrying out the above obligations shall be documented in writing and submitted to the General Counsel.
- b. **Budget Formulation.** The appropriate Deputy Secretary shall review primary budget documents for the biennial planning period and recommended adjustments to that budget reflecting change budgets including expansion, block grant plans and supplemental budgets, proposed and submitted by the departmental divisions, facilities and offices, etc. These budget documents may be submitted through the division or office director and/or assistant secretaries, as applicable. After review, the Deputy Secretaries shall make appropriate recommendations to the Chief Deputy Secretary and Secretary regarding modification and approval and submission to the Office of State Budget and Management.
- c. **Budget Execution and Control of Funds.** The appropriate Deputy Secretary, including the Chief Deputy Secretary, shall delegate in writing to appropriate Assistant Secretaries, Senior Directors and/or Division, Office or Facility directors the authority to:
- i. incur obligations and make expenditures within the budgetary resources appropriated, certified and/or authorized to the division, office or facility consistent with applicable State and federal authority;
 - ii. request allotment of funds in accordance with State policy;
 - iii. salary control; and
 - iv. operationalize, adjust and/or realign requirements and revenues in the division, office or facility's base or authorized budget to maintain appropriate operational levels.
- d. The Deputy Secretaries shall have oversight and delegate responsibility to the Division/Office/Facility Director to maintain a system of administrative control of funds including cash management as authorized and in accordance with State accounting and financial policies and procedures of the Division of Budget and Analysis, Office of State Budget and Management, the Office of the DHHS Controller, the Office of State Controller and state statute.
- e. The Deputy Secretaries shall have authority and be responsible for the preparation, review, and the execution of responses to correspondence or inquiries regarding issues of direct relevance to departmental budgetary matters, programmatic issues of direct relevance to the Fiscal Research Division and other relevant legislative divisions of the North Carolina General Assembly, issues of direct relevance to the North Carolina Office of the Governor, Office of State Budget and Management, Office of the State Controller and Department of Administration.

1. **AUTHORITIES.**

- a. N.C. Gen. Stat. § 143B-10
- b. N.C. Gen. Stat. § 143B, Article 3
- c. N.C. Gen. Stat. § 143C

2. **OFFICE OF PRIMARY INTEREST**. The Office of the General Counsel; Division of Budget and Analysis; Office of the Controller
3. **SECRETARY AUTHORITY**. This Directive and any delegation of authority herein shall not deprive the Secretary from performing, in lieu of the Chief Deputy Secretary, Deputy Secretary or any other named official, any of the acts set forth above. This delegation of authority may be amended or withdrawn by the Secretary at any time and without notice. This delegation of authority shall not apply to any actions which by law, regulation or Executive Order, may only be executed by the Secretary.
4. **PRIOR DIRECTIVES AND DELEGATIONS**. This Directive and any delegation of authority herein shall supersede any previously issued directive or delegation, whether by the below signed Secretary or any previous Secretary, that conflicts with the terms set forth above.

Emergency Solutions Grant Certifications

Each State that seeks funding under the Emergency Solutions Grants Program must provide the following certifications:

Matching Funds – The State will obtain any matching amounts required under 24 CFR 576.201 in a manner so that its subrecipients that are least capable of providing matching amounts receive the benefit of the exception under 24 CFR 576.201(a)(2).

Discharge Policy – The State will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Confidentiality – The State will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

The State will ensure that its subrecipients comply with the following criteria:

Major rehabilitation/conversion/renovation – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 5 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

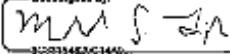
Essential Services and Operating Costs – If ESG funds are used for shelter operations or essential services related to street outreach or emergency shelter, the subrecipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the applicant serves the same type of persons (e.g., families with children, unaccompanied youth, veterans, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The subrecipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal, State, local, and private assistance available for such individuals.

Homeless Persons Involvement – To the maximum extent practicable, the subrecipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted ESG.

Consolidated Plan – All activities the subrecipient undertakes with assistance under ESG are consistent with the State's current HUD-approved consolidated plan.

DocuSign by:

Signature of Authorized Official

05/30/25 | 6:36 PM EDT

Date

Deputy Secretary for Opportunity and Wellbeing
Title

Application for Federal Assistance SF-424		
<div> <div> * 1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application </div> <div> * 2. Type of Application: ☐ New ☒ Continuation ☐ Revision </div> <div> * If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/> </div> </div>		
<div> <div> * 3. Date Received: Completed by Grants.gov upon submission </div> <div> 4. Applicant Identifier: <input type="text"/> </div> </div>		
5a. Federal Entity Identifier: <input type="text"/>		5b. Federal Award Identifier: NCH25-F999
State Use Only:		
6. Date Received by State: <input type="text"/>		7. State Application Identifier: <input type="text"/>
B. APPLICANT INFORMATION:		
* a. Legal Name: North Carolina Department of Health and Human Services		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 561636462		* c. UEI: DKT3LLBWFVL3
d. Address:		
* Street1: 2025 Mail Service Center		
Street2: <input type="text"/>		
* City: Raleigh		
County/Parish: <input type="text"/>		
* State: NC		
Province: <input type="text"/>		
* Country: USA: UNITED STATES		
* Zip / Postal Code: 27699-2025		
e. Organizational Unit:		
Department Name: <input type="text"/>		Division Name: <input type="text"/>
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text"/> * First Name: Samantha		
Middle Name: <input type="text"/>		
* Last Name: Radel		
Suffix: <input type="text"/>		
Title: Chief Budget Officer		
Organizational Affiliation: NC Division of Public Health		
* Telephone Number: 919-623-3312		Fax Number: <input type="text"/>
* Email: samantha.radel@dhhs.nc.gov		

Application for Federal Assistance SF-424			
* 9. Type of Applicant 1: Select Applicant Type:			
State Government			
Type of Applicant 2: Select Applicant Type:			
Type of Applicant 3: Select Applicant Type:			
* Other (Specify):			
* 10. Name of Federal Agency:			
HUD			
11. Catalog of Federal Domestic Assistance Number:			
20.108			
CFDA Title:			
* 12. Funding Opportunity Number:			
* Title:			
13. Competition Identification Number:			
Title:			
14. Areas Affected by Project (Cities, Counties, States, etc.):			
	Add Attachment	Delete Attachment	View Attachment
* 15. Descriptive Title of Applicant's Project:			
State Administered HOPWA Program			
Attach supporting documents as specified in agency instructions.			
Add Attachments	Delete Attachments	View Attachments	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant NC-002	* b. Program/Project NC-ALL
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
17. Proposed Project:	
* a. Start Date: 06/01/2025	* b. End Date: 05/31/2028
18. Estimated Funding (\$):	
* a. Federal	\$4,148,325
* b. Applicant	\$0
* c. State	\$0
* d. Local	\$0
* e. Other	\$0
* f. Program Income	\$0
* g. TOTAL	\$4,148,325
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
☐ a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>	
☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
☒ c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
☐ Yes ☒ No	
If "Yes", provide explanation and attach:	
<input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)	
☒ ** I AGREE	
<small>** The list of certifications and assurances, or an internet site where you may obtain this list is contained in the announcement or agency specific instructions.</small>	
Authorized Representative:	
Prefix: <input type="text"/>	* First Name: Devdutta
Middle Name: <input type="text"/>	
* Last Name: Sangval	
Suffix: <input type="text"/>	
* Title: Secretary, NC DHHS	
* Telephone Number: 919-855-4800	Fax Number: <input type="text"/>
* Email: Secretary@dhhs.nc.gov	
* Signature of Authorized Representative: [Signature]	* Date Signed: 07/03/25 12:27 PM EDT

**Applicant and Recipient
Assurances and Certifications**

U.S. Department of Housing
and Urban Development

OMB Number: 2501-0046
Expiration Date: 03/31/2021

Instructions for the HUD 424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual, must provide the following assurances and certifications. The Responsible Civil Rights Official has specified this form for use for purposes of general compliance with 24 CFR §§ 1.5, 3.115, 8.50, and 146.25, as applicable. The Responsible Civil Rights Official may require specific civil rights assurances to be furnished consistent with those authorities and will specify the form on which such assurances must be made. A failure to furnish or comply with the civil rights assurances contained in this form may result in the procedures to effect compliance at 24 CFR §§ 1.8, 3.115, 8.57, or 146.39.

By submitting this form, you are stating that all assertions made in this form are true, accurate, and correct.

As the duly representative of the applicant, I certify that the applicant (insert below the Name and title of the Authorized Representative, name of Organization and the date of signature):

*Authorized Representative Name:

Debra E. Simpson

*Title: Secretary, HHS

*Applicant/Recipient Organization:

North Carolina Department of Health and Human Services

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the application to act in connection with the application and to provide any additional information as may be required.

2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).

3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR part 6, the American Disabilities Act (42 U.S.C. §§ 12101 et seq.), and implementing regulations at 28 CFR part 35 or 36, as applicable, and the Age Discrimination Act of 1975 (42 U.S.C. § 6101-07) as amended, and implementing regulations at 24 CFR part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR part 100, which prohibit discrimination in housing on the basis of race, color, religion, sex, disability, familial status, or national origin and will affirmatively further fair housing; except an applicant which is an Indian tribe or its instrumentalities which is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant

will comply with the nondiscrimination requirements within the designated population.

5. Will comply with all applicable Federal nondiscrimination requirements, including those listed at 24 CFR §§ 5.105(a) and 5.108 as applicable.

6. Will not use Federal funding to promote diversity, equity, and inclusion (DEI) mandates, policies, programs, or activities that violate any applicable Federal anti-discrimination laws.

7. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR part 24 and, as applicable, Section 104(c) of the Housing and Community Development Act of 1974 (42 U.S.C. § 3304(c)) and implementing regulations at 24 CFR part 42, subpart A.

8. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property.

9. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-11, Disclosure Form to Report Lobbying. I certify that I shall require all subgrantees at all times (including sub-grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHEs established under State law are not excluded from the statute's coverage.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, accurate, and correct. **WARNING:** Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. § 3729, 3802; 24 CFR § 26.10(b)(1)(ii)).

* Signature:

Signed by:
Debra E. Simpson
13007E3A10B6401...

* Date: (mm/dd/yyyy):

06/23/25 | 12:11 PM EDT

Form HUD 424-B (1/27/2023)

Public Reporting Burden Statement: The public reporting burden for this collection of information is estimated to average 0.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Comments regarding this burden estimate and any suggestions for reducing this burden can be sent to: U.S. Department of Housing and Urban Development, Office of the Chief Data Officer, R, 451 7th St SW, Room 4176, Washington, DC 20410-5000. **Do not send completed HUD 424-B forms to this address.** This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. The Department of Housing and Urban Development is authorized to collect this information under the authority cited in the Notice of Funding Opportunity for this grant program. The information collected provides assurance and certifications for legal requirements related to the administration of this grant program. HUD will use this information to ensure compliance of its grantees. This information is required to obtain the benefit sought in the grant program. This information will not be held confidential and may be made available to the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Form HUD 424-B (12/2023)



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

JOSH STEIN • Governor
DR. DEVDUTTA SANGVAI • Secretary

September 8, 2025

JULY 2025

SIGNATURE REQUEST MEMORANDUM

TO: Dr. Devdutta Sangvai, Secretary

THROUGH: Debra Farrington, Deputy Secretary

FROM: Chris Kippes, Epidemiology Section | Communicable Disease Branch

RE: Request for Signature – 2025 Housing Opportunities for Persons Living with AIDS (HOPWA) Certifications document

Purpose

Attached for review & signature is the certifications document that is part of the 2025 Housing Opportunities for Persons Living with AIDS (HOPWA) Federal Assistance Application submitted on September 8, 2025, with a due date of September 10, 2025.

Clearance

This certification document for the 2025 Housing Opportunities for Persons Living with AIDS (HOPWA) Federal Assistance Application has been reviewed for both accuracy and completeness by:

Cc: Kimberly Christmas

Samantha Radel, Budget Officer [Signature] 09/08/25 | 12:31 PM EDT

Samantha Radel, Chief Budget Officer [Signature] 09/08/25 | 12:31 PM EDT

Zack Moore, MD., MPH, Section Chief

Kelly Kimple, MD., MPH, Director Division of Public Health [Signature] 09/08/25 | 2:39 PM EDT

Melissa D. Dunston, MBA, Department Grants Coordinator [Signature] 09/08/25 | 3:12 PM EDT

Cc: Kimberly Christmas

Debra Farrington, Deputy Secretary for Health [Signature] 09/09/25 | 9:53 AM EDT

Cc: Beth Coberly

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • OFFICE OF THE SECRETARY

LOCATION: 101 Blair Drive, Adams Building, Raleigh, NC 27603
MAILING ADDRESS: 2001 Mail Service Center, Raleigh, NC 27699-2000
www.ncdhhs.gov • TEL: 919-855-4800 • FAX: 919-715-4645

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Melissa Dunston
Kelly Kimple
Jeneen Preciose
Ryan Jury
Karen Wade
Kimberly Christmas

Background and Summary of Request

It is recommended that you sign the certifications document for the FY25 HOPWA application, in response to the NC Department of Commerce's request to do so for inclusion in their consolidated housing assistance request to HUD as part of the Annual Action Plan. The HOPWA application is part of this consolidated request which also includes requests related to the Community Development Block Grant and the Emergency Solutions Grants Program.

- We received notification from NC Department of Commerce yesterday, September 7th, that they need signature and date on the certifications document to be able to include it with additional information by Wednesday, September 10th.
- The certifications document was not provided to us as part of our application materials that were routed for review and signature in June.

Housing Opportunities for Persons With AIDS Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the consolidated plan:

1. For a period of not less than 10 years, in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
2. For a period of not less than 3 years, in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

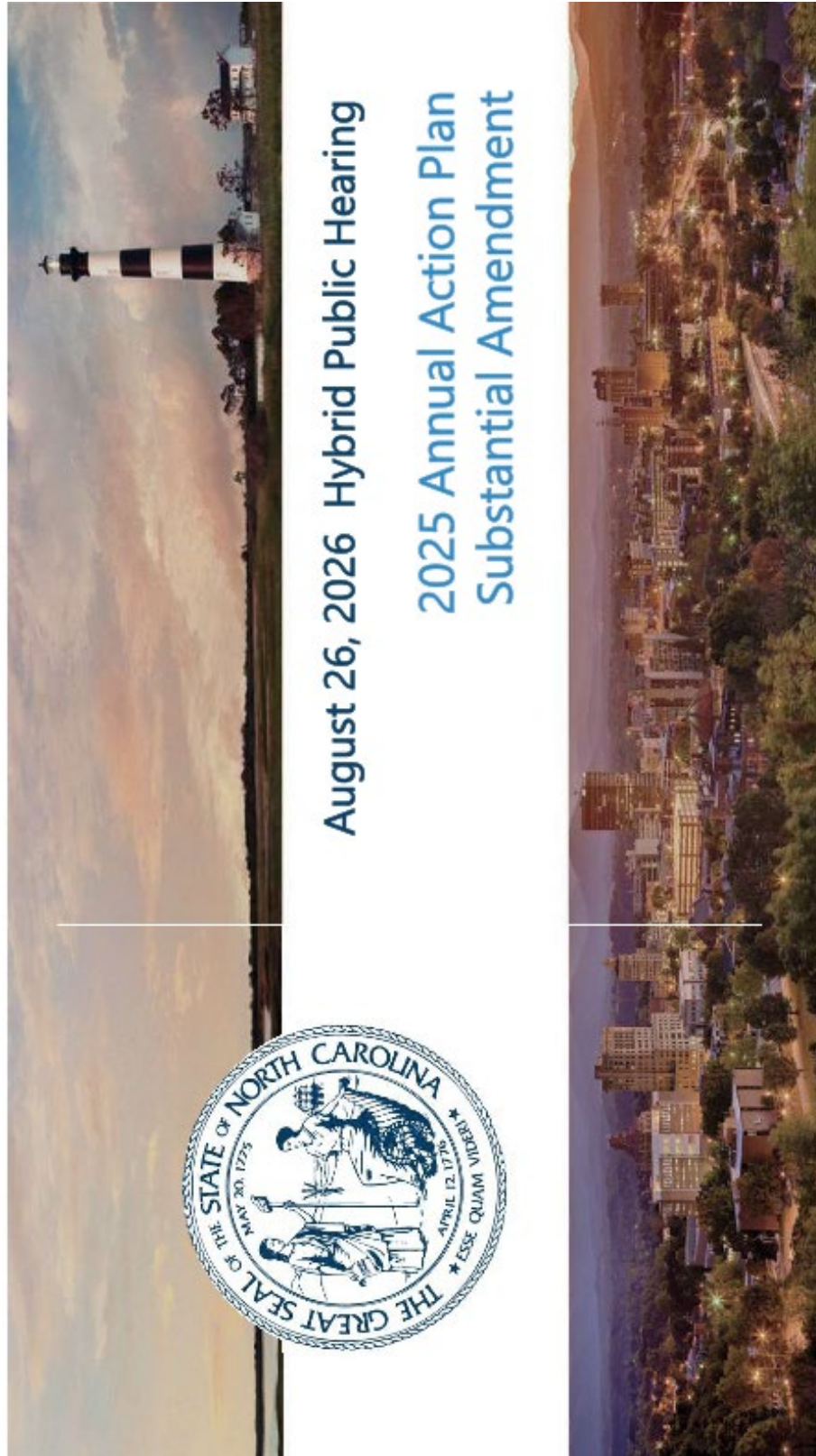
Signed by:

Debra Farrington on behalf of Secretary Dandutta Sangrai
Signature of Authorized Official

06/03/2021 5:44 PM
Date

Secretary, DHHS

Title





Welcome and Introduction

Welcome to the Hybrid Public Hearing for the 2025 Annual Action Plan Substantial Amendment

Today's Rural Economic
Development Division (REDD)
Presenter and Staff:

John F. Brooks,
CDBG Section Chief



**NC DEPARTMENT
of COMMERCE**
RURAL ECONOMIC
DEVELOPMENT



NORTH CAROLINA DEPARTMENT OF COMMERCE

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Agenda

2025 AAP Substantial Amendment Hybrid Public Hearing

- Welcome and Introduction
- Instructions
- Purpose for the Substantial Amendment
- Overview of Changes
- Opening of Public Comment Section
- Closing of Public Comment Section



NC DEPARTMENT
of COMMERCE
RURAL ECONOMIC
DEVELOPMENT

NORTH CAROLINA DEPARTMENT OF COMMERCE

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Instructions

The Rural Economic Development Division of NC Commerce seeks public input on its substantial amendment to the HUD-approved 2025 Annual Action Plan.

During the hearing, we ask that all participants:

- **Mute** all devices
- **Wait** until the public comment section is open for all comments
- **Note** that online participants will be invited to speak first; then, telephone participants, followed by in-person participants
- **Be aware** that all comments will be captured and considered for the final substantial amendment
- **Be understanding** that staff will not respond to comments or questions today.

REDD will post the final 2025 substantial amendment on the North Carolina Department of Commerce's website at www.commerce.nc.gov

NORTH CAROLINA DEPARTMENT OF COMMERCE

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Purpose for the Substantial Amendment

1. The substantial amendment proposes to reallocate **\$13,403,255.00** in CDBG Economic Development (ED) funds to the CDBG Neighborhood Revitalization (NR) program to assist individuals with housing, neighborhood improvements, and other eligible activities. The reallocated \$12.9 million is intended to primarily benefit low- and moderate-income households through eligible activities such as housing rehabilitation, infrastructure improvements, and neighborhood enhancements under the Neighborhood Revitalization program. No displacement of persons or businesses is anticipated.
2. The State will eliminate the **predetermined maximum award amount for CDBG-NR funding**. The absence of a predetermined maximum award does not constitute an entitlement to funding or permit an applicant to receive any requested amount.
3. The State will also establish a **year-round open CDBG-NR application cycle**. Under the year-round approach, eligible units of general local government may submit applications throughout the year, subject to the availability of funds and applicable State and HUD requirements.



NORTH CAROLINA DEPARTMENT OF COMMERCE

2025 Annual Action Plan

- A copy of the State's amended 2025 Annual Action Plan Substantial Amendment will be available for public review from August 16, 2026-September 17, 2026. All documents are available on the North Carolina Department of Commerce website (www.commerce.nc.gov). Copies are also available by request from REDD. Contact John Brooks at john.brooks@commerce.nc.gov to receive a copy



Opening of Public Comment Period

This concludes my presentation, and now the hybrid public hearing is open for comments. Please assist us by the following:

- **Please note** that online participants will be invited to speak first; then, telephone participants, followed by in-person participants.
- **Unmute** your device if you wish to speak.
- **Provide your name and the organization you represent.** If you are an online participant and you wish to provide your comment via chat, please provide the requested information via chat with your comment. If you are an online participant who will be verbally giving your comment, or a telephone or in-person participant, please provide the requested information before your comment.
- **Speak clearly** so we can capture your full comment.
- **Limit your comment** to no longer than **2 minutes**.

As required, **we will document your public comment**; however, we are not permitted to respond during the hybrid public hearing.



The 2025 Annual Action Plan Substantial Amendment Hybrid Public
Hearing comment period has now ended.



Continued....Closing of Public Hearing Comment Period

- All comments will be received until **September 17, 2026**, at 5:00 pm EST
- Any comments received in writing or orally at the hybrid public hearing will be considered in preparing the 2025 Annual Action Plan Substantial Amendment Submission.
- All records are available to the public under G.S. 132 and will be made accessible to interested individuals and groups during normal working hours.
- The final 2025 AAP Substantial Amendment will be submitted to HUD for review and approval.

Note: The NC Citizen Participation Plan and most current versions of the draft 2025 Annual Action Plan Substantial Amendment are located on North Carolina Department of Commerce's website at www.commerce.nc.gov

NORTH CAROLINA DEPARTMENT OF COMMERCE

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Email: john.brooks@commerce.nc.gov

Mail: **John F. Brooks**, Attn: Public Comment, Rural
Economic Development Division, 4346 Mail Service Center,
Raleigh, NC 27699-4346



NORTH CAROLINA DEPARTMENT OF COMMERCE

Thank You for Your Participation. REDD Values Your Input.



This concludes the hybrid public hearing for the 2025 AAP
Substantial Amendment.

NORTH CAROLINA DEPARTMENT OF COMMERCE



**NC DEPARTMENT
of COMMERCE**
RURAL ECONOMIC
DEVELOPMENT



NCDHHS



**NORTH
CAROLINA
HOUSING**
FINANCE AGENCY

Substantial Amendment

2025 Annual Action Plan

August 16, 2026

NORTH CAROLINA 2025 ANNUAL ACTION PLAN

SUBSTANTIAL AMENDMENT

AP-05 – Executive Summary

The North Carolina 2025 Annual Action Plan (AAP) is the fifth Annual Action Plan under the 2021–2025 North Carolina Consolidated Plan. Consistent with the strategies and goals established in the 2025 AAP, North Carolina continues to prioritize housing, community development, neighborhood revitalization, and related services. To advance these goals, the State continues to emphasize coordination among State agencies, improvements to State housing policies and programs, and the strategic alignment of federal and State funding resources.

This Substantial Amendment proposes a **one-time reallocation of \$13,403,255.00 in Program Year 2025 CDBG funds from the Economic Development (ED) Program to the CDBG Neighborhood Revitalization (CDBG-NR) Program**. The reallocation applies only to Program Year 2025 and does not modify the State of North Carolina’s overall CDBG allocation methodology.

This is the second year in which the State has proposed reallocating CDBG funds originally designated for Economic Development to the CDBG-NR Program. In 2024, HUD approved a Substantial Amendment that allowed the State to reallocate available Economic Development funds to the CDBG-NR Program. The proposed 2025 reallocation builds upon that approach while remaining limited to the 2025 program year.

The reallocated funds will supplement the funds otherwise available for the CDBG-NR Program for Program Year 2025. The funds will be administered in accordance with the State of North Carolina’s existing, HUD-approved Method of Distribution (MOD) for the CDBG-NR Program.

For the current 2025 funding cycle, the reallocated funds will be used to make awards to eligible CDBG-NR applications that were submitted by the previously established application deadline and that meet all applicable eligibility requirements. Applications will continue to be evaluated through the State’s established rating and selection process.

In addition to the one-time reallocation, this Substantial Amendment establishes changes to the administration of the CDBG-NR Program. The State will eliminate the predetermined maximum award amount for CDBG-NR funding. The absence of a predetermined maximum award does not constitute an entitlement to funding or permit an applicant to receive any requested amount. All funding requests must remain reasonable and necessary based on the scope and cost of the proposed project and must comply with applicable CDBG requirements, the State’s rating and selection process, and the availability of funds.

The State will also establish a **year-round open CDBG-NR application cycle**. Under the year-round approach, eligible units of general local government may submit applications throughout the year, subject to the availability of funds and applicable State and HUD requirements. This approach will allow the State to respond more efficiently to eligible neighborhood revitalization, housing, infrastructure, and community development needs as they arise.

The year-round open application cycle will also allow the State to utilize **deobligated CDBG funds** that become available during the program year. Rather than holding such funds until the next regularly scheduled annual application cycle, available deobligated funds may be returned to the CDBG-NR funding pool and used to make awards to eligible projects through a year-round open application cycle, consistent with the State's Method of Distribution and applicable HUD requirements.

The proposed changes will provide the State with greater flexibility to address immediate community needs while maximizing the timely obligation and expenditure of available CDBG resources. The State will continue to ensure that funded activities meet all applicable CDBG national objective and eligible activity requirements, as well as environmental review and other applicable Federal and State requirements.

The one-time reallocation of **\$13,403,255.00** remains limited to Program Year 2025 and does not change the State's overall CDBG allocation methodology. The changes to the CDBG-NR award limit and funding cycle will apply to the administration of the CDBG-NR Program beginning with this amendment and will be incorporated into subsequent Annual Action Plans, as applicable.

The proposed reallocation and program changes remain consistent with the goals, objectives, and priorities identified in the **2021–2025 North Carolina Consolidated Plan** and the **2025 Annual Action Plan**.

AP-30 – Method of Distribution

The North Carolina 2025 Annual Action Plan Substantial Amendment includes a **one-time reallocation of \$13,403,255.00 in Program Year 2025 CDBG funds from the Economic Development (ED) Program to the CDBG Neighborhood Revitalization (CDBG-NR) Program**.

The reallocation applies only to Program Year 2025 and does not change the State of North Carolina's overall CDBG allocation methodology. The reallocated funds will supplement the funds otherwise available for the CDBG-NR Program for Program Year 2025.

Distribution of Reallocated Funds

The reallocated funds will be distributed in accordance with the State of North Carolina's existing, HUD-approved Method of Distribution (MOD) for the CDBG-NR Program.

For the current 2025 application cycle, the reallocated funds will be used to make awards to eligible CDBG-NR applications that were submitted by the application deadline previously established by the State. Applications will be evaluated using the State's established rating and selection process.

To receive funding, an application must meet all applicable CDBG-NR program requirements and eligibility criteria. Funding decisions will consider the application's rating, eligibility of the proposed activities, demonstrated community need, reasonableness and necessity of the requested funding, availability of funds, and the State's ability to make timely and compliant obligations.

The reallocation will therefore allow the State to increase the amount of funding available for eligible CDBG-NR applications without changing the established application evaluation and rating process.

CDBG-NR Award Amount

As part of this Substantial Amendment, the State will **eliminate the predetermined maximum award amount for the CDBG-NR Program**.

The elimination of a predetermined maximum award amount does not create an entitlement to funding or authorize applicants to receive unlimited funding. Each funding request must be supported by the scope and cost of the proposed project and must be reasonable and necessary to accomplish the eligible activity.

All awards will remain subject to:

- Applicable CDBG statutory and regulatory requirements;
- National objective requirements;
- Eligible activity requirements;
- The State's CDBG-NR application, rating, and selection procedures;
- Availability of CDBG funds; and
- The State's ability to make timely and compliant obligations and expenditures.

Removing the predetermined maximum award amount will provide the State with greater flexibility to fund larger eligible neighborhood revitalization projects when warranted by the demonstrated need, scope, cost, and impact of the proposed project.

Year-Round CDBG-NR Open Application Cycle

The State will continue to award funds through its annual application cycle with the announcement of a NOFA (Notice of Funding Availability). Funds that have been deobligated will be awarded throughout the year round open application cycle as they become available.

Under the year-round open application cycle, eligible units of general local government may submit CDBG-NR applications throughout the year, subject to the availability of funds and applicable State and HUD requirements.

Applications received through the year-round open application cycle will be reviewed and evaluated using the State's established eligibility, rating, and selection procedures. The year-round open application cycle does not eliminate the State's competitive review process or the requirement that proposed projects satisfy all applicable CDBG requirements.

The year-round open application cycle will provide the State with greater flexibility to address eligible neighborhood revitalization, housing, infrastructure, economic development and community development needs as they arise.

Use of Deobligated Funds

The year-round open application cycle will allow the State to more efficiently utilize **CDBG funds that become available through deobligation.**

When CDBG funds are deobligated and become available for reprogramming, such funds may be returned to the CDBG-NR funding pool and used to make awards to eligible CDBG-NR projects through the year-round open application process, subject to applicable State and HUD requirements.

This approach will allow the State to utilize available resources throughout the program year rather than holding deobligated funds until the next regularly scheduled annual application cycle.

The use of deobligated funds will remain subject to the State's established application, rating, selection, and approval procedures and all applicable CDBG requirements.

Program Compliance

The State will continue to ensure that all CDBG-NR activities receiving funding comply with applicable Federal and State requirements. Funded activities must meet the applicable CDBG national objective and eligible activity requirements and must satisfy all applicable environmental review, financial management, procurement, labor standards, civil rights, and other Federal and State requirements.

The elimination of the predetermined maximum award amount and implementation of a year-round application cycle do not alter the underlying eligibility requirements for CDBG-NR activities.

Purpose and Effect of the Amendment

The one-time reallocation of **\$13,403,255.00** from the Economic Development Program to the CDBG-NR Program will allow the State to address immediate neighborhood revitalization needs and maximize the timely obligation and expenditure of available Program Year 2025 CDBG funds.

The revised CDBG-NR award structure and year-round open application cycle will provide the State with additional flexibility to respond to eligible community needs and efficiently utilize funds that become available through deobligation.

The **2025 reallocation is limited to Program Year 2025** and does not modify the State's overall CDBG allocation methodology. The changes to the CDBG-NR award limit and funding cycle will apply to the administration of the CDBG-NR Program beginning with this amendment and will be incorporated into subsequent Annual Action Plans, as applicable.

Citizen Participation Outreach Summary for the Substantial Amendment to the 2025 Annual Action Plan

Submitted October 14, 2026

The State of North Carolina NC Plan Partners held one hybrid public hearing to receive public input on the Substantial Amendment to the 2025 Annual Action Plan.

August 26, 2026, at 10:00 am Public Hearing: August 26, 2026, Hybrid Public Hearing for the Substantial Amendment to the 2025 Annual Action Plan was held as a hybrid meeting using the Microsoft TEAMS Meeting web platform. The in-person meeting was held in the North Carolina Housing Finance Agency (NCHFA) conference room. Participants had the option to use the internet or a call-in number. This format was consistent with the State of North Carolina's Citizen Participation Plan. The NC Department of Commerce posted the notice of the hearing on the NC Commerce website, social media sites, and emailed the notices to local governments, stakeholders and other interested parties. No one attended the meeting in person and 3 people joined virtually. Documentation is attached including the PowerPoint presentation.

Public Comments: The public comment period began on Tuesday August 16, 2026, and ended - September 17, 2026. John F. Brooks of the NC Department of Commerce served as the public comment coordinator and received no comments from the public hearing.

Attachments: The Citizen Participation attachments are:

- Notices of Public Hearings
- Substantial Amendment to the 2025 Annual Action Plan PowerPoint presentation.

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AFFIDAVIT OF PUBLICATION

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Raleigh, NC 27601-1258

STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned, a Notary Public, duly commissioned, qualified and authorized by law to administer oaths, personally appeared said legal clerk, who, being first duly sworn, deposes and says: that he/she is the legal clerk of The Asheville Citizen Times, engaged in publication of a newspaper known as The Asheville Citizen-Times, published, issued and entered as first class mail in the city of Asheville, in Buncombe County, State of North Carolina; that he/she is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached here to, was published in said newspaper in the issues dated:

ASH Asheville Citizen-Times 08/16/2026
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That said newspaper in which said notice, paper, document or legal advertisement was published was, at the time of each and every publication, a newspaper meeting all the requirements and qualifications of Section 1.597 of the General Statutes of North Carolina.

Sworn to and subscribed before on 08/16/2026

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NOTICE OF HYBRID PUBLIC HEARING AND COMMENT PERIOD

2025 Annual Action Plan – Substantial Amendment

AGENCY: North Carolina Department of Commerce, Rural Economic Development Division (REDD)

ACTION: This notice serves as notification that the North Carolina Department of Commerce Rural Economic Development Division (REDD) will host an official hybrid public hearing regarding the State of North Carolina's 2025 Annual Action Plan Substantial Amendment. This hearing is open to in-person and virtual attendees for all who wish to learn and provide input about the substantial amendment. The draft substantial amendment may receive updates prior to submission to the U.S. Department of Housing and Urban Development (HUD).

The substantial amendment proposes to reallocate \$13,403,255.00 in CDBG Economic Development (ED) funds to the CDBG Neighborhood Revitalization (NR) program to assist with housing, neighborhood improvements, and other eligible activities.

In addition, the state is proposing to establish a year-round awards cycle and to award funds with a no maximum award amount, which will allow us to respond dynamically to urgent needs in the CDBG program.

SUMMARY

The 2025 Annual Action Plan (AAP) establishes federal investments and associated activities in the four Core Federal Plan partnership areas. The document includes the following programs funded by HUD:

- Small Cities Community Development Block Grant (CDBG)
- HOME Investment Partnerships (HOME)
- Emergency Solutions Grants (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)

Impact on Low- and Moderate-Income Persons and Displacement

The reallocated \$13,403,255.00 is intended to primarily benefit low- and moderate-income households through eligible activities such as housing rehabilitation, infrastructure improvements, and neighborhood enhancements under the Neighborhood Revitalization program. No displacement of persons or businesses is anticipated. If displacement occurs, the funds will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act and HUD regulations at 24 CFR §570.908(b) to provide appropriate relocation assistance.

The proposed year-round open awards cycle and awarding funds with no set maximum award amount will allow the state to respond to needs and amounts needed as projects and activities warrant.

AVAILABILITY OF REVIEW MATERIAL

A copy of the State's amended 2025 Annual Action Plan Substantial Amendment will be available for public review from August 15, 2025 to September 17, 2025. All documents are available on the North Carolina Department of Commerce website (www.commerce.nc.gov). Copies are also available by request from REDD. Contact John Brooks at john.brooks@commerce.nc.gov to receive a copy.

PUBLIC COMMENT PERIOD

Comments concerning the 2025 Substantial Amendment should be made during the scheduled public comment period or hybrid public hearing. The scheduled comment period is from August 15, 2025, to September 17, 2025. Written comments will be accepted until 5:00 PM EST on the closing date and may be submitted via:

- Email: john.brooks@commerce.nc.gov
- Mail: John T. Brooks, ATR, Public Comment, Rural Economic Development Division, 434B Mail Service Center, Raleigh, NC 27699-4346

Any mailed comments received after the last day of the public comment period must use a postmark dated on or before September 17, 2025, to be considered.

Summary of Comments: All comments received during the public comment period and at the public hearing will be reviewed and considered by REDD. A summary of all comments and the State's responses will be included in the final submission to HUD and posted on the Department's website.

HYBRID PUBLIC HEARING

An official hybrid public hearing will be held on August 26, 2025, at 10:00 AM:

- In-Person Location: North Carolina Housing Finance Agency, 350B Bush Street, Raleigh, NC 27609
- Microsoft Teams meeting

Join: <https://teams.microsoft.com/join/296335179659857?qs=PDH0R0XKcy92hEwP>

Meeting ID: 296 335 179 659 857

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Persons with disabilities or who otherwise need assistance should contact John Brooks at john.brooks@commerce.nc.gov in advance of the hearing. Accommodation will be made for all who request assistance by 5:00 PM, Tuesday, August 24, 2020.

Language Access: Si necesita esta información en español, por favor póngase en contacto con John F. Brooks al 819-816-1663. Additional language assistance is available upon request.



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Annual Action Plan
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