



Buncombe County Board of Commissioners

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March 18, 2025

Deputy Secretary Stephanie McGarrah
Division of Community Revitalization
North Carolina Department of Commerce
301 N. Wilmington St
Raleigh, North Carolina 27601

RE: Public Comment on Draft CDBG-DR Plan

Deputy Secretary McGarrah,

On September 27, 2024, Tropical Storm Helene and the floods associated with the storm wreaked havoc on Western North Carolina, with extraordinary devastation in Buncombe County. As indicated in your draft Action Plan, Buncombe County and the City of Asheville were the “most hard-hit jurisdictions” with over 87,000 FEMA Individual Assistance applications, 360+ homes destroyed, and a peak unemployment of 10.4% in Buncombe County alone.

As the North Carolina Department of Commerce prepares to administer its \$1.4 billion direct allocation for the Community Development Block Grant Disaster Recovery (CDBG-DR), Buncombe County Commissioners want to express our gratitude for the tremendous effort in quickly producing a draft Action Plan and the opportunity to provide our comments. This Action Plan will help to address the unmet needs in our communities as we continue recovering from Helene.

Based on our review of the plan, we have identified the below primary areas of consideration. Additionally, we have attached a detailed list of questions and comments.

- **Support Renters:** Additional funding for new rental construction and rental assistance. 50% of Buncombe County’s impacted residents are renters.
- **Improve Preparedness:** Flexible infrastructure funding that can be used for emergency preparedness, mitigation and resilience.
- **Focus on Unmet Needs:** Allocation of funds based on disaster impact and specifically loss of housing. Buncombe County represents 32% of IA applications across the state.

Buncombe County remains committed to working with the state to ensure the recovery from Hurricane Helene continues without pause. We look forward to continuing our shared work in Western North Carolina’s recovery from Hurricane Helene and to receiving your responses to our comments and questions, shared below.

Sincerely,

Amanda Edwards, Chair
Buncombe County Board of Commissioners



This attachment outlines Buncombe County's comments on the State CDBG-DR Draft Plan on (1) questions about all competitive grant programs, (2) Housing, (3) Infrastructure, and (4) Economic Revitalization.

Competitive Grant Programs

These questions apply to all competitive grant programs listed in the State's Draft CDBG-DR Plan

1. (2.2, p.26) Buncombe County seeks clarification with regard to all competitive grant programs about use of funds within Asheville City Limits:
 - a. Will state managed CDBG-DR funds be able to be applied to projects and activities supporting Buncombe County's recovery but occurring within the City of Asheville's jurisdictional boundaries given that the City of Asheville received its own direct allocation of CDBG-DR funds?
2. Mixed Use Development and Infrastructure for Affordable Housing - will local governments be able to use funding from multiple programs for projects? For example, water, sewer, and sidewalk infrastructure for the development of a multi-family 80% AMI housing development. Or a mixed commercial and affordable housing development.

Housing

Comments

1. (5.2.3.1, p. 77) Buncombe County supports the approach of a state centric model as this will reduce the overall administrative burden of running a Reconstruction and Rehabilitation program.

Requests for Consideration

1. (5.2.3, p. 77) Buncombe County recommends allocating \$746,994,000 for owner-occupied housing and \$305,080,000 for renter-occupied housing.
 - a. This suggested allocation of funds aligns with the unmet needs in Table 9 (2.2.2, p. 33) in the State's Draft Action Plan, which estimates there are 546,439 (71%) homeowner households and 215,806 (29%) renter households that were impacted by Helene in the combined MID areas.
 - b. The funding currently allocated to rehabilitating or constructing rental units represents only 18% of housing funds (1.1, p. 8, Table 1).
 - c. For the suggested \$305,080,000 for renter-occupied housing, the County recommends:
 - i. Increasing funding for rental housing repairing and constructing rental to match MID area estimates (approximately \$280,080,000).
 - ii. The County also suggests the state consider funding a rental assistance program at \$25,000,000. The County anticipates a gap in funding when FEMA Rental Assistance ends, before replacement units are available.
 - d. Suggested funding allocations represent a shift of \$113,740,000 (11% of housing funds) from owner-occupied programs to rental programs and are as follows:

Housing	Program	Plan Allocation	%	Allocation	%
Owner-Occupied	Reconstruction & Rehabilitation	\$807,354,000	77%	\$693,614,000	66%
	Workforce Housing	\$53,380,000	5%	\$53,380,000	5%
Rental	Multifamily Construction	\$191,340,000	18%	\$280,080,000	27%
	Rental Assistance	\$0	0%	\$25,000,000	2%
Total		\$1,052,074,000	100%	\$1,052,074,000	100%

2. (5.2.3.3, p. 86) Buncombe County recommends increasing the funding cap for large multifamily projects from \$10 million to \$25 million. Based on Buncombe County experience we believe the current limit on this gap funding source may be insufficient to support the development and completion of impactful multifamily housing projects. In Buncombe County, we have seen gaps range from \$5 million to \$34 million in recent years. Increasing the cap would allow communities to pursue large-scale developments that deliver units available to low- and moderate-income household with critical housing needs in disaster-affected areas.

Questions for Clarification

1. (2.2, p.27) Buncombe County seeks clarification with regard to the Workforce Housing and Multifamily Construction Programs:
 - a. Will the State consider pre-disaster affordable housing needs, as identified in previous housing needs assessments, in prioritizing projects to receive funding under these programs? For example, in 2021, the [Bowen Report](#) demonstrated a need of 5,400 affordable rental units in Buncombe County and over 13,000 affordable rental units across 18 counties in Western North Carolina. This affordable housing gap has been exacerbated by Helene.
2. (5.2.3.1, pg. 77) Buncombe County seeks clarification on the following with regard to the Reconstruction and Rehabilitation Program:
 - a. How will the reconstruction benefit be available to homeowners who cannot rebuild their previously permitted structure due to location within the floodplain or an unstable landslide-impacted slope?
 - b. How will residents who live in counties with the highest rates of damage be prioritized to receive services and how will the state track and report use of reconstruction and rehabilitation services?
3. (5.2.3.3, p. 86) Buncombe County seeks clarification regarding the Multifamily Construction Program:
 - a. Will the state consider distributing this funding directly to local governments (similar to practices in federal programs, such as LIHTC, where local government involvement is prioritized)? This model has many benefits including: accelerating

housing recovery efforts; supporting long-term disaster recovery goals; streamlining project execution; leveraging existing relationships; ensuring efficient use of funds; improving affordability; generating local jobs; and aligning projects with regional housing needs, zoning regulations, and infrastructure requirements.

Infrastructure

Requests for Consideration

1. (5.2.4.1, pg. 90) Buncombe County requests further definition of the types of eligible projects for the Community Infrastructure program. For counties to begin planning projects that align with the state's Infrastructure CDBG DR program, the state should define the types of eligible infrastructure. Please indicate whether the state intends to include the below types of projects:
 - a. emergency operation center and response facilities,
 - b. communication systems resilience,
 - c. emergency sheltering,
 - d. community resource centers,
 - e. water system improvements,
 - f. sewer expansion, and
 - g. flood mitigation and detection.

Questions for Clarification

1. (5.2.4.1, pg. 90) The FEMA Public Assistance and Hazard Mitigation Grant Program (HMGP) timelines will impact local governments' ability to use these funds. How will the state align the competitive grant process with the end of HMGP acquisition for mitigation projects and the conclusion of FEMA PA projects?

Economic Revitalization

Comments

1. (5.2.5.1, pg. 93) Buncombe County supports the broad definition of Commercial Areas in the Commercial District Revitalization program, as this will benefit rural communities.

Requests for Consideration

2. (5.2.5.1, pg. 93) Given that the extensive damage to commercial districts in Western North Carolina was the result of many commercial areas' proximity to the floodplain, revitalization of these districts will require planning and mitigation. In addition to the activities already included in the Commercial District Revitalization program, Buncombe County requests that the activities listed below also be included as eligible. Please indicate whether the state intends to include these activities in the Commercial District Revitalization program:
 - a. planning,
 - b. public services,
 - c. mitigation,
 - d. streetscaping (sidewalks, ADA accessible features, and lighting), and
 - e. place-making activities.

3. (5.2.5.1, pg. 93) Farms and agricultural businesses were significantly impacted by Helene. The storm altered waterways, destroyed tracts of land, deposited debris, and removed topsoil across Western North Carolina's farms. Buncombe County requests that the State include funds for land restoration and agriculture recovery activities.
4. (5.2.5.1, pg. 93) Small businesses in Western North Carolina are still recovering from the financial impact of COVID and cannot afford to take on additional debt from loans. Buncombe County requests that the State includes funds for small business grants.

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